



 **PRORISK**

Tips for Growing your Insurance Broking Business

Growth hacks for authorised representatives, start up insurance brokerages, or any insurance broker wanting to 10x their business.



1

Find your niche

Implementing a niche marketing strategy involves focusing your efforts on a particular market segment rather than on the market as a whole. Because people and organisations often look for very particular types of insurance, this can be a successful broker strategy. As an insurance broker you can specialise in particular types of insurance that require specific skill sets.

Alternatively, you could focus your attention on a specific geographic region and target clients in that specific region. Staking out your patch of turf allows you to build trust within a community as a local advisor. Another target market could be to target a segment of society, such as high net worth individuals, or small business owners.

Identifying your target will ensure that your marketing efforts are targeted in the areas that will ensure that you have the greatest concentration for lead generation.



2

Develop a Business Plan and update it annually

A good business plan can help you secure finance, define the direction of your business and create strategies to achieve your goals. It will help you identify your strengths, weaknesses, opportunities and threats. It will help you understand what your overheads are going to be and it will help you make sure that you know where your break even point is. This in turn will set your revenue goals and help increase profits. A business plan helps you to understand your target market and refine your unique value proposition.

Your business plan could be anything between a basic 1-2 page outline to a 50+ page monster. It's your business plan, so it can be as short or long as you need. If the plan is just to keep you on track, you can cover the areas you think need to be addressed, or you can go into chapter and verse about every little detail. The benefits of a business plan are not limited to a specific length but can be tailored to your needs. Here are the main areas that you will need to address in your business plan:

- **A business description** which sets out who you are, and how will you meet the needs of your clients.
- **A market analysis** where you go into detail about your industry, your target market and who your major competitors will be.

- **A marketing plan** which will detail how you plan on getting clients through the door.
- **Financial projections** showing how much your overheads and start up costs are compared to your revenue projections.

You can download a free template for a business plan from: <https://www.business.gov.au/planning/templates-and-tools/business-plan-template-and-guide>

When done properly, a business plan will map out the template for your growth in detail and clearly set out what you will need to do to get your business to where you need to be, to realise your goals and increase your profitability.

OK, so you've got your plan. It doesn't end there. You need to check in on your plan every year and measure how successful, or unsuccessful you were against your plan. Where did you fall short? What strategies were successful? What strategies weren't so successful? What are you spending money on? Can these overheads be reduced? What's eating into your time? Can you afford to hire someone to help you out? If you haven't put together a proper plan, how do you know?

“Failing to plan is akin to planning to fail”



Develop a referral system

By building solid relationships with your clients, referrals will ultimately follow. Let's face it, if you're really, really good at what you do and your clients like you, they'll end up telling their friends about you. This doesn't come easy though!

You can help those referrals along by developing a referral system that rewards your clients for making a referral. Referrals generally come quicker when the client making the referral is incentivised. Think of ways of doing this that give something back to the referrer. It might mean a free risk assessment, discounted brokerage, movie tickets or just taking them out to lunch to say thanks!



Leverage a strategic partnership

Do you have a mate that runs the local accounting practice? Is your brother-in-law a financial planner? Is a client of yours a law firm that specialises in wills, estates and succession planning?

Well you might be able to form a strategic partnership with them and target your services to individuals that could benefit from the personalised approach and your specific knowledge and skill set.

Maybe your clients are constantly asking you questions about stuff that you aren't qualified to answer and you could start referring business in the direction of your strategic partner. Its up to you and your strategic partner to develop ways in which you can help one another out. For example, if your mate's accounting practice has a large number of high net worth clients, he may refer them to you to arrange quotations for their home and contents, art and specie, or car collection.



“Forming a strategic partnership is a great way to develop a referral channel.”

5

Improve your time management skills

Family, friends, taking your kids to sport, school drop offs and pick ups, volunteer activities, church - everything takes time. It's easy to run out. If you're like many brokers out there, you "borrow" sales time to run errands, sort out your paperwork, or you might stay out at lunch with a client for an hour more than you planned!

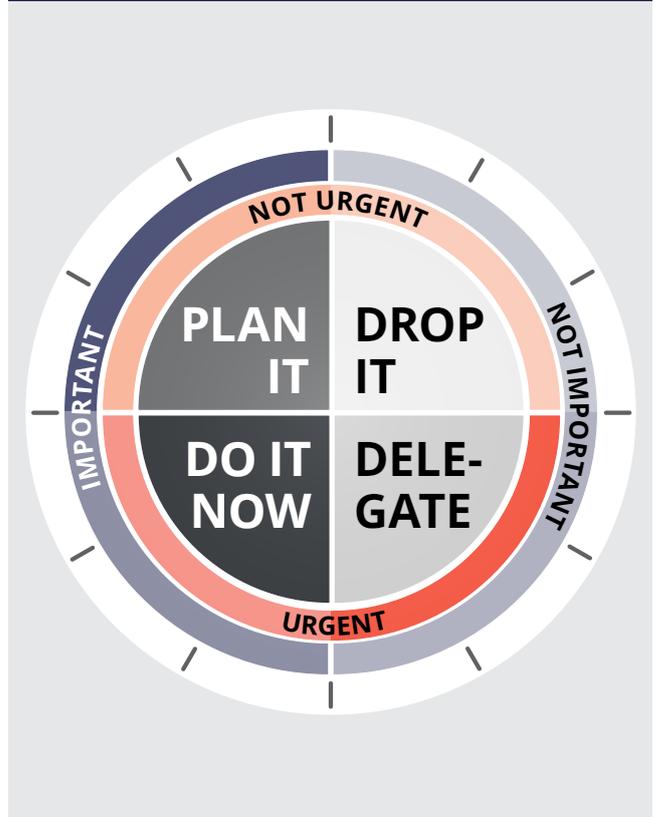
But that's not the way to grow your insurance business. You need to be firm with your sales time as this is the time that's going to build your book of business, which will in turn build your pool of referrals.

If you have to block out that time in your calendar to knuckle down, do it. Set yourself up a reminder to prompt you when to start. It sounds pretty obvious when you think about it, but it's easy to get distracted with non-revenue producing activities.

But maintaining your social and family connections is also important. You also need to be able to set aside time to manage non-revenue producing activities.

Having good time management skills is vital.

HOW TO MANAGE YOUR TIME



6

Outsource it

How much do you earn a year? Now divide that by how many hours a year you estimate that you work. That will give you your hourly rate.

The next time you find yourself working on an admin-type task, or any task that someone else could do quicker for that matter, ask yourself: how many hours will this take? What would that cost in terms of my hourly rate? It may be cheaper to pay someone else to do it, freeing up more of your time to focus on sales or lead generation.

Think about how much time you spend on account entry and book keeping, putting posts up on social media, putting together PowerPoint presentations, or fiddling around with the formatting and graphic design

on marketing collateral. These are all tasks that are commonly outsourced.

In the initial stages of a start up, or even an established small business, the temptation is to keep overheads to a minimum, but you need to keep asking yourself, "how much is my time worth?" If a task does not directly relate to revenue generation, then can someone else do it cheaper than me? If the answer is yes, then you're probably best getting someone else to do it and focusing your energy on sales, servicing your clients and generating new leads.

There are freelancers that you can find for virtually any office task at sites like [Upwork](#), [Freelancer](#), [Fivver](#) and [PeoplePerHour](#). Take 10 minutes now to have a look at these sites and browse through some of the services on offer. You'd be amazed at how reasonably priced some services can be accessed.



Upsell and cross sell to your existing customer base

“Would you like fries with that?”

OK, so you've already decided you want a burger for lunch. You walk into McDonalds and order a Coke and a Big Mac and you hear those immortal words. What do you do? Those few words alone have generated more revenue for McDonalds than many others.

It can be said that the best client that you have is the one you've already got.

Cross-selling and upselling represent easy wins for increasing revenue, because existing customers are far more likely to buy than a new prospect. Based on my

experience, the odds of making a sale to an existing customer is around 60-70% and only 5-20% for new prospects.

Upselling is the practice of encouraging customers to purchase a comparable higher-end product than the one in question, while cross-selling invites customers to buy related or complementary items.

If an existing client has already decided that they would like you to arrange a quote for them for their building insurance, maybe they need a Business Pack Policy, if they ask for Workers Compensation terms, then they might also need a Journey Policy. If they are after a Directors' & Officers' Policy, then maybe they also need Directors' Personal Accident. If they're looking to insure their Porsche 911, then maybe they need a Mansion Policy? Having a good understanding of the types of insurance products that are available in the market will enable you to suggest multiple products that a specific individual or organisation might require.



Capture leads through your website

The whole lead generation process is tough -- especially when you only rely on traditional methods like sending cold emails, cold calls, and scraping together marketing lists. So tough in fact that it can be incredibly demoralising because, let's face it -- most people don't really want to talk to you.

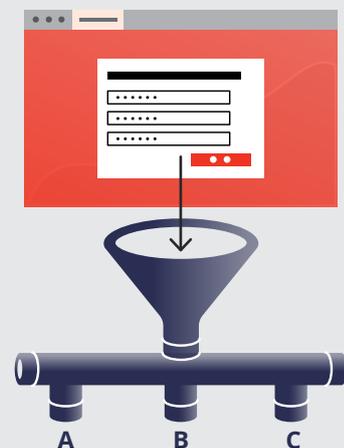
Having a website is just as important these days, as it was being in the Yellow Pages back in the 1990s. Ask yourself, when was the last time that you even looked at the Yellow Pages? There was a point in time in the early 2000s when Google and Yahoo took over as the dominant source for people to find the contact details for other businesses or organisations. Having an online presence is almost a pre-requisite to trading these days.

Once you've got your website together, you need to be able to capture leads through the website. You can do this by asking visitors to your site to sign up to receive your newsletter, to make an appointment to see you, or to fill out an application for a product, download a useful spreadsheet or some other useful content.

Your knowledge about your client's specific risks and how they can help to mitigate them is invaluable, but who doesn't love a freebie, right? By providing some form of value, whatever you decide that is, in exchange for your client's contact details, you're demonstrating your worth to them as a trusted adviser.

If people are visiting your website to obtain information and you aren't capturing their contact details you're missing out on valuable leads. Websites can be so much more than just a replacement for a Yellow Pages advertisement.

LEAD CAPTURE FORMS WORK





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Optimise your SEO

OK, so you've got yourself a website. That's the easy part. You've now got to figure out how you can drive traffic to your website.

Search Engine Optimisation (SEO) is the process of increasing the visibility of a website or a web page to users of an internet search engine. SEO gets to the heart of how search engines work, the computer programmed algorithms which dictate search engine behaviour, what people search for, the actual search terms or keywords typed into search engines, and

which search engines are preferred by their targeted audience. Optimising your website's SEO may involve editing its content, adding content and modifying associated coding to both increase its relevance to specific keywords and to remove barriers to the indexing activities of search engines.

If this is all getting way too complicated, don't despair. There are heaps of companies and professionals that you can lean on to help optimise your website's SEO. Getting on top of your SEO will help drive traffic to your website and will in turn help you to capture more leads. The leads that you do end up capturing won't be cold, as the client has already started to think about buying insurance and is just looking for the right adviser to help them make the right choices: YOU!



10

Use Social Media

Social media is here to stay. Let's face it. Social media has revolutionised the way in which businesses market themselves and what's more, setting up a Facebook, LinkedIn, Twitter or YouTube account is free! Most of these sites offer additional paid services and features that you might choose to use, but the basic site itself is free and there's no obligations to use the paid services, unless you feel they can add value.

There's no shortage of social media platforms out there, so you need to make sure that you choose the right platforms that are going to enable you to reach the most amount of potential leads. It's super important to create accounts on the platforms that your target market are using. So, do some research to make sure that you've picked the right platforms.

Once you've chosen the social media platforms that you're going to utilise to market your services, it helps to create a calendar of posts. Social media sites can

end up being a black hole of wasted time if you're not careful and set aside time to use the sites effectively. Creating a calendar of posts at scheduled times when your audience is most likely to be online will help you get in front of them and get you noticed. There are even Apps out there that you can use to help you schedule your posts, so that to the outside World, it looks like you're posting year round, but you've actually thought ahead and put together all of the content in one hit, just releasing it when its scheduled to be released.

Social media should, of course, be social. That doesn't only apply to those who use the sites for fun. Businesses need to be interactive too and you need to encourage interaction.

One trap that some businesses can fall into is to over promote themselves. Most of us use social media to wind down, to catch up with friends, to stay in touch with our families and our communities and don't want to be bombarded with spam advertising. Spamming people is a sure-fire way to get "unfollowed". Instead of spamming people, try and create posts and content that add value, make people laugh or smile, or brighten their day!



11

Give away some free stuff

We went over this before, but seriously, who doesn't love a freebie! Hosting a giveaway is one of the most successful forms of lead generation. However, a giveaway can also lead to a bunch of junk leads and waste your time if you don't do it in a logical way designed to capture the most relevant leads in your target market. How can giving stuff away for free lead to more leads? Well the giveaway is just to get your leads interested enough to hand over their contact details, by entering the competition. Once you have their details, you can then attempt to convert them to clients.

Make sure that you follow the rules for competitions in your State or Territory. Each State and Territory has different rules for running competitions. As a general rule of thumb, there are two types of competitions:

1. A game of chance; or
2. A game of skill.

If you run an online competition or trade promotion lottery in Australia i.e. a game of chance, you may be required to hold a permit. This includes competitions on social media networks.

Games of skill are not regulated, however to qualify as a game of skill, there must be a judge and set criteria to win. The regulations vary between each State or Territory and are subject to change. You should visit the website of your relevant authority to find out more information in relation to the permits and rules for running a competition.



12

Grow your email list

When I started practicing law, not that long ago, believe it or not, but we still used to send out letters. Can you believe it? Who sends letters these days? I can't remember the last time that I actually printed, signed and posted a letter. These days, email is the king of direct written communication. It's more popular than social media for communication, and it gets far more conversions than any other platform. It's a direct line to your audience that works. What's more important to realise from a marketing point of view is that convincing someone to give you their email address is much easier than convincing them to buy something, since it doesn't cost anything except the ten seconds it takes to sign up. Once you have someone's email though, you have the opportunity to follow them up over time and (hopefully) eventually convert them to becoming a customer.



Total users - Facebook VS Email

Source:

- <https://www.omnicoreagency.com/facebook-statistics/>
- <https://www.statista.com/statistics/456519/forecast-number-of-active-email-accounts-worldwide/>

As a broker focused underwriting agency, we at ProRisk genuinely want you to grow your business and be successful. We hope that you've found these tips to be useful in getting you to start thinking about ways in which you can grow and develop your insurance brokerage. They aren't meant to be an exhaustive list, but to simply highlight some of the strategic methods you can use to promote growth, based on our experience.

The information contained in this paper is general only and does not take into consideration the specific requirements that you may have. If you require further assistance, we recommend that you contact a business consultant, who will be able to help point you in the right direction and provide you with tailored advice, to your specific needs.

About the co-authors



Jaydon Burke-Douglas is a qualified solicitor and insurance professional with over 15 years experience in the insurance industry. He has a wealth of knowledge from his experience in claims management, product design, underwriting and legal roles at some of Australia's largest insurers. He has a passion for helping policyholders and brokers navigate the complex world of insurance by simplifying processes, demystifying the bureaucracy of the decision making processes and making insurance products easier to understand.



Hamish was appointed as Executive Director of ProRisk and Armada in August 2017. He is responsible for developing and implementing ProRisk's business strategies and managing a diverse underwriting portfolio of Financial Institutions, General Liability, Property, Motor, Accident and Health and Speciality Consumer Products.

Hamish has had an extensive career in insurance underwriting and broking across Corporate, SME and Scheme business. Hamish is a specialist in financial lines of insurance and experienced in the development of rating models, product development, wording drafting, portfolio analysis, business development and strategy, and professional development and training.