



**PAYMENTSHIELD  
SLASH HOME  
INSURANCE  
RATES**

## INTERVIEW WITH **EMMA GREEN**, HEAD OF SALES AT PAYMENTSHIELD

We took the opportunity to chat to **Emma Green**, Head of Sales at Paymentshield about their latest developments to support mortgage advisers during these uncertain times.

**It's been 3 months since the start of lockdown what are the things that have impacted on Paymentshield and the home insurance market?**

Well, three impacts from lockdown for me would be:

1) We've seen customers looking to cancel their insurance in a bid to save money or perhaps because they think being at home more means they no longer need cover. The irony is when we're at home more, we're more likely to need to claim for accidental damage or a leak because the home is occupied all day and whilst the burglary risk reduces some other risks increase.

For those in temporary financial difficulty when they call us retention team will talk them through their policy to see if we can help, reducing cover if things have changed. Plus, now we can also give the client the choice to switch to a policy with a three month's payment holiday. Since lockdown we've saved a number of customers on advisers' behalf by clients switching policies and we've also now extended the three month payment holiday option to new business via our unique Adviser Hub.

2) The other change I've seen as a result of lockdown is advisers really starting to diversify and sell general insurance (GI). We've seen over 452 new firms that didn't sell GI before with us, start to quote home insurance with us in May - July.

**We've reduced our Home Insurance premiums by an average of 22%**

**for new Paymentshield customers that are going through a remortgage, product transfer or equity release transaction**

3) The final main positive for me is that home insurance conversion levels are increasing as well, as more advisers are taking the time to not just quote but sell the features and benefits of GI to their client. Whereas perhaps before lockdown they might have quoted and as soon as they were faced with an objection about a comparison site they may have simply given up because they felt they didn't have the time.

**So, Emma you recently launched a new pricing initiative for Remo and PT customers, can you tell us about it?**

Yes, we've reduced our Home Insurance premiums by an average of 22% for new Paymentshield customers that are going through a remortgage, product transfer or equity release transaction with their mortgage adviser.

It's important to note the price reduction is only available to new clients to Paymentshield who are taking a remortgage or product transfer on home insurance. The offer is planned to run until the end of this year and can be accessed through our Adviser Hub and integrations with MAB, PRIMIS, E Keeper, Ipipeline and Key.

**What made you decide on such an aggressive pricing decision for these type of customers?**

We understand that the split between purchase business and remortgage and product transfer business has sharply changed in favour of the latter and that looks set to remain high for the rest of the year. Recognising this Paymentshield are keen to support advisers to ensure that they can seize the GI opportunity with all their clients. It's a significant investment by Paymentshield but we think it will be worth it in the long term to help create the "habit" of discussing GI with every client.

**So, are you saying advisers don't provide a GI quote to their remortgage and product clients now?**

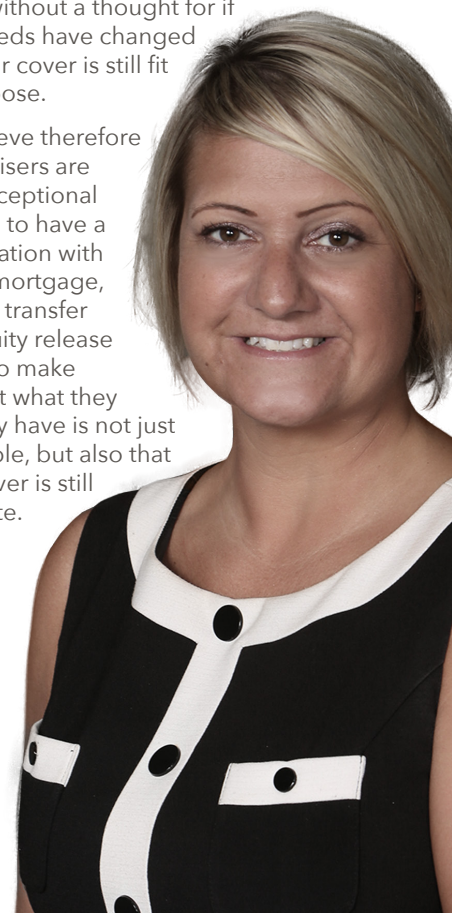
We know some do but we also know GI to mortgage penetration across the industry is generally less than 20% so there are thousands of transactions a year that likely don't have an intermediary GI sale attached to them at all and have potentially just been left to buy online or renew with their existing provider. Our analysis shows

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that that last year alone mortgage advisers missed out on £47.8 million of untapped earnings simply from failing to provide a home insurance quote to every mortgage client. Remortgage and product transfers were a huge area of missed opportunity, amounting to £10 million alone in lost commission. That's huge missed opportunity for advisers.

But the bigger concern here isn't just about money, it's what happens to a client that goes online to buy insurance and doesn't talk to an adviser. They may just be letting their policy automatically renew without a thought for if their needs have changed and their cover is still fit for purpose.

We believe therefore that advisers are in an exceptional position to have a conversation with their remortgage, product transfer and equity release clients to make sure that what they currently have is not just affordable, but also that their cover is still adequate.







Remember a lot can change in three years. For example, what extra things have they bought? Was there an event such as an engagement, wedding, birth or just a teenager buying more gadgets?

### Remind us how do advisers access the deal and how long is the Sales pricing running for?

All advisers can access the 22% discount through Paymentsshield's Adviser Hub or any of our integrations with The Key, E Keeper, Ipipeline, MAB Midas Pro and PRIMIS Toolbox.

We have funding for the discounted pricing that if used in the right way should last till the end of 2020, the price discount sticks for the length of the policy so there are no nasty surprises on renewal.

Advisers will need to do a full quote to see the discount and select "Remortgage" when asked what type of mortgage this is for, even if it's a PT. They will have access to our full panel of seven insurers who will automatically return their lowest price with the discount included.

### At Paymentsshield you ran a campaign called "Always Ask", what kind of questions would you suggest advisers ask their clients when discussing home insurance alongside a remortgage or product transfer?

Start by asking who their insurance is with and how long have they had it? If the customer has had the same policy for three years or more, they're the best ones to talk to as we believe our pricing for those clients is exactly where it needs to be to win the sale.

The kind of things I would suggest advisers ask are:

- When did you last review your home insurance and who are you with?
- What do you like and dislike about your current insurance provider?
- If you were going to change provider what would you like your new policy to do that your existing one doesn't?
- How much can you afford to pay for your insurance each month?
- What's most important to you

from the following; the insurance premium, the insurer's reputation, the star rating, the features and benefits or reducing your financial risk by paying a low excess if you make a claim?

### What tools do Paymentsshield have to help advisers get started?

In adviser Hub we have our Quick Quote tool so advisers can test whether we are in the ballpark in under 30 seconds. However, the Quick Quote price won't include the 22% discount in so advisers will need to convert to a full quote to see the final price to the client.

Our Defaqto compare tool is also there to help advisers compare the features and benefits of our product versus the current insurer and often the quality and defaqto rating of the product with us is better. We know that mortgage advisers most often compete with the likes of Direct Line, Halifax, Admiral and Lloyds Bank when it comes to Home Insurance because these are the firms most searched for on our Defaqto compare tool yet not all of them offer a 5 Star Defaqto rating like Paymentsshield. Advisers can print the Defaqto comparison or save it as a PDF to send to the client or attach to their file to demonstrate the product is better or similar to the client's existing policy.

We also recently launched a 3 months payment holiday option to help compensate for any cancellation fees incurred if the client needs to switch providers mid-term. As all the discount is taken by Paymentsshield, then as a last resort if the premium needs to be a bit lower still then advisers can reduce it further by using our Premium Flex tool to make that final difference, but it shouldn't be needed.

### What's in it for an advisor who does this?

- 1) They'll know they didn't sign their client up to more borrowing without considering whether the property is adequately covered.
- 2) Remortgage GI business stays on the books much longer than any other type of business so the reward is far higher
- 3) By selling 4 policies per month, you could earn £39,510.44 over the next 5 years
- 4) If advisers talk to their clients about home insurance, chances are the client will be love them for it since it could have been two or three years since they last reviewed it and they may not realise the limitations of their current cover or if they're paying too much.

### What is your parting message?

No other GI provider is offering anything like this and there really hasn't been a better time to start quoting on every remortgage and product transfer application. So, fill your boots whilst we have the funding for the scheme and remember to combine it with the 3 months payment holiday option where necessary. I'd expect with a combination of competitive pricing, improved cover and a three months payment holiday the adviser will easily be able to win the client.



Finally, our 34 strong sales team have been supporting advisers throughout lockdown and are on hand to help advisers make the most of this opportunity. Call us on 0345 0615 700 or visit [paymentsshieldadvisers.co.uk](https://paymentsshieldadvisers.co.uk)

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