

# Unlocking the Commission Conundrum

14<sup>th</sup> July 2016



**SQUAREDHEALTH**

ALWAYS ON HEALTHCARE

# What worries distributors most?

---

“Doing the same thing over & over again & expecting different results”

*Albert Einstein*

---



- Cost of acquisition
- Conversion of leads
- Rated / ill customers
- Persistency
- Provisioning

# How do Insurers frustrate Distributors?

---

“It’s like being told what you should be doing by somebody who has no idea what it is like to actually do it”

---

Retailer with no control over what goes on the shelf...

- Product design
- Process design
- Insurer decisions
- Customer relationships



# What do Insurers ask of Distributors?

---

- Volume
- Persistency
- Reduce NTU's
- Reduce referred / ill



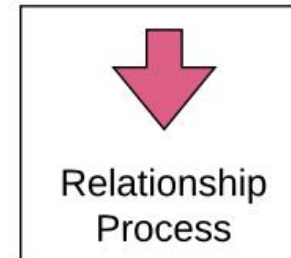
---

Focused on the best processes and products for customers?

---

# So what happens when it all “Goves” wrong?

---



# Long term products / short-term rewards

---

**Marketing**

**35%**

**Operational**

**35%**

**Clawback**

**25%**

---

- Costs remain the same
- Requires investment
- High risk
- Purely financial transaction

**Non-Indemnity**

**+20%**  
**4 years**

---

# What do CUSTOMERS actually want?

---

(Rather than just asking whether they want life insurance or not)

## What Insurers think...

---

- I care about infinite conditions
- I think I'm going to claim
- Benefits when I claim
- I understand the process
- Benefits statement = relationship
- Direct debit = relationship
- I understand why price goes up

## What customers feel...

---

- Free cinema tickets / Over 50's
- Guaranteed something back
- Understand, not conned
- Something now, immediate
- Not feel bad because I'm fat
- Active help for payments
- Info just pushes price up



# Thinking differently...

---

## Q&A

- Wealth of information
- Chance to help
- Chance for relationship
- Building trust

## Lifestyle Account

- Access details in app
- Condition-specific information
- Explanations
- Videos / Community

## Lifestyle Consultation

- Free 10 minute video
- Analysis / advice
- Further courses online
- Option to move offline

Customer  
**WIN**

Distributor  
**WIN**

Insurer  
**WIN**

---



Musculo-skeletal

Kids

Pregnancy

BMI

Diabetes

Smoking

Alcohol

Depression

Blood Pressure

# A different vision for the future?

---



Tangible  
benefits



Income  
Profit



Relationship  
Process



Focus on price

---

Did you decide NOT to buy an  
iphone because it was too  
expensive?

---

(If you see value in something you'll pay more for it)

# Blatant Plug

