SENIOR MARKETING
SPECIALISTS

COSTS OF STARTING A NEW AGENT

There are many things to consider when bringing on a new downline. Here are common costs associated with adding a downline.

ADMINISTRATIVE COSTS

- Updating websites/emails
- Adding to payroll
- Setting up a new workstation (computer, phone, etc.)
- Adding the new agent to any third-party portals, vendors, or services
- Background Checks

TIME COSTS

- Training
- Time spent coaching and mentoring
- Time lost for your own business (time spent not writing apps yourself)

MARKETING COSTS

- 1000 piece mail drop = $550 (on average, also a good estimate for the cost of 20-25 purchased leads from many vendors)
- Business cards, flyers, letters = $150 (for a good starting amount of each featuring the agent)
- State appointment fees with carriers (in some states)

LICENSING

- Study Materials = $75-100
- Testing = $100 (for Life & Health)
- License Fee = $106 (includes NIPR filing fee, based on Missouri fee schedule, varies by state)
- Fingerprinting = $25-50 (some states require this)
- AHIP = $125/year (with common carrier discounts)

INSURANCE

- E&O = $450/year (can vary based on production and other factors. Based on an individual policy, adding an agent to an agency policy may be more cost effective)
- Liability = $300-500/year (for a basic liability policy. Necessary if this new agent will be staffing an office where clients will visit that is not already covered by agency policies. Consult a commercial broker for accurate rates.)
- Bond = $200-500 (some states require bonds to be an insurance agent. Prices may vary based on several factors)

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