

# Great customer outcomes in Digital Trading transcript

**LIZ WALSH:** Hi, I'm Liz Walsh and I'm joined by Caren Barnett and Derek Cowie. And as we head into another busy year in digital, we're taking some time to reflect on 2023, which saw us deliver a record number of enhancements to our digital proposition. And today we're focusing on what we've done to drive even better outcomes for our brokers and customers.

So Caren, if I can come to you first, what would you say is your highlight for 2023 in terms of good customer outcomes?

**CAREN BARNETT:** For me, it's got to be the under insurance tool on Fast Trade. So underinsurance is not a new issue in the insurance industry but it has been heightened by the impact of Brexit, Covid and the Ukrainian War. And what that means is businesses are more likely to be facing underinsurance issues and the amount of underinsurance is likely to be significantly more than ever before. In fact, research that we've done across our SME portfolio tells us that 42% of our customers have inadequate building sums insured. And more worrying than that, some external research has told us that 10% of SME businesses would struggle to survive if they had to pay just £10,000 towards a claim that wasn't covered.

**LIZ WALSH:** So I understand why that was a major concern for us and why we wanted to do more to help our brokers and customers. Can you tell us a bit more about the tool?

**CAREN BARNETT:** Sure. So essentially what we've done is we've taken a data tool that's been successfully used by our underwriters dealing with manual business in the regions, and we've built that into Fast Trade. This gives us the ability to highlight building sums insured where a level of cover might be inadequate and helps brokers to protect their customers from the likelihood of being underinsured and does it in a very targeted way.

**LIZ WALSH:** And can you tell us how this works in practice and what products it applies to?

**CAREN BARNETT:** So it's a deliberately simple user experience, which brokers will find really easy to navigate. Essentially what they do is they input the building sum insured in the normal way. And what that does is make a, it triggers a call to our service in the background and then assuming we get a match for the address, if, underinsurance is recognised, we will highlight that immediately in the journey to the broker. And furthermore, if we have adequate data, we'll actually recommend what the sum insured should be. This is available across all our property based products. And we've had some fantastic feedback from our brokers who are saying it really is helping them to add value, to the conversations that they're having with customers around protecting their businesses.

**LIZ WALSH:** And on that point, is there a specific example you can give us where we've really helped a customer?

**CAREN BARNETT:** There are so many to choose from, but actually there's one that just is front of mind for me and that was an existing property owners policy where at renewal we flagged that there could be potentially underinsurance on the policy. Following several conversations between the broker and their customer, they decided to carry out a valuation. And what that actually highlighted was the building sum insured should have been £11 million and not £4 million as it was. Now, that is a very extreme example. But in that circumstance, we've actually helped prevent what could have been a catastrophic loss for the customer in the event of a claim.

**LIZ WALSH:** Absolutely. So that's a really great customer outcome we've outlined there. Caren, thank you. So Derek, can you top that?

**DEREK COWIE:** I'll give it a go because Caren's is a good one! We know in the current economic climate, businesses are very much looking at their costs and the risk is that they might have a look at their insurance portfolios and decide that and make certain decisions about that. And that could create gaps for them in their cover. So when I say gaps in their insurance, I'm not talking about underinsurance that Caren was referring to where they've got the cover and just not enough of a limit. I'm talking about areas of cover that they've not even considered and therefore are exposing their business. So this may not be conscious decision making that they're doing. It may be that their business has grown may be they've diversified their business, but they haven't really thought through, you know, all the, their insurance needs. There are also the emerging risk to businesses like cyber attacks. So the result of underinsurance and gaps in insurance can be costly to their business in terms of a claim. So my good customer outcome that I would put forward, would be the enhancements that we've made to our client dashboard within Fast Trade.

**LIZ WALSH:** And can you tell us how the client dashboard helps tackle that issue?

**DEREK COWIE:** Yeah, so what we've done to it is we've developed, people will start, will see tiles within the client dashboard. These are the enhancements that we've made. Now these tiles are recommendations of cover and products. Now they're not cold recommendations. They've actually got, they're actually using market-wide data behind them with some smart analytics. So with the analytics that enables us to look at the buying pattern and with the buying patterns we can apply the principle of 'businesses like yours' and what they've bought. So that enables them, us, to make a tailored recommendation through the dashboard, thus allowing the broker and their client to make more informed decisions about what insurances they should consider.

**LIZ WALSH:** That's great. How do brokers access the service?

**DEREK COWIE:** So that's the good news. They don't have to go looking for it. It's already integrated into the experience that they have on Fast Trade today. These recommendations are not based on simple assumptions, they're underpinned by sophisticated market-wide data and analytics. This analyses purchasing patterns based on the 'customers like you' principle. We then overlay our risk appetite and display tailored recommendations for the broker's client. This helps our brokers have a wider protection conversation with their client, helping them make more informed decisions around their insurance portfolio.

**LIZ WALSH:** So that's another great customer outcome. Thank you Derek. And I think that demonstrates what we've been doing to evolve our system from just a simple efficient trading platform into more of a client protection tool, which is really helping drive great customer outcomes for both our brokers and our customers.

**CAREN BARNETT:** So Liz, before we close, what great customer outcome of 2023 would you like to highlight?

**LIZ WALSH:** Hmm. I think it has to be our new cyber response option.

**CAREN BARNETT:** And why have you chosen that in particular?

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**LIZ WALSH:** Because it's been designed specifically for small businesses. What we found is that covering the market is often too complex for their needs. And linked to that, cover is very expensive, often being more than they're paying for their main business insurance. In general what these businesses are looking for is helping support to help them manage an event should it happen. So we've designed cyber response for businesses with a turnover of up to £1 million employing up to 10 people. So cover centres around the critical incident response service and its price at a much more affordable level, meaning that cyber cover is now accessible to a much larger group of smaller business customers.

**CAREN BARNETT:** So that's another great example Liz and altogether, you know, looking back on 2023, we have driven some fantastic customer outcomes. But we're in 2024 now. Derek, anything you can allude to for 2024?

**DEREK COWIE:** All I can say is we've got lots planned, but watch this space!

**LIZ WALSH:** So that's it for today, but if you'd like to find out more about these benefits and how they can help you drive great customer outcomes, please visit the Aviva Broker website or speak to your business development manager.

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