

## AMI Protection Workshop – summary of ideas

### Summary:

In April 2023, the Association of Mortgage Intermediaries (AMI) held an in person protection workshop. This was part of its commitment in the [2022 AMI Viewpoint five point plan](#) to develop thoughts on how we (i.e. the industry) can tackle barriers highlighted by the Viewpoint market research.

Participants included individuals from AMI member firms, L&G and Royal London (Viewpoint sponsors) and the Income Protection Taskforce (IPTF) and Protection Distributors Group (PDG).

### Brief:

The group was tasked with generating ideas on:

- How the industry can tackle the barriers highlighted in Viewpoint.
- How the industry can build on opportunities highlighted in Viewpoint.
- Ways the industry can move forward to improve consumer outcomes and ensure more consumers are protected.

Ideas and suggestions – Group A	AMI comments
<ul style="list-style-type: none"><li>• <b>Protection risk disclaimers</b> - used to be a one page disclaimer to say that the adviser has talked about life/critical illness cover/income protection, which a customer signed. Is that something that could be adapted and adopted as part of pre-sales tools? Aim would be to equip customers with understanding the value.</li></ul>	<ul style="list-style-type: none"><li>• Need to be mindful of this approach in light of FCA Consumer Duty requirements. AMI feels this type of disclaimer is unlikely to provide sufficient evidence that a firm is acting to deliver good consumer outcomes. The focus should be on the quality of protection conversations and how a firm can evidence these conversations have taken place.</li></ul>
<ul style="list-style-type: none"><li>• <b>Adviser tools</b> - are there adviser tools that can be adapted for different sales models? 'Pre-appointment' information – on the mortgage side many firms will prepare customers by making them</li></ul>	

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<p>aware they will need bank statements for example. How can we build in the protection element to this, such as making customers aware 'we are also going to talk about this' and 'this is the reason why'. Short videos could be prepared to help consumers understand what is to be discussed/how they can prepare.</p>	
<ul style="list-style-type: none"> <li>• <b>Going into companies</b> - is there an opportunity for firms to go into workplaces and discuss protection with their staff? May help engagement, particularly with younger consumers who may not consider a need for protection when they come out of education and start their first job.</li> </ul>	<ul style="list-style-type: none"> <li>• AMI, PDG and IPTF to consider what work can be done in this area. One idea is that we could invite individuals from industry that are experiencing success (such as through 'lunch and learn' sessions in businesses) to talk about their approach.</li> <li>• In 2021 AMI, the PDG and the Protection Review produced a simple non-commercial consumer facing leaflet ('What should I know?') to help explain the main protection products, what it is they do and the different routes to buying cover. There's an opportunity to review and update this document.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Following customers on social media</b> - idea behind this is can then see if there are any life changes announced, such as have they got engaged, have they announced that they've got a baby. Could be built into a firm's Terms of Reference.</li> </ul>	<ul style="list-style-type: none"> <li>• Firms should carefully consider any risks with this approach and the required controls to mitigate identified risks.</li> <li>• Firms may wish to develop a social media policy for employees to follow. For example, firms may not wish for employees to follow customers on social media using their personal account(s).</li> <li>• Firms should consider how they capture consent from customers to use their data in this way and ensure transparency over how data will be used.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Advisers as ambassadors</b> – there may be advisers that have claimed on a critical illness policy – example given of employees that have had a critical illness claim and helped create case studies. Whether claimed or not, we need more advisers to be 'protection ambassadors'.</li> </ul>	<ul style="list-style-type: none"> <li>• AMI, PDG and IPTF to consider work in this area. There are more and more stories being shared on social media, which is positive. How can we encourage more advisers to share their stories?</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Moving to value rather than transactional</b> – how can groups like IPTF, PDG and AMI help to move the consumer understanding towards the value of protection.</li> </ul>	<ul style="list-style-type: none"> <li>• AMI, PDG and IPTF to consider work in this area. Typically work carried out by the likes of AMI, PDG and IPTF is aimed at industry but is viewed through the lens of the consumer.</li> </ul>

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<p>Firms should also consider the role they play in this too. Use of customer surveys and Net Promoter Scores (NPS) only capture transactional element, they don't capture 'why did you buy that product?' and 'what's the value of that?'.</p>	
<ul style="list-style-type: none"> <li>• <b>More consumer research on the motivators for buying</b> – this type of research could provide insight to produce campaigns and videos e.g. 'I'm a self-employed plumber and this is why I felt I needed protection' or 'why I didn't think I could get income protection but I actually could'. Advisers could use in websites or as a pre-appointment tool.</li> </ul>	<ul style="list-style-type: none"> <li>• AMI to consider whether this could be looked at as part of protection Viewpoint 2023 consumer research.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Advertising campaigns</b> – should there be more independent advertising around the value of protection? Was also commented that some advisers lean into popular brands to refer to what they do. Example given of one adviser that says to female customers 'Have you seen the Polly adverts? As that's what I do'.</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Portals</b> – views shared that many protection portals are very transactional, no personalisation. Portals may wish to consider how they can have more of a consumer look and feel about them, like Money Supermarket etc.</li> </ul> <p>Was commented that if you put a portal print out in front of a customer it may be hard for them to engage with it due to the look and feel of the document, as it probably looks very transactional to them. How can it be made more consumer friendly?</p>	
<ul style="list-style-type: none"> <li>• <b>Provider tools</b> – lots of tools available to advisers but was suggested that providers need to make tools more visible and easier to access. For example, it may take a number of clicks for advisers to get through to the relevant pages and if they are doing this for a number of providers it can be time consuming. How can it be brought together to be made more accessible?</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Adviser education</b> – providers should consider the role they play in helping advisers demystify protection when talking to customers. Providers also should consider if they can educate</li> </ul>	

advisers on their processes – if advisers know what is going on 'behind the scenes' it may help manage customer expectations.	
<ul style="list-style-type: none"> <li>• <b>Value added benefits</b> – annual statements. Is there more that providers can do to link up the annual statement? Such as making advisers aware when they are going out (as some providers don't send a copy of the annual statement to the adviser). This would help the adviser should they wish to also send out communications to customers around the same time.</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Raising consumer awareness</b> – need for advertising to be made simpler to cut through the jargon.</li> </ul>	

Ideas and suggestions – Group B	AMI comments
<ul style="list-style-type: none"> <li>• <b>Pre and post-sale engagement –</b></li> </ul> <p><b>Pre-sale:</b> how are you engaging with that customer to explain that protection is part of the advice journey? Firms should consider how they are interacting with that customer – is it F2F, online, via the telephone, virtual?</p> <p>Firms should think about how they are going to get that message across. For example, pre-sales literature that you share with the customer that lays out what you do and how you will support the customer – much like a Terms of Business but specifically focuses on protection.</p> <p>Firms could produce a Q&amp;A document around what they do to help consumers digest information easily. Links in with the consumer understanding outcome under FCA Consumer Duty (looking at ways to make communications easier to understand and more accessible for consumers).</p> <p>Or firms could consider a 'value statement' – this is what we can do for you as a customer. This may help to tackle the consumer</p>	

<p>view that advisers only suggest protection for the commission, by demonstrating the value of advice.</p> <p><b>Post-sale:</b> how you continue customer engagement. How can it be moved from transactional say every two or five years (i.e. due to the mortgage) – can take a lot from the wealth world where there is more regular engagement. Aim is for customers to come back to the broker when there's been any life changes.</p> <p>How can you remind customers that you are there for them? Such as regular communications. We should consider what we can do as an industry to support advisers with this as is potentially a lot of work. Providers can support by providing topical information that advisers could share with their customers.</p> <p>CRM prompts – CRM systems should be utilised to look at the opportunities, to look at who has protection, who hasn't, who you've engaged with recently and who you haven't.</p>	
<ul style="list-style-type: none"> <li>• <b>Consumer education</b> – is there an opportunity to work with institutions, such as charities. Example given of Macmillan, who did work on the cost of cancer. What more can we do in this area, as is emotive for consumers.</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Vulnerability</b> – how can we work with each other. Providers have a lot of data on which customers are going through a claim, how can they ensure advisers are made aware that there is a claim. Acknowledged there are challenges around Data Protection but with Consumer Duty incoming feels like this is an area that should be looked at. Suggested we need to share more intuitive data (as long as it is used in the right way).</li> </ul>	<ul style="list-style-type: none"> <li>• Firms may wish to refer to the <a href="#">PDG's Claims Charter</a>.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>ABI Percy tool</b> – can show what customers will get from a state benefit perspective but are these types of tools underutilised? There's a need for firms to re-visit existing tools available.</li> </ul>	<ul style="list-style-type: none"> <li>• ABI Percy tool can be found <a href="#">here</a>.</li> <li>• AMI, PDG and IPTF to consider whether we can work collectively to obtain case studies from advisers on how</li> </ul>

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	they use the different tools available and how they integrate into the advice process.
<ul style="list-style-type: none"> <li>• <b>Risk calculators</b> – protection risk calculators are a great way to engage customers but was suggested lenders could use these too. For example, when providing mortgage offers they could use risk calculator tools to help indicate what would happen if the customer's income was impacted.</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Lenders</b> – how can we work with lenders to ensure there are not mortgage affordability challenges where the customer has taken protection. Also, what can we do to encourage lenders to support the concept of protection.</li> </ul>	<ul style="list-style-type: none"> <li>• AMI to focus on its commitment in the 2022 Viewpoint plan to discuss with lenders their role in helping consumers recognise the benefits of protection insurance when taking out a mortgage.</li> </ul>

Ideas and suggestions – Group C	AMI comments
<ul style="list-style-type: none"> <li>• <b>Culture shift</b> – is all about the culture shift in being a mortgage broker to a mortgage and protection broker. One firm shared that they have seen success through separating out protection and having protection only advisers. Was suggested that by splitting it out, may increase the likelihood of the customer remembering the conversation as it is a distinct customer journey.</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Signposting early in the mortgage journey</b> – in the past, mortgage fact finds would ask about name, address etc but also smoker status, state of health, any health issues. For a lot of brokers that's gone and it's now all mortgage questions with some protection questions on the end. Was suggested we need to go back to basics and re-consider fact find questions/layouts.</li> </ul>	

<ul style="list-style-type: none"> <li>• <b>Better training</b> – need to build broker confidence in having protection conversations.</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Making protection relatable</b> – could we share stories of why real life customers have taken out protection, to show consumers that protection is for ‘people like them’.</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Language used</b> – need to consider language used to make protection memorable. Has to be down to earth, non-jargon, could it even be made fun?</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Utilising social media</b> – lots of great examples in the industry of social media usage, such as TikTok. This is memorable for consumers.</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Use of videos</b> – one firm has created protection signposting videos that are emailed out to customers ahead of protection discussions. Was suggested this could help in ensuring protection conversations are memorable.</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Separate protection paperwork</b> – could give customers a one page document which explains what products the customer has purchased but also ‘we talked about protection, these are what you decided not to take and here are the implications of that’.</li> </ul>	<ul style="list-style-type: none"> <li>• This approach could work well in light of FCA Consumer Duty requirements.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Protection stories</b> – personal stories are powerful - how can we share more of these with consumers? Both adviser and customer stories.</li> </ul>	<ul style="list-style-type: none"> <li>• Links with previous comments around AMI, IPTF and PDG encouraging more adviser stories.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>How do we bring the industry together</b> – was commented that if you go to an awards ceremony everyone’s interested in the mortgage awards but when it comes to protection adviser of the year award, as an example, people seem less bothered. How do we get these two worlds to work together more and appreciate each other?</li> </ul>	

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<ul style="list-style-type: none"> <li>• <b>Protection BDMs</b> – was commented by one participant that they used to have a lot of insurer BDMs that would come into the office but this is no longer the case. A firm may have a relationship at the network level but not at AR level, whereas mortgage BDMs are coming in all the time. Is this an area that could be looked at?</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Pricing differentials</b> – dual pricing and how this is viewed by the consumer. Was commented that some consumer facing press commentators have said in the past ‘if you want to get a mortgage go to a mortgage broker but whatever you do don’t take protection from them.’ This seems to stem from them saying that it would be more expensive via a mortgage broker rather than via an IFA, for example. What can be done to shift this view?</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Online health questions</b> – some insurers provide a telephony service so customers can answer health questions this way but was suggested more insurers should provide an online questionnaire and provide a statement about why answering the questions truthfully and accurately is important. Would be good to allow customers to hover over certain questions to understand why they are being asked them/consequences of not answering correctly.</li> </ul>	



Other ideas shared during the day:

	AMI comments
<ul style="list-style-type: none"> <li>• <b>Articulating the adviser's role when it comes to protection</b> – example shared of how the travel agent company Trailfinders articulates its service and value to consumers.</li> </ul> <p>Challenge raised whether mortgage advice firms are articulating their role in protection clearly and strongly enough to consumers. Whilst travel and insurance are two different industries, what can we learn from the Trailfinders approach?</p> <p>Example given of many mortgage advice firms' websites having a protection section that talks about the products, with some of them talking about the benefits but not many of them bring to life the 'value add' of obtaining protection advice.</p>	<ul style="list-style-type: none"> <li>• Anyone wanting further details on the Trailfinders case study, please contact <a href="mailto:stacy@a-m-i.org.uk">stacy@a-m-i.org.uk</a>.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Advice vs information</b> – some of the participants in AMI's 2022 Viewpoint qualitative study showed they didn't understand the difference between information and advice. How can we draw that out more clearly for consumers, so they understand their options?</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Personal motivators for buying cover</b> – growing number of case studies which is positive but can we think more widely. Such as case studies of customers that have recently purchased protection via a mortgage adviser – can they explain in their own words why they decided to buy cover, with this shared by providers and advisers? There's a need to make people see that protection is for people like them.</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>ESIS risk warning</b> – can the ESIS be amended to include a warning around there may be a need for protection insurance?</li> </ul>	<ul style="list-style-type: none"> <li>• AMI to consider its role in this area (e.g. lobbying).</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Focus on why claims are not paid, not just percentage paid</b> – was suggested there is more we can do to help educate consumers on why some claims are not paid. One idea suggested was a consumer facing document on common reasons why a small percentage of claims aren't paid.</li> </ul>	

<ul style="list-style-type: none"> <li>• <b>Using tech to ‘nudge’ advisers</b> – can online quote submissions/portals be more intuitive to nudge advisers, say if they answered yes to a specific question it could come up with prompts around what information is needed and why or to provide information on certain medical conditions to help with the adviser’s understanding.</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Defaqto rating</b> – one firm said they use Defaqto ratings with customers and this seems to resonate with them.</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Consumer Duty</b> – it was recognised that Consumer Duty is an opportunity to address some of the known barriers and challenges around consumer understanding such as use of jargon and documentation.</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Case studies on what happens if you don’t have insurance</b> – was highlighted that one participant in the AMI Viewpoint qualitative study had said they would like to understand the consequences of not having cover. Do we need more case studies in this area, like the 7Families campaign?</li> </ul>	