



LARRY SCHNEIDER

Larry Schneider attended New York University and has been a featured panelist on a local television program as a disability income insurance authority, discussing the many "wording" differences between disability contracts offered by the major carriers. He has been a guest speaker for AT&T, in addition to speaking to many other groups on the subject of disability income insurance.

During his initial sales career, he sold over half a million in premium of individual disability insurance during 1973-1977 for an insurance agency specializing in disability insurance. He was the carrier's national sales leader and trainer for 16 consecutive months and was promoted to partner status shortly thereafter.

One of Schneider's companies, Disability Insurance Marketing Center, specializes in hard-to-place cases (including but not limited only to health problems). The company has also designed many turnkey sales and marketing systems used by some of the nation's leading carriers, such as a sales presentation slip chart with script, various manuals, i.e., prospecting, rebuttal, etc. (nine in all). He also conducts sales marketing and training seminars, all assigned to help planners, agents and agencies break into the profitable, but virtually untapped marketplace.

Schneider's other company, Disability Insurance Planning Service, provides con-

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How To Handle Disability Insurance Objections

Ask experienced salesmen how they regard excuses and when you have analyzed their answers carefully, you can summarize them as follows: Oh, we'd be lost without objections. Our toughest prospects usually are the "dead pans" who won't even say a thing. We never know where we stand with that kind of prospect. We do not even know if they are listening to us. But the person who raises objections is much easier to deal with for he is really asking questions. That is your opportunity to give him a short sales talk on the strength of your company.

When a prospect starts throwing objections at you, it is usually a sure sign he is interested. He is telling you how to help him decide to buy, by indicating the points on which he is not clear.

Excuses Versus Objections

To place excuses and objections in proper perspective it is necessary to realize that there is a distinct difference between the two. Excuses might be called "stalls." These are common. They are nothing more than the usual way certain prospects treat all salesmen. Often, disturbing questions or challenging statements are confused with objections, although they are only excuses or stalls. The prospect is looking for an easy way out so that he will not have to change his plans. When he says, "My company has group insurance for me," he hopes you will lift his load of worry by agreeing that it is adequate protection. Then he will not have to decide on the merits of your plan.

A prospect makes negative responses during the approach because he does not want to talk about something which he

knows he should have taken care of earlier. He brings them up during the interview because he knows you are right and he was wrong when he pushed those thoughts to the back of his mind. He voices them during the close just as a game fish fights harder the closer he is pulled to the boat. These stalls and excuses are normal reactions and to be expected.

Objections, on the other hand, are sincere. They must be answered to the prospect's satisfaction. He does not raise them merely to thwart the agent. They are not brought up simply because the prospect feels he must say something negative. He may honestly believe he has a real reason for not buying now. For his budget may be so tight that he cannot increase his premium outlay until business improves. He may have a deeply rooted misunderstanding of the purposes of sickness and accident insurance. He may feel he is under obligation to some other underwriter to such a degree that he cannot do business with you.

To ignore real objections, attempt to answer them glibly, or rush by them is not good sales strategy. You should take particular care that sincere objections are given thorough answers. Help your prospect to eliminate his own objections. That represents true sales skills. Experience and study will give you this power. And when you possess it, objections will not bother you.

Tested Methods

There are definite techniques for handling excuses and objections, easily

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and quickly. If you know these basic principles, then you are not at a loss as to what to say or what to do. You have a definite track to run on. The prospect cannot disturb you.

Study these tested methods carefully. You will find that the problem of objections will cease to be a troublesome barrier, but will instead become a detour around which you know your way.

1. "We'll come to that later." When an objection or question is raised early in the interview, before you have presented your recommendation, one effective method of handling it is to postpone it until later. For example, if your prospect asks, "Does this plan pay me extra when I'm in a hospital?" say, "We'll come to that later," and continue along your sales track. When an excuse or objection threatens to detour your story during an interview, tell your prospect you will cover that point later.

When your prospect asks a question, you can say, "We will come to that later, because it is an important part of the plan." If the question is genuinely important, you can cover it at the appropriate point in your presentation. If it is just a stall, the question often will not be raised again. But when it is a true objec-

tion, the prospect may bring it up a second time. Then you must give him a completely satisfactory answer or it will block the sale.

2. "Yes, Mr. Prospect, but..." Another successful technique is the "Yes, but..." method. The advantage of this method is that you avoid abruptly contradicting your prospect. Instead, you first agree with him, then disarm him, which puts him in a favorable state of mind by looking at it from his point of view.

Let's say a prospect raises the objection, "I don't like doing business with a stranger." You say, "Yes, Mr. Prospect, I can understand exactly how you feel, because insurance is personal. However, I talk to many people I don't know, yet there is not one stranger among my hundreds of policyholders. They are good friends now."

3. "Glad you asked that." Still another way of handling excuses is to tell your prospect, "I'm glad you brought that up." It is effective in turning a question into a sales point. For example, your prospect might ask, "Isn't life insurance more important than sickness and accident insurance?" Then your answer should be, "I'm glad you brought that up, because all

forms of insurance are important. But, don't you agree you should have insurance on the income which pays the premium?"

4. "Let me tell you about..." A fourth procedure for meeting excuses is to tell an appropriate story out of your experience. An excuse frequently encountered is, "I have a friend in the business." Here is a highly effective way to handle this objection.

"Yes, I expect that a person in your position has several friends in the insurance business. But when you are disabled and unable to work, you will need more than friends. You will need income. Six months ago I called on a professor at the university who, too, said he had friends in this business. I convinced him to take the insurance with us since I was right there and on hand. Three months ago he waved goodbye to his wife and child and went to a tuberculosis sanitarium. He will be there two years. For two whole years he will not earn a penny. He hasn't any savings... you know what professors earn. But every month he is in there, his family will receive an income from the plan he bought through me. Who do you suppose is his real friend in the business today?"

5. "Any other objections?" A fifth method is to ask your prospect, "And in addition to that, do you have any other objection?" This system is useful where the prospect offers a series of excuses. Give him all the time he wants to stall. Let him use up all his ammunition without interruption. Then when he finishes, ask again, "And in addition to that, do you have any other objection?" After you have brought all his excuses into the open, highlight them and answer them all in a group.

For example, the prospect may voice several excuses, "I'm meeting regular mortgage payments, and buying a television set. Every month when I think I have everything under control, something always comes up. This month there's a dentist bill."

"And in addition to that, do you have any other objection?" you ask.

"Well, I don't want to obligate myself to

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any other fixed expenses. I'll take a chance." Although he has indicated by his tone that he has no others, you should not assume he has exhausted his store of excuses. So, ask again. "And in addition, Mr. Prospect, do you have any other objection?" When he replies negatively, then proceed with your review of his objections. Next, agree with his point of view before answering his objections in a group. In this situation you might say, "I can certainly understand what you mean, Mr. Prospect. That is a very common situation these days, but it is because of those regular expenses that you are working to earn income. Stop and think of what would happen in a serious disability, with your income cut off altogether. You would still have your regular living expenses, but also the other bills. You are not the only one taking the chance, Mr. Prospect, your wife and child are also taking the chance. Wouldn't it be wiser to economize a little now, to guarantee that you will continue to have income to pay for your basic living costs?"

6. "Would you mind explaining . . ." Another method of meeting excuses is the question method. When a prospect raises a point which is difficult to answer because you do not understand it entirely, ask questions to narrow it down to a specific excuse. A prospect may ask, "I don't believe in this kind of insurance, because companies don't pay when they should." This could be merely an excuse or it could be a serious objection. But you cannot answer it satisfactorily unless you

have the whole story.

Only by asking questions will you find out what your client is basing his statement. It may be that his uncle was laid up several weeks with a ruptured appendix and expects his accident policy to pay him an income. Many people believe that they have sickness and accident protection, when they really have some other type of policy. They may have a hospital policy which pays for certain expenses while confined to a hospital. Or they may have a surgical policy which pays a specified amount for certain operations.

When the prospect states, "I have sickness and accident insurance," use the question method to find out just what he means. Say to him, "That's fine, Mr. Prospect, I'm glad to know that you believe in this kind of protection. How much income does your policy pay you when you are sick at home for a prolonged period?"

There are other ways to handle excuses. Some agents have methods which fit their own personality exactly, but often those personalized methods are difficult for others to adopt. Other agents use a combination of the techniques discussed here. Whatever procedure you use, it is important to remember . . . *do not pause after answering*. Continue toward your main objective: a complete sale. If you hesitate after giving an answer, you are inviting your prospect to bring up another excuse . . . and the interview soon turns into a battle of wits. If an objection is brought up during the interview, and you cannot

postpone it with, "I'll come to that later," you will of course have to meet it then and there. But once you have answered it, pick up the presentation where you left it and continue through the five essentials of a successful presentation.

Excuses and Stalls as Buying Signals

Consider for a moment the man who dresses conservatively. Yet he always has had a secret desire to own a white suit. In a clothing store he sees just what he has in mind. He wants it . . . but he wonders . . . will I look foolish in it . . . is it too strange for me . . . too sporty? Because he wants to buy it he will bring up all the reasons in the world why a white suit looks silly on a man. Wise is the clerk who refuses to get worried or be discouraged by a barrage of objections against white suits . . . for he understands *that these excuses and objections are signals that the decision is about to be made*.

In the same way, wise is the agent who refuses to become worried and nervous at the barrage of last minute objections the prospect fires at him. Instead he welcomes them, because they tell him that the prospect needs his help.

Most Common Excuses

I listed every objection that I have heard over the years, and when these were studied and evaluated, I found that many were the same excuse but worded differently. The list was reduced to the following 17, and even some of these overlap in a sense.

I can't afford it. I have a friend in the business. I've never been sick in my life. I have an accident policy (I have group insurance, I have hospitalization. I have a policy). Never heard of your company. I'm too busy . . . see me later. I'll take a chance . . . and risk going without. My salary will continue when I'm disabled. I'll talk it over with my spouse. My work isn't hazardous. It costs too much. My job is too uncertain. I want to think it over . . . leave some literature. I can carry my own insurance. I don't like to do business with strangers.

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