

Q. Are we getting better?

A. No you are not!

A view from the 'slightly sharper' end.

Richard Verdin
Sales & Marketing Director
Direct Life

Positioning my perspective...

Direct Life/LifeQuote is...

- Running at 4,000 – 5,000 proposals a month
- Dealing with 11 providers - pure protection only Life, CI & IPB
- Working with many distributors
 - 100's of small Brokers
 - 2 of the UK's largest Mortgage Brokers
 - 1 Bank
 - 1 Building Society
 - 4 Mortgage Networks
 - MORE TH>N, AA, Goldfish & British Gas FS
- Dealing with advised & non-advised sales

What we do...

- Marketing
- Tailored quotation services
- Application services
 - Traditional paper
 - Data Capture & Key
 - Express Underwriting
 - All administration, interacting with customer, adviser, insurer, GP etc.
- We measure everything
 - By product
 - By provider
 - By distributor (even by campaign)

What we see...

- Incomplete paper forms (and yet you expect 'e' to be good?)
- Too many GPRs - a lack of skill or knowledge in underwriting...
- ...or is it paranoia?
- Slow processes - call yourselves a service industry!
- A 10% reduction in cases 'going on risk'
- A failure to face up to necessary re-engineering
- Insurers acting only in their interests
- Managers playing the short term game
- Leaving customers and advisers with the long term pain
- Non-disclosure - from one application to another

The Act of Parliament
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Some simple maths (CI claims 2005)

- Claims £518.70 million
- Paid £417.60 million (80% of total)
- Declined £101.10 million (20% of total)
- Declined due to non-disclosure £ 54.70 million (54% of all declines)

- Per Week £ 1.05 million (from 8 providers)

▪ *I have noticed that there is a conspiracy to make the maths difficult your antics are a little obvious*

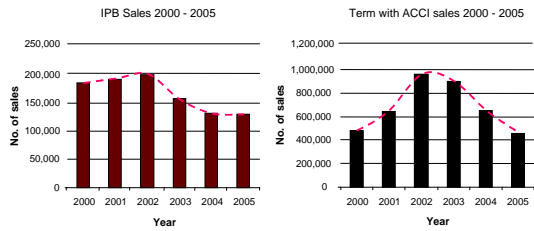
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Who will the customer blame?

- "We sometimes find when a claim is rejected due to non-disclosure that the customer accuses their adviser of omitting important medical facts from the application form, facts the customer says were disclosed to the adviser".
Maria White, Life Claims Manager, Standard Life
- "We often decline claims and the policyholder says that the adviser told them it was OK not to disclose information".
Jason Hurley of Re-Insurer RGA
- FOS - Balance of probabilities
- Claims 'R' Us, Claim to Gain etc. now have a future!
- Changes to products and processes are needed

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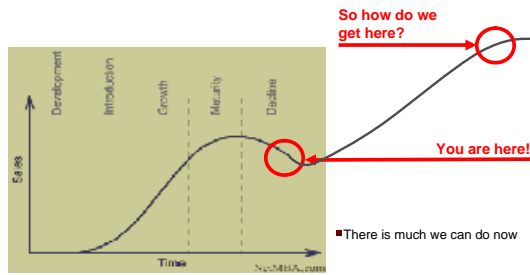
Products



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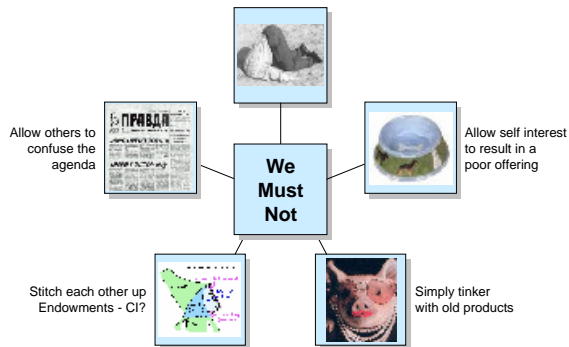
The Product Life Cycle

Let's remind ourselves how this works...



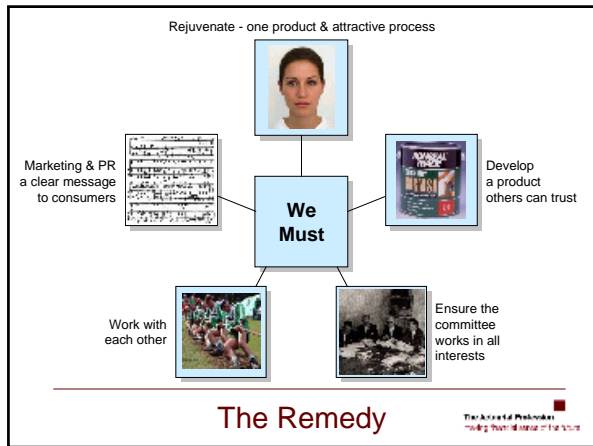
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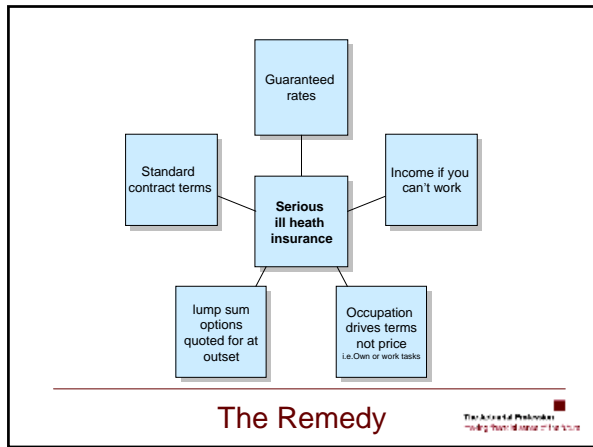
Ignore the problems



The Remedy

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The Remedy

Take a leaf out of Nike's book and...

Just Do It!

The Journal of Pedagogues
Making Pedagogues of the World
