

UA can
LEAD
You to
More Sales
United American Lead Program

Answers to Your Lead Program Questions

How do I get leads?

Leads are available to agents who have entered into our lead contract. Once you are on our lead contract, you will receive lead dollar credit based on production. Our Lead Department receives a weekly report of Net Annualized Issued Premium (NAIP). This NAIP is used to calculate the amount of lead dollar credit available to purchase leads. Health premium earns \$150 lead dollar credits for every \$1,000 NAIP and Life premium earns \$100 lead dollar credits for every \$1,000 NAIP.

Our Lead Administration Department will notify you each week of your available lead money on a Weekly Lead Accounting. This is a cumulative report which brings forward the prior lead balance, adds lead credits for any new NAIP, and reduces the balance for orders entered.

Please provide your E-Mail address to receive the report even faster.

Where do I get leads?

There are various sources of leads including Direct Mail, telemarketing and internet leads to name a few. The Lead Administration Department can furnish you with a list of lead vendors which have been previously used by our agents. The vendor you choose to use is completely up to you based on your needs and requirements.

You may also choose to purchase leads from UA. Be prepared to furnish to UA the 5-digit zip code for the areas you want leads.

What should I ask for when ordering leads?

When you call a lead vendor, be prepared to identify the 5-digit zip codes in which you would like to receive leads.

- Be sure to discuss with the vendor your preferences, such as health or life leads. Ask for samples of their different lead pieces.
- Ask the cost to mail the quantity of 1,000 lead pieces.
- In order to purchase the number of mailings to supply your agents, ask for the response rate in your selected zip codes.

How many pieces should I order?

The number of pieces you will want to order for your lead program will depend upon the vendor's response rate and your agents' ability to convert leads into sales. You will also want to evaluate your cost per lead in order to set minimum production standards for your agents. Determining and meeting minimum premium per lead production funds future lead orders.

Lead Response: How many lead responses can you expect to receive for a mailing? Multiply the number of pieces mailed by the response rate to find the number of Lead Responses you expect. For example: a lead vendor has a response rate of 2% in the zip code you wish to mail 1,000 pieces.

$$\boxed{1,000} \text{ PIECES MAILED} \times \boxed{0.02} \text{ RESPONSE RATE} = \boxed{20} \text{ LEAD RESPONSES}$$

Cost per Lead: How much will each lead cost? Divide the cost of the mailing by the number of expected responses to find the cost per lead. For example, if a 1,000 piece mailing costs you \$400 and has a response rate of 2%, your cost per lead is \$20.

$$\boxed{\$400} \text{ MAILING COST} \div \boxed{20} \text{ LEAD RESPONSES} = \boxed{\$20} \text{ COST PER LEAD}$$

Lead Cost Per Application: How much will it cost to provide an agent with the number of leads he needs to sell one (1) policy? Multiply the cost per lead by the agent's lead conversion. For example, an agent needs 10 leads to write one (1) application.

$$\boxed{10} \text{ LEADS NEEDED} \times \boxed{\$20} \text{ COST PER LEAD} = \boxed{\$200} \text{ LEAD COST PER APP}$$

NAIP Needed: An agent must produce NAIP of \$4,000 per week to earn enough lead credit to buy enough leads to write three (3) applications.

$$\boxed{\$600} \text{ LEAD COST PER APP} \div \boxed{0.15} \text{ LEAD CREDIT} = \boxed{\$4,000} \text{ NAIP NEEDED}$$

Keeping the Lead Wheel Turning

Sample Production Projection

$$1,000 \text{ PIECES MAILED} \times 0.02 \text{ RESPONSE RATE} = 20 \text{ LEAD RESPONSES}$$

$$\$400 \text{ MAILING COST} \div 20 \text{ LEAD RESPONSES} = \$20 \text{ COST PER LEAD}$$

$$10 \text{ LEADS NEEDED} \times \$20 \text{ COST PER LEAD} = \$200 \text{ LEAD COST PER APP}$$

$$\$200 \text{ LEAD COST PER APP} \div 0.15 \text{ LEAD DOLLARS} = \$1,333 \text{ NAIP NEEDED}$$

Your Production Projection

$$\boxed{} \text{ PIECES MAILED} \times \boxed{} \text{ RESPONSE RATE} = \boxed{} \text{ LEAD RESPONSES}$$

$$\boxed{} \text{ MAILING COST} \div \boxed{} \text{ LEAD RESPONSES} = \boxed{} \text{ COST PER LEAD}$$

$$\boxed{} \text{ LEADS NEEDED} \times \boxed{} \text{ COST PER LEAD} = \boxed{} \text{ LEAD COST PER APP}$$

$$\boxed{} \text{ LEAD COST PER APP} \div \boxed{} \text{ LEAD DOLLARS} = \boxed{} \text{ NAIP NEEDED}$$

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Example: Mailing 1,000 pieces costs \$400.

Response Rate	Number of Leads Needed					
	10	15	20	25	30	
HEALTH PREMIUM earns \$150 lead dollar credits for every \$1,000 NAIP.						
1% (0.01)	Production Needed	\$2,667	\$4,000	\$5,333	\$6,667	\$8,000
	Premium Per Lead	\$267				
2% (0.02)	Production Needed	\$1,333	\$2,000	\$2,667	\$3,333	\$4,000
	Premium Per Lead	\$133				
3% (0.03)	Production Needed	\$889	\$1,333	\$1,773	\$2,222	\$2,667
	Premium Per Lead	\$88				
LIFE PREMIUM earns \$100 lead dollar credits for every \$1,000 NAIP.						
1% (0.01)	Production Needed	\$4,000	\$6,000	\$8,000	\$10,000	\$12,000
	Premium Per Lead	\$400				
2% (0.02)	Production Needed	\$2,000	\$3,000	\$4,000	\$5,000	\$6,000
	Premium Per Lead	\$200				
3% (0.03)	Production Needed	\$1,333	\$2,000	\$2,667	\$3,333	\$4,000
	Premium Per Lead	\$133				