

THE MAGIC CARD SYSTEM

The Magic Card System is designed to help agents who are not in the life insurance business as their primary focus (health agents, DI agents, P&C agents, Securities representatives). Individuals in this arena have plenty of prospects, they just don't have a system to turn them into life prospects.

MCS is a very simple system that will allow you to ask a couple of quick questions while you are on the phone with the client or while you are sitting in front of them, or while you are making a group presentation. In all of the cases, the questions are non-threatening and designed to get a response.

In order to place everything into its proper perspective, I would like to put the system into the proper framework.

RECENT LIMRA STUDIES:

The Life Insurance Marketing Research Association (**LIMRA**) has done extensive studies to determine the need and the receptiveness of the American life insurance prospect. Their studies have been eye-opening to many agents who felt the life insurance markets had all been explored. Among other things, they discovered that;

48 million households in the U.S. believe that they do not have enough life insurance.

Many of those households have good intentions and plan to rectify the situation.

29 million households say they are likely to buy life insurance in the next 12 months.

History tells us that most of them will not actively seek out life insurance coverage. Only 12 percent of all U.S. households actually buy life insurance in any given year, far fewer than the 27 percent of U.S. households who say they expect to purchase in the next 12 months. What can we do to turn these potential buyers into customers?

Who are our target prospects?

3 in 4 already have some life insurance and are seeking additional coverage.

1 in 4 currently do not have life insurance coverage and 74 percent of these potential first-time buyers do not have a personal life insurance agent, broker or financial planner.

Our best prospects are young and middle aged households – especially those with children.

Our prospects are in all income segments – low, middle and high. No matter the area, you will find clients and potential new customers within your markets who believe they need more coverage. Plans to buy life insurance in the next 12 months are the same regardless of income.

A fact not disclosed: **They will probably buy from the first agent who asks them.**

WHY HAVEN'T THEY BOUGHT ALREADY?

52% find it difficult to decide how much insurance they need.

50% have not gotten around to buying it.

43% worry about making the wrong decision

40% prefer to put their money in other financial products

29% say nobody has approached them about buying

20% think that the subject of death is unpleasant

Let's address these issues one at a time:

- 1) How much is the right amount? “The rule of thumb is 7 to 10 times your annual income.” This can vary by individual, sometimes more is appropriate.
- 2) Procrastination. The statistics tell us that they will probably buy if someone will ask them to buy.
- 3) Wrong Decision? There are many ways to answer this one – but let's take the easy one. As a professional life insurance agent, you can help them decide what is right for their family and their budget.
- 4) Put their money in other financial products. That probably means that they don't really understand how life insurance works. You can explain it to them. The reason that their current plan may not work is that they can put all of the money they want to in a bucket in the back yard, and it might accomplish their goal of taking care of their family – but ONLY if they live long enough.
- 5) Nobody has asked them. **See number two!** Why don't you be the first one to ask them?
- 6) The subject of death is unpleasant. Receiving a death benefit from the life insurance company has a way of washing that bad taste out of most people's mouths.

In Summary:

More than 2 in 10 U.S. households have *no* life insurance at all and even among the households with coverage, 40 percent believe they need *additional* life insurance. That is **60% of the households** that need to talk to you today!

CONSIDER THIS:

Billions (*if not trillions*) of dollars of life insurance are sold on the internet every year. In these cases, there is usually no professional relationship between the buyer and the seller before the transaction. The reason that the prospect buys on the internet are;

- 1) Nobody has bothered to ask them to buy.
- 2) They KNOW that they need additional coverage.
- 3) They perceive that life insurance is cheaper when they buy it “direct.” In reality, they are buying from another agent, one that they do not know and one that will most likely not answer the phone when they have questions that they need answered or need help with a claim. NONE of the agents will bring the check to the house when the insured dies and offer their condolences.

YOU HAVE THE ADVANTAGE:

You have the advantage with this prospect if you will use it. You already have a good relationship with the prospect through your other transactions. They have not bought life insurance from you because you have NOT asked them. You are selling the same product as the guy on the internet, you are selling it with the same companies and you are selling it at the same price.

HOW TO ASK FOR THE SALE:

The first rule is that you have to ask! That one should be easy. It really doesn't matter much how you ask – you just need to ask. Let's look at some scenarios;

- 1) **Face to face:** After you have already done the closed your sale, after the paperwork is done and before you say goodbye, you say, “Mr. Prospect, do you have an agent who handles your life insurance for you?”

“No.”

“Our agency offers some of the most competitive life insurance rates in the industry with some of the top companies. Would you have any objection to discussing the matter with our office?” (No) Please fill out this card (the Magic Card) and someone will call you within the next 72 hours and answer your questions.

“Yes.”

“That is excellent. 40% of U.S. households think they do not have enough life insurance – you may be in one of those households. Perhaps when it is time to review your coverage, you will give us a call. We offer some of the most competitive product in the industry through some of the top companies. It would be a privilege for us to give you a quote. Here is my card, please keep it handy.”

- 2) **Over the phone:** After you have answered their questions and solved their problems. You say, “Mr. Prospect, may I ask you a question?” (Yes) “Do you have an agent who handles your life insurance for you?”

“No.”

“Our agency offers some of the most competitive life insurance rates in the industry with some of the top companies. Would you have any objection to discussing the matter with our office?” (Fill out the “Magic Card” and give it to your life specialist).

“Yes.”

“That is excellent. 40% of U.S. households think they do not have enough life insurance – you may be in one of those households. Perhaps when it is time to review your coverage, you will give us a call. We offer some of the most competitive product in the industry through some of the top companies. It would be a privilege for us to give you a quote. Please write down our phone number and keep it handy.”

- 3) **In a Group Presentation:** After you have made your presentation and you have answered the questions, and before you dismiss the group, you say, “A recent survey indicated that over 40% of U.S. households state that they feel that they don’t have enough life insurance. You may live in one of those households. If you do, please complete the yellow card in your packet and leave it on the table in front of you – or hand it to me as you leave. We will call you and answer your questions.”

THE OPPORTUNITY:

“Sixty percent of all households either don’t own life insurance and they believe they should, or they own life insurance and believe they need more.” If these people understand they need life insurance, why aren’t they buying it?”

We believe it’s because they perceive it’s a hassle and takes too much time.

PUTTING MISCONCEPTIONS TO REST:

There are two key items that we need to mention now;

- 1) ***You can’t make any money selling term insurance.*** By the time you go out to see the client (sometime multiple visits), fill out a 24 page application, order the exam and follow the application all of the way through the underwriting process, the profit is gone.
- 2) ***From the buyer’s viewpoint, buying life insurance is a hassle!*** They have to schedule an appointment with a life insurance salesman (*yuk*), usually at their home, which means that they have to clean house and make sure that the kids are in their room studying. Then they have to listen to a sales pitch, decide to buy, fill out a 24 page application, take an exam (*get stuck with a needle!*) and wait for several weeks before they find out if they passed the physical.

Both of these were legitimate concerns before the TeleLife process was introduced. However, TeleLife has taken the pain and the expense out of applying for and processing term life insurance. The average term sale can be made – over the phone – with a one page application, one health question and no signature required from the applicant. The agent can quote the case, take the app over the phone (*and input it directly into the computer*), get the first month's premium and say, "Thank you for your business," in less than 15 minutes. The most effective TeleLife system in the industry is owned by West Coast Life and Protective Life.

HOW MUCH MONEY CAN I EARN?

Before you put this plan to work, there is no way of knowing what your average premium per case will be, and we don't know what your actual "closing percentage" will be. However, what we do know is that you will make money. If you work hard and you are committed to the program – it could be a lot of money.

Let's consider a possibility;

You make **20 calls** per week.

You find **5 buyers**

Each Sale is **\$500** of annual premium

Based on those averages, your increase in earnings will be approximately \$2000 – per week.. Over a 12 month period, that would equate to over \$100,000 of new life premium. Personally, I believe that if a prospect fills out the "Magic Card" that more than 1 in 4 will buy. I also believe that your average premium will be more than \$500. However, we won't know your averages until you put the plan to work.

YOU MUST HAVE A COMPETITIVE COMPANY:

Because you will be competing with the internet agencies, you will need a *very* competitive company. One thing you can be sure of - at least some of these folks are going to shop your rates online. Because they will compare you with the quotes online, your quote needs to be in the top tier of competitive companies. We recommend West Coast Life, Protective Life and AIG as your primary carriers. If you don't have these companies, we will be happy to offer you a PPGA contract.

YOU NEED A FOLLOW UP SYSTEM:

You will have a LOT of prospects who *won't* decide on the first phone call. Because of this (*and because of the numbers of prospects that you will be working*), you need a computerized follow up system. If you don't already have a system, I recommend MS Outlook. It is pretty much the standard for the database industry. However, there are insurance specific packages out there – you should look at all of them.

Your database should offer:

- 1) Reminders to call back (alarms).
- 2) A place for all of the contact information.
- 3) A place for all of your notes – KEEP good notes – you will be glad that you did.

I knew a guy once who wrote a book titled, “***Ideas are a dime a dozen, but the person who will use them is priceless.***” I never liked the guy, but I liked the title of his book. There is a lot of truth in that one statement.

Starting today, ask for the sale.

If you are selling group insurance, ask every client that you enroll. Hand them the “Magic Card,” get it completed and make sure they receive a follow-up call within 72 hours.

If you are in a P&C shop, ask the question after you have done the service work for them. If you have customer service reps working with them, teach the reps to ask the question and get the “Magic Card” filled out. Give the reps \$25 for every sale that is made from each “Magic Card.” *(Don't add the money to their paycheck. Give it to them separately. That is money that is “off the books” so to speak. They don't have to report it at home.)* You will be surprised how many cards get filled out!

If you are selling health insurance, stocks and bonds or some other product, after you have made the sale – ask the question.

YOU CAN'T SELL A SECRET:

You will sell a lot more life insurance if you will tell the people that you have some of the most competitive products in the industry offered by some of America's top companies. If you represent Protective Life, put their **FREE QUOTE ENGINE** on your website. Direct the prospect to your website and they can quote themselves. Then, they can push a button and you will be alerted by email to call them.

If you have any questions regarding any aspect of this system, please give me a call. I will be happy to work with you to personalize the approach for your own way of doing business. Our office can provide you the “slicks” for your “Magic Cards.”

Thank you for your business!



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PART 2

HOW TO MAKE THE MAGIC CARD WORK FOR YOU

The “Magic Card System” is designed to help develop life leads for agents for whom life insurance is a *secondary* market. These are agents who specialize in health insurance, disability income insurance, property and casualty insurance, securities or any other insurance product other than life insurance.

The principles used in the “Magic Card System” can even help if life insurance *is* your main focus.

THE “SECRET” OF THE MAGIC CARD

The secret to the “Magic Card” is that there really is no secret! The card *will* develop life leads if you will *use* it. The concept is really quite simple. The magic card, if used correctly, is the *first time* that your prospect will say “Yes” to one of your closing questions. We all know that once you get them in the habit of saying “Yes” the rest of the sale is much easier.

THE SETTING

The card is intended to be used when you are doing group enrollments or if you have a P&C shop and your service reps are working directly with your clients. However, the logic and technique will still work on individual clients.

THE QUESTION

“Do you have someone who helps you with your life insurance?”

It doesn’t really matter whether he/she says “yes” or “no.” Either way, you have the opening that you need to get an appointment or to create a follow up call. If they say, “no” you say, ***“Do you have any objection to discussing your life insurance with me?”*** (*They answer this question, “no” – but it still means “yes.”*)

It is important that you memorize the questions just as they are written. The simplicity of the questions helps you overcome any natural reluctance from the prospect.

IN A GROUP SETTING

The “Magic Card” works very well in a group seminar situation. For best results, have the card printed on bright yellow card stock. When you reach the appropriate point in your presentation, you tell the group that 40 million households in the U.S. feel that they do not have enough life insurance to guarantee the future of their family and if they happen to fall into that group, ask them to complete the card and leave it on the table or

turn it in to you as they leave. You tell them that your life specialist will call them within 72 hours to discuss the matter over the phone. When they fill out the card, they have already told you that they *need* and probably *want to buy* life insurance.

FAMILIES DON'T HAVE TO BE SOLD ON THE VALUE OF LIFE INSURANCE

The average household is much better informed today than it was when you and were kids. Thanks to the constant barrage of advertisements on TV, the ads in the magazines, and the evening news, the average family today *recognizes* the need for life insurance. They recognize it so much that they will sit down in their pajamas tonight and go online and buy it from an agent they don't even know!

Mom and dad look at their 2.1 kids every night and wonder what the kids would do if one of the parents was killed. The parents look at each other and wonder how they would manage if they were a single parent. Both realize that an appropriate amount of life insurance could soften the blow. Both are aware that term insurance is CHEAP. They *would* listen to a life insurance agent . . . if *only* one would call.

They are going to buy life insurance from someone. Imagine your heartbreak when you find out that they gave up on anyone asking and went online and bought it. Save yourself the heartache and save the couple the mental trauma. **Ask them today.** Ask them to complete the "Magic Card" and hand it to you.

WHO MAKES THE CALL?

This system was designed for a group health insurance producer who has 4000 group clients that he sees face to face almost every year and he has NEVER asked them about their life insurance. He has a life agent in his office and that agent will make the phone calls and write the life insurance over the phone. The life agent will use the TeleLife System from West Coast Life and the app will be completed in 10 minutes. West Coast will order the exam and finish the application process. The agent can go on to the next call.

ONE HEALTH QUESTION

NO CLIENT SIGNATURE REQUIRED

THE MOST COMPETITIVE LIFE PRODUCT IN THE INDUSTRY

If you don't have a life agent in your office, the system will work just as well if YOU make the calls or if you have a customer service rep (*that we will train*) make the calls. Either way – the result is life sales – lots of them.

PRINTING THE MAGIC CARD

We will provide you with a “slick” of the “Magic Card” with your agency information on it. We can even put your agency logo on it if you like. You will notice that there are 3 cards on each page. You have the printer cut the sheets into individual cards after they are printed. Then all you have to do is hand them out and get them filled out. The following page contains 3 examples of how we can design this card for you. The card can be printed in black and white or color (your choice). Simply choose one of the designs on the next page and we will set the print copy up to have 3 stuffers per page. Obviously, these will be cut and used individually.

\$100,000 OF NEW LIFE COMMISSION PER YEAR

It is not unreasonable to believe that you will earn an additional \$100,000 in life insurance commissions this year if you use this system as it is designed. We will be happy to work with you and your staff to implement the system in your agency. The system and the help are **FREE**. All we ask is that you use some of our industry leading products when you make the sales. Give us a call.

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ASK
ABOUT
OUR NEW
LOWER
TERM
RATES

PLEASE TELL ME MORE ABOUT LIFE INSURANCE FOR MY FAMILY

NAME: _____

ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

PHONE: (Home) _____ (Cell) _____ (Work) _____

Best Time to Call: _____ AM/PM Place to Call: _____

DATE OF BIRTH: Self: ____/____/____ Spouse: ____/____/____

Use Tobacco in Any Form? Self: _____ Spouse: _____

A+ INSURANCE SERVICE

844 S. Whitson Jacksonville TX 75841
Phone: (555) 367-1234 Fax: (555) 367-8000

(We can put
your company logo
here)

PLEASE TELL ME MORE ABOUT LIFE INSURANCE FOR MY FAMILY

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