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Working with providers can help shape marketing focus

I have used this column in the past to talk about innovation in the marketplace, usually focusing on either developments in IT from a provider perspective or a third-party software business.

These developments in the main have focused on ways to enhance efficiency in writing protection business and to better match products with customer needs. In order to compete, most core providers have spent inordinate amounts of money on systems to effectively improve the lot of the broker community, as well as driving their own sales volumes of course. While we can all point to idiosyncrasies in some systems, in reality, what we have currently in our market place, is better than it was even five years ago.

Without some of these time-saving improvements we may not have seen the growth experienced in the 2017 protection market, especially given the additional time pressures now linked to associated sales such as mortgage business post-MMR.

However, insurance providers do not limit their expenditure to purely IT and product development to help the broker community shape their own ideas on product focus. One area in which they excel, and provide valuable information regarding the market, is consumer research.

Millions of pounds is spent by providers in trying to understand consumer behaviour and in trying to shape their own future developments. These expenditure levels are in the main way beyond the budgets of most brokers, but in some instances could provide valuable insight for them.

Having looked at the Swiss Re Report for 2017, as well as providing great general reading in respect of the growth in the market, one figure was of great interest – whole of life sales. Some 311,000 plans were sold of which 292,000 were guaranteed acceptance. These were most likely to be funeral plan-based purchases, clearly indicating that there is consumer demand for the product.

The intermediary sector is well placed to distribute these plans as brokers will be well aware of client needs – what the sector does sometimes struggle with is the method in which they approach their clients on the subject.

To support the intermediary sector our own Funeral Plan Provider, Golden Charter, has recently completed some consumer research which can help to shape marketing activity. Many of its findings back up the theory that there is demand for Funeral Plans.

Of over 1,000 respondents, 90% of those interviewed wished to ensure that costs did not impact on family members and 86% considered it important to discuss their end

of life wishes with family members or friends. Clearly this is worth bearing in mind when you are talking about funeral plans with clients and considering the marketing approach.

Some other interesting findings were:

- 80% would like their family to be 'more comfortable' talking about their funeral wishes.
- Cost was the fifth most important consideration when thinking of organising a loved one's funeral but the second most important consideration when thinking about their own funeral.
- Around two out of three people had thought about their own funeral wishes.

Further market findings showed just how little some families knew about their loved ones wishes:

- 21% did not know any of the deceased's wishes.
- 45% did not know if their loved one wanted to be cremated or buried.
- 63% did not know whether to hold a religious or non-religious service.

All of these can be valuable statistics when planning marketing campaigns. Many providers have carried out valuable consumer research to help brokers market to their clients. Legal & General, for instance, carries out a bi-annual Business Protection survey as well as its 'Deadline to Breadline' piece. In the Group Risk arena, UNUM will help identify the types of firms who have propensity to buy Group products in various sectors which can further help targeting.

We all lead busy lives and at times it is difficult to get off the 'hamster wheel' and take a 'helicopter view' of what our businesses are doing but the message is don't forget the resources and skills available from providers, especially when it comes to targeting areas and supporting the needs of your clients.

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