

TECHNOLOGY

What do brokers really want?

For various reasons the insurance industry has been slow to implement seamless technology that gives brokers what they really want - the ability to provide their customers with excellent service, underpinned by quality products supported by speedy access and rapid turn-around of quotes and cover. The search for a consistent route to market has been a long one

The role that technology can - and must - play within the broking market is clear. It should support brokers by improving performance, supporting regulatory requirements and assisting the growth of the business by enabling speed and access to existing and new markets.

Today's insurance buying public are continuously exposed to high profile marketing campaigns promoting the speed, ease and cost savings available when purchasing insurance over the internet or by phone and even latterly, in the supermarket whilst buying their shopping!

It is no secret that overall, brokers' market share is diminishing. In order to compete in today's dynamic climate and retain and/or grow an ever more demanding customer base, brokers are acutely aware of the need to deliver a speedy, error free, high quality and added value service. Coupled with this, brokers face the challenge of regulatory compliance and the prospect of their insurer partners facing penalties for not providing information in an accurate and timely fashion to industry databases like the Motor Insurance Database (MID).

Technology can facilitate business efficiencies and enhance performance by enabling straight through processing; taking manual interventions out of the loop; and removing the need for the re-keying of data. This leads to reduced labour time, and more accurate and trusted data. Technology can also enhance brokers' abilities to ensure the secure and transparent delivery of timely and accurate information to industry databases in order to meet regulatory requirements.

But, herein lays the dilemma. Transparency of information and the ability to electronically communicate and

collaborate with insurer partners whilst controlling the flow of data is vital to successful broking practice. The challenge is the fact that the insurance market does not operate across common software platforms.

Most insurance companies face integration problems with their legacy systems and utilise technology which has been developed to facilitate EDI. In contrast, brokers have developed bespoke technology to support their internal business processes and the output from this technology is predominantly XML. To compound the situation further, brokers' business processes are fragmented, dependent on source of enquiry, line of business and end product provider. Factor into this scenario the polarised approach taken by many brokers/insurers to niche market schemes and the overall issues facing the broking market are clear.

What brokers really want, and need, is to be able to give their customers a great service, underpinned by the provision of quality products, supported by seamless technology. They want to be as fleet of foot as their competitors, with speedy access to new products and rapid turn-around of quotes and cover for their customers. They crave a consistent route to market with the ability to place a quote for whatever line of business, to all product providers seamlessly, without the need for either to re-key data or change systems.

This requirement also extends to specialist schemes where currently manual intervention is the *modus operandi* and far greater efficiencies and economies could be achieved. Brokers realise that in order to differentiate their service they must provide added value to their customers. Streamlined and efficient business operations and functionality free up business time to focus



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on the added value activity which supports customer retention and growth.

However, in order to realise these needs brokers do not want to have to invest any further in their technology systems, re-engineer their business processes or retrain staff, preferring instead to sweat their existing assets. But is this a realistic goal?

In short, yes! There are technology solutions available in the market, commonly known as business to business gateways and hubs, which are effective regardless of the technology either a product provider or broker has installed. Providing one party can capture data in a structured format, the data can be delivered to their business partners in the format they require. These solutions which specialise in the collection, transformation and delivery of information electronically between insurers, brokers and their software house partners, minimise costs and increase business efficiencies. The delivery of information to comply with regulatory requirements can also be processed swiftly and simply using the same approach.

Gateway and hub solutions drive unnecessary cost, risk and waste from brokers' current trading practices and most importantly, they enable brokers to operate with their customers however they want, in order to benefit from the elusive competitive edge. Furthermore, these solutions are completely agnostic of business class (e.g. personal lines, commercial lines) and market place. They also facilitate product information being shared with brokers and insurers locally and globally. The opportunity to step up to the level playing field is available, proven and is currently being used by dozens of insurers with thousands of brokers.