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Funding Responsibilities ™

Help your Prospects BUY Life Insurance
without talking about Life Insurance

By

Lazarus Dias

Dedicated to my Dad,

Mr. Jacint Lazarus Dias (Papa)

1922-1984

My dad came to Mumbai to look for a job. Worked in Prabhadevi Cotton mills as an labourer residing in St Anthony's Club, Byculla before he got married in 1960. Inspite of his meagre earnings, he was always peaceful.

A memorable experience that I have of him is that every year on the 8th of Sept, He would take us all by cab (then a luxury) to attend mass at Mount Mary's Church, Bandra.

It was a very special occasion for us as a family.

I admire my dad for his simplicity, fortitude, caring nature and patience.

Contents

Introduction to the Sales Series

This book is part of the Sales Series that I am writing. There are four books in this series and the status of their publication is as follows:-

S.N	Name of the Book	Customer Segment	Status of Publication
1	Funding Responsibilities™	Uneducated Rich and Educated with Income less than 3 lakhs	Current Book
2	Family Welfare Economics™	Educated prospects with Income from 3 Lakhs to 25 Lakhs	Already Published
3	7 Levels to Financial Freedom™	Educated prospects with Income above 25 Lakhs	Next book to be written
4	Objection Overruled	Objection handling stories for all Income groups both educated and uneducated	Already Published

Why Different Concepts?

This sales series will be the 1st of its kind which covers different concepts based on the education and income of the prospects. All concepts will not work for every type of prospect and therefore we have to talk differently with each prospect.

The mentioned above take into consideration the psychology of the prospects based on his income and his education. The Maslow's Hierarchy of needs is the simple model of how different people are motivated by very different things. Maslow's Hierarchy places individuals in 4 different levels

1) Lowest level is Physiological Needs like Roti, Kapda and Makaan and these individuals are living a basic hand to mouth existence. Therefore they are motivated by sheer survival and will do only such things that will ensure that they get their basic needs of food, clothing & shelter.

2) The next level is Safety and Security needs. At this level we have individuals who do not worry about their basic needs as they have a steady income. They have a decent house and clothes to wear. However, these people lack a sense of safety and

security. They want to be sure that nothing should happen which will put them in a tight spot. This means that they fear events that could disturb their Income or increase their expenses. Fear is the motivating factor at this level. Their main concern is self and family.

3) The next level is Love and Belongingness. At this level people are very comfortable as their regular needs are taken care of and they have adequate protection against any problems which may increase expenses or reduce / stop Income. These people now start looking outside of themselves to society at large and want to get associated with organizations and Groups. They will get motivated by Love and will do things to express their love for their near and dear ones as well as for social causes

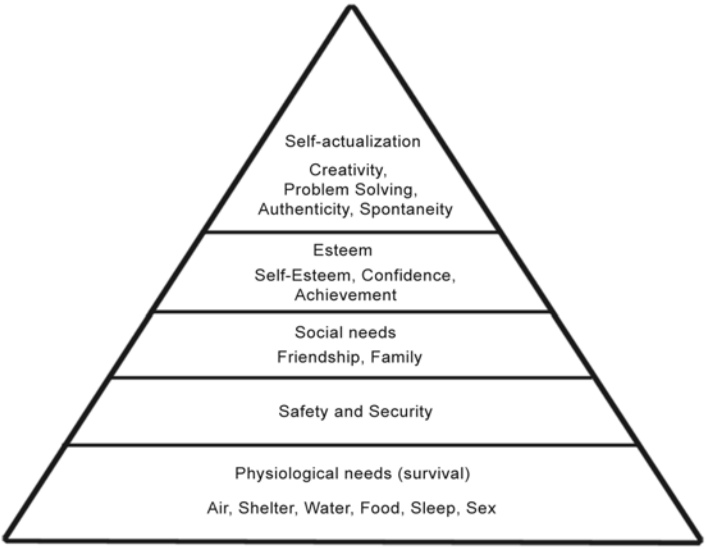
4) The next level in the hierarchy is the need for self esteem or recognition. At this level people are generating surplus after taking care of all needs. These people now want to show off and would like to go for lifestyle expenses like the latest car etc. They compete with people around them and want to look good in the eyes of Society. They flaunt their success by their house, vehicles, jewelry etc.

These people are motivated by Ego and will do things which will boost their Ego.

5) The highest level is Self Actualisation. At this level people have earned so much money, that money itself is not a motivating factor. They have earned success and money and now they want to give back to society. They are interested in charity and social work. They have very excellent cash flows and are well taken care of in all aspects. They are motivated by Charity.

From the above explanation therefore it is very clear that we need to adopt a different approach to different categories of prospect. Since everyone gets motivated by different things it is necessary that we understand the difference and use different concepts for different categories of prospects. The Income level of the individual is the 1st parameter which helps us to know approximately where he is on the Maslow's need hierarchy. The 2nd criterion is the education of the Prospects which helps us to understand his level of sophistication. I have fortunately been a student of psychology due to which I have the ability to understand the mindset of people. The above mentioned concepts and the related books based on the concepts are a result of discussions, experiments, research, survey and field application.

Age for these concepts will be from age 30 to 47 yrs.



Common Attributes of the Concepts

Although the three concepts are different; there are common features in all the concepts and thay are.

1) You sell Life Insurance without talking about Life Insurance.
2) All the concepts are based on scientific principles and mathematical calculation of the need.
3) All the concepts are based on the selling cycle that is followed in Laazarus Dias Education Akademy which contains 7 steps (Explained in the 7 steps Mastery sales Process) and these steps remain the same in all the concepts.
4) All concepts have the Present Gap and the Future Gap calculations and the solutions and Insurance Plans are based on these calculations.
5) All the concepts promote a long term engagement with the customer unlike single sales approaches.
6) Each concept helps you to open the next sale after you close a sale as well as it creates a possibility of selling on a continuous basis to the same Prospect.

Introduction to this Book

The concept of Family Welfare Economics which contains the 4C's concept was developed by me based on my interactions with prospects. Later, I found that this concept works best with educated individuals in the higher income bracket. This got me thinking about a concept which will make sense to prospects that don't fall under the above category i.e. people who may have a high Income but are not educated or those with education but from a lower income strata. My underlying aim in both these concepts has been to make the prospects buy life insurance without talking about insurance.

Most advisors are aware and have experienced that when they talk to a prospect about insurance the prospect takes a back-foot defensive stance and builds a unseen barrier between himself and the advisor.

I also received lot of feedback from many of my program participants from the rural areas who informed me that the Family Welfare Economics concept is not working in their areas. It is then that I decided to work on a concept which will have relatively less sophistication than the Family Welfare Economics concept but would still be as powerful as the Family W elfare Economics concept and would work for advisors working in the rural, uneducated and lower income groups.

This concept was born out of a 8 Seminar series that I delivered titled "The Art and Science of Life Insurance Selling". At that time the concept had no name so the above title. The title of the concept was created much later and I feel it is very apt to the concept. The sales process of this concept is also very different from the Family Welfare concept where I have developed a Presentation to be shown to the prospect to change his theme of Life by changing his Philosophy.

In the Funding Responsibilities concept there is no presentation as we are not changing the Philosophy but going by a generic understanding of human psychology. Therefore it is much simpler as these prospects are also less sophisticated.

This book will help you to understand the concept in a simple way. It is very important to master the concept and then practice the concept to help you make tremendous sales and get outstanding success in the insurance industry.

To understand the concept more clearly and to understand the underlying Philosophy correctly let us now see what is the difference between Normal selling and Relationship selling.

Normal Selling V/s Relationship

What is your relationship with your Clients?

Do you have clients or Customers?

What is the difference between Clients and Customers?

Why do you need to resell the policy at every renewal?

The above questions may have occurred to you at many times during your career as an Insurance advisor. From a very new advisor to a very experienced advisor including some MDRTs, COTs and TOTs have one major problem; Prospecting i.e. finding new customers in this very competitive environment. Why does this problem recur? It is because the focus of most advisors is on making a Sale and not on making a Client.

Research has proven that once an advisor makes a client he has a potential of selling at least 250 policies to the client in his life time. But do we understand the main difference between a customer and a client. To understand this difference let us take a small example:

Transactional Selling

Earlier it was said that the best salesman is one that can sell a refrigerator to an Eskimo or one who could sell a bald man a comb. However in today's world this is no longer true. Today such a person is called a conman. A good sales man is one who will tell a bald man that he doesn't need a comb and instead will advise the customer to visit a hair specialist and find out whether he could grow some hair back on his head.

In transaction selling maximum time is used for closing; However if this time is spent in building trust then there won't be any need of spending so much time on closing the sale as this will happen automatically.

For example, the largest policy that I have sold in my life i.e. a life cover of Rs 10 Crore, was not sold by me but by one of my clients. This was a client whom I knew from the past 8 years and who has already bought 12 policies from me. Since I had done need analysis so thoroughly for this client for every policy he had purchased from me that he himself had mastered the system of need analysis.

Transactional Selling V/s Client-focused Selling

In this chapter I will discuss the difference between transactional selling and Client focused selling.

The difference between Transactional Selling and Client focused selling is mainly in the attitude of the advisor towards the client.

In Transactional selling the advisor is more interested in the transaction than in the need of the prospect. Hence the sale is more oriented to the need of the advisor to get his commission or to achieve his target.

However, in Client focused selling the advisor has the interest of the client in mind and will not advise him either more or less than the actual cover required by him.

In Transactional selling the advisor creates the need based on his requirements rather than the actual need of the prospect.

However, in Client focused selling the advisor tries to discover the actual need of the client and advises him accordingly.

Customer v/s Client

Customer : Is a person whom you have sold one Policy

Client : Is a person who has purchased from you more than once

How does a customer become a client?

A Customer is a result of a sale done once. This could be a beginning and the end of the relationship. However there are advantages when the customer becomes a client. First of all, the fact that your customer has become your client elevates you professionally.

How do you convert the customer into a client? The first step in this is building trust. Creating a level of trust in the customer that he will contact you in future for any issues which are related to your product. This is not an overnight solution and at times will take a few years to develop. Some salespersons can develop trust immediately however some take time to develop the same. However the worst sales person is one who develops the trust and then misuses the same for hard selling to the client.

Such a sales person inadvertently loses the client and has to spend more time prospecting.

An advisor who develops clients has the following advantages:

1. Clients seek advice on coverage. A client will undoubtedly seek the advisors help in deciding the coverage of the policy and will go by the advice given by the advisor.

2. A Client respects your time. A client will always respect the time of the advisor and will always have his documents etc. ready for you when you visit him. Further a client will not make undue demands of the advisors time and ensure that the advisors time is not wasted.

3. A client responds promptly to your request for information. A Client will freely share information with the advisor even if it is confidential by nature. A client trusts the advisor to an extent that he knows that the advisor will maintain the confidentiality of his information.

4. A client may take quotes from others but he will seek your advice if he gets a lower quote. He will not take any decision before he consults you on the pros and cons of the lower quote.

5. A client does not expect you to personally take care of his account. A client may speak to you but he understands that you have support staff to do your day to day work and will interact with your support staff. He will choose to speak to you only on such matters which he feels are very important and need your urgent attention.

6. A client values your opinion and will go by your advice when confronted with conflicting opinions of others.

7. A client pays bills on time. A client will ensure that any payments due with regards to his Premiums etc. reach you on time and you do not have to follow up for the same.

8. A client sends you referrals. Yes. A client will undoubtedly send you referrals on a regular basis and also be willing to speak about the quality of your services to his associates and friends.

9. A client is ready to pay a fee. Very often clients value your services and advice so much that they are ready to pay you a consultancy fee for the work that you do for them. In fact, I have had numerous occasions where after my presentation and analysis of the client's issues the client has asked me "Lazarus, Please tell me what are your consultancy fees for your services".

Marketing V/s Selling

Selling is that process or the activity that we do when we meet the prospect face to face.

Marketing is any activity that you do before you meet the prospect.

Don't you feel it is necessary to create a situation where the meeting with the advisor is the most important meeting scheduled in the prospects mind? Isn't it true that, very often the meeting scheduled for the advisor is the least priority meeting in the prospects day and if any rescheduling is to be done it will first be the meeting with the advisor?

Why is it that the prospect does not value the advisors time as much as the time of any other person that is coming to meet him? Why is it that the prospect will answer every call on his cell phone and interrupt your meeting?

The reason for this is that you have not done your marketing in the right manner. You have not convinced the prospect that his meeting with you will decide the continued security and stability of his family. You have not convinced the customer that you will require his undivided attention for the time

Buyer's Remorse

Everyone has experienced that after a major or minor purchase there are always doubts in our mind regarding the purchase.

1. Have I purchased the right product?
2. Have I got Value for money?
3. Would I have got a better deal if I had waited longer?
4. Have I made the right decision?

Such a situation is called Buyer's Remorse.

After the sale is made the same thing happens in the mind of the prospect. As soon as the prospect has handed over the cheque to you and you have left the prospects premises then he immediately gets the buyer's remorse. You may even find that at times after you have reached home or the very next morning the prospect calls you to tell you not to proceed with the policy as he has certain questions which he still wants answered. Or perhaps he has consulted some close friend who has advised him against taking the policy and he wishes to reconsider.

Thought Process

The thought process in your mind when you are with the customer is very important.

There is a saying:

W atch your thoughts, they become words,

W atch your words, they become actions,

W atch your actions, they become habits,

W atch your habits, it becomes your character

W atch your character, it becomes your destiny.

This is exactly what happens in a sales meeting. The sale happens in the mind of the advisor before it happens in the form of the proposal / cheque. The reason for this is that unless you have a positive mindset towards the prospect you will never have a sale irrespective of how good the pitch or the product is. Let me give you an example: I had gone to visit a prospect in one of the down market areas in Mumbai. As I approached the building and had to walk up 3 storeys to his house, I noticed that the building was not in a very good condition. Before I rang on the doorbell I had made up my mind that this was not a very good location and hence my chances of a sale were very low. This very mindset reflected in the discussion with the prospect and the negative vibrations were transferred to him. Later I found that the prospect had a bank balance of more than Rs.50 lakhs, part of which he would have intended to invest. But in spite of whatever I tried I just could not develop a good rapport with the prospect. The first impression carried on forever and I have not yet been able to convert this prospect into my client.

Hence, it is very important to have a positive mindset about the prospect in the first meeting as this will leave a lasting impression on the prospect.

Walking the Talk

Mohandas Karamchand Gandhi was once approached by a mother with her child who was addicted to sweets. The mother wanted the Mahatma to tell the child that eating sweets was not good and was sure that the child would obey the Mahatma whom he highly respected. However, the Mahatma told this lady to comeback after one week. The mother did not question the Mahatma and obediently returned after one week. This time the Mahatma just picked up the child in his lap and told him that eating sweets was harmful to his health and he should avoid this as much as possible. The child promised to obey and went away but the mother asked the Mahatma why he had asked her to come back after one week when he could have given the child this advice the previous week. The Mahatma then confessed that he himself had an addiction to sweets and he could not advise the child what he did not practice himself. Hence he had avoided sweets for one week to strengthen himself so that he could advise the child with conviction.

The Mastery Process

Mental Decision : The mastery process begins in the mind. This is the first and easiest part of the mastery process. It is called the Mental decision. Whenever there is a Branch meeting and the SDM or BM asks you "How many of you would like to become M D RTs this year?" It is seen that 98% of those in the room raise their hands. This takes place on the spot. It is only after this that the major work begins.

Physical Decision : This is when you have to take a Physical decision of putting into practice what you have committed and come out of your comfort zone. Here you will realize that most of the time success comes to you outside your comfort zone and inside your effort zone. You will need to leave your comfort zone and take some risk. A lot of people prefer to stay in their comfort zone and not get into their effort zone because they feel safe in their comfort zone. Hence they don't take a physical decision.

Emotional Decision: When you take a Physical decision you face problems and pain both internal and external. This is because you are trying to change your habits and as humans we are resistant to change. At this time there will be tremendous

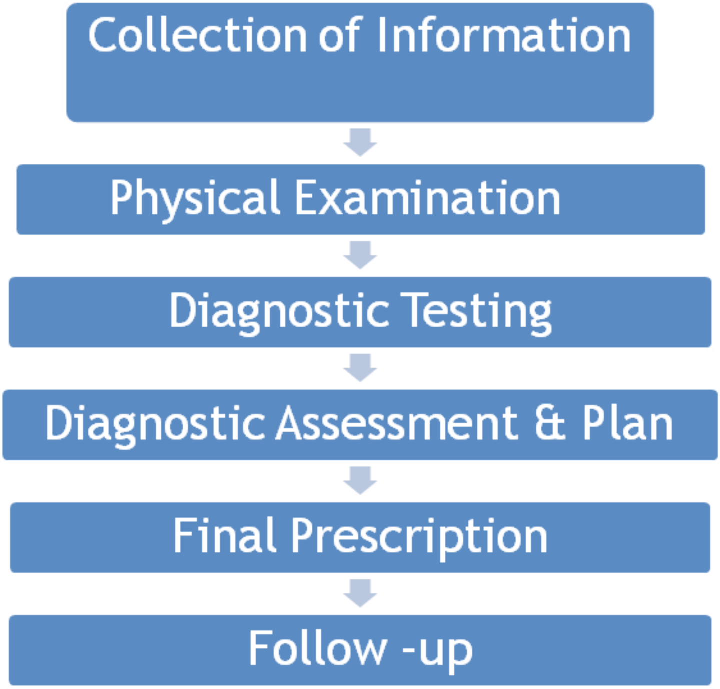
Lessons from the Doctor

Have you ever seen a doctor who has pre-printed prescriptions for his patients and just collects money from his patients and hands over the prescription without diagnosing your ailment? What do you think will happen in such a case? I would just run and I believe so would you.

Naturally you will avoid such a doctor and in addition tell all your friends to avoid the doctor as well. However isn't this exactly the way we are practicing our Insurance business? How many times have we gone to our clients with a readymade prescription without actually diagnosing his needs and tried to sell him a policy based on our need rather than the need of the client. It is time that we acknowledge our mistakes and only then can we take remedial action.

You will see that most of the time the doctor will do a physical examination and very often refer you for diagnostic tests before he studies the reports and prescribes any remedy for you. The reason for this is, the doctor tries to find out what the illness is and does not go only by the symptoms. Therefore you find that the doctor is treated like a professional unlike

The Doctors Process



We are all very well versed with the Doctors process and I would just like to take you through this very quickly so that we can then introduce the "Mastery Sales Process" to you.

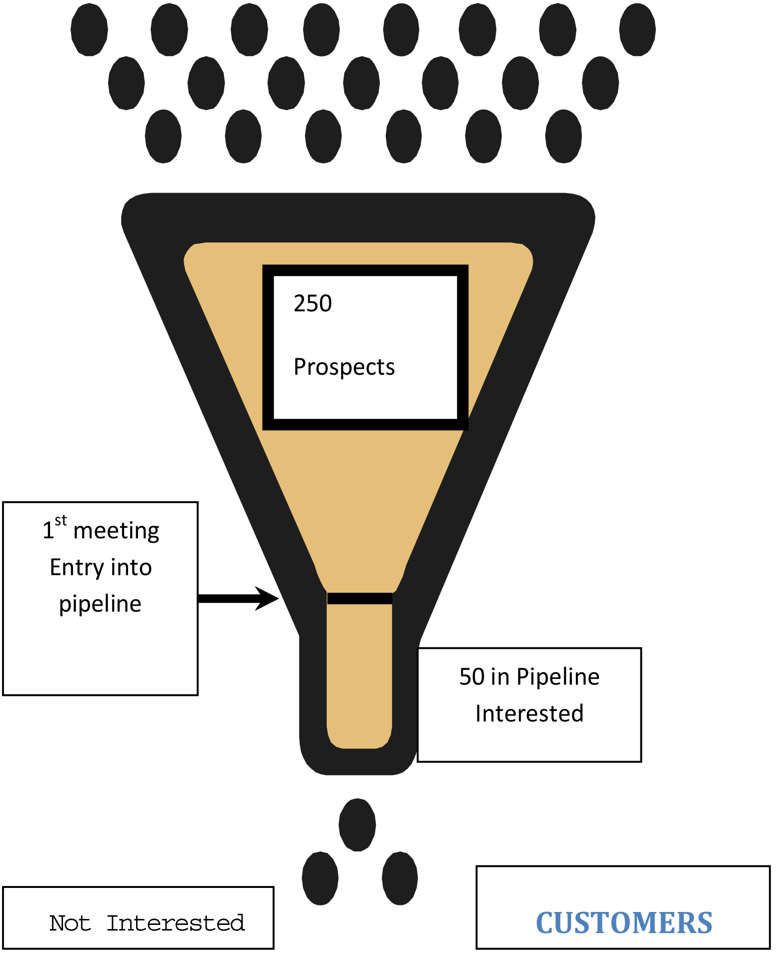
Making a List

(This chapter is also covered in my earlier books i.e Family Welfare Economics and LDEA Success System however this is so important that I believe it should be covered in detail in this book as well.)

This is the stage where both new and seasoned insurance advisors get foxed. What names do I put on my list? Should I include my X or Y in the list? While continuing to read this chapter I suggest you take a notebook and a pen as by the time you finish this chapter I am going to ensure that you have a minimum of 250 names on your list.

When making this list do not be judgemental. Don't think whether they will buy insurance from you or not. Don't think about insurance right now. Just write down the names as they are told in the paragraphs below. It is very important that you should write down each name as it is told. Don't try to jump the gun. Most people try to make a list of 250 prospects but it will be impossible to get 250 names if you do not follow the sequence given below. Most advisors are asked to make a list but they are not told how to make it.

The Funnel and Pipeline



The 7 Principles of Prospecting

A) The Two Principles of Tele-calling

(These principles have been covered in my earlier book "LDEA Success System" however they are so important that I risk repeating them here.

B) The 5 Principles of Followup

(These have also been covered in my earlier Book "LDEA Success System" which you can refer and repetition can be avoided)

A) The Two Principles of Tele-calling

The Telephone call (Selling the Appointment)

This is the most important stage in the Relationship selling process. It is almost like introducing yourself to a girl on the phone with an attempt to get blind date. What you say and how you say it will decide whether you end up with a date or not. There for it is necessary to practice this method until you have perfected the technique.

The Mastery Sales Process

I have divided the Sales process into seven steps as you must have read in detail in my earlier books "Objection Overruled" & "Family Welfare Economics". I would like to repeat the same here as it is of utmost importance to the current subject matter

Just as the doctor has 6 step process so also all insurance advisors should follow a seven step process called the "Mastery Sales Process" and the seven steps are as follows

1) Sell Trust/Capability/Competence

2) Sell the Appointment

3) Sell the Problem

4) Sell the solution

5) Sell the Product

6) Collect references

7) Provide ongoing service

Let us take a look at each of these in detail.

The Telephone Script

Objective :

1) To get a confirmed appointment.
2) To show seriousness of the meeting to the prospect/customer.
3) To let him/her know the agenda and the purpose of the meeting so that he is ready for a serious meeting.
4) To show that you value his as well as your own time.
5) To prevent wastage of your valuable resource TIME.
6) To increase your number of meetings per week as there will be a ratio between no of persons called and number of face to face meetings conducted.
7) To increase your confidence in following a regular regime for sustainable ongoing success.
8) To make meetings with prospects predictable.

Introduction (Always begin the call by introducing yourself and mentioning how you got the prospects name and telephone number and. Find out if it is convenient for the prospect to talk to you.)

"Good Morning Mrs. Padma, I am Mrs. Poonam Aurora from LIC of India. Your name has been referred to me by _________ who thinks that my services will be beneficial to you. Can I talk to you right now or should I call later"

Or

"Good Morning Mrs. Padma. I am Poonam Aurora from LIC of India. I have got your name from the survey we conducted on car owners residing in Chembur and I feel my services will be beneficial to you. Can I talk to you right now or should I call later"

If the prospect asks you to continue then proceed to the next step. Alternatively, if the prospect says He/She is busy. Enquire what would be a good time to call back. Make a note of the time in your dairy and call back exactly at that time and repeat your Introduction.

State your Agenda

"Mrs. Padma.I would like to take 30 minutes of your valuable time to discuss with you a concept called "Funding Your Responsibilities". Funding Your Responsibilities" is a scientific way of managing your finances. If you plan your finances scientifically then

The First Meeting

1st Meeting Rules

I have titled this chapter 1^{st} meeting rules but the 1^{st} rule on punctuality should be the governing rule of your life.

1. Be in time for your meeting. There is no worse way to start the meeting than by apologizing and giving excuses for coming late. It is preferable to be in the prospects locality at least 15 minutes before the start of your meeting.

2. Dress like a professional. The first impression is the lasting impression and very often advisors do not realize the importance of this point. You don't need very costly clothes and at the same time they should not be very cheap ones. The most important thing is that the clothes should be sober coloured preferably white or light grey. You should be very clean and properly pressed

3. State the motive of the meeting. Begin with pleasantries but don't hang on to the pleasantries for too long. Remember the prospect has given you a limited amount of time and he may have another appointment after your meeting.

Steps to be followed for the 1st meeting

1) Break the ice talk: Here you can talk about the referee if his name was given as a reference. You can talk about your association with the referee and also ask about his association with the referee. If existing client then you can inquire about his family, his kids and their performance etc. Otherwise you can speak about a topic of interest or about a painting his house. This should be for maximum 5 minutes

2) State the Objective of the meeting: " To discuss about funding your responsibilities" If you plan your affairs scientifically as per the process of Funding Your Responsibilities then even in case of any crisis or any eventuality you will still be financially stable. I will take 60 minutes for this discussion. Can I start now?

3) Then ask the prospect these three questions and note down on a sheet of paper whatever he tell you in answer to these questions. The questions are as follows:-

   a) Sir what are your responsibilities towards your family and towards your children?

Foreign travel once in every two years after 10 years	Unfortunate Death
	Disability
	Serious Illness

6) After having written against each responsibility whether it is Positive impact or Negative impact then we should ask the prospect which of the category he should fund first whether he should do the positive impact first or the negative impact. Remember if he does not fund the negative impact ones first then there is a chance of his level of living going down. He should fund the negative impact first and then take up the positive after completing all the negative ones.

7) The next step is to take a fresh ruled blank sheet of paper and rewrite all the negative impact list of responsibilities followed by the positive impact responsibilities. Then the next is to find out which of the negative responsibilities will have the maximum negative impact. Generally it should be death. Mark this as Priority No 1 then next if he says children's education mark this priority no 2 and so on mark priority to each of the negative responsibilities. Be careful not to decide the priority and make the prospect decide the priority.

Responsibility	Date on which required	Present Annual value
In case of Death	Immediate	3 lakhs
Rishis Education	2022	5 Lakhs
Ramlas Education	2027	5 Lakhs
Ramla's Marriage	2034	10 Lakhs
Disability	Immediate	3 lakhs
Serious Illness	Immediate	3 lakhs
Retirement	2035	3 Lakhs
3000 sq ft bunglow	2020	2 Crores
Mercedes Car	2025	1 Crore
Farm house in alibaug	2030	25 Lakhs
Foreign Travel every alternate year	2032	5 Lakhs

With this list made we come to the end of the 1st meeting which is called the Discovery meeting. We have now together with the customer discovered the responsibilities, divided the responsibilities into two categories positive impact and negative impact, gave a priority to each responsibility and finally we have written a date and the current value against each responsibility thus converting the responsibilities into SMART GOALS.

Background work before the 2nd Meeting

We will have to do a lot of pre work before we go to meet the customer. We will only calculate the income and the Capital gaps in all the funding requirements for his various goals.

The preparation for the 2nd meeting will involve two steps

1) Calculation of all the Goal gaps for each responsibility
2) Calculation for funding the 1st two goals with investment planning

For this we shall take Goal by Goal and prepare a worksheet for each of the Goals identified above

The 1st Step

1) Calculation of all the Goal gaps for each responsibility

Take a fresh sheet for each Goal

Write the Goal as the title as given below

Sheet 5d

Existing Future Corpus = ` 1,33,85,597/-

Gap Future Corpus = ` 1,31,94,402/-

Funding will be required to be made for Capital accumulation of ` 1,31,94,402/- after 22 years.

Note: I am not showing the positive impact goals as we need not address them now. We need to complete our funding for the negative impact goals. Even if you have to work on the positive impact goals you will need to go about calculating the future value of the goals at the rate of inflation with the number of years balance for that Goal.

If the goal relates to a property which the customer will be selling to bridge the gap then we will also have to find out the future value of the existing house with the same inflation figures and then deduct it from the future value of the new house to be purchased.

It is a good idea to let the person know that the positive impact goals can all be taken up after all the negative impact goals have been funded. We need not wait till the goals are actually fulfilled but we should wait till we start an investment plan to fund all the negative impact Goals.

Sheet 6a

Priority 1 : In case of unfortunate Death

Gap present Capital : 35,50,000

Priority 5 : On Retirement

Gap future Corpus : 1,32,00,000

Years balance for retirement : 22 yrs

W e need to plan to create immediate capital of 35 Lakhs and a future capital of 1.32 Crores.

There are 3 steps involved in planning for death and retirement. This is the most scientific way of suggesting a solution and this will stand even in the court of law .

The 3 steps are as follows

1) The Maturity value of the Policy to be proposed should be equal to "Gap future Corpus" as calculated earlier. We will have to reverse calculate the Sum Assured from the maturity value
2) If the sum assured is equal to or more than the Gap present capital then there no need for the 3rd step and the solution is final. But if the sum assured is less than the gap present capital then
3) Give a term policy for the difference between the gap present capital and the sum assured.

The Menu Card

(Sell the Solution)

You shall prepare this Menu card in this format where against each instrument you will write down the Gap Present Capital and against Life insurance you will write down the premium amount of the Policy that we have created for execution of the Goal priority no 1. I have created a chart below based on the example that we have just solved

Sr No	Name of Investment	Investment to be made to fulfill the Gap present Capital
1	PPF	35,50,000
2	PF	35,50,000
3	Bank FD	35,50,000
4	Postal savings NSC/KVP/RD	35,50,000
5	Bonds	35,50,000
6	Gold biscuits	35,50,000
7	Mutual Funds	71,00,000
8	Shares	71,00,000
9	Life Insurance	1,73,000

The Second Meeting Process

(Consider that this meeting is held in Dec 2013)

1) Break the ice talk.
2) Objective of the meeting - to discuss regarding funding responsibilities.
3) Discuss the 3 questions very quickly as were asked in the 1st meeting along with the responsibilities as told by the prospect.(This should be done very quickly and not at length was done in the 1st meeting just to give the prospect a perspective and continuity for this meeting)

a) Sir, what are your responsibilities towards your family and towards your children?

The following were the responses

i) Proper Education for the children.

ii) Getting the children specially the daughter married off with proper customary requirements.

iii) To have suitable provision for proper retirement of the spouses etc.

Sir, what are your lifestyle requirements? Are you happy with your current lifestyle and what do you think should change or be acquired to reach the lifestyle that you think you truly deserve?

The Third Meeting Process

Sept 2014*

(Held after minimum of 8 months and upto a year after the 2nd meeting. In the 2nd meeting if you made a sale of only part of the goal priority no. 1 only then you will have the 3rd meeting but if you have completed the goal priority no. 1 fully then move directly to the 4th Meeting)

You will go with Sheet 6a,6b & 6c and start directly with step no. 15 as given above. Then explain to the customer that he has executed 50% of the Goal priority no. 1 and the balance 50% is to be executed now. You can explain the sheet again and take the confirmation of the same.

* Date based on initial meeting.

Rishi's & Ramla's Education Planning

~~Pay installment~~
~~Pay Interest~~
~~Take a Loan when~~
~~the need arises~~

Pay Installment
Earn interest
Start investing today

If Method	Sure Method
In case of the unfortunate death of the parent	In case of the unfortunate death of the parent
All future instalments have to be paid by the child to get the full value of the funds as planned as per the deadline	All future instalments are waived and the child still gets the full value of the funds as planned as per the deadline

11) Sir, in the 'if' method in case of the unfortunate death of the parent all future installments have to be paid by the child if he wants to get the full value of the funds as planned for his education on the deadline date whereas in the 'sure' method even in the case of the unfortunate death of the parent all future installments will

It may be possible that the customer does not follow the execution chart exactly as it was planned at the 1st meeting. It is not very important to follow the chart and the deadlines given there. What is of utmost importance is that he executes all the goals.

While 25% of the customers will go exactly by the deadline chart, another 25% may delay implementation but with proper and consistent follow up they will complete funding all the negative impact Goals. Another 25% will complete few of the Goals and may not get down to funding all the Goals. Another 25% may just implement whatever they implement at the 2nd meeting and then just disappear

I would like to now introduce the concept of the buying cycle and you will see that the meeting process has been created keeping in mind the buying cycle.

The Buying Cycle

Every Purchase tangible or intangible has five steps which we call the Buying Cycle. For example, let us take the most common need of people after Food and Clothing that is Shelter. - Buying a New house.

1. First, the Prospect must be dissatisfied with the present home. Perhaps it is too small or the street has become too busy for children to play in the neighborhood.

2. Second, the homeowner must be unhappy enough with the present home to want a new home somewhere else.

3.Third, the prospective home buyer must be satisfied that the selected new house is better thant he present one and that it is worth the money.

4. Next, the prospect must be able and willing to spend the money to buy it.

5. Further it is not until the prospect signs the contract to close, arranges to pay, and takes possession is the sale complete.

The five steps in the buying cycle are:

1. Recognise the need.
2. Desire a Solution.
3. Decide on the best available choice.
4. Make the purchase.
5. Take delivery.

1. Recognize the problem or need.

The buyer must recognize that there is an unfulfilled need or want, and the nature and extent of it must be identified and understood. The prospect must recognize the problem as significant-either of a high value if it is satisfied or of a High Cost if it is not. You as the advisor help the prospect understand the need for Life Insurance and impress upon Him to take action on this need.

2. Desire a Solution.

The prospect must have a strong desire to resolve the problem or satisfy the need. This problem or need should be at the highest priority in the mind of the prospect which until resolved will create an uneasiness in the mind of the prospect. At this point the advisor plays a very important role in being the agent of change or creating a disturbance in the mind of the prospect regarding the urgency of taking action to purchase Life Insurance immediately.

5) This concept is scientific and is standard across the particular customer segment so as you keep using the concept with more and more people you keep becoming specialized in the process and then you become a master of the process which means you will be able to sell more with less efforts.
6) It will create a good will amongst your customers.
7) You will be able to get very good references.
8) This will ensure that your customers sleep peacefully at night.
9) The customers are going to bless you if their stress comes down and they can enjoy a better quality of life with all worries and concerns taken care of.
10) This concept is not about selling life insurance, it is about caring for the people who are your customers and sincerely being concerned about their welfare.
11) It makes the agent very confident in front of the prospect as he knows the power of the concept.
12) It makes it very easy for him to get appointments as the prospects would like to know what Funding Responsibilities is all about.

13) It helps in creating a unique selling proposition for the agent as his style is completely different from the normal agents in the market.

14) It helps in creating a wow effect based on the process that the prospect follows.

15) It helps to easily get all the financial data from the client as the client becomes curious to know his own situation.

15) It lifts the image of the agent in the minds of his customers.

16) It helps the customer to continue the policy year after year for the full term and prevent lapse because he has understood the value of the policy to his family and his future.

17) It helps the agent get the immediate buy in

from the prospect.

18) It disturbs the prospect and wakes him up from his slumber and makes him sit up and take notice.

19) It helps the agent get good references as the prospect wants all his friends to know this concept.

20) It helps protect the family adequately as all

calculations are done by taking the prospects

current situation into account

21) In normal plan and product based selling the policy is taken to oblige the agent and to help him. In the Funding Responsibilities concept the policy is purchased to protect the family and the customer feels obliged to the agent for his good advice.

22) This type of selling completely removes the need to pass on a rebate to the prospect.