



Business

solutions that meet your objectives



STANDARD LIFE

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Approaches & Referrals

1. Cold Call

Requires the broker to wander around looking for people to attack. Can result in a thickening of the skin, which is helpful. It also offers a change of pace, which is occasionally needed. It is recommended for brokers who spend the bulk of their time on the telephone. This method can help develop people skills. Some individuals thrive on cold calling. As with all forms of prospecting, it needs to be used with an end in mind. That end is to arrange an appointment.

2. Telephone Solicitations

Everyone in the business uses the telephone. However, those who solicit exclusively over the phone seldom become great brokers. Telephoning lists of numbers requires NO skill in the area of prospecting. The telephone doesn't show off the broker's good features. In recent years, telephone solicitations (telemarketing) have become distasteful to the public.

3. Pre-approach Letters

Generally used when the broker knows something about a prospect beyond a telephone number or address. A good referral or recommendation are examples of this. Refer to the section entitled "The easy way to play the game" for more information on referrals.

The broker sends a letter to the prospect introducing him/herself, and advises that a call will be forthcoming. Samples of two such letters are attached. These letters serve an excellent purpose: they give the broker a reason for making contact.

Sample dialogue: "Mr. Smith, I'm (NAME). I sent you a letter last week describing the type of service we offer at (FIRM NAME). I advised you that I would be calling."

Top brokers often relate favorable experiences with the pre-approach letter system. They continue to use it throughout their careers.

4. Warehousing System

This system is used primarily for prospecting in the business market. It expands on the pre-approach letter, but requires more organization.

The process is as follows: A name goes into the system. A series of mailings take place over a selected period of time. These mailings are a single sheet containing a piece of useful information for the prospect, such as a newspaper clipping, or one of the "one pagers" from the Business Markets Program that will provoke thought. After several weekly mailings, the broker arrives at the prospect's business.

Sample dialogue:

“Hello. I’m (NAME). I’ve been sending Mr. Smith some information over the past few weeks. I was in the neighborhood today so I thought I’d drop by and meet him.”

What has the Warehouse System done for the broker? It has encouraged him/her to get face-to-face with the prospect. Has it caused the prospect to be more receptive? Not particularly, but it really doesn’t matter. The broker is in front of the prospect and can commence to explain the type of work s/he does.

Messages of the Approach

NO.1—“I have credibility”

The prospect will make a judgment in the initial few moments regarding the broker’s “apparent” level of credibility. Failure to pass this test usually results in termination of the meeting.

You build credibility by asking questions that the prospect may have difficulty answering. For example, try asking: “Is your present life insurance protected from the claims of creditors?”

No.2—“I have your best interest at heart”

The questions you ask should NOT produce answers that benefit the broker.

“How is your buy/sell agreement funded?” (MESSAGE: I want to sell you some life insurance)

Develop questions that deal with favorable benefits for the prospect instead of the broker.

“If we were to start planning for you today, where do you think we should focus? On you as an employer, as a business owner or as an individual?”

If it’s as an individual, further questions could be...

“Under your buy/sell agreement, what happens if the heart attack comes up short?”

“At the rate you’re accumulating money...what does the future look like?”

The easy way to play the game

The easy way is to get good people to send you to other good people. This is called getting **referrals**.

Some brokers find asking for referrals stressful. Some find it easier to work with friends or make cold calls instead. This attitude is almost always fatal. Everyone runs out of friends to call, and the reception to cold calls can be less than heart warming. Getting referrals has always been and will continue to be the surest route to a happy, successful, and profitable career.

When should you ask for referrals?

There are three points in the sales process when brokers seem to find it comfortable to ask for referrals. The timing of the process is a personal choice.

Some brokers ask at the very **beginning of the interview**. The prospect is put on notice as to the expectation of referrals at the end of the interview. Asking at the beginning of the interview gets the subject on the table quickly.

Other brokers prefer to ask for referrals after the **prospect has agreed to buy**. It becomes a part of the paperwork. The setting is usually favorable since the prospect has already acted favorably to the interview.

Finally, many brokers like to wait until the **delivery interview**. There is less pressure because the buying decision has produced a policy (or policies) that the client now has in his/her possession. Everyone is feeling good. There is time for a really good referral story.

Again, the timing is a matter of personal taste.

There are some agents who ask for referrals at all three occasions.

How do I get started?

Successful brokers have organized ways of asking for help from other people. They usually trigger the process by asking a question that marks the **starting point**. When the question comes out, the broker knows that the referral talk has started.

It makes sense to have a **referral talk**. It should be delivered with the same care that is given to the sales presentation. It is just as important. You should like it and look forward to giving it. Getting referrals should be fun but you shouldn't take it lightly because it is a major factor in your success.

What number of referrals should you try to get?

Some brokers try and get as many referrals as possible. They concentrate on **quantity**. How good the name is incidental to the fact that a name was received. A name is a name, these brokers say. Brokers who use this approach hunt using shotguns. They fire a wide pattern into a flock, hoping to "bring something down."

Others prefer to shoot with a rifle. They aim at a specific target instead of the crowd. They go after selected names, selected companies or companies in selected industries. They look for quality. The number of names is secondary to the quality of the names.

Is making the referral sale the same as making the insurance sale?

Not really. The difficult part of getting referrals is that the broker must be able to change hats. During the regular interview the broker is seen as doing the helping. Suddenly the new client, or prospect, dons the helper hat and the broker becomes the one being helped. The change may make you uncomfortable. If client/prospect senses this discomfort or tension, s/he too may become tense.

The solution...become smooth at changing hats.

What follows is a selective referral talk and a number of referral questions that can be used to stimulate your client/prospect's data banks and provide you with quality referrals.

A Selective Referral Talk

(To be learned and practiced until it becomes second nature)

(CLIENT/PROSPECT), let me ask you a question. Do you know much about the type of work I do? (NO)

Then let me tell you something about it. Actually, it is very much a people business. This is what I find exiting about it. I get the opportunity of working with a lot of interesting business people just like you.

The fact that it is a people business is both good and challenging. Good news for you in that the better the job I do for you today the less likely it is you will need me tomorrow. As a result, the real challenge is to find interesting successful people, like you, to meet on a regular basis.

I have two options.

The first is a real stomach twister.

I could get up every morning and go to one of the apartment buildings in town. I would take the elevator to the top floor and would start knocking on doors. Gradually, I would work my way to the ground floor. Sometimes, when I knock people would actually answer the door. When they did I would ask them a simple question: **"Do you want to buy some life or critical illness insurance?"**

Believe it or not sooner or later, I would run into somebody waiting for a life insurance broker to drop by. I may take a thousand doors but it would ultimately happen.

Would you like to conduct your business that way? (NO)

Me neither.

I prefer the second option. It makes more sense to me. It is based on the fact that we all have friends, business associates and even competitors that we care about. The theory is simple. If you were to send me to someone you cared about ...I'd be meeting someone you enjoyed being around. Right?

If that's the case, the chances are good that I would enjoy being them as well.

(CLIENT/PROSPECT), if you were starting in my business today, which system would make the most sense to you, knocking on doors, OR having nice people send you to nice people? (We would hope that the client/prospect would go for the second option)

We're together on that one. That's why I would like to take a moment to **ask for your help**. I'm interested in the special people you know... the ones you feel could profit from a discussion like the one we had this afternoon.

But first let me make something very clear.

I want you to know that I am sensitive to the fact that I might be asking you to take a risk. We both know that the reality is that whomever you send me to may not be overjoyed that you referred me to them. This would be perfectly normal. Correct?

Think about this for a moment.

Your best friend's business partner dropped by to see you today. S/he tells you the bad news your best friend has an inoperable brain tumor. The prognosis is very poor; he may 6 –12 months to live. At that moment, wouldn't you want to know that plans had been put in place to ensure an orderly transfer of the business to the surviving partner thus ensuring that his family's financial well being was looked after? Under those circumstances, do you think that it would have made any difference that they weren't thrilled about having me contact them originally?

Don't you think that the risk would have been worth it?

Please understand this...I'm not interested in the names of everyone you can think off; only a couple of individuals you consider to be special. In other words the one you are willing to take some risk for because they are special?

Let me ask you a couple of questions that might bring those special names to mind.

Referral Questions

Yesterday you won four tickets for a Caribbean cruise. You will use two tickets yourself. Who would you invite to go with you?

If you were planning a great vacation, whom would you invite to go along?

If I gave you a new address book, whose name would go in first?

If I asked you to write down the names of three people who would be successful in just about any venture they tackled...who would be at the top of the list?

Are you acquainted with anyone in your business circle planning a major expansion?

Do you know anyone who is in line to take over the family business?

Of all the people you know, other than yourself, who would you consider to be the most successful both on the personal as well as business level?