

2008 was very much a year of mixed fortunes for our industry, filled with initial promise followed by worry and uncertainty in spades. 2009 starts with many media commentators predicting doom and gloom with varying degrees of severity and longevity.

The fact is however that our press isn't the most level and even handed in the world. You only need look at its treatment of our sports players to realise that the job of the press is to make something good (Beckham a few years ago?) look like the greatest thing since sliced bread, whilst making something bad (Beckham a few years ago?) look like the devil incarnate.

As one refreshingly pragmatic journalist put it in his recent column: "whilst undoubtedly unemployment will rise to levels not seen in recent years, millions of people will not lose their jobs".

Its an unpopular viewpoint at the moment, but in truth 2009 will actually be a good year for many people since their mortgage rate will be at an all time low and supermarket and high street prices will continue to be as cheap as the bigger stores can afford to make them.

This smaller and more cautious band of consumers will be spending money this year, but the chances are that they will be more discerning than ever over what they spend it on. High Street analysts are suggesting that customers in 2009 will expect higher quality goods, whilst also driving a hard bargain on price. A continued rise in internet sales is a likely bet in this regard.

This equates to good and bad news for the Protection market. Those pitching a quality brand name at a discounted price over the web probably have the best reason for optimism if we draw parallels with the High Street. Having said that, IFAs who are proactive in reviews of their existing clients' Protection provisions may well find that some who, in the past, fell into the "it'll never happen to me" camp are now far more receptive to safeguarding themselves and their loved ones.

Mortgage Brokers too have a huge opportunity to revisit the Protection needs of clients who in years gone by might have been candidates for a remortgage, but are now happy to sit things out on a low variable rate given the lack of attractive new deals. We all know that penetration of protection sales versus mortgage sales over the past few years has been quite low, so it stands to reason that many existing mortgage holders will have little or no Protection.

The challenge for us all now is to keep our heads above the parapet and be bold in grasping the opportunities which do exist. In this way we will not only continue to provide a quality service to our clients, but on a broader scale contribute positively to the length and depth of the problem itself.

By Phil Jeynes, Key Account Manager