

## Aptitude Problem – Money Marketing – August 2009

We recently came to the end of a series of 19 Protection Sales Workshops which we ran around the UK. These were free, half day sessions during which we looked at the Protection market in general, some specific sales solutions and a selection of generic sales skills. PruProtect, as sponsors of the events, also delivered a presentation on their Serious Illness Cover and their latest innovations around the Income Protection product.

Over 300 IFAs, Mortgage Brokers, Protection Specialists and Paraplanners came to the Workshops and, as is customary, we invited each of them to give us their feedback via an e-survey. The results were quite interesting in a number of areas; firstly only 7% of respondents said that gaining the highest possible commission rates for Protection was very important – 27% went so far as to say that it was unimportant.

Convincing majorities said that things like ease of quote functionality, short application (or tele-underwriting) processes and back office compliance and administrative support were very important to them.

85% stated that the ability to quote and compare multi benefit Protection solutions was important or very important.

All good news then; advisers are not money motivated and bent on selling the simplest products from the cheapest provider, they are focused on offering well rounded recommendations with an eye on a smooth application process and excellent customer service.

Except that unfortunately the numbers just don't add up. We know that most Protection sales are for basic term assurance on a level or decreasing basis, usually without Critical Illness Cover. We also know that Income Protection sales are woefully short of where they ought to be and that Family Income Benefit is so rarely recommended that many aren't even aware it exists.

So, as my first Sales Manager used to say, if the problem isn't attitude, it must be aptitude. Coincidentally, two of our industry's more high profile commentators certainly think so, with both Richard Verdin, Aviva's Director of Protection, and Andy Milburn of Munich Re proposing a specific Protection qualification to better equip advisers, and give them the confidence and knowledge to give the holistic advice they realise they should.

In the long run this would also improve public perception of our market – so often Protection is "flogged" as an afterthought to a core sale, be it a mortgage or some other financial transaction, rather than recommended in the true sense of the word. If, as some believe is likely (although personally I can't see it), more advisers turn to Protection to boost commission income lost in the wake of the RDR, then this status quo is unlikely to be broken.

The appetite for training and development is there amongst the adviser communities, in particular the mortgage market wherein Protection sales are rapidly becoming the main income stream following the demise of the sub-prime and buy-to-let sectors, and the slow return of the prime remortgage and purchase clients.

The timing seems right, so now it's all about who will deliver.

By Phil Jeynes, Key Account Manager