



A guide to building your practice in the Korean market

Marketing and prospecting to multicultural consumers



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Welcome to the Korean market!

This guide is designed to give you a starting point for working with Korean consumers, knowing that your individual plan is what will ultimately make you successful.

Working in a multicultural market can be an essential element to maintaining and growing a sustainable practice because the demographic landscape of the United States is changing. The combined buying power of the Asian market topped \$770 billion in 2014 according to *The Multicultural Economy*, an annual report on minority group buying power produced by the Selig Center for Economic Growth.¹

¹ *The Multicultural Economy 2014*. The University of Georgia, Selig Center for Economic Growth, 2014.



Client development process for the Korean market

This guide addresses the client development process for the Korean market. While the process for the Korean market is similar to the process you would use with everyone, there are cultural and procedural differences that you should know when working with this market.

Like all immigrant groups who arrive in the United States, Korean consumers are diverse in terms of place of origin and financial background. When developing your marketing and branding strategy, you must take care to effectively approach this group. The diversity of cultures and people can have a direct impact on the sales process.

While you don't need to be Korean to find success in this market, based on our consumer research and industry research, here are some things to keep in mind when working in this market:

- Korean consumers purchase life insurance to ensure financial security for their family, to help fund their children's education, and to leave something behind for future generations.
- Word-of-mouth recommendations from friends, family members and existing professional relationships play a substantial role in the introduction and acquisition of life insurance.
- Regardless of their fluency in the English language, Korean immigrants strongly prefer to read and speak in Korean. The home office offers in-language materials to help you reach the Korean community.*
- When considering a life insurance company, Korean consumers trust companies with a long history and strong reputation. For them, companies with large assets, who have been around a long time, are deemed the most reliable for products like life insurance.
- When marketing to Korean consumers, the sales process is often longer than in the general market and it may take more time to build trust and rapport with clients. Remember that obtaining trust and confidence is based on the client's timeline and not your own.
- Some prospects/clients may require multiple meetings to *feel ready* to do business with you. Don't be caught off-guard if a Korean consumer invites you for a meal and a drink after several visits. This is a common business practice for Koreans and natural part of the rapport building process.
- Family plays an important part in the life of Korean consumers. Do not ignore opportunities to ask your customers about their family and friends and don't be surprised if family members want to attend your meetings.

* Applications, forms, policies, contracts and administration documents are provided in English and cannot be translated.

- Recognize and acknowledge the client's professional achievements. This is especially true of prospects or clients who have earned advanced degrees (e.g., medical, academic, professional, industry). Do so with subtlety. For example, *"Good Morning, Dr. Kim. How are you today?"*
- Refrain from addressing others by first names unless you have a personal relationship with them. It's always a safer bet referring to someone as Mr., Mrs., Dr., etc. When you approach customers this way, you're demonstrating respect.





Education and awareness is the first step in building your multicultural marketing practice. MassMutual has developed tools and tips that will help you kick start your practice — from helping you to determine if you are ready to work in a multicultural practice — to learning about your client and their culture.

- Do your research — we've made it easy for you! Review our primary consumer research that provides insights into the issues, obstacles and meaning behind cultural attitudes and behaviors:
 - MassMutual's State of the American Family – Korean American Families (MC1080): An in-depth series of research studies conducted by MassMutual exploring the changing definitions and dynamics of Korean families in the United States.
 - Korean American Consumer Qualitative Research Findings (MC1023): Consumer-based research conducted by MassMutual to determine the needs, buying traits, credible resources, etc. of Korean consumers when in the market for financial services. Brochure is in English and Korean.
 - Living in the moment – The fiscal practices of today's Korean business owners (MC1058ENKR): Brochure highlighting the fiscal practices of today's Korean business owners. Brochure is in English and Korean.
- Learn best practices from producers and agencies already engaged in marketing and selling in multicultural markets.
- Visit the Multicultural Marketing section on FieldNet for marketing materials and other tools and resources for the Korean Market. The path is FieldNet/Marketing/Target Markets/Multicultural Marketing/Korean Market.

KOREAN CONSUMERS...

- tend to be skeptical when it comes to protection insurance. Even among those who have a life insurance policy, there is often a vague understanding of what they have.
- rely heavily on word-of-mouth networks (i.e., friends, family members and existing relationships) with regard to financial information and advice on insurance than any specific media.
- tend to be fluent in both languages and tend to utilize both Korean and English media to get financial information. There is great dependency and preference for Korean-language media (e.g., Korean news and dramas and Korean radio).
- prefer working with a company that has presence in their local community and appreciate your participation in Korean community events such as Lunar New Year or Korean Thanksgiving. This helps to foster the sense the company cares and respects the local Korean community.



Pre-approach

First and foremost, creating trust and building relationships is the foundation of networking and marketing to Korean consumers. Below are some suggestions on how to gain the trust and interest of Korean consumers.

- Cultural insights to keep in mind:
 - Korean business ownership is the highest of all the major Asian ethnic groups and they have worked very hard to build their business. However, MassMutual’s Korean business owners research, *Living in the moment – The fiscal practices of today’s Korean business owners (MC1058ENKR)*, reveals that Korean business owners have minimal protection in place for their business and struggle with their personal financial affairs. They are in particularly great need of a long-term financial strategy. (Download the research from FieldNet/Marketing/Target Markets/Multicultural Markets/Korean Market/Marketing Tools and Resources/Small Business or order from WarehouseXpress.)
 - While the primary purpose for life insurance is the death benefits, this is the time to educate the consumer on how life insurance can be used as a vehicle to help protect the business they have worked so hard to build. Korean consumers put a heavy emphasis on education for their children, savings and planning for their retirement.
 - When writing someone’s name, avoid the color red; it could be considered unlucky and as a symbol of death.

Hand out your business card frequently; it is one of the least expensive forms of branding/advertising you can do for yourself.





Pre-approach (continued)

- Potential actions to take:
 - Brand yourself and MassMutual in your local market.
 - Advertise in local cultural publications. Consumers in the Korean market want to know about the company they are doing business with. To help get the messaging out to these consumers, leverage in-language ads available through Adworks to help build awareness of MassMutual’s history, strength, stability and mutuality. For more information about placing ads, visit [FieldNet/Marketing/Marketing My Practice/Local Advertising & Media/Custom Ads: Adworks](#).
 - Pitch PR stories to local cultural or ethnic newspapers in your community as these have a high impact. We find that in-language and/or in culture media are more likely to pick up MassMutual stories than general market media. For assistance with Public Relations please visit, [FieldNet/Marketing/Market My Practice/Local Advertising & Media/Press Releases and Templates](#).
 - Hand out your business card frequently; it is one of the least expensive forms of branding/advertising you can do for yourself. In-language business cards have been developed for use by those who speak Korean and feature our culturally adapted Korean logo.
- Korean consumers prefer to work with individuals who are active in and support their local community!
 - Attend local festivals, fairs and celebrations to be visible and build relationships in your local community. Introduce yourself and get to know people while attending these events.
 - Join professional cultural networking groups or associations to develop access to prospects.
 - Develop relationships with Centers of Influence in the community – leaders of local organizations, businesses, churches, active community volunteers, etc.
 - Consider affiliating with cultural schools or immersion schools. These types of schools teach children and teens how to speak, read, and write a foreign language – for example, a Korean immersion school.
- Encourage prospects to visit massmutual.com/korean for basic information about the company available in Korean. The website provides information on the company’s strength, stability and mutuality, an overview of the life and disability income insurance products and information about our financial professionals.



KNOW ABOUT CULTURAL HOLIDAYS AND CELEBRATIONS IN THE KOREAN MARKET!

Examples of some popular events are:

- Lunar New Year
- Ch'usok (Korean Thanksgiving/Moon Festival)
- Samijol (Independence Day)

ORGANIZATIONS TO CONSIDER BUILDING RELATIONSHIPS WITH:

Examples are:

- Local Korean chamber of commerce
- Korean American professional associations, such as KASCPA (Korean American Society of CPAs), KADA (Korean American Dental Association), KAMA (Korean American Medical Association), KAPA (Korean American Pharmacist Association), KSO
- Local Institutes of Korean Culture or Korean Community Resource Center

NETWORKING TIPS

- Attend culturally oriented fairs and festivals. If you can, arrange to have a booth and giveaways that feature your name and contact information.*
- Don't just collect business cards! When you meet new people, ask about their hobbies, families, etc. Koreans like to feel connected.
- Be the educator. Share your knowledge and expertise when and where possible.
- Don't rush it! Be patient and show prospects that you're willing to take the extra time needed to build trust.
- Develop centers of influence!
- Go to local colleges and universities to meet folks. Offer to speak at events or to classes about financial topics. Become a trusted source and educator.**

* Producers must use Compliance approved signage and materials when exhibiting. Please refer to the Field Compliance Manual regarding gifts/raffles/giveaways, section 6.2.1. (Sales Material) and the Business Gifts and Business Entertainment Policy guide for more information.

** All sales material must be approved in advance. Also, depending on your licensing status, you may also need to obtain your General Agent approval prior to speaking at a school. Please refer to sections 6.34.1. (Public Appearances) and 6.35.10. (Outside Business Activities) of the Field Compliance Manual.



Approach

The approach meeting is your opportunity to make a lasting impression on your prospect about you and the services you offer. In this phase of the process, you can learn more about the consumer and uncover their needs and interests. When working with Korean consumers, here are some things to keep in mind when approaching the market.

- Educate prospects or clients about MassMutual. Hit on key selling points about you and your relationship with MassMutual because the company may not be well known in the local market. Specifically mention that MassMutual:
 - is a mutual company
 - has served our policyholders for more than 165 years
 - has amongst the highest ratings in the industry. When discussing ratings with a potential client, be sure to mention our current ratings and that they are subject to change.
 - has paid dividends to eligible participating policyholders consistently since the 1860s. Be sure the person you're speaking with understands that dividends are not guaranteed.
- Some Korean consumers may be bilingual and find it important to receive media, brochures, etc. in Korean to ensure they have a full understanding of the company. MassMutual has created in-language and in-culture materials available in Korean to help educate consumers on our products, services and corporate capabilities.
- Consider having general marketing materials translated that discuss information about the agency (agency location, hours of operation, general capabilities, areas of specialization, producer information, etc.) Refer to the *Standards for Field Translated Documents on FieldNet for more information. As a reminder, all material you create must be submitted to compliance for approval prior to translation.*
 - When creating agency marketing material in-language, make sure to place the culturally adapted MassMutual logo/tagline on your pieces; it is very well received and addresses the consumer more effectively than the general market brand.

Use corporate pieces that have been translated to educate prospects on MassMutual's history, strength and stability. Utilize the *Quality and Performance* brochure (LI7602KR) available in Korean to help share this messaging.

- Mention LifeBridgeSM to help develop your market and relationships.
 - LifeBridge is an effective way to build visibility and help educate the community and a variety of audiences about MassMutual. This program is unlike any of our competitor's programs and can help position MassMutual – and you – as giving back to the community. LifeBridge events receive great PR in multicultural markets.*
- Sell your skills, affiliations, and if appropriate the length of time you've been in the business.
 - Educate consumers on your credentials and experience. These go a long way in establishing your credibility. In some cultures, longevity, accomplishments, certificates and licenses in a profession is an indicator of maturity or success.
 - Mention college degrees, diplomas and/or licenses when telling a new customer about yourself and how you can help bring value to their financial plan.
 - Share with your client if you're a member of a local chamber of commerce, civic group or professional association.
 - If you speak their language, let them know. You'll be the best judge on how to best accomplish this. Some consumers may prefer to speak in English even though they speak another language.**

*For more information on LifeBridge, please visit massmutual.com/lifebridge.

**Policies, applications, administrative documents and forms are available in English only.



Approach (continued)

LIFEBRIDGE PROVIDES

- free life insurance for income eligible families. It is designed to help protect the dream of providing education for a child if the parent dies before the child completes school. Under the LifeBridge Free Life Insurance Program, MassMutual will issue a \$50,000, 10-year term life insurance policy to a trust on the life of a qualifying parent or legal guardian. The \$50,000 is used to cover educational expenses of eligible children after the parent's death. All premiums are paid entirely by MassMutual with no fees ever charged to the qualifying families.



When working in the Korean market it is important to understand that there's a cultural difference in the way first-generation Korean consumers approach business. Koreans approach each other on a personal basis before they get down to business. It's not as straightforward as the American way.

– JON KIM,
LOS ANGELES-FRASER AGENCY SALES MANAGER
FOCUSED IN THE ASIAN MARKET





Fact finding

During this phase of the client development process, your role as a financial professional is to create an environment that helps your clients feel comfortable and open to sharing confidential information. This is why the rapport-building process is so important because if you don't have a solid foundation to start from, talking about finances and financial needs can be a challenge.

From a cultural perspective, there are a few things to keep in mind in order to be effective in the Korean community:

- It is essential to have a good understanding of Korea and the difference between North and South Korea. While it is safe to assume almost all Korean consumers are from South Korea, it is best **not** to ask whether their family is from North or South Korea due to political complications between the two countries. By asking someone this question, it can be seen as you don't understand the situation in Korea or the history.
- Since most individuals educated in Korea were taught how to read English, don't assume that since a Korean consumer doesn't speak English very well that they can't read English.

Here are some tips to establish trust and rapport when communicating with your client/prospect:

- Be knowledgeable about Korean history and recent economic developments/recovery. Korean consumers have a great deal of pride when it comes to things that have been developed and

created in Korea; for example, even mentioning that you own/just bought a Samsung or Hyundai product is a great door-opener to this market.

- Be ready to visit someone's home or business where you may be asked to enjoy a meal or drink* as a part of the rapport-building process. You may be also introduced to relatives, friends or family members as a part of the sales process. Don't be alarmed — this process is about building trust, familiarity, and rapport.
- Be genuine. Most people can spot a phony, so don't try to be someone you are not.
- Be patient. Expect several meetings may be required before a purchase decision is made.
- Avoid using humor with clients since humor rarely translates well across cultures. Remember, for your client and/or prospect, there is nothing funny about planning for their financial future.
- Keep your promises. If you tell someone that you're going to fact find, then just stick to that! Don't say you're going to do something unless you are planning to follow through completely.

* Be sure to consult the Business Gift and Business Entertainment Policy section of the Field Compliance Manual.



Case analysis

During your case analysis and preparation, organize all of the information you gathered during the fact finding process to pull together a solution and recommendation for your client.

When preparing your professional presentation, here are some cultural cues to keep in mind when working with Korean consumers:

- Remind yourself to not use English clichés. While it may be okay to use the phrase “*You could get hit by a bus tomorrow*” with the general population, ethnic consumers might not understand what that means and it will come across offensive.
- Discuss both the death benefits and the living benefits of whole life, if whole life is potential solution. While the primary purpose of life insurance is for the death benefit, mention the living benefits of the product and themes that resonate effectively with a Korean consumer.
 - A good education is valued and important to Korean consumers. Many Korean parents are highly motivated to work hard to pay for their children’s education at a good school. Topics such as living benefits of the whole life product and how it can be used to help fund their child’s education can be a powerful message. Explain to your client that assessing to cash values through borrowing or partial surrenders will reduce the policy’s cash value and death benefit, increase the chance the policy will lapse, and may result in a tax liability if the policy terminates before the death of the insured.
- MassMutual offers a number of approved financial software systems to help you produce your analysis and product illustrations and provides an in-language brochure to help your client understand how to read their illustration: *The Story Behind the Numbers: A guide to reading your whole life illustration*, item L11731KR, orderable from WarehouseXpress.





Presentation and application

Begin your presentation by reviewing the important information gathered during the Fact Finding session that led to your recommendation. Provide your recommendations and demonstrate how they can help meet their needs. It is important to touch upon the themes that resonate well with Korean consumers such as how your suggestions can help provide a financial future for their children or help provide retirement planning solutions.

Below are some tips for the Presentation and Application phase.

- Educate prospective clients on the underwriting process. Some multicultural consumers are wary of providing financial information during the underwriting process. Explaining the need and use of this information upfront helps to alleviate concerns and minimize the potential for prospects who may not understand the process or need to be underwritten.
- Utilize the Annotated Life Application brochure when helping a client through the process of filling out an application. A brochure provides snapshots of the application with a brief explanation of what is being asked and why.
- Get the Client Acknowledgement form signed if any part of the sales was conducted in-language or if your client is more comfortable completing the underwriting process in-language. This form will certify that the client understands and acknowledges that MassMutual conducts business in English and it will also trigger an in-language personal history inspection (PHI).
- Recent changes in MassMutual's underwriting guidelines and travel restrictions may help you write more business. These updates have expanded the types of visas that are accepted and guidelines related to the insuring of foreign nationals have also expanded. A full listing is available on FieldNet/ New Sales/Life Insurance/Underwriting/ Foreign Risk Guidelines.
- As part of the underwriting process, a Paramedical Exam may be required in order to assess your client's current health. If needed, be sure to arrange for an in-language paramedical examiner to explain the process, what is being asked for, and why.



Client development

Keeping in touch with a client after the policy has been delivered and educating your client on services available to them is a great way to building long-lasting relationships and creates the potential for future sales and additional referrals. Below are some very simple ways that you can continue to build upon your existing relationship.

- Send cards or make a personal phone call on important holidays and life events. The key to client development and management is continuing to build on your relationships with your clients; one way to maintain this relationship is by mailing a greeting card. Use messaging around health, peace and/ or wishing prosperity² in your card and utilize imagery that resonates within the culture such as the ying yang symbol found in the Korean flag. Below are three examples of times to keep in touch with your client:
 - Lunar New Year
 - Ch’usok (Korean Thanksgiving/ Moon Festival)
 - Birthdays and/or anniversaries
- Educate clients on in-language services available for policy servicing. In-language Customer Service is available in several languages via customer service lines for life insurance, disability income insurance, long-term care insurance and annuities.
- Seek referrals from your clients. Recommendations from friends and relatives are not easy to come by and are extremely valuable when working in the Korean market. The best time to ask for a referral is when a customer thanks you or says something like, “*I don’t know how to thank you.*” That’s a perfect opening to tell them how they can show their thanks — by referring people to you. When meeting with a referral, make sure to mention the other person’s name in your discussion and how you were referred (only if you have permission from the referring individual). For example, “*Last week I met with Mr. and Mrs. Kim and helped them with their financial needs and they suggested that I may be of assistance to you.*”

The key to client development and management is continuing to build on your relationships with your clients.

² There are a number of prosperity messages that are considered promissory from a regulatory perspective. Be sure your message does no more than wish your client prosperity. If you have questions about other prosperity messages, please contact your agency’s reviewer in the Advertising Review and Consulting Department of USIG Compliance for assistance.



Measure your success

To find success, you need to first define what success looks like — and that differs for everyone. Below are ways that you can measure success in multicultural markets, but be sure to work with your sales manager to set goals for yourself:

- *You ARE the go-to person!* Your clients see you as someone who can help them and their loved ones plan for their financial futures. You have successfully been able to stand out from the competition in your target market as a problem solver, solution finder and educator and as a result have clients and organizations coming to YOU!
- *Keep track of your progress!* Track the sources of your business to know from where it's coming. Consider creating a spreadsheet of your activities or contact to track activity. Here are some things to consider tracking:
 - Policies sold (type, premium and FYC)
 - Events (leads gathered and sales results)
 - Seminars conducted (attendees and sales results)
 - Organizational connections
 - Direct Mail pieces sent out (how many people did you send the piece to, how many calls and sales results)
 - Ads placed (what publications, how many calls and sales results)
 - PR efforts

Multicultural segments provide MassMutual general agents and financial professionals with an opportunity for growth and diversification. As the demographics of America continue to change, so will the population and the continued need for quality insurance products and financial services. We encourage you to examine the multicultural segments available to you to determine the most appropriate direction for your practice.

Visit [FieldNet/Marketing/Target Markets/Multicultural Marketing/Korean Market](#) for more information, tools and resources.

