

THE LAW OF SALES SUCCESS

PART ONE

Brian Tracy tells how the truly successful often start from nothing and reveals how they did it.

IF YOU'RE LOOKING for time-tested strategies for success or just some solid, straight-up wisdom, you can't do much better than talking to **Brian Tracy**.

Tracy might be best known for writing *Psychology of Selling*, which he turned into an audiobook that has reportedly become the bestselling audio program on sales in history. He has, over his career, written 45 books, consulted for more than 1,000 companies and spoken to more than four million people in 4,000 speeches and seminars. Not only does his no-nonsense advice help foster a better understanding of how to sell, his reassuring style invites listeners and readers into his world of calm confidence.

Tracy's wide-ranging interview with Publisher **Paul Feldman** was so filled with valuable insight, we could have easily made it a four-part series, but we have taken the best of the best and assembled two stellar articles. In this month's installment, Tracy discusses the how-to's of improving your business and your life. He also tells the legendary Ben Feldman story as only he can.

FELDMAN: Without a doubt, time management separates the winners from losers. We all have the same amount of time given to us, yet there are some people who just seem to get more done, who make more calls and close more business. Even the busiest and most successful salespeople in the business are always in search of better ways to effectively manage their time. What are some of your key strategies for effective time management?

TRACY: The first thing to understand is that, if you do not deliberately manage your time, your time will get out of control. The default setting on the human being, especially in sales, is underachievement and failure. Therefore, if you want to break that, you've really got to become very good at time management.

When I first started studying time management, I was astonished. I thought it was sort of like a peripheral thing that you did in the course of your lifetime. What I found later was that it's the most important thing you do in life. Your time management largely determines your success. So I just began to study it. And as you begin to study it—surprise, surprise—you get better at it.

If you look at the people in the top 20 percent, there are no exceptions. They all use their time better. And what I say is that when we start off in life, we start off with lots of time and no money. And over the course of your working lifetime, if you use your time well, you end up with a lot of money and less time. The worst of all is to use up all your time and end up broke after 20 or 30 years of working, which unfortunately is too common.

There are three critical things in time management. Number one, plan your time in advance. And the way you do that, based on enormous research, is you make a list of everything you have to do at the beginning of each day—preferably the night before so that your mind can work on it overnight. Number two, you set priorities on your list and you pick the most important things that you have to do. If you could only do

one thing the following day, what would it be? And then number three is, in the morning, you start on your most important task and you stay with it until it's done. If you do that, you're going to have a fabulous life. You're going to accomplish two, three, five, even 10 times as much as other people. You're going to be wealthy and successful. You're going to have a tremendous sense of personal accomplishment. You'll have high self-esteem and self-confidence. You're going to be respected by everybody around you. And if you don't, you're not. It's black and white.

One of the great things I've found is that nature is neutral. Nature doesn't care where you're coming from and what you started with. Your education or background or family, or anything else, doesn't matter. If you do what other successful people do, you get the same results. And if you don't, you don't. Nature is neutral.

FELDMAN: That's profound.

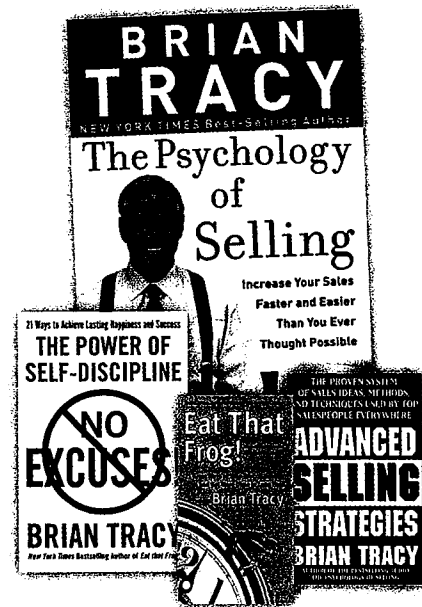
TRACY: Yeah, it's so important to understand that. Some of the most successful people in financial services of all kinds are people who started with absolutely nothing and struggled for a long time before they became successful.

FELDMAN: Can you explain your *Law of Sales*?

TRACY: The first law is that nothing happens in sales until the sale takes place. We're really coming back to time management. The key to time management—an expert told me this and I never forgot it—is managing the sequence of events.

In other words, managing what you do first, what you do second and what you do not do at all. Time management means that you have so many things to do and you choose the order. And, in the choice of the order, you determine your entire life. So when we say nothing happens until the sale takes place, then what salespeople need to do is spend 80 percent of their time selling.

Now there's a law of three that I keep. And it seems to be true for every single



Tracy has authored many *New York Times* bestsellers on everything from time management to proven, superior selling strategies.

occupation. The law of three says that there are three things that you do in the course of a day, whatever your job is, that account for 90 percent of your income. If you're in management, there are three. If you're a cardio physician, there are three. If you're a mechanic, there are three. If you're a business owner, there are three. It varies depending upon your occupation, but there are only three.

The way that you determine what your three are—and I've done this with thousands of people in my seminars—is making a list of everything you do in the course of the day. And then ask yourself if you could only do one thing on this list, all day long, which one activity would contribute the most to your income? And that will pop out at you.

And then you ask the question again. If you could only do two things all day long, which would be number two? And then if you could only do three things all day long, which would be number three? I have done this for now for years—10, 12 years. It works 100 percent of the time.

Then I say there is always one key task and two support tasks. And in selling,

we know what they are. They are prospecting, presenting and closing. Those are the three.

Now, there are many other sales activities. There's getting organized and planning and sending out follow-up letters and all kinds of things. But the three that are most important, upon which everything else is determined, are prospecting, presenting and closing. Prospecting is the point of the spear. It's talking to more people. Presenting is making sure that your presentation is persuasive, effective, customer focused, customer-centric. And then closing—getting the customer to make a decision, sign the contract and give you a check. Those are the three.

good on the most important skill that can help you the most. And whether that takes you a week or a month or a year, you put your head down and become really, really good at the one skill that is determining your income. And whenever people do that, they're absolutely astonished. They go from rags to riches in as little as a year.

FELDMAN: One of my favorite approaches that you have is to reverse-engineer your presentation. Can you tell us a little bit more about that?

TRACY: Reverse engineering is when you start with the end in mind. And in selling, the end is when the client accepts

will buy again, will recommend their friends and will be happy with my services? Who needs it? We start to ask that question.

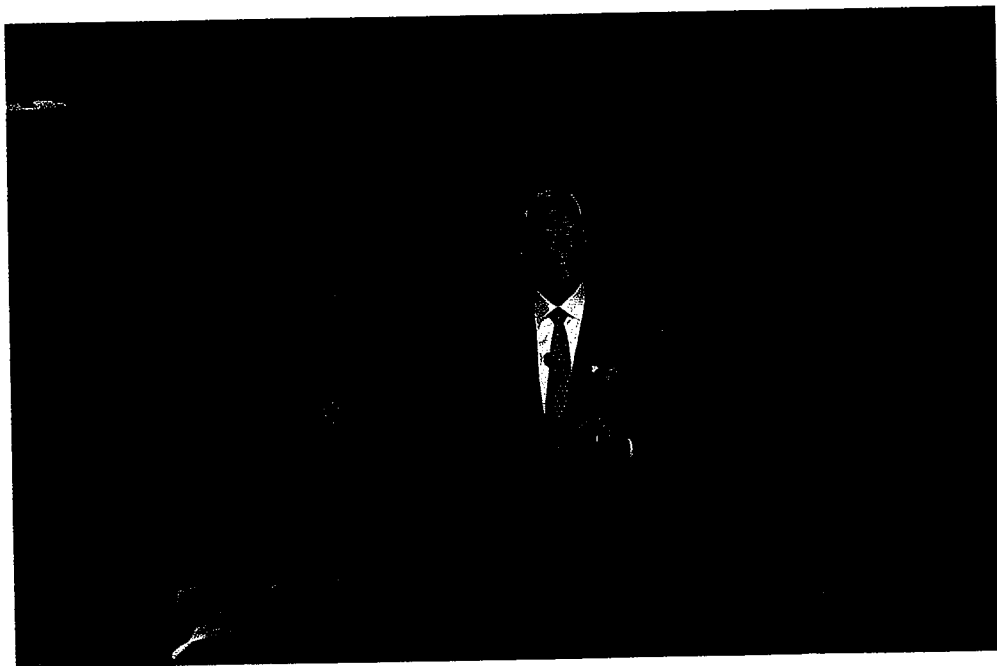
People say, oh, everybody needs insurance, or anybody that's got money or anybody that's got extra income. Well, that's fine if you have no future. But you really have to sit down and think about it.

I'll give you an example. A good friend of mine has been in the Top of the Table starting about three years after he began in insurance, and is now a multi-millionaire. He started off in life insurance and they told him go call on doctors, lawyers, architects, engineers, people with high income. Those are the best people to buy insurance. So he went out, and can you guess what he found? He found that every insurance agent within 500 miles was calling on all those people. So he couldn't even get appointments because those people were just being inundated by insurance professionals trying to get appointments with people who had money.

So he backed up and he said, "How do I get to see these people? Well, I need to have a really good understanding of their situation." So he picked the medical profession and focused on doctors. And then he started to do research. How do they earn money? What does it cost them to run their practice? What kind of insurance do they need? And he began to interview doctors.

As he interviewed doctors, he wrote articles, which he then published in journals that doctors read on the essential

requirements for financial planning for medical professionals. Well, eventually, they began to invite him to give talks to local chapters on how doctors could organize their lives so that they could end up financially independent. And he would talk about the pitfalls, the things they had to consider and the various alternatives they had. And afterward, can you guess what happened? People



“Every single person who is good at sales was once poor.”

If you're having problems in selling, give yourself a grade of one to 10 in each of those three. And you'll know instantly what your big problem is and what is determining your income today. And what you realize is that these are learnable skills.

Every single person who is good at sales was once poor. So what you do is simply settle down and get really, really

your recommendation, signs the contract and gives you a check. So, you work back to the beginning. What has to happen from the very beginning in order for you to achieve that at the end?

One of the first things you have to do is to prospect and talk to the right people. So who is the ideal client for me as an insurance professional? Who is the ideal client who will buy from me, and

would say, "Well, could you come and see me? A lot of what you said made sense to me."

Soon he was being invited to address national conventions on financial planning for medical professionals. And he mastered the skill of selling to medical professionals. Pretty soon, he became the go-to person. People began to recommend him and give referrals. And the more doctors he sold to, the more doctors would recommend him. So he had incredible credibility, social proof, testimonials and went on to hit the Million Dollar Round Table mark in his third year.

FELDMAN: Closing is often the most painful part of the sales presentation, which is interesting because when it's done right you don't even need to close.

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Why do so many in sales struggle with closing?

TRACY: If your product or service is very closely aligned with what your clients want and need and are willing to pay for, then they'll be ready to buy at the end. They still need to be asked, but they'll be ready to buy.

There are two very simple ways to focus on the customer's needs. Identify the pain that the customer has, the problems that arise because of lack of being properly insured and then the benefit, the peace of mind, the financial stability, the provision for your family. Then you use examples of people who accepted your advice and this is what happened. Or people who decided not to and this is what happened to them. A positive example and negative example—both are good. And they don't have to be your

examples. They can be examples from someone else.

I remember when I bought my first million-dollar policy from the gentleman I was talking about earlier. Because I was going back and forth, he told me a story of a business owner who had decided not to insure. And when the business owner died, after they had taken all the taxes and paid off all the bills and everything else, his wife, who thought he would be worth more than a million dollars, was destitute within three years and had to move in with the couple's adult children. Was that what he wanted? I never heard the story before, but it was a real eye-opener for me. And so that's why I bought the insurance and I continually insure myself for millions of dollars.

Later I spoke to another insurance agent on the other side of the country and he started telling me the same story. It turned out it was a story about a businessman in Florida. And the same story—the identical story—had been circulated throughout the insurance industry and all the estate planners all use the same story, nationwide.

FELDMAN: You have referenced and worked directly with an industry legend, Ben Feldman, many times in your work. Can you tell our readers more about your work with him and some of the invaluable lessons he shared with you?

TRACY: I used to work with Ben Feldman many years ago. Ben Feldman, you know, was the Guinness Book of World Records top insurance salesman in his country. He made \$15 million a year selling

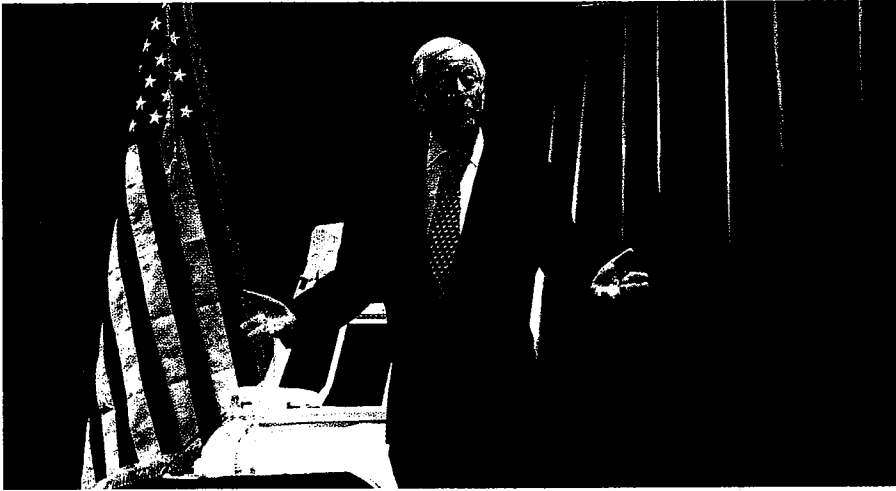
policies one-on-one, head-to-head, knee-to-knee, one person at a time. And he never, never worked more than 50 miles away from East Liverpool, Ohio, which is the little town he settled in when he was 20 years old.

He was making \$13 million to \$15 million a year and he had a staff of 35 people that just processed the business he wrote. And he did all his business with small businesspeople within driving distance of his home because he promised his wife and his family he'd always be home for dinner and he always was.

He was the master of the incisive question. And one of my favorite questions from Ben was one he'd use when he called on a business owner. The business owner would say, "I'm not interested, I don't want it. I can't afford it. I'm not going to bet against myself. I think life insurance is a gamble. It's a waste of money," and all the objections that people give. And he'd say, "Well, that's fine. I appreciate your opinion very much and thank you very much for giving me a little bit of time. But I'm going to ask you just one question before I go. Will your widow be able to dress as well as your wife?" And the businessman would stop like he'd been slapped in the face. He'd say, "What do you mean?"

Ben replied, "Well, here are the statistics. Within about three years and four months, your wife will be destitute. She'll never again enjoy the standard of living you're providing for her now if you're not properly insured." The guy would say, "Could you come in and explain that to me a little bit more?" And he'd walk out of there with large checks.

Ben never mentioned his company. He never mentioned the details. Most people bought the insurance from him without even knowing what company he worked for because it didn't even matter. All that mattered was that if you sign this, then when we get the medical tests through, you will have provided 100 percent for your wife and for your family. Isn't that the most important thing? Isn't that what you're working for in the first



“You, who are struggling and trying to get up there, how many hours are you studying?”

place? That guy went on and made \$15 million a year—and this is 20, 30 years ago—as a life insurance salesman.

I mean, Ben was not handsome, dashing or articulate. He was just very good at what he did. He studied life insurance two hours a night, five to seven nights a week. He never stopped studying. He would come home for dinner and have dinner between 6:00 and 8:00. Then, from 8:00 to 10:00 he'd go into his little office and he would study life insurance, sales, marketing, actuarial tables, history and read every magazine and every book on the subject. He studied two hours a day for his entire career.

And I sometimes mention that to people because I've spoken with most of the life insurance companies in America and throughout the world. I say, “Here's the highest-paid, most successful life insurance professional of his generation—really, of almost all generations. And at the peak of his game, he was still studying two hours a day. Now, how many hours a day are you studying? You, who are struggling and trying to get up there, how many hours are you studying?” And the whole audience looks down and looks away because they think that they're so damn smart, they don't have to study. They're so damn smart, they're just going to go out there and they're going to find people and wing it, when the smartest and highest-paid people in

this industry worldwide never stopped studying.

FELDMAN: I'm a firm believer in continuing my own education and knowledge to improve myself, yet so many people I know say that they just don't have the time for it because they are so busy. I was reading a study recently that said the average American watches more than four hours of TV a day and spends about two hours and 45 minutes a day driving, listening to the radio about 70 percent of that time, and spends an hour a day on Facebook. How can people believe that they don't have the time to learn?

TRACY: You know, I worked it out. There are 168 hours in a week. And if you take 50 hours for work, that's 118 left over. Most highly paid people work about 50 to 60 hours a week. And if you take eight hours a day for sleeping, that's 56. You've got 62 hours. And of the 62 hours, now let's say you take two hours a day for traveling, that's 14 hours. All right, now we're down to 48 hours. Let's say you eat two hours a day, that's 14 hours. OK, now we're down to 34 hours. So all you do is you take two hours a day of that, that's 14. That gives you 20 hours to watch television all week long. And the interesting thing is that the investment of those 14 hours will pay itself back 5, 10, 15, 20 times in additional income

over the course of your lifetime.

And all you have to do is read a little bit in the morning, listen to educational audio programs as you travel around and read a little bit in the evenings and on the weekend. Don't try to do it all at once.

Go to courses and seminars whenever you have a chance. Meet with other professional people and ask for their advice. What books do they recommend? What techniques and methods have been helpful for them? Just make it so you invest two hours a day in yourself throughout your career.

That will absolutely guarantee that you're going to be a huge success, going to be in the top 10 percent of the highest paid people in your field. You'll live in a beautiful house, drive a beautiful car, have a bank account full of money and be one of the most respected people in your community. And there are virtually no exceptions to that. The automatic default setting is what? Five hours and 15 minutes of television a day. That's the average adult in North America—read very seldom, drive around listening to the radio and wonder why life doesn't get better.

FELDMAN: I think Jim Rohn said it best when he said, “Formal education will make you a living; self-education will make you a fortune.” You have to be a self-learner in today's world.

TRACY: You have to be what I call a sales athlete. You could take an athlete, and if an athlete decided not to work out, how long would that person be competitive? You could be in the Olympic Games and win a medal. And if you decide not to work out for a year and then go back into sports, you'll be years behind your competitors who were working out the whole time. People don't realize that, as a sales athlete, you work with your mind. And as a sales athlete, working out your mental fitness means working out with your mind, getting better and better at what you do, smarter and smarter, and more focused. **INN**

Join us next month for part two of this interview.