

Six Sales Killers and One Secret, Cure-All Antidote

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"Do your injuries inhibit your ability to Pillage. Destroy and/or Plunder?"

DEAD IN THE WATER

Back in the day, sailors had a phrase to describe the state of sitting motionless, with no wind to propel their vessels. Although you've probably heard the phrase, "dead in the water" many times, you've probably never thought about it in relation to your DI cases. Am I right?

Well, here's your wake-up call: It's time to THINK! In the DI industry, a whopping 30 percent of applications submitted are never placed — they're dead in the water. Some are declined, some are not accepted by the client, and some never move forward due to incomplete fields or lack of documentation. And, that statistic doesn't include the applications that never make it to the point of submission. I would guess that at least 60 percent of sales appointments never result in an application submission.

How are you charting your course? Are your cases dead in the water, destined to go nowhere? Do they have the momentum to reach a signed and delivered status? Is a pesky headwind interfering with progress? While sailors of yesteryear could do little to control the wind, you can do a lot. In fact, most agents make six critical SALES KILLING mistakes, while working their files.

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SALES KILLER #1: MARKETING TO THE WRONG AUDIENCE

There are several good DI marketing audiences. They all have one thing in common — they are high-income earners who have a strong need to protect their paychecks. Whatever you do, don't set your sites on low-income prospects. You'll never set sail. Here are a few good audiences to consider:

- Traditional white-collar market** — Consists of doctors, dentists, attorneys and similar professionals. One way to efficiently tap this audience is through professional and trade associations and hospital endorsements.
- Small-business owners and freelancers** — Many in this audience earn very high incomes and do not have access to group insurance. Efficiently reach this group through professional associations, alumni associations and trade journal lists.
- The "sandwich" generation** — These people are sandwiched between supporting both their children and their aging parents. Only target those with high incomes and appeal to their obligation to support their loved ones — no matter what happens.
- Dual income families** — These people have twice as much income to protect, along with darling children who require all kinds of expensive indulgences for years to come. Appeal to their altruistic need to give their kids every advantage. Consider securing endorsements from private schools, sports associations and other venues trusted by families.
- Baby boomers** — This audience is reaching peak earning power and peak obligation levels, financing vacation homes and college educations. When purchasing a marketing list, go beyond age and income level. Add additional demographic qualifiers, such as home value. Many online list companies, such as infousa.com, offer advance selection capabilities.
- Never-marrieds, single parents and divorcees** — As sole earners for their families, these people have no one to fall back on in the event of disability. They also may not have significant savings, making DI an easy sell. Again, remember to market only to those who command high incomes.

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SALES KILLER #2: ASSUMING NEED

Yes, high income is a prerequisite, but high net worth is not. In fact, those with a net worth in excess of \$6 million usually have the means to pay for their expenses outright if they become disabled. Why would they waste their money purchasing a DI policy? They won't. There is NO NEED. Furthermore, many insurance carriers won't even underwrite this type of prospect.

Also, watch for those with a high level of unearned income — i.e. income earned from rental properties or other investments. If unearned income is greater than earned income, the NEED for DI is minimal. Unlike earned income that stops with disability, unearned income continues regardless of the person's physical ability. Carefully assess this prospect's needs before recommending a policy. In many cases, these prospects are better suited for a critical illness or long-term care product.

Finally, make sure to carefully review the prospect's existing policies, including basic, employer-provided coverage. You never want to make the mistake of trying to over-insure your client. If coverage already exists, you're probably better off recommending a supplementary plan to augment existing policies.

You'll be dead in the water if you assume that those with high net worth need DI. Ask the right questions, navigate carefully and feel the wind at your back.

SALES KILLER #3: SELLING LOW VALUE / HIGH COST

"You'll receive a benefit of \$4,000 each month, tax free — all for an annual premium of \$4,500." These words lead to the bitter end for many a policy. That's because they compare a low denomination (monthly) value with a high denomination (annual) price.

It's good to sell apples to oranges — but make sure you do it right! In my sales script, The Wealth Preservation Plan, I teach agents how to sell the highest denomination value for the lowest denomination price. I begin by comparing the daily premium of the client's auto and home insurance to the expected benefit for each. For example, most people are paying at least \$3.50 a day for auto insurance with a maximum benefit level of the car's value — i.e. \$35,000. By illustrating the high prices of items with lesser value, I increase the value of my offering in the prospect's mind. For example, when I establish the daily cost to protect a \$35,000 car or a \$400,000 house and then I calculate the value of one's paycheck from today until retirement (usually worth at least \$1 million), the prospect immediately expects the price of paycheck protection to be very high. I say, "If it's worth \$3.50 a day to protect your \$35,000 car, how much is it worth to protect your paycheck from now until retirement?" Most believe it's worth \$10 a day or more. By the time I get around to revealing the DI premium (in lowest denomination, cost-per-day terms) the prospect is amazed and relieved to hear that the coverage is so inexpensive. For more on this subject, read my free report, *Preempt Price Objections* and *Close More Sales*, available at www.diservices.com.

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SALES KILLER #4: REFUSING TO “CUT AND RUN”

You're anchored in the middle of nowhere. Suddenly a black cloud appears, lightening strikes, rain pours down and the waves swell. Your men are straining to pull up the anchor, but there's so much rope, so much weight and so little time. Suddenly the aft deck starts taking on water. You have two choices — wait for the anchor or cut and run.

What does this scenario have to do with you? Everything. Because a percentage of your prospects are just like anchors — weighing you down, crippling your agility. You have to know when it's time to cut and run — how to escape a difficult situation without being disadvantaged.

In my sales script, *The Wealth Preservation Plan*, I show you how to do this, with careful positioning at the start of the presentation and by strategically managing objections at the close of the presentation. Below is a script excerpt:

Agent:

Protecting your paycheck is really inexpensive when you consider the risk involved and compare it to the cost of your home and auto protection. The bigger question is, if you can qualify. Please understand, not everyone qualifies for paycheck protection. Before I go any further with explaining how you can get paycheck protection, will you first promise me one thing? If this doesn't make sense for you, I need you to tell me NO! Okay?

Make sure to get this up-front agreement. This is very important to your success in DI. You will eliminate the “Let me think it over” response. At the end of the presentation, you need to know if you will be writing coverage on your prospect. If he says, “Let me think it over,” remind him that he agreed to give you a decision today. If he says “no,” then take out the “Waiver of Liability” form and ask him to sign and ask for the sale again. If he says “no” again, then just let this one go and move on to your next client. It is always better to have a prospect say “no.” This way you can focus your time and effort on other prospects who will move forward. Although this may feel awkward at first, remember, this presentation works and many agents have seen their earnings skyrocket using this approach!

For the full *Wealth Presentation Plan* script and more advice about how to manage objections and when to “cut and run,” visit www.diservices.com.

SALES KILLER #5: PAPERWORK PERILS

You've got the wind, you've got the vessel, but you lack the waves. Any agent who has found himself with a client ready to buy the right DI product at the right price, but is stalled due to documentation issues, knows the meaning of “high and dry.” You can wait for the tide to turn, but you could be waiting and waiting and waiting. Instead, why not avoid the issue altogether with proactive navigation right from the start?

How to get the right documentation:

- When you set your appointment, send a confirmation letter that includes a list of needed documentation.
- Create a one-page documentation checklist. At the end of your meetings, circle any lacking documentation and give the sheet to the client, along with a polite but firm deadline written at the top.
- When you complete the application, make sure that every field has a value — either YES, NO, NA or 0. Never leave anything blank.

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There are two ways to request documentation:

1. You can make it seem like an imposition. For example, “John — I know this is a huge pain, but can you find a way to get me your last year’s tax return, a W2 or a year-end pay stub?”
2. You can make it seem like a breeze. For example, “John — the great thing about DI is that there’s very little documentation needed — especially when compared to what you need to buy a house. What’s amazing is that income protection is so much more important — worth millions when you add it all up. And all the documentation you need is your last year’s tax return, a W2, or a year-end pay stub. I’m sure you can get those to me by Friday, can’t you? Great — I’d like to get paycheck protection started for you as soon as possible!”

See the difference? Build this “breezy” attitude into your confirmation letter, your documentation checklist, your sales conversation and all of your follow-up calls regarding income and medical requirements. You’ll be amazed at the results!

SALES KILLER #6: DWADDLING

When the policy is finally issued, get it delivered and signed before the sun sets. That’s because it’s been statistically proven that the longer you wait, the greater the chance of mind-changing. Your client will forget about your great sales pitch and all the reasons for allocating a portion of his budget to the important endeavor of protecting his paycheck. He’ll start thinking about paying for his summer vacation, buying a new boat or some other fun expenditure. Once something else has a grasp on his pocketbook, you’ll be hard-pressed to close your sale.

While you’re waiting for the policy, don’t allow for any interference. Send your clients weekly status reports. Include important statistics about the risk of disability and the affordability of paycheck protection along with every status report. Keep your breezy attitude. You’ve almost reached your destination — don’t let this policy die in the water!

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SHHHH! HERE'S THE SECRET CURE-ALL ANTIDOTE!

Shhhh! I'm going to let you in on an industry secret — a miracle cure that's often used only by those in the inner DI circle. There is one cure-all antidote that will allow you to circumvent all six sales killers and gain extraordinary sales momentum. The antidote is this: Guaranteed Standard Issue (GSI).

No — GSI won't work for every prospect. But, for employee groups, there's no shorter route to success. GSI allows you to use a short form application with no health questions. No exams, blood or urine is required. No personal history interview or employee-provided income verification is needed. Carriers literally throw away their underwriting manuals for GSI submissions. Why? Because they feel that with five or more lives, they can spread the risk and avoid adverse selection. And in case the favorable underwriting isn't enough incentive, carriers go one step further. They allow significant premium discounts.

Sell GSI to groups with five or more employees in the company. If there are less than 10 employees, the company must offer mandatory, company-paid disability coverage. If there are 10 or more employees, representing 30 percent of the total workforce, as few as 10 employees can receive GSI on an employee-paid basis.

The sales killers — wrong audience, wrong need, wrong price presentation, wrong close, wrong paperwork and wrong urgency — all melt away with the GSI approach.

THE WHOLE NINE YARDS

Now that you have the whole nine yards — your three sails should be full of wind and your cases full of momentum. Say goodbye to being dead in the water and get ready to go places with your DI career!

Wishing you phenomenal selling success!

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