



It's a brave
new digital
world



Technology is the key to meeting client expectations and driving business *forward*

From smart phones to smart homes, digital technology has changed the way we shop, learn and connect with one another. It's also altered consumer expectations.

Consider entertainment leader Netflix, for example. They use advanced algorithms not only to give viewers the content they ask for but also to suggest other programs they'll enjoy. This makes it easy for viewers to stream their favourite shows and movies without even lifting a finger... except to hit play, of course! The result? Customers who keep coming back — and a stock price that has risen more than 5 percent in the first four months of 2020 alone.¹

“

A digitally empowered consumer and the need for advice, combined, create an unprecedented opportunity for advisors to forge stronger relationships with their clients.

¹ [Business Insider. Increase YTD as of April 6, 2020.](#)

Then there's retail giant Amazon. Users across the globe can locate, purchase and buy just about anything on Amazon and have it delivered to their front door in as little as a day. Amazon gathers data on every customer, including search history and purchases, to inform future search results. And to take it a step further, this data is used to serve up recommended products. Feels a bit like Big Brother? Maybe. Convenient? Absolutely! And with that, Amazon's customer loyalty reached an all-time in high in 2019, with nine in 10 customers reporting they're more likely to buy products from Amazon than any other e-commerce site.²

So where does all this leave the insurance industry? And what does it mean for insurance advisors? Is the time approaching when buying insurance will be as simple as streaming the final season of Game of Thrones online or having a new tablet delivered to your door? Not entirely.

² Chain Store Age. How loyal are Amazon shoppers? 2019.

³ The Economist Intelligence Unit. Digital Adoption in the Insurance Sector.

How well are advisors delivering on client expectations?

68%
of insurance buyers want to conduct transactions online.³



Advisors will *always* play an important role

If anything, clients need guidance today more than ever. Here's why.



Information overload.

With online access to thousands of insurance companies, financial articles, opinion sites and more, consumers are overwhelmed by information and choice. An online search for "insurance" yields more than 3 billion results in less than a second. All of the noise in the marketplace creates confusion, leaving many overwhelmed. And while Canadians crave more control over their money, some may feel held back by a lack of confidence and knowledge.



Need for knowledge.

The other complicating factor is that insurance is not a one-size-fits-all commodity. The best product fit will depend on an individual's situation, current and future needs and financial circumstances. People today don't need more options. What they need is greater clarity surrounding life's complicated decisions. That's where the value of advice comes in.

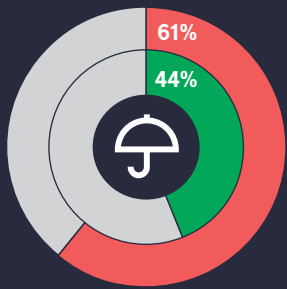


Professional insight.

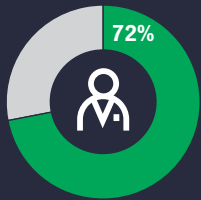
With so many variables to weigh, many consumers seem to know that they need help. In a survey of affluent and mass affluent consumers in the U.S., McKinsey & Company found that while buyers started their research online, roughly half preferred to purchase through an agent or advisor. A further 20 to 25 percent were willing to settle for nothing less than a face-to-face meeting with an insurance professional.⁴

⁴ McKinsey. Rethinking US life insurance distribution.

Many Canadians need help getting the insurance they need to protect their loved ones.



Less than half (44%) of Canadian households have **individual coverage** while **more than half (61%)** indicate they personally **need life insurance coverage**.⁵



72% of Canadian households want to buy life insurance through an agent.⁵



20% of consumers have put off buying life insurance because it's too complicated.⁶

⁵ LIMRA. Canadian Faces About Life 2019.

⁶ Policy Advisor. State of the Nation: Canadian Life Insurance Trends 2019.

So while technology may have changed the way consumers research or even purchase insurance, the decision itself is driven by very human emotions — a desire to protect their loved ones, their lifestyle and themselves. Simply put, insurance is best delivered through the professional advice market. Consumers look to advisors to help guide them in making decisions that could, quite literally, have a life-changing impact.

That's not to imply that technology is a trend that should be ignored. Quite the contrary. It's a matter of using technology as a vehicle to deliver advice more effectively.

It's a transition that's already begun to play out in the real estate industry. Though real estate has become more self-serve, online listings, virtual home tours and neighbourhood score cards don't necessarily mean realtors are taking on less work. These days, the value of a realtor's service comes in managing challenges such as historically low inventories and navigating a highly competitive market – all in record time.

According to the National Association of REALTORS® Research Group, 44 percent of homebuyers start their property search online.⁷ Once they've found a property, however, the overwhelming majority (87 percent) choose to work with a professional agent.⁷ Realtors have been quick to adapt, using technology to manage their business without missing a beat.⁷

Embrace the opportunity, go digital


A digitally empowered consumer and the need for advice, combined, create an unprecedented opportunity for advisors to forge stronger relationships with their clients.

Chances are, a good portion of an advisor's day is spent on administrative tasks and paperwork. By streamlining that work, professionals can free up time to focus on what really matters — their clients ... and their business.

⁷ National Association of REALTORS® Research Group. Real Estate in a Digital Age, 2018 Report.

Simply put, going digital leaves more time to build relationships, understand clients' individual needs and to communicate with them more often. Applications like Skype, which many clients are likely already using on a regular basis, make it easy to hold “face-to-face” meetings even when you're miles apart.

Could you use an extra hour each day?

 **Employees save 60 minutes per day when they go paperless.⁸**

Digitization also streamlines processes, reduces the likelihood of errors on applications and provides anytime/anywhere access to client accounts. The overall result is a richer, more rewarding experience for clients and, ultimately, a more successful business for advisors.

Time to keep moving forward

The COVID-19 global pandemic has forced all of us to find new ways of living our daily lives. One of the biggest adjustments has been embracing the digital way of carrying on our day-to-day. Consumers who rarely made online purchases before are suddenly experiencing the convenience of e-commerce.

What happens when the crisis is over and the world returns to “normal”? Insurance advisors have an opportunity to leverage the new digital consumer mindset, and the digital skills they themselves have honed to move their business forward by delivering personalized advice and a positive customer experience through both traditional and digital avenues.

Discover how **easy** digital can be.
Start exploring
Manulife E-Business Solutions.

In the wake of COVID-19, e-commerce is booming:



76% of seniors use a digital platform for e-commerce⁹



74% increase worldwide in online transactions¹⁰



167% year-over-year growth in online transactions in Canada¹¹

⁸ Applied Annual Agency-Insurer Connectivity Report, 2018.

⁹ [Intel. April 2020, reported in strategyonline.ca.](#)

¹⁰ [ACI Worldwide. COVID-19 Crisis Driving Changes in eCommerce Purchasing Behaviors. April 2020.](#)

¹¹ [Emarsys and GoodData interactive map. April 2020.](#)