

Press Release
2nd September 2013

70% of advisers believe new underwriting technology will bring either 'game changing' or 'significant' improvement to the protection market

A survey of major protection intermediaries carried out this summer has showed the significant effort advisers put into providing the best terms for their customers and how this will be transformed with new technology.

Firms including LifeSearch, London & Country, Plan Money and Highclere Financial Services completed the survey, which asked a range of questions about the current and future process for writing protection business.

The research shows advisers are spending significant time trying to obtain more accurate premiums for their clients. For 68% of customers, advisers contact more than one insurer for indicative prices before making an application, while 13% make multiple applications, typically to between 2 and 3 insurers. Even then advisers estimated less than 47% of their applications are accepted at the point of sale with no change in price or terms, and where terms change almost half (46%) of advisers contact other insurers.

The extended application process also results in lost business with advisers stating that 1 in 5 (19%) applications do not proceed, which costs both advisers and insurers.

When advisers were asked to compare the current application process to buying motor or home insurance, almost 60% considered it to be worse or much worse.

Advisers were then asked how they would rate new technology, which provides a single process to compare underwritten terms. When asked if a new price comparison service based on underwritten premiums, with medical questions at the quote stage, followed by immediate online completion was of: A) No Interest, B) Some Interest C) Significant Interest D) Game Changing in Nature, 36% said game changing, while 34% said significant (70%). Just 6% of advisers said the service would be of no interest.

Likewise, when asked if customers would prefer this method of buying protection, compared to the current process, 78% of adviser responses said the new method will be significantly better.

Finally, when asked if the new process would help an adviser's compliance responsibilities 84% of adviser responses said yes.

The UnderwriteMe technology enables advisers to use a single process to compare final terms, for immediate purchase, and indicative prices, where an immediate decision cannot be given, with no loss of insurer data, or freedom to underwrite. This enables insurers to more effectively target their preferred business segments at the quote stage. It also supports providers who specialise in niche segments, such as rated cases, as the existing basic quotes are unable to compare terms for these customers.

UnderwriteMe CEO, Martin Werth, commented: "Our unique enabling technology will transform the underwriting process, making protection easy and more profitable to sell. We provide advisers with a fast and consistent way to compare underwritten prices and benefit features for their customers. They can make an informed recommendation knowing the real cost and benefit features of different insurer offerings, as well as the speed of the checkout process. We are confident this is just what the industry needs to help grow the market."

Peter Chadborn, Director and Adviser at Plan Money added: "Underwriting uncertainties have always been a fundamental part of the process for protection advice. The full degree of work cannot be quantified until the very end of the process, which is both costly and undesirable for client and adviser. I have seen a demo of the UnderwriteMe technology, which provides underwritten premiums and details of who can complete immediately. Compared to the current process it has the potential to remove significant costs, uncertainties, delays and client frustrations."

Warren Copp, Chief Underwriter at Pacific Life Re said: "UnderwriteMe levers the power of the very latest technology to deliver protection in a way that should really help advisers and people looking to consider buying protection. We expect this new model to drive true growth in the protection market, reaching people who really need the products that we offer but who currently drop out during the process."

Martin added: "We have received very strong support from adviser firms and we are currently in detailed implementation discussions with insurer partners on how they can best deploy the new technology we have built. We expect to launch the technology early next year."

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Notes to Editors

Survey carried out in June-July 2013 including the views of a range of adviser firms representing in excess of 2,000 advisers across the market, including: LifeSearch, London & Country, Plan Money, Highclere Financial Services, LightBlue and FutureProof.

The information contained in UnderwriteMe's press releases is intended solely for journalists and should not be used by consumers to make financial decisions.

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About UnderwriteMe

UnderwriteMe is a protection specialist technology company that has developed web enabled technology and transaction services that improve the customer experience and remove manual processes. The technology improves profitability by making the processes easier, faster and more transparent. Key components are a web enabled enquiry engine and individual insurer web-enabled underwriting engines. UnderwriteMe is backed by Pacific Life Re, who is the major shareholder.