

# AGENT'S GUIDE TO BLOGS

Forrest Wallace Cato, RFMC, CPC, FMM, CRR,  
RFC

© Copyright 2006

**P**ossibly more than any other communications format since the advent of the Internet, Weblogs -- or blogs -- have been heralded as a revolution in mass communication. **Insurance Pro Shop** participants are in a position to use blogs to better listen to and reach their publics in new ways. Blogs offer both opportunities and risks for agents. You can use blogs not only as promotion platforms but also as a means to a conversation with your prospects and clients. You can continually inform and educate with your blog.

Lew Nason is well-known as "*The nine out of ten guy!*" because, when he sold insurance, Lew obtained nine out of ten appointments and he closed nine out of ten sales. The frequent requests to learn Nason's methods lead to his becoming one of America's leading sales and client service trainers for financial professionals. How would you like to be a nine out of ten guy? Nason was among the first to realize the value of the Internet and use this powerful "new" medium.

Blogs are still considered "cutting edge" for agents and financial planners, estate managers, investment advisors, or for any professional in America. In China over 16-million people write and read blogs. This blog activity is shattering the Communist Party's monopoly control of their media.

Technorail, the search engine that tracks the blogosphere, counts 29.7 million blogs presently on the Web. A recent Gallup poll reported that Americans read blogs as follows: **9%** said they "almost never" read blogs, **31%** said they "regularly" read blogs, **30%** said they "occasionally" read blogs, and **30%** said they never read them. But the number of "regular" readers is the fastest growing.

As we get more accustomed to interfacing with tech, each new gizmo -- be it **TiVo**, an **iPod**, or a blog, has a faster "uptake," or acceptance into our society, than what came before. For example, DVD players hit the 20-

(Continued)

million mark in sales in less than one-third the time it took the VCR to reach the same penetration. I can only trace blogs back to 2000.

### **“First Rate Blogs” and “Second Rate Blogs”**

Of course you can advance your image with a “good blog,” or damage your image with a “bad blog.” A “bad blog” is one that contains “clown-like” elements, i.e., boasting, exaggerations, attacking others, over-promising, lies, misrepresentations, etc. All blogging is still in its infancy but financial planner blogs are presently evolving rapidly. *Careful attention and even great caution should be given to all blog content because embarrassments, challenges, retractions, or even lawsuits can quickly result.*

A “bad blog” can attract greater scrutiny or bad press for you. This can result in negative word-of-mouth. Corporate blogs are not as well received as are “independent” blogs. A blog by a clown could result in a disaster. Never create a blog that pretends to be originating from some other source and devoted mostly to praising you and your services. *A “good blog” takes time and attention, do not attempt to quickly “wing it.”*

Technically speaking, blogs are just like any other Web Site on the Internet. Blogs exist solely online, are capable of accepting advertising, and can be designed to appeal to a specific audience, or to the general public. I recommend that you target your niche market group if you establish a blog.

The rapid growth and popularity of blogs among financial advisors is primarily due to four factors.

- 1. *Many services will host your blogs at no charge.*** There are several popular blog-hosting services available on the Web such as **Blogger** (a **Google**-owned company), **Blogline** (now owned by **AskJeeves**) and **LiveJournal** (owned by **SixApart**) which offer free basic hosting with extra features available for a monthly fee. There are other companies such as **TypePad** that charge for all levels of service. All of these sources claim to provide quick and simple instructions on how to set-up and operate your blog.
- 2. *Blogs have given an outlet to any financial advisor who feels his or her voice has not been represented in the financial or mainstream media.*** Blogs enable you to become a micro-publisher virtually overnight.

(Continued)

-3-

3. ***Blogs are timely, allowing for content updates at any time without an editorial review and without sophisticated knowledge of Web publishing.*** The immediacy of blogs gives them the leverage to pick-up on changing timely subjects and instantly create their own content with new angles and original or exclusive material. The most popular blogs by financial planners tend to be those that are kept current and updated often.
4. ***There is a strong sense of community and “connectivity” between blog writers and visitors.*** Because most blogs are not regulated by an editorial board or influenced by an ego-centered editor or corporate interest, visitors rely on them for the unbiased truth. Visitors also value the transparency that blogs have. Unlike mainstream media, whose philosophy is geared toward keeping the audience on their site, blogs thrive on posting links to other sites of interest, even other blogs that offer differing views.

### **The Four Types of Blogs**

1. Personal blogs focus on a passion, special interest, or specialty. Many financial professionals start and maintain a blog to express personal opinions about financial planning, to demonstrate how “aware” they are, to showcase their specialty intelligence, or to share their interest and knowledge with “desired others.” ***This impresses prospects and reassures clients.*** These types of blogs can have an enormous impact on your stimulating “word-of-mouth” in a market area.
2. Topic or industry-specific blogs are the most pervasive type among financial planners. These cover everything from retirement planning, or current tax law, or the **Roth IRA**, or senior planning, or etc. Bloggers are often acknowledged experts in their specialty discipline and often have a built-in audience that may be industry specific.
3. Publication-sponsored blogs are growing as both general media outlets and financial media outlets, seek to ride the blog wave. Increasingly, newspapers, magazines, and even television and radio stations, are all adding blogs to their Web Sites. These blogs tend to be written by an

(Continued)

established journalist with the publication and have been added to lend a sense of immediacy to the content.

4. Broker dealer, independent financial planning company, or insurance agency blogs, are all relatively new additions to the blog world. The best ones are written by an executive within the company (or ghost written by a skilled Media Advocate) and are devoted to that company's interest. Here you will not find an extensive list of outside links that may contain a diversity of opinion.

### **Blogs and Financial Planning Information**

The investing public has become increasingly distrustful of mainstream news, "Wall Street origin news," and corporate news outlets, perceiving them to be overtly self-serving by governments or special interest. Blogs have the unique power to bypass organizations that have traditionally acted as gatekeepers. Some financial planners rely on the mainstream media for source material, but then conduct their own research and write subsequent articles independently. For this reason, blog visitors often feel they are getting a more honest "take on a topic."

In a recent survey, investors were asked to indicate their reasons for reading blogs. The top three reasons were "news I can't find elsewhere," "a better perspective," and "greater honesty." *Financial advisors using blogs quickly went from being commentators on financial news and information, to being opinion leaders in their market areas and beyond.* Thus blogs are the new op-ed pages.

Of course, your blogs should include all appropriate contact information. As a Media Advocate I now pitch editorial placements to selected blog operators because of the influence some blogs have.

### **You Can Get Sales Tips Caboose For Free!**

**Lew Nason, LUTCF, FMM, RFC**, founder of the **Insurance Pro Shop** in Dallas, Georgia, trains insurance agents and financial planners nation-wide and is a leader in computer financial marketing. Lew Nason built the circulation of his free e-mail newsletter to over 150,000 subscribers

(Continued)

by skillfully using Web Sites and blogs. If you have not signed-up for this valuable free newsletter then go to [agentsupport@insuranceproshop.info](mailto:agentsupport@insuranceproshop.info) and ask to be included among those who receive *Sales Tips Caboose*. Some broker dealers, insurance companies, financial planning firms, or independent insurance agencies, ask “all of their reps, sales staff, members, or agents” to use this important monthly reference.

Nason explained, “We recently assisted a financial planner in establishing a blog that is mostly composed of information about the four main threats to his clients’ wealth. These threats are taxes, poor investment returns, long-term care expenses, and not sticking with the plan. This planner implements sensible, asset-based approaches using life insurance and annuities to preserve and transfer assets. His blog positions him as an advisor who addresses a negative subject (long-term care) in a positive way, while providing skilled guidance in asset protection and wealth transfer strategies.”

Low Nason predicts, “Eventually most every financial professional will have his or her own blog. And each blog will become a serious production that consumes lots of time and careful thought to maintain. This will be because you will want only outstanding blogs, or ‘good blogs.’ Honest blogs will grow in influence. The same rules for accuracy, truthfulness, full disclosure and accountability apply to blogs. The bragging and embellishment often associated with some financial planners should be totally avoided in blogs. ‘Good blogs’ will grow in importance for your image and for your marketing effort. Blogs are easy to set-up but quickly become very demanding of ever-changing quality content.”

*Forrest Wallace Cato, RFMA, CPC, FMM, CRR, RFC, has written for such financial publications as The Wall Street Journal, Financial Times, Tax Shelter Digest, Barrons, Medical Economics, Financial Planning, The Journal of Finance, Investment Dealers Digest, Agri-Finance, Investor’s Business Daily, Wealth and Retirement Planner, Broker Dealer, Annuity Selling Guide, and others. He is a former national headquarters member of The American Legion, is a board member of the Loren Dunton Foundation for Financial Service, and serves on the board of the National Center for Bankruptcy Accountability in Washington, DC. He is a co-founder of the American British Military Museum in Norwich, England. Cato can be reached at Intergroup II/Atlanta, Inc., 915 River Rock Drive, Suite 101, Woodstock, GA 30188, 770-516-9395 (Phone), [wcato7@juno.com](mailto:wcato7@juno.com) (e-mail), 770-516-9396 (FAX) or 770-366-8441 (Cell), [www.CatoMakesYouFamous.com](http://www.CatoMakesYouFamous.com) (Web Site).*