



(PRLEAP.COM) Johannesburg, South Africa – The best aggregation technology isn't always all byte and processor. When it comes to creating insurance solutions that meet the consumer's need, we believe there's still no replacement for flesh, brain and heart. Here's why.

An aggregator is a person or a thing that aggregates related and frequently updated content from various sources and consolidates this content in one place for viewing. The past few years have seen the emergence of online aggregators to assist consumers in their purchasing decisions. This is particularly true of developed markets like the USA, where noted research firm Forrester as far back as 2009 reported that around 39% of all insurance purchases (short- and long-term) were transacted online.

In the SA insurance industry, aggregation technology is not yet as firmly entrenched. But we are starting to see more insurance contracts being concluded through the internet, with direct insurers – particularly in the short-term space – increasingly using aggregation technology to supply clients with online quotes. The power of online aggregators lies in their accessibility and convenience. Clients receive their quotes in seconds and once they've completed the process, their details are sent to an insurer who will contact them to conclude the policy. They're literally able to access quotes from a number of players at the click of their mouse. And given the increasing demand for accessibility and transparency in financial services, the appeal of this technology is clear. But can online aggregation ever fulfil the same role as an independent financial adviser, particularly in the complex life industry?

The first issue with online aggregated policies is that they're stripped down to the bare essentials. So while clients may benefit from convenience and a low premium, the cover they end up buying may not necessarily suit their needs or be flexible enough to meet their future needs.

And clients' fundamental lack of understanding of their financial needs is arguably the greatest objection that can be made to the online aggregation tools. A 2011 survey by Deloitte in the USA entitled "The Voice of the Life Insurance Consumer" found that the majority of consumers do not take the initiative to find cover; they still rely on someone – their employer, a product provider or a financial adviser – to approach them and offer them cover. Overwhelmingly, the study concluded that consumers don't recognise the financial needs met by life insurance – and hence, they're unlikely to seek coverage. So that old chestnut, that life insurance is sold not bought, appears to hold true still.

Aggregator Versus Independent Advice From BrightRock

Written by Australian Business

Independent Financial Advisors (IFAs) remain firmly in the lead in South Africa as the source of trusted advice, although the number of South Africans making use of independent advice is still worryingly low. A survey conducted by Visa among middle-class South Africans, the [Visa Wealth Worries 2013](#) survey, released last week, found that 16% of respondents trust the Internet for financial advice, whereas 32% relied on financial advisers. Other sources of advice cited were a spouse or partner, family, friends and newspapers. The Financial Services Board's (FSB's) financial literacy survey (published in September 2012) reported that 62% of South Africans would trust a financial adviser to provide them with sound financial advice. The FSB study makes no specific mention of the internet as a source of financial advice.

In BrightRock's opinion, the independent financial adviser remains the best aggregator and the most sophisticated technology available to clients. Financial advisers are uniquely qualified and experienced to find the perfect fit for their clients' risk cover needs. In their ability to relate to their clients, like no online aggregator can, IFAs are not only able to understand their clients' concerns and their aspirations, but – in light of some of the findings we've highlighted here – are able to relate those concerns and aspirations back to clients' underlying financial needs. And in turn, are then able to relate those financial needs back to a life insurance solution that can adequately cater for them.

In essence, good old fashioned independent advice is no different from newer forms of aggregation; however, we'd argue the quality of the output is better. That's why we believe in giving you the best support to help you bring as much heart as possible to creating a risk solution that meets each client's unique needs.

BrightRock provides an online quoting tool, called Flint, to assist in creating a policy that suits the needs of the planner's client now and is able to grow and adapt as their needs change. On average, Flint does 24 million separate calculations per quote to generate the best, most tailored policy that is needs-matched for the planner's client.

About BrightRock [BrightRock was started with the goal of creating insurance products that truly meet consumers' and financial advisers' needs](#). It offers truly individualised life insurance cover that's built around client's specific needs at the outset, and is specially designed to change as client's needs change. Because this cover is flexible and changes appropriately, it's more efficient. This means both the cover and the premiums remain relevant, and more affordable, throughout a person's life. BrightRock received the 2013 Cover Excellence Award in the category "Life – Current" in recognition of its product innovation. BrightRock (Pty) Ltd is an authorised financial services provider, underwritten by

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