

# ADVISER CASE STUDY:

## FIVE WAYS TO KEEP YOUR GI CLIENTS AWAY FROM COMPARISON SITES

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Thanks to real time technology and some memorable marketing campaigns, the influence of comparison sites is hard to ignore. But while consumers seem happy enough to source their home insurance online, it's an approach that is fraught with problems.

The overriding issue is that so many online purchases boil down to price. There is no shortage of good products out there, but because consumers are led to believe that all home insurance is the same, they make snap decisions that can leave them underinsured and financially exposed.

Fortunately, there are still plenty of advisers who have learnt to combat the threat of comparison sites. So we decided to pick their brains and ask them how they manage to maintain a successful general insurance (GI) portfolio in today's competitive markets. Their responses have helped us to come up with five top tips to keep your business on track and your clients offline!

### **1. SELL THE WHOLE PACKAGE**

It's no secret that GI often plays second fiddle to most mortgage sales, but the more astute advisers make a point of positioning GI up front as an integral part of the mortgage process.

Dave Forrest is a financial adviser at Myriad Mortgage Services in Liverpool. He suggests that the best way to get over the threat of comparison sites is to nip it in the bud quickly.

'For me it's about selling the whole package. The first question I always ask clients is what is your budget for the whole transaction? This includes the mortgage, life insurance, protection and general insurance. This way, we can provide a complete solution.'

Craig Murray works at Mortgage Help Scotland in Fife. He has been writing GI business for about three years now and agrees that it's all about setting the right expectations. 'If people are going to go online, you can't stop them, but we sit down with customers and let them know upfront that we can look at a range of products on their behalf. I didn't used to write GI at my previous company, but I see more people face-to-face now and we offer it as part of the service. I arrange a lot of mortgages and probably go on to write GI on about 80% of those.'

### **2. COMPILE SOME EXAMPLES OF CLAIMS EXPERIENCE**

The one thing that comparison sites don't tell you is how well products have performed previously. But having anecdotal evidence of products that have worked well can often seal the deal for customers who are looking for added reassurance.

## **5 TOP TIPS:**

1. Sell the whole package
2. Compile claims experience
3. Talk about the benefits
4. Make it hassle free
5. Beat comparison sites at their own game.

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'People get their heads turned by comparison sites and the cuddly toys that are being offered, but I tell them it isn't about getting the cheapest product; it's about protecting their biggest asset.'

It's a strategy that Dave Forrest uses regularly. When we asked him if he was worried about his customers looking for cheaper deals online, he didn't seem too concerned: 'I don't come across it as much as I did' he explained, 'but I have examples of claims that have paid out in the past and this makes a difference. Clients know that they are getting genuine advice.'

'I always talk about the claims experience with Paymentsshield – especially a buildings claim I was involved in. Everyone knows they have to put buildings cover in place, but nobody ever expects to claim. And it was handled really well.'

### **3. TALK ABOUT THE BENEFITS, NOT JUST THE PRICE**

A major problem with comparison sites is that features and benefits have become a secondary consideration. GI customers need reminding that the cheapest home insurance in the world can suddenly become very expensive if it doesn't pay out.

Graham Wilson is an adviser at Options Mortgages, in Blackpool and has been writing GI business since 2003. He is very aware of the impact that comparison sites have had these last few years, but hasn't let it affect his business: 'People get their heads turned by comparison sites and the cuddly toys that are being offered, but I tell them it isn't about getting the cheapest product; it's about protecting their biggest asset. A lot of customers are brain-washed by the advertising, but they're missing the point – I tell them that I'll buy them a cinema ticket if that's what they're after!'

'I explain to my customers that they can always get cheaper products online, but the majority of them are rubbish. When you get a home insurance quote

with Paymentsshield you know you're getting a 5\* Defaqto rated cover. That's genuinely reassuring.'

Susan Lucas is a GI specialist at David Dunn in Consett, County Durham. Like Graham, she believes that with so much focus on price, there's a lot to be said for going back to basics: 'It sounds obvious, but you've got to match the product to the customers need. I never try to sell people insurance that isn't right for them and I make it perfectly clear that they are under no obligation – I just try to help and I think people appreciate that more.'

'I also up sell the product to include any relevant optional extras like legal cover, home emergency cover and personal possessions cover. Plus, I always advise clients to think about their excess – saving a couple of pounds a month here and there is no good if you have to pay the first £500 of a claim. People will often just look at the monthly premium without taking this into account.'

### **4. MAKE IT A HASSLE FREE PROCESS**

Having worked in the GI industry for over 14 years, Susan is the first to admit that many advisers are now competing with comparison sites. But she also believes that customers will stick with advisers as long as they make it an easy option.

'If people are prepared to take the time to trawl the internet themselves, I don't chase them. All I tell people is that I will do all the legwork on their behalf. I get them a good deal and a policy that matches their needs. Plus, with Paymentsshield I can send confirmation that the policy has gone live from the intermediary website directly to the client's solicitor to make sure all the right boxes have been ticked – It's simple, but it makes a difference.'

Simon Jones is a Director at Irlam Estates in Manchester. He has been a financial adviser for over 17 years and agrees that an effortless process is the key to maintaining client relationships.

'If you're doing a mortgage there are certain legal requirements, which we notify customers about; insurance is one of them. I just take the hassle away. I say that as part of the process obviously I'll look at that for you... and 9 times out of 10 customers are extremely grateful.'

### **5. BEAT COMPARISON SITES AT THEIR OWN GAME**

Comparison sites appeal to customers because they're easy to use, offer a list of options and let them know what insurance products are the cheapest. But it's worth remembering that what a good adviser does is very much the same, except they match the cover to the customer's needs and guarantee that insurer is reputable. Plus they're there to help out once the sale has gone through.

Using Paymentsshield's panel of insurers you can offer your clients all the benefits of a price comparison site and much more besides. As Graham Wilson points out, 'The panel is great – all household names and a 5\* Star Defaqto rated product. It gives my clients a lot of reassurance. When they see logos like Allianz, Legal & General and LV on there it gives them a lot of confidence. They're always very happy with the list and when I tell them that the products are all the same they know they're getting a genuine like-for-like quote. The only thing they're surprised about is that the prices are different!'

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