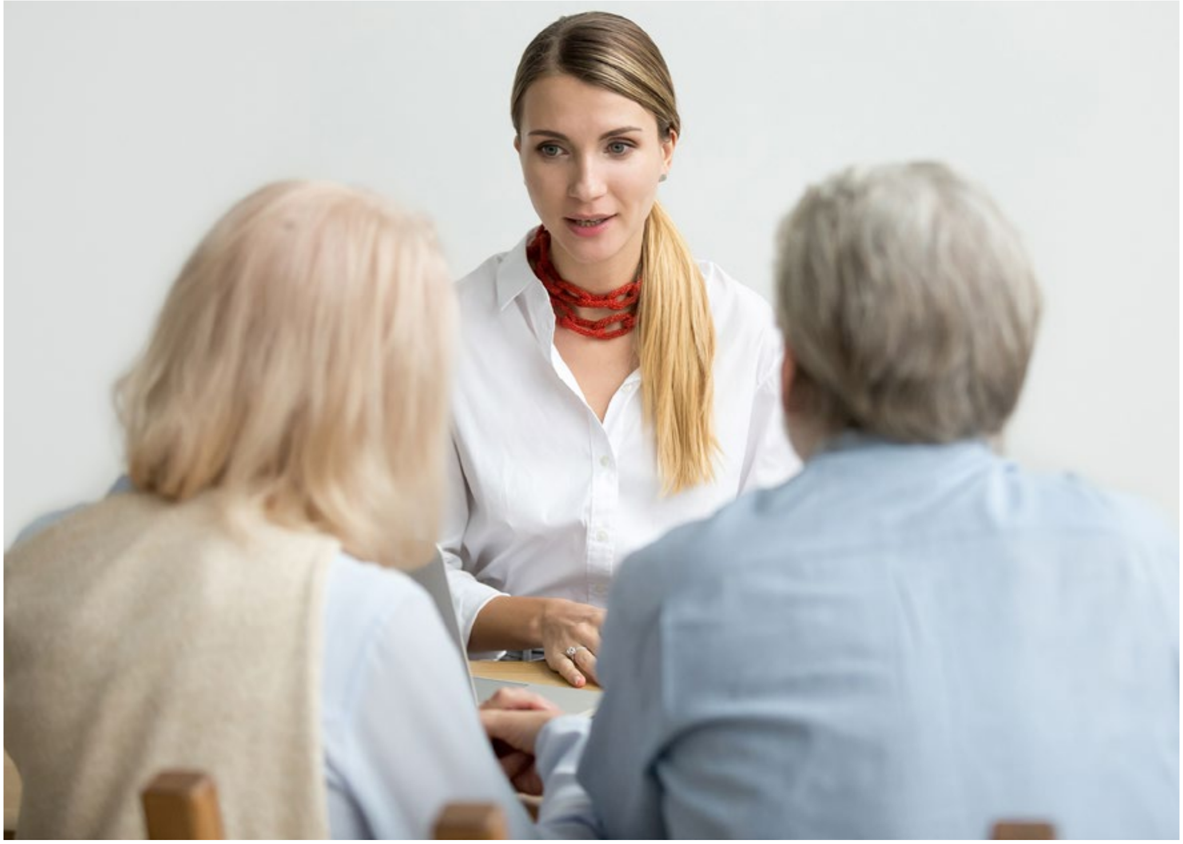

Written by Wendy Keneipp

INSURANCE SALES: IS IT ABOUT RELATIONSHIPS OR NOT?

Everyone in the employee benefits supply chain is definitely in the sales business, but is it a relationship business, as well?

Feeling confused by the declarations used as headline click-bait about relationship selling? I'm sure. It can make your head spin, especially if you don't read the articles to learn what case is actually being made.

"Selling is not about relationships" claims Harvard Business Review[1]. "How to Stop 'Selling' and Start Building Relationships" says The Balance[2]. These are both worthy articles with sound advice. From the titles, they sound conflicting. Yet, their premises are similar and the differences largely come down to semantics.

WHAT IS A "RELATIONSHIP"?

We have to define and maybe re-define in our own minds what is meant by "relationship" to start getting a better idea of where to go with this notion of relationships and selling.

According to Oxford English Dictionary, a relationship is *"The way in which two or more concepts, objects, or people are connected, or the state of being connected." And, "The way in which two or more people or organizations regard and behave toward each other."*

Notice that these don't specify the interactions must be of a certain type, but rather it's an objective look at how the parties interact. We all have relationships. Some are strong and some are weak; some are balanced and some are unequal; some are friendly and some are combative; and some are some are transactional and some are consultative.

I don't think the idea that we have relationships with our clients and prospects should at all be in question. Instead, we need to focus on *what type* of relationships we have with our clients and prospects: how does that relationship develop and what is the basis of it? Does it develop through rounds of golf or cocktails at the country club, or does it develop from bringing new insights and delivering improved results to the business?

The development may vary by client, and that's completely understandable as we're talking about human interactions here. But to have successful client relationships that drive your business, you need to be very clear about what those relationships are and how they impact your own business results.

KEEPING UP WITH CHANGES

Sales has changed significantly over the years and decades for many reasons:

- Moving from a product-based to a service-based economy
- Moving from local business-to-business sales to a national and global economy
- Moving from a paper-based environment to an electronic one
- And perhaps the largest influencer of all, moving from having tightly controlled information to prolifically available information

With each significant change in business operations, a change in the way we sell to these businesses has also been required. Yet, what we see too often is that sales people tend to thinking of selling and business relationships in the same way it was when men ran everything and women were secretaries; when you knew most of your potential clients from the country club or the little league fields; and when deals were struck on the golf course or at the ball game without consensus from the rest of the team.

It's a different world now. Sure, every one of these scenarios above still exist today. But if you rely on those as your bread and butter to grow your business, you're deluding yourself, and you're selling your business and team short of its potential.

The Sales Executive Council has spent considerable time researching selling and buying styles[3], and hands-down, the lowest performing sales reps are those who rely on typical personal and professional relationship development.

IT TAKES A TEAM

In further research, Harvard Business Review reports that the average buying decision has been steadily increasing and is made by a group of at least 6.8 formal decision makers[4]. However, the underlying theme for selling in the benefits industry is to focus selling efforts on a single person, undervaluing the relevance of others who do, or need to, participate in the process.

The single-point decision maker is alive and well in many small companies. Yet players in the insurance field regularly express the desire to move up-market, and then tend to treat the relationship development with these up-market organizations as though they are still single decision-maker operations. Common sentiments are: *"We work with CFOs, the decision-makers. HR Managers just slow down the process." Or "We work with HR Managers; we have a hard time ever getting to the decision-makers."*

Very different approaches, but the overarching idea is still the same with both: you are not respecting the reality of today's businesses that there are multiple people involved in complex buying decisions. There are both influencers and decision-makers involved and each has his/her own goals. The complexity of the process can get tricky for these teams. And the only basis for developing relationships when you have multiple people involved like this, is around the commonality they all share, which is the success of their organization.

And the sales person/team who successfully helps the buying team navigate the complexity of the process and come to beneficial consensus becomes the winning organization.

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IT'S STILL A RELATIONSHIP

This type of interaction is absolutely a "relationship." It's a relationship based on business advice, helping employers navigate the complexities of having employees, and delivering results. Achieving this level of relationship comes through having defined business practices, that by their very nature, bring value to every interaction you have with a prospect/client for the duration of the relationship. This begins with your online and in-person marketing activities, continues through every sales conversation you have, and is baked into the value proposition delivered by each member of your team.

You likely won't be building the relationship by golfing with these teams or taking them to the ball game. But after you've established yourself as a sound partner for helping them make challenging decisions, you may very well find that some social time is a welcome change of scene and helps further strengthen the trust of the relationship.

Developing relationships for sales and business opportunities shouldn't be about friendships and camaraderie. It should be about the advice and value you can bring and the positive ways you can influence the roles of the individuals and the results of the business. If friendship grows out of that, it should be considered a bonus, but not be the primary objective and method for winning the sale. ■

References:

1- https://hbr.org/2011/09/selling-is-not-about-relatio

2- https://www.thebalancesmb.com/stop-selling-start-building-2296036

3- https://hbr.org/2011/09/selling-is-not-about-relatio

4- https://hbr.org/2017/03/the-new-sales-imperative

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