

1 Better Customer Experience

How wiser words improve the customer experience

While the phrase “customer experience” appears everywhere these days, finding a clear definition isn’t so easy.

For many, it represents a satisfying digital retail experience. For others, it means a problem solved with the help of an engaging service representative.

Writing for the *Harvard Business Review*¹, creative director Adam Richardson took a broader view. Crafting a satisfying customer experience, he wrote, begins with a “thorough understanding of the journey that your customers take with your company.”

If customer service is a journey, our messages are the steps we take between...



What we know

What clients want to hear

¹ Harvard Business Review <https://hbr.org/2010/10/understanding-customer-experie>

The Customer Journey Begins With Words

Between a financial professional and a client, progress on that journey can be measured one word at a time. Successful communications approaches improve the client experience by showing that the professional has not only listened well, but can grasp and articulate the client's vision for the future.

For Frank Luntz of Luntz Global, testing client experiences through their language preferences has been a core focus over many years. Between testing subjects on their political preferences and his business consulting, Luntz applies a polling dial technology to his focus group interviews.

In an investor word preference study published early in 2017 and reported in *ThinkAdvisor*, he found a striking gap between what investment professionals were telling potential clients and what their audience was actually hearing.²

As they viewed videos of advisors discussing how they could help investors, focus group participants indicated their positive and negative emotions by adjusting dials on the polling tool.

Professionals tended to focus on what they knew, not what the client needed. Better word choices and sharper questions Luntz reported, can both intensify and enhance the client experience.

“You work hard for your money.
We'll work hard to protect it.”

- Luntz Global's Top Phrase for 2017

²ThinkAdvisor (Registration) <http://www.thinkadvisor.com/2017/01/24/how-to-choose-the-right-words-to-hook-clients-poll?slreturn=1491320731>

Eight Steps To A Better Client Experience

1. Focus on Client Needs (Not What You Have to Sell)

Investment professionals should keep the focus on what customers need first, Luntz maintained. “It’s important to understand the life they want to live.” By keeping the focus on the client, you show they are the center of your attention.

Try saying...	Instead of...
“You’ve worked hard for your money. Now it’s time for your money to work for you.”	“When it’s time to prepare for a better tomorrow, you can count on us.”

2. Better Questions Create Better Dialogues

Generally, prospective investors are uncomfortable with monologues. They prefer the give-and-take of conversation. Questions give you an opportunity to pursue areas of agreement. Asking questions keeps you in control, while telling them something provides an opportunity for them to disagree.

Questions help you unlock what’s in your client’s heart and mind, according to Alan H. Monroe, the Purdue University professor, and creator of Monroe’s motivated sequence, a structure for persuasive speeches based on psychological principles.³

Focusing on Client Needs: It’s in Their Best Interest – and Yours

Despite the uncertainty of when – or if – the Department of Labor’s No-Conflict Rule will be implemented, thoughtful financial pros are making sure that their strategic recommendations are in their clients’ “best interest” now.

Try enhancing your client’s experience with these slight language alterations – and see how much more naturally you can shift the dialogue from product to client need.

By asking better questions, you will see more clearly what your clients really need. The result: You will ultimately find yourself at a distinctive advantage in presenting retirement ideas that include the kind of protection, growth and income features that are in your client’s *best interest*.

³Monroe’s Motivated Sequence Pattern <http://www.hawaii.edu/mauispeech/pdf/mspsamplerak.pdf>

Better questions allow you to:

- Control the communications
- Distinguish interest from objections
- Acknowledge facts
- Arouse emotions
- Set the stage for a strategy

3. Explore Your Client's Future Dreams Together

Take the time to discover and embrace your clients' dreams. By turning a conversation to their big picture concerns, you can uncover the hidden crises that may be in an investor's life. Luntz' focus groups responded well to the chance to explore and communicate about the world they would like to live in down the road.

After cracking the ice and dreaming big about the client's future, good follow-up questions might include:

- What do you see yourself doing?
- What do you most wish you could do?
- Where would you like to live?
- What are your dreams for your children, your favorite foundation or charity?

Professional Insight: Achieving a Dream Takes Predictability

Show your clients how an optimal retirement strategy should include a dependable blend of tax deferral, income potential and optional benefits for the protection of assets. Simply order your copies of *Creating a Predictable Strategy in an Unpredictable World*, only one of 12 client-facing pieces in our Delaware Life Dimensions Retirement Education Series.

4. Speak Their Language

“The word ‘product’ means ‘sales’ to the average investor,” according to Luntz.

“Clients want your services, not your products.”

Try saying...	Instead of...
Services	Products <i>“Products” are associated with consumer purchases that eventually break or need to be replaced</i>
Retirement Account	Nest Egg <i>Keep it simple. “Nest Egg” may sound warm and friendly; but tested as vaguely patronizing in Luntz Global’s poll</i>
Investment Income	Retirement paycheck <i>“Paycheck” implies to prospects that they may still have to keep working – even after retirement</i>
Strategies	Solutions <i>“Solutions” puts the focus on solving an investor’s problems and detracts from finding a positive way forward toward the future</i>

Focus on the long term and the life that clients want, not the short term. Even clients age 75 have a long-term focus.”

Professional Insight: Investors Want Investment Professionals Who Speak Their Language

Right-sizing a retirement strategy can be daunting and complex. Show prospective clients why they don’t have to do this alone when you send them our client-facing piece Finding a Retirement Lifestyle Expert to help you make the case for your professionalism and expertise. Order your copies today.

5. Emphasize “Security” over “Freedom”

Luntz also showed that customer language preferences have changed over time. Prior to 9/11, prospective investors responded much more favorably to “financial freedom” as a goal, while today, the phrase “financial security” scores higher.

Try saying...	Instead of...
<ul style="list-style-type: none">• Comfortable retirement• Secure retirement• Peace-of-mind• Security	<ul style="list-style-type: none">• Dream retirement• Happy• Worry-free

When Clients Say “Security,” They Mean “Protection” and “Dependability”

Marketing Research firm WealthVest completed a major survey of 1200 pre-retirees and retirees in 2016 to determine what they considered to be most important to their long-term retirement goals.

According to Wade Dokken, co-author of the report, “What we learned from our survey is that, more than any other concern, investors overwhelmingly want to preserve and protect their retirement savings. For many different questions, clients reiterated that they want less risk, they want their savings protected, and they are willing to achieve lower returns so that their retirement income is not threatened.”⁴

Investors also place a high premium on securing safe, dependable retirement income. “Most investors want zero or almost zero risk of outliving their money,” he continued. “This requires financial professionals to recommend cautious and lower income streams for investors using a traditional stock and bond portfolio at today’s market valuations.”

Professional Insight: Your Clients Need Security to Build a Legacy of a Lifetime

Not all retirement planning strategies offer your clients a way to guarantee the kind of future income payments that can help provide for loved ones – or support a favorite charity. Show your prospects a way to grow the wealth they need for the legacies they want when you send them a copy of Building a Legacy of a Lifetime, one of the client-facing pieces in our Delaware Life Dimensions Retirement Education Series. Order your copies today.

⁴WealthVest Rethinking Retirement <https://wealthvest.com/white-papers/>

6. Customize Your Language

Financial advisors need to target their messages by gender and generation. “Men love their families but when they judge their success they’re more likely to choose things that relate to their careers while women are more likely to choose things that relate to their families,” Luntz said, adding:

- Men tend to be more money-centric than women
- Women generally are more concerned about having more time than more money
- Older people want fewer worries
- Younger people want a better balance between work life and their lifestyle

“Don’t talk to a 68-year-old woman the way you’d talk to a 38-year-old man.”

– Frank Luntz

7. Emphasize the Positive

Focus group participants showed an aversion to certain turns of phrase investment pros employ to describe risk.

Try saying...	Instead of...
I want to make sure that you can <ul style="list-style-type: none">• Participate in market gains while reducing your downside risk.• Afford to maintain your lifestyle• Support yourself for the rest of your life	I want to make sure that you can <ul style="list-style-type: none">• Manage market risk• Offset the impact of inflation risk• Temper longevity risk

Try this phrase

“The markets can be unpredictable but your retirement planning doesn’t have to be.”

According to Luntz, this phrase successfully communicates to the investor that he or she is in charge.

8. Talk about Costs before Fees

Publicity surrounding the Department of Labor’s Conflict of Interest Rule has helped educate the public about the importance of understanding what their advisors are charging them for their services.

Everyone expects advisors to be paid. However, how those fees are described can be critical to the client experience.

Try saying...	Instead of...
<ul style="list-style-type: none">Costs <p>or...</p> <ul style="list-style-type: none">Straightforward fees <p><i>Survey participants prefer the word “costs” over commissions, fees and charges. Because of the regulatory need to disclose fees, however, Luntz recommended leading in with “costs” first</i></p>	<ul style="list-style-type: none">Transparent fees <p><i>The word “transparent” tends to have negative connotations primarily because of its over-use in political discourse</i></p>

Conclusion

Access to your expertise is most important to the client experience. This was proven time after time across the course of Luntz Global’s research. The study showed respondents preferred a professional who had *more* time for them – *even more than receiving higher returns for their portfolios*.

Show customers you speak their language – and improve their client experience. They need you now more than ever. According to the *2017 Retirement Confidence Survey*, “more than one in four people said they did not know how much they should be saving toward retirement.”

Next Steps: Put “Eight Steps” To Work Today

Download our client-use *Retirement Readiness Snapshot*, which is based on our *Eight Steps* principles.

This simple, engaging piece is designed to open the door to further dialogues with those retirement-minded investors who need you most.



Retirement Preparation

While the markets can be unpredictable, your retirement plan doesn't have to be.

You've worked hard for your money. Now it's time for your money to work for you in retirement. Ten minutes is all it takes to evaluate your progress.

Retirement Lifestyle Task	Points		
	Not Started	In Process	Completed
	2	6	10
1. Have you started to explore your retirement dreams?			
2. Do you know the steps to take to receive your retirement benefits?			
3. Have you done any calculations to determine what it will take to meet your retirement objectives?			
4. Do you know if it is financially feasible for you to retire at your current pace?			
5. Have you thought about how market volatility could affect your retirement?			
6. Do you have any plans in place for extended nursing home care or loss of future income?			
7. Do you have a strategy for not outliving your income?			
8. Are you taking full advantage of tax savings opportunities?			
9. Do you have any dreams for providing bequests to relatives, a favorite foundation or charity?			
10. Have you considered discussing your needs with a financial professional?			
Totals			

The scores

95-100: Perfect (or nearly so) Keep up the good work.

80 to 95 Very good You excel at pre-retirement planning. While you may not have started one or two important tasks, your momentum is carrying you forward toward a comfortable retirement.

60-79: Good You've made a good start on your retirement journey. However, several important items have been neglected which require your attention.

20- 59: Room for Improvement However, it isn't too late to assume responsibility for your future. A first consultation with most financial professionals is generally free of cost and well worth the effort.

“...more than one in every four people said they did not know how much they should be saving.”

- Retirement Confidence Survey

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Build More Prospecting Momentum

After you download your copies of our client-use Retirement Readiness Snapshot, why not set up a plan to email out 10 a week over the course of the next four weeks to prospective retirement investors?

Check the boxes below to stay on track.

	Week 1	Week 2	Week 3	Week 4
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

About Delaware Life Insurance Company

We pride ourselves on creating a seamless experience that gives people exactly what they need — no distractions, no frustration. Just honesty, accuracy and efficiency. Our customers want to see results. So we create products that perform every time: client-focused, no fuss, with smart indexes and low fees. We believe that annuities are a core part of smart financial planning. Less risky than stocks and with competitive returns. So we offer streamlined annuities that perform as promised — so you can plan for new possibilities.

Our product lines include variable annuities, fixed annuities, fixed index annuities, and variable life insurance. Delaware Life manages approximately 320,000 in-force annuity and life insurance policies representing \$36.4 billion in assets under management and \$14.2 billion of invested assets as of December 31, 2017.

We work with a national network of financial professionals to help people make smart decisions as they build for their future. Founded in 2013, Delaware Life is a proud member of Group One Thousand One: an ecosystem of businesses making insurance more useful, intuitive, and accessible for everyone.

Consider These Exceptional Fixed Index Annuities from Delaware Life

Delaware Life Target Income 10SM*

A flexible premium deferred fixed index annuity built for clients focused on retirement income planning and guaranteed lifetime income. Target Income 10SM also delivers competitive accumulation potential and principal protection. With an optional rider, available for an additional cost, your clients are guaranteed an 8% simple interest roll-up on each contract anniversary for up to 10 years. And for all premiums paid during the first year of the contract, Delaware Life will add a 10% bonus to their benefit base.

Assured Income 7[®]*

A flexible premium deferred fixed index annuity that provides predictable lifetime income and a guaranteed 9% annual simple interest roll-up during the first 10 contract years. It offers a bailout endorsement and a fee refund feature at no additional cost.

Retirement Stages 7[®]*

A flexible premium deferred fixed index annuity that guarantees principal against losses and the opportunity to earn interest based on the performance of a stock market index. Optional benefits, available for an additional cost, can guarantee growth in a client's Benefit Base for income purposes and guarantee return of their premium payments without surrender charges. To provide diversification and options for a variety of market conditions, Retirement Stages 7[®] has a range of choices for earning interest, including a Deutsche Bank-sponsored index, a Morgan Stanley-sponsored index, an S&P 500[®] Index and a Fixed Account.

Retirement Chapters 10[®]*

A flexible premium fixed index annuity that guarantees principal against losses while offering the opportunity to earn interest based on the performance of a stock market index. It adds a 5% bonus on a client's first-year premium payments and has an option to guarantee growth in a client's Benefit Base for income purposes (available for an additional cost). Retirement Chapters 10[®] has a broad menu of options for earning interest—a package of choices that includes two Deutsche Bank-sponsored indexes, an S&P 500[®] Index and a Fixed Account.

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