



Three steps to unlocking the protection opportunity

1

Bridging the gap

The protection gap continues to increase with more clients leaving themselves vulnerable and at risk. This market presents you with an opportunity to deliver excellent client outcomes, grow your business and showcase the quality of your holistic advice.

50%+ of consumers view life insurance, income protection and critical illness as important.

And over **1/4** of those who had no protection conversation when taking a mortgage, said they would have been interested.

However **57%** of consumers surveyed by AMI don't own any protection policy.

Why are protection conversations important?



Sources: AMI viewpoint, The Perception Gap - November 2023

Building the plan

The most successful client conversations are tailored specifically to that person's wants, needs and situation. Start by looking at your client segments and where you could introduce protection into your conversations. Then consider what's happening in their lives right now. Triggers could include marriage, starting a family, new job or pay rise. The possibilities are endless.

Right now

The clients you're dealing with right now will already be chatting to you about their mortgage, so why not assess their protection needs at the same time?

Recent

If you've dealt with a client in the last two years they'll remember you as helping them secure their home. Build on this relationship by making contact again to discuss changes to their lifestyle and circumstances. Their protection needs may well have changed.

Review

What about those clients you haven't heard from in a while? They might need a reminder of the risks they face and how this increases every year. Or maybe they have protection but not sure if it's still suitable?

Self-employed Renting New home Recently married New job First time buyer Pay rise Recently divorced Children in paid education Business Owner Starting a family

3

Connecting the conversation

There are simple things you can do to have better protection conversations. Take your clients on a journey to help them understand both the value of protection and the value you can offer through great advice. And remember to tailor the conversation to be specific and personal to that client's situation.

Introduce protection early in your conversation. Outline the importance of this from the very start.

Keep it simple. Don't use jargon or specific product names. Instead talk about what this actually means to the client.

Talk about risk, chance and probability. Help your customer visualise how vulnerable they could be without protection.

Discuss an affordable budget. If you establish this at the start you won't risk putting the client off with a much higher premium than they expected.

Establish needs and priorities. From covering their income to protecting their children. What does your client feel is important to them and their circumstances?

Highlight shortfalls. Talk about your clients' employee benefits (if employed), state benefits and any savings they have. Would this be enough?

Use sales aids, calculators and reports to back up your recommendation, support the case for protection and help overcome any objections like affordability, risk and need.

Provide holistic advice by looking at an affordable menu plan covering all the risks.

For more information visit adviser.royallondon.com/protection

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