

Tailor your products to aid sales and compliance

In an age of online competition and Financial Conduct Authority (FCA) regulation, the ability to tailor the insurance products being offered may help to demonstrate a dealer's focus is on customer satisfaction and fair outcomes.

AutoProtect can tailor its products to the client, recognising that some premium brand dealers want to go the extra mile, such as by increasing a motor insurance excess contribution.

"That comes through having dialogue. With a potential client, it's a case of discussing what their requirements are for a product, what they want in it and how they want it set up – it's not simply 'I want a GAP product'," said Mike Macaulay, AutoProtect's head of corporate sales.

"For existing customers, it's looking at the underwriting experience, at how the product is performing, and understanding how we can enhance the experience for their customers. Just a few pounds can give them significant additional benefits, which helps the dealer when they are competing against products found on the internet. The customer is no longer comparing apples with apples."

With the FCA now requiring a four-day deferral period between information being provided to a customer in the dealership and a GAP insurance product actually being sold, a dealer that has additional features and benefits on offer can differentiate their product.

"If the dealership's sales staff have the best product for their customer, they are more likely to be enthused and more confident when they are talking to customers," added Macaulay.

The training and support provided by AutoProtect varies depending on the client's requirements.

It may run a high-impact training session, or provide one-to-one coaching to people jointly identified by the dealership and AutoProtect as needing extra support.

Identifying extreme high-performers is now just as important as monitoring under-performers, due to the emphasis on compliance and the requirement to ensure that there are sound controls in place to stop a product being presented incorrectly.

The package that AutoProtect provides to its clients includes reporting of management information, marketing support and a customer app.

"We want to encourage the dealer to use the app as part of the sales process and encourage the customer to download it to their phone, by communicating that it's the simplest channel for them to make a claim," said Vince Brand, head of creative services.

In such instances, customers can submit their documents and evidence through the app.

Other marketing assets include product videos, to ensure a product is presented consistently, and point-of-sale materials,



which can be white-labelled if required.

AutoProtect is currently trialling an online welcome pack for one dealer group. After a customer has bought a product, they are provided with an individual link to access their information, the product's key facts, and details of how to make a claim.

In an age when consumers are used to skimming contract terms and conditions and simply ticking to agree, Macaulay said the welcome pack approach may be a better way to get key information across.

He said the current market worked in AutoProtect's favour, and it is maximising what is available through the account management work it does with dealers. The group's compliance business, I-Comply online, ensures the training, the products and the way they are sold, all line up with the FCA's desire for positive customer outcomes.

Macaulay uses a training mantra he calls the 400% rule: "We present 100% of the products, to 100% of the customers, 100% of the time, in a 100% compliant manner."

That care is warranted, the company believes, to ensure that the dealer does not overload the customer – who is understandably excited about buying a car

– with information, and risk harming the experience.

AutoProtect's core insurance product is GAP, for which it has a five-star Defaqto rating, although Macaulay said sales of its SMART insurance product have been growing for several years.

The factors behind that growth include dealers broadening their add-on product portfolios, and the need for PCP finance customers to ensure their car remains in good condition to avoid potential end-of-contract damage charges.

Macaulay said: "Whatever car a customer has bought, that's the best they can buy. It's their pride and joy, whether it's a £20,000 car or a £60,000 car, so the effect of damage is the same. From that point of view, there is no single customer for SMART insurance. Making the customer aware of the damage on the part-exchange is a step in making them realise that there is now a product which can take that problem away. Again, it's about getting the right product for that dealer and their customer."

If a dealer has its own SMART repair service, claims are directed back to it for repairs, but AutoProtect also has its own approved repairers, who are rewarded

based on the quality of the repair and customer satisfaction.

The satisfaction of dealer clients is also a priority. AutoProtect has a team continually working on improving the service and communication for its dealer customers. It can integrate with clients' dealership management systems (DMS) to streamline information flows, and Macaulay's team holds monthly or quarterly meetings with dealer group senior managers, during which feedback is gathered to help the company evaluate its products and services.

Dealers are not incentivised on sales of AutoProtect's insurance products. The practice of a supplier giving vouchers or other incentives to car salespeople for selling their products – potentially encouraging a non-compliant process – is

in the past, believes Macaulay. Nor are dealers required to price AutoProtect's products at a particular level. Market forces will determine the retail pricing, he said.

Since the start of this year, AutoProtect has been reassessing and redefining its values.

To share those values internally and externally, the company has held presentations for each department, which entailed developing statements of what each value meant for the respective department.

Brand said: "It's a consistent approach to customer service, obviously tailored to whoever the customer is. The same principles apply: Trust, transparency, passion. That's all about improving the way that customers feel about us and the service they get from us."



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