

Prospect Research Evaluation Program (PREP)...Adding Discipline, Strategy, and Energy to Your Prospect Pipeline

By: F. Scott Addis, CPCU, CRA, CBWA

As I travel the country meeting with agency principals and producers, there is a common question: **How does our agency implement a disciplined, strategic, energized system to fill our prospect pipeline with qualified opportunities?**

Too many agencies use a hit-or-miss approach quarterbacked by the individual producer or telemarketer. It lacks creativity, differentiation, and impact. It is not a winning formula. In this article, I will give you a proven system to take your prospect research and qualification capabilities to the next level – the Prospect Research Evaluation Program (PREP).

Before I outline the mechanics of setting up PREP, please grade your prospecting outcomes by responding to the following ten statements:

Statement	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree
1. I have a disciplined, strategic, energized prospect research and qualification system.					
2. My prospect research and qualification system creates a steady flow of qualified new business opportunities					
3. My system supports the mission and guiding principles of my agency					
4. I feel confident, enthusiastic and energized about my prospect research and qualification system.					
5. My approach protects me from getting caught in the "commodity trap" -- the "90-day blitz"					
6. My prospect research and qualification system solicits input from Raving Fan clients, centers of influence and carriers to stimulate activity and results.					
7. My prospect research and qualification system is able to screen out commodity shoppers					
8. My new business "hit ratio" resulting from my current prospect research and qualification system is better than 80%.					
9. My system positions me as a "Trusted Advisor" rather than a "commodity based salesperson."					
10. My prospect research and qualification process is creative, differentiated and has high impact.					
Total checks for this column					
X Total number of points	X 5	X 4	X 3	X 2	X 1
= Total points scored		+	+	+	+
TOTAL SCORE					

Scoring System

45-50	Excellent, high impact, remarkable	30-35	Time to do something creative & new
40-45	Good, differentiated		
35-40	Moderate, mediocre	Under 30	Underperforming

If you did not score to the level you wish, do not fret. You are about to learn how to connect your raving-fan network to help you with prospect research and qualification.

History and Development of PREP

In 1990, I started an agency from scratch. No revenues. No clients. No prospects. Only a \$50,000 credit line and a vision for success. Over the next 25 years, the firm's revenues grew to \$19 million. And my personal book was over \$10 million of revenue. This article will reveal the business development system which catapulted The Addis Group to one of the premier firms in the country.

Shortly after the firm's doors opened, it became apparent that there was a tug of war between three responsibilities – account management, business development, and agency operations. I was a gifted account manager, yet quickly realized that it was critical to build a prospecting pipeline system. It was essential that the system was simple, disciplined, strategic, and energized. And, most importantly, the program needed to hold me and my associates accountable.

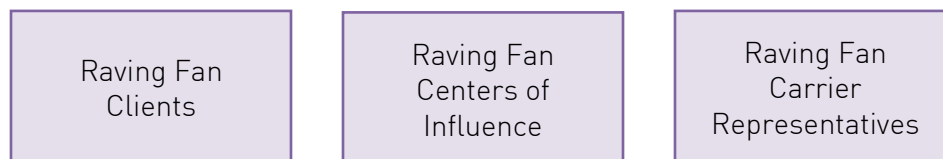
As I pondered possibilities, I recognized that the firm was blessed with supportive centers of influence (i.e., accountants, attorneys, investment advisors, etc.), clients and insurance carrier underwriters. Each person was interested and vested in our success. This network of "raving fans" would become the focal point of The Addis Group's prospect pipeline system.

The Formation of PREP

The formation of the Prospect Research Evaluation Program (PREP) consisted of five steps:

Step 1: Identification and Analysis of Raving Fans

Take out a piece of paper and list your raving fans from A to Z. A raving fan is a person who trusts and admires you. He or she wants you and your firm to be successful. I suggest that there are three primary categories:



Once you have finished your list, place an asterisk (*) next to anyone's name who is a "mover and shaker." These people have their own network of supportive friends and clients. It is your client who sits on his or her trade association board, the CPA who coaches kids, the realtor who is involved on a non-profit board or two. Don't forget to identify a carrier underwriter as he or she has pertinent data on those accounts you cherish.

Step 2: Invitation to Join Your Board

After you have identified your raving fans -- clients, centers of influence, and carrier representatives, pick up the phone and call them. They will be honored to join your Prospect Research Evaluation Board. Please consider the following dialogue:

- Express how much value you place on the relationship and their status in your community.
- Explain that you and your firm have made a decision to add more discipline and rigor to prospect research and qualification.
- Advise that you plan to research 15 to 25 organizations each quarter (60 to 100 annually).
- Request 10 minutes of his or her time each quarter to review your list to offer knowledge they have about the prospects. Confirm that you are not expecting them to call or write letters.
- Assuming they say "yes" (and they will), formally invite them to be a member of your PREP Advisory Board. They will be honored!

Step 3: Prospect Research

In Step 2, you committed to research and submit 15 to 25 opportunities each quarter. That being said, you may be required to enhance your ability to research new business opportunities. Today, there are so many ways to accomplish this objective, including, but not limited to, LinkedIn, trade association lists, and companies who specialize in prospect information (e.g., Hoovers, SalesGenie, etc.). The success of PREP is contingent on the commitment you make to research new business opportunities. I should mention that your PREP Advisory Board will make you accountable as they want you to be successful.

Step 4: Submission of Quarterly List to PREP Board

Each quarter, you will send the list of your 15-25 researched opportunities to your PREP Board. A simple email with the list of prospects is all that is required. You will be so pleased when your PREP Board does the following:

- Carefully reviews your list and offers comments about organizations or people they know. Even though you told them that there was no need to write letters or call people, they often will.
- When a PREP Board member does not recognize prospects on your list, they very well may offer a name or two not on your list.
- If the PREP Board member is an attorney or CPA, my experience indicates that they will share your list with other professionals in their firm.

Step 5: Thanking Your PREP Board

Historically, I had six-to-eight PREP Board members. I routinely thanked them with quarterly gifts (e.g. chocolate pretzels, Virginia peanuts, etc.). And I wrote personal notes each time they positioned me for introductions to a specific opportunity.

There is a huge psychological benefit to having a PREP Board because you will work extra-hard not to let them down. I would also like to suggest that you spend quality time with each PREP Board member to confirm that he or she understands your unique value proposition.

If you are questioning the desire of a raving fan to accept your offer to enthusiastically and consistently help you with prospect research, identification, and qualification, you are going to be pleasantly surprised. Why will these people agree to serve as scouts and cheerleaders in your community? Because they are your raving fans. And they trust you and love your game!

Raving Fan Clients and Certificates

I would like to suggest one more proven strategy to fill your prospect pipeline. Please go back to the list of raving fans that you put together and circle any client. Print out the certificate holder list of a raving fan client. Google these firms and you may well find gold.

Once you identify a prospect that strikes your interest, place it on your quarterly list and/or pick up the phone and let your raving-fan client know that you have identified a supplier or vendor of theirs that strikes your fancy.

Discipline, strategy, energy, differentiation, and high impact. These are words that will describe your prospect pipeline if you choose to implement PREP!

About the Author

Scott Addis, CPCU, CRA, CBWA is the CEO of Beyond Insurance and is recognized as an industry leader having been named a Philadelphia finalist for *Inc. Magazine's* "Entrepreneur of the Year" award as well as one of the "25 Most Innovative Agents in America."

Beyond Insurance is a consulting firm that offers leadership training, cultural transformation, and talent and tactical development for enlightened professionals who are looking to take their practice to the next level. Since 2007, the proven and repeatable processes of Beyond Insurance have transformed individuals and organizations as measured by enhanced organic growth, productivity, profitability, and value in the marketplace.