

# Financial Standard

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Thursday, 15 May 2008

## TECHNOLOGY

### Advisers change tack on life insurance

Thursday, 15 May 2008 01:14PM

Smarter planning software programs have triggered a fundamental change in how financial advisers provide life insurance to clients, according to an Investment Trends report.

The report surveyed 1,600 advisers in November last year and found that of the advisers writing more \$100,000 in annual premiums, more than a quarter would prefer to provide life insurance cover using planning software in three years' time.

In comparison, 21 per cent of those writing the same amount of insurance said they would continue to work directly with insurance product providers.

In perhaps a sign of change, the report found the majority of risk product transactions were still conducted directly with the insurance providers.

"This represents a fundamental change in how planners currently transact with life risk product providers and how they interact with platforms and planning software," said Mark Johnston, Investment Trends principal.

"This segment of wealth management sector looks set for some big changes over the medium to long term."

Laura Halbert, ING Australia marketing and communications manager, said technology and more efficient functionality are paramount to getting adviser to sell more insurance.

"Technology is certainly becoming more important, as the application process gets simpler, the easier is, the more advisers can sell," said Halbert.

"It's no longer about the product disclosure statements (PDS) and how great your definitions are, it's about the total offer and that includes technology and those who don't get on board will be left behind."

Indeed, Natalie Eckersall, Aviva Australia general manager of wealth protection products, said the firm's technology improvements focus on reducing insurance application times.

"It's all about the ease of getting business on the books. People lose interest through the process, once it gets hard people tend to not go through with it, so by reducing the medical requirements advisers are able to do more," said Eckersall.

Michael Hobbs

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