Media Release

LIFE INSURERS TO ADMINISTER LIF PAIN RELIEF

3 October 2017: Greater collaboration between life insurers, technology providers and licensees is the key to helping financial advisers adapt to change, run more efficient practices and "ease the pain" associated with the Life Insurance Framework (LIF), based on new research.

According to the Investment Trends 2017 Planner Risk Report, financial advisers believe life insurers and technology companies can better support them by providing more information on the potential impact of LIF and greater business planning support.

The report cited ClearView as a life insurer that stood-out in terms of education support around LIF, adding that ClearView had successfully extended its market share in a period when planners are consolidating the insurers they use.

"Insurers that cultivate their planner relationships and maintain high satisfaction levels will benefit from lower attrition levels, and the most crucial satisfaction gaps that insurers need to address related to the call centre, communications and website," the Investment Trends Report stated.

"Insurers can strengthen their planner relationships by assisting across the entire value chain from processing applications and underwriting right through to client engagement and education in the front-end."

<u>ClearView ranked highest in overall satisfaction</u>

The 2017 Investment Trends 2017 Planner Risk Report found ClearView received the highest adviser satisfaction ratings for the underwriting process, IT systems, product features and communications. Across the board, ClearView recorded the highest level of overall planner satisfaction, and ranked number one in 9 other categories (out of 12).

According to Christopher Blaxland-Walker, General Manager Distribution at ClearView, smart product design and efficient application and underwriting processes are simply hygiene factors but insurers could really add value by helping advisers achieve sustainable growth.

"Sustainable growth is the Holy Grail for all practices but it's getting harder for traditional risk specialists to provide profitable standalone insurance advice. Insurers can support advisers by helping them to articulate and demonstrate the value of insurance and adapt their business models," he said.

"It's not only up to licensees to help advisers overcome impediments to providing insurance advice but insurers have a major role to play too. LIF should be a catalyst that brings the entire industry together in a bid to help all advisers transform their business models, upskill and become more professional."

The Investment Trends Report found that 15 per cent of advisers recorded a decline in profitability for the year to June 2017. Only 59 per cent of practices reported an uptick in profitability while 27 per cent were stable.

"The research confirms that life is challenging for advisers with insurance advice revenue down to 26 per cent of total revenue, compared to 32 per cent in 2015, but there are opportunities for advisers to diversify their revenue and better meet the needs of their clients by expanding the scope of their advice into areas like superannuation and investing," Mr Blaxland-Walker said.

"We are committed to partnering with licensees and advisers to see them grow the role of insurance in their business, and ultimately secure the financial wellbeing of more Australians."

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About ClearView
ClearView is an ASX-listed diversified financial services company which partners with financial advisers to help everyday Australians protect and build their wealth, achieve their goals and secure a comfortable financial future. The group's three business segments: Life Insurance, Wealth Management and Financial Advice are focused on delivering quality products and services.
ClearView is proudly non-bank owned with $189.5 million of in-force premium, $2.5 billion in funds under management and 243 financial advisers overseeing $8.9 billion in funds under management and advice and $237 million of premiums under advice (as at 30 June 2017).