

SPECIAL REPORT

INSURANCE AND TOILET PAPER

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There are clients and prospects that treat insurance as a commodity such as wood, wire, janitorial supplies, toilet paper, etc.

It constantly amazes me that those same insurance buyers take a far different approach when making decisions about other aspects of their lives. Think about the following. Would a rational person . . .

- . . . go into the emergency room and ask for the cheapest doctor?
- . . . utilize a physician that never asks questions or gathers the necessary information in order to design a medical program to keep their most important asset (their bodies) viable?
- . . . pick the attorney with the lowest hourly rate to solve a major problem and protect the company's assets?
- . . . use the U.S. Post Office for next-day delivery rather than pay more money for an overnight mail delivery service such as Federal Express?
- . . . hire the least expensive executives to work for them to make the best decisions regarding their company?
- . . . ask for "bids" from their accounting advisor and select the one with the lowest cost?

Of course not! To do so would be ludicrous. Yet, when this same person buys insurance to protect the assets that he or she has spent a lifetime

acquiring, this person makes a decision based on the lowest cost. To make it worse, this person becomes a serial shopper by doing it every year.

So, what's the lesson here?

What I have learned over the years is that it is generally not possible to change this mindset.

The intellectual capital that you spend trying to change these people should be spent on clients and prospects who really are serious about protecting their assets and treasure what we do.

The serial insurance shopper will eventually find an insurance program that is "cheaper" and kick you to the curb, anyway.

We are not for every personal or commercial insurance buyer, especially the serial insurance shopper and especially someone that places insurance on the same level as toilet paper.

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