

# Episode #283: How to Keep More Money with Live Events

Hello everyone and welcome to a "Special Money Script Monday." I'm Adam Rena. I'd like to thank you for attending. I don't typically record videos for just advisors, but I really felt I needed to get this one out as soon as possible. The reason this topic needs to be at the top of your mind is that we are currently riding the biggest annuity wave of business this industry has ever seen. The annuity market grew 37% in just three short years and last year we set a chart-topping record of \$285 billion of premium as an industry. So the question is why is this wave of business happening?

It's happening because we are in the peak opportunity zone for annuities. We all know that the stock and bond market have been volatile over the last year and a half or so. When we couple that with historically high interest rates that have existed for a long time, we are now seeing historically high bonuses, caps, and participation rates in the annuity product market. Now this may not continue the entire year, so we need to really hit this market as hard as we can while this wave is breaking.

Our topic today is not how to make more money, but how to keep more money with your live events and specifically, annuity events. My hope is that this video reaches some of the top annuity advisors in this industry that have been marketing the old way and are looking for a fresh new way to differentiate themselves from their competition and keep more of their hard-earned commission.

How many of you have been to these big box IMO parties in Las Vegas where they put one of their top producers on the stage to help sell the dream, right? This guy has the fancy watch, nice cars, goes on the sick vacations, and has it all made, right? All because he does \$20 million in annuity premium every year. So at a six and a half percent comp rate,

that would be over \$1.3 million in commission. Seems like a dream, right? However, what you don't see is the actual overhead this type of program has. In order to write this much business, he had to do 50 dinner workshops a year at \$13,000 a campaign. That's \$650,000 on his marketing alone and we won't go into the rest of the overhead for the sake of time, but just know that he also had to hire staff, rent the fancy office and bring on sub-advisors.

So out of that \$1.3 million of revenue, the profit was only about \$400,000. Now don't get me wrong, a lot of us would love to make \$400,000 a year, but wouldn't it be nice if he could have kept more of that money?

The reason he isn't keeping more of that money is that unfortunately, he wins last. The IMO who doesn't even help with the marketing, tells him to keep doing events so they see more production. The mail house keeps telling him to drop more mailers to increase show rates so they keep getting business. The restaurant even tells him to upgrade to the steak instead of the chicken, so they get bigger bills. Then after all of that, the advisor wins.

You the advisor are taking all the risk in writing all the checks and that's the old way. All right, so now what is this new way? The new LifePro way can cut your marketing cost by 40% if you're doing it the old way. So first, let's look at the numbers for the old way. For the other big box IMOs, you would do a 10,000-piece mail drop at 70 cents a piece, right? That's \$7,000 on mailers. Then your dinner bill is going to be around \$3,000 each night. So, your total is probably about \$6,000. You're all in at \$13,000 per campaign. Your Amex balance has to carry that cost until your commission checks come in, hopefully about a month or so later. Again, you win last.

Another way to market is of course to use one of these pay-per-buying unit companies. These can become astronomically expensive as well. At \$325 per buying unit with 60 attendees over two nights, that would be

almost \$20,000. Yes, you do get help booking the venue and some cool training videos, but you have to start in a \$20,000 hole before you start to earn any profit.

Now let's talk about our way, the 2023 way. We are not using the antiquated mailer system or the uber expensive pay-per-buying unit method. We are driving prospects from low-cost Facebook ads to landing pages. On that landing page, they register for your dinner workshop, educational workshop, or webinar. I highly recommend doing live events. I'm not going to cover the webinars right now.

Please know that the marketing is all done in-house, and we do not use this as a profit center. We offer all of our marketing at cost. That means LifePro does not earn a dime until you write a life insurance policy, an annuity, or earn assets under management. Our marketing efforts, until you write a policy, actually put us in the red. So it's a true partnership.

Now let's look at the cost of our dinner events. We've been able to fill up a dinner workshop for less than \$1,000. If you do two nights, that would be approximately \$2,000, and the dinner cost would be the same. All in all for two dinner events, you would be out the door for around \$8,000. This is a 40% savings versus the old way. If you did 25 campaigns the old way, that'd be \$325,000. You do it our way; it'd be about \$200,000 or \$125,000 of extra profit.

For educational events, the spread would be even greater. Our minimum ad spend per campaign is \$2,000. However, our most successful advisors do not use the minimum. They're doubling that. So for two workshops, the total advertising budget would be about \$4,000, and that's 80% less than pay-per-buying unit approach.

For 25 campaigns, the pay-per-buying unit would be about \$500,000 and ours would be about \$112,000. So about a \$387,000 difference. Now I know these numbers may seem crazy and I'll be a 100% honest, the results may vary based on your demographic in your area and the business that comes from our marketing is really directly correlated to

your effort and expertise. However, I think we can all agree that if you sit back and do nothing during these uncertain economic times, there are other advisors out there proactively marketing that will be winning your clients while you sit back and wait for the phone to ring.

The annuity wave of business has been here and it's up to us to take advantage going forward. So my only ask from here is that you have a chat with us and go over our new way of marketing and see if it's a good fit for you. Thank you and best of luck to you.