

Perceptions of insurers' management of claims: findings from a survey of members of the Chartered Insurance Institute (CII)

May 2014



The views expressed in the report are those of CII members completing the surveys and not necessarily those of the FCA, nor do they reflect FCA policy or constitute guidance to firms.

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1.

Executive summary

Two online surveys, on travel insurance and on household insurance claims, were completed by members of the Chartered Insurance Institute (CII)¹ in October 2013. The aim was to seek the personal views of insurance professionals with regard to how claims are managed, areas where insurers perform well, and any areas for improvement.

Key findings

Survey respondents were asked a series of questions about their perceptions of industry performance across a number of areas relating to claims management. Across most measures, CII members had a more positive perception of household insurance than travel insurance.

Positive perceptions of performance

Areas reported as performing relatively well for both household and travel insurance include:

- making it clear to customers how to make a claim, and
- providing a straightforward claims notification process

Areas reported as performing relatively well for household insurance include:

- professional and impartial loss adjusters
- providing claimants with a clear explanation of the settlement decision and amount, and
- handling complaints fairly

Areas reported as performing reasonably well for travel insurance:

- making it clear to customers that pre-existing medical conditions should be disclosed

¹ The CII has 112,000 members and is a leading professional organisation for insurance and financial services

Perceptions of poorer performance

For both household and travel insurance, poorer performance was perceived for communication during the claim, such as:

- keeping claimants up-to-date throughout the claims process
- ensuring claimants do not have to repeatedly explain their claim, and
- providing claimants with a single point of contact

For household insurance:

- proactive management of third party suppliers, and
- giving claimants a fair indemnity choice by providing flexibility with regard to cash or a repair or replacement settlement

For travel insurance:

- making it clear to customers what is and isn't covered by their policy at purchase
- making it clear to claimants as to next steps and expected timeframes at first notification of loss
- the knowledge and empathy of claims handlers, and
- the amount of evidence required to support a claim

Areas for improvement

Aspects identified for improvement broadly reflect perceptions of performance, with the elements perceived to have poorer performance being highlighted as important for improvement. One key area highlighted by CII members as in need of improvement in managing both household and travel insurance claims was providing a single point of contact to customers during the claim.

Making it clear to customers what is or isn't covered when they purchase a policy was also identified as being in need of improvement across both markets.

2. Main report

Introduction and background

This report summarises the results from two short online surveys, one relating to travel insurance claims and the other to household insurance claims, completed by members of the Chartered Insurance Institute (CII). The aim of these surveys was to record the perceptions of a range of insurance professionals regarding how claims are managed, areas where insurers perform well, and any areas for improvement.

The surveys were sent via email invitation to 38,000 CII members in October 2013. The household survey was completed by 804 members, the travel survey by 322 members. Survey respondents were a mix of those with and without claims as a major part of their responsibilities. The vast majority were at the time of the survey working for or as brokers, insurers and loss adjusters. Further detail as to the profile of respondents can be found in Annex 1. A copy of the survey questionnaire is included in Annex 2.

Perceptions of performance

Members were asked to rate whether they agreed or disagreed with a variety of statements about the industry's management of household and travel insurance claims at various points throughout the customer journey. Members were asked to form this opinion based on their own experience.

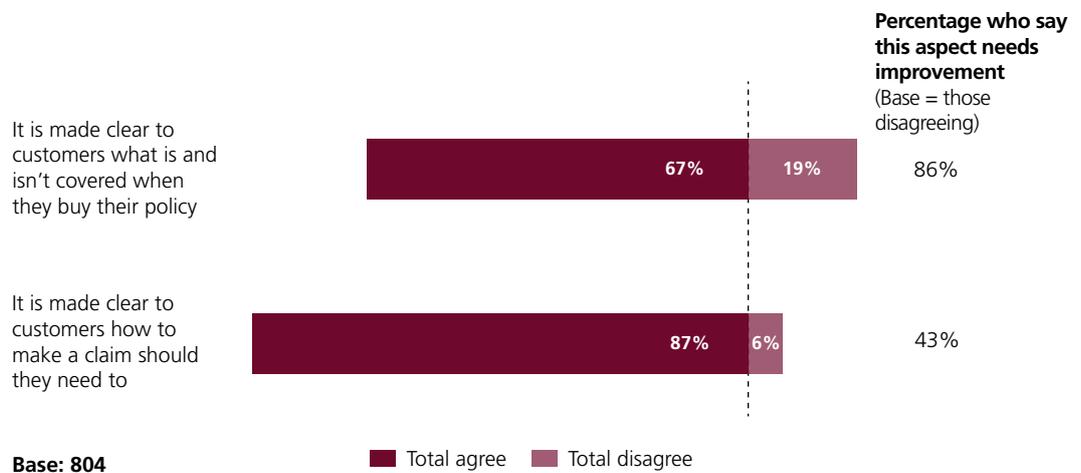
The findings outline perceptions of performance following the customer journey from purchase, first notification of loss, during the claim and at settlement. Areas perceived to be performing well relative to other measures are identified, along with those with relatively poorer performance.

Findings related to travel and household insurance are reported separately – where there are similarities, this is highlighted. However, it is important to note that across most measures, perceptions of the management of household insurance claims are consistently better than for travel claims. Where appropriate, differences in perceptions between loss adjusters, brokers and those working for insurance companies are also outlined.

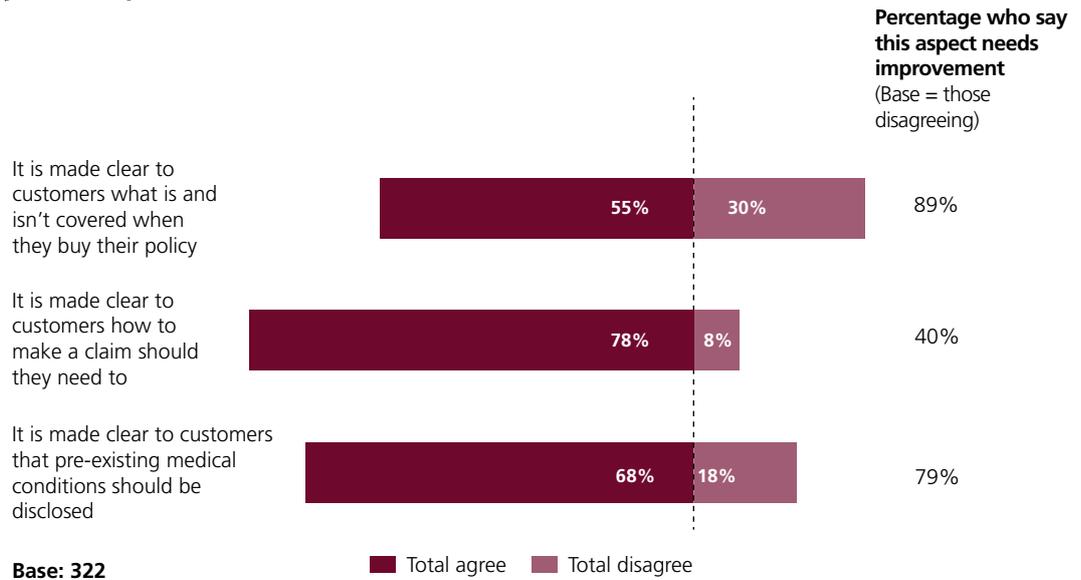
Purchase process

Three aspects around the purchase process were considered: whether it is made clear to customers what they are and are not covered for, that pre-existing medical conditions (for travel) should be disclosed, and they are aware as to how to make a claim should they need to. The graphs below outline how well members feel the industry is performing in these areas.

Graph 1: Percentage who agree or disagree with positive statements about the purchase process (household)



Graph 2: Percentage who agree or disagree with positive statements about the purchase process (travel)



Most CII members across both household (87%) and travel insurance (78%) agreed that it is made clear to customers how to make a claim should they need to. For travel insurance

68% agreed that it is made clear to customers that pre-existing medical conditions should be disclosed when buying their policy.

However, while relatively large proportions agreed (67% for household and 55% for travel) that it is made clear to customers what is and isn't covered when they buy their policy, significant proportions also disagreed: 19% (household) and 30% (travel) disagreed that clarity of cover is provided. In addition, most of these say this is an aspect needing improvement.

Comments from CII members indicate that lack of clarity among customers about their policy cover can lead to difficulties when making a claim, ranging from disappointment to conflict and difficulties for claimants in trying to recover losses or obtain services they thought they were covered for. Clarifying the wording, layout and terminology were suggestions by CII members as areas for improvement.

"Clear and transparent policy language, clauses and exclusions – having a policy that does what it says on the tin without the need for conflict, interpretation and small print."

"Greatest challenge with all claims is managing customer expectations, who may believe that their policy offers more cover than it actually does."

"Travel insurance is wildly misunderstood by policyholders."

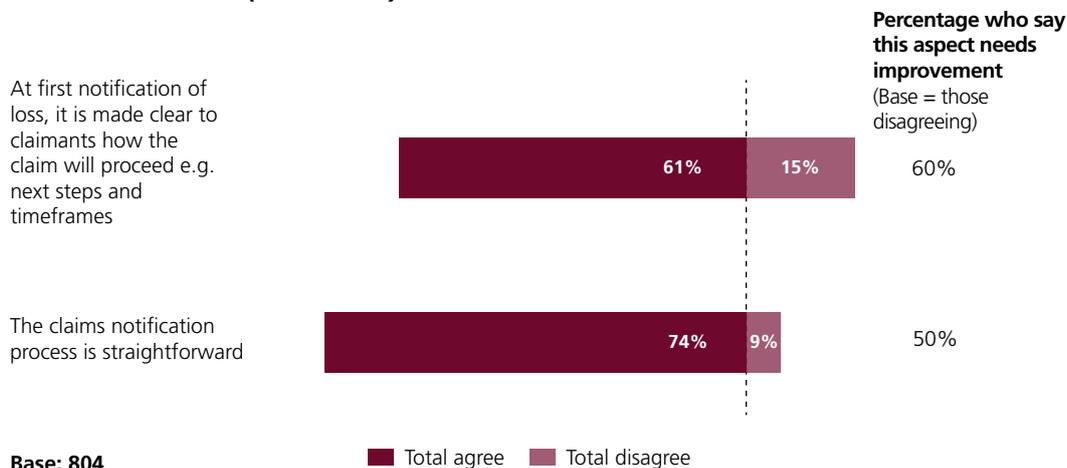
There were differences between professions with regard to how clear it is to customers as to what their policy covers at purchase. In household, 39% of loss adjusters disagreed that it is made clear to customer what is and isn't covered, compared with 8% of brokers and 17% of those working for insurance companies. This could reflect their direct experience with claimants, and be linked to the idea that lack of clarity about policy cover becomes an issue when customers seek to make a claim.

For travel, there was a similar pattern of views between brokers and insurers for clarity of cover at purchase, with 28% of those working for insurance companies and 27% of brokers disagreeing that it is clear to customers what is and isn't covered.

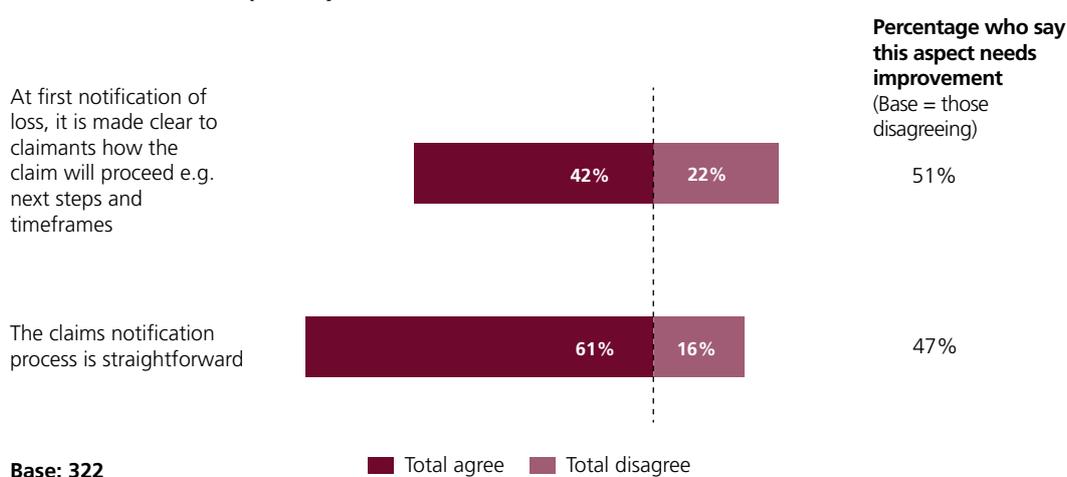
First notification of loss

Two service elements were assessed with regard to first notification of loss. These were how straightforward the notification process is, and whether it is made clear to customers how the claim will proceed in terms of next steps and timeframes. How well members perceive the industry to be performing in these areas is outlined in the graphs below.

Graph 3: Percentage who agree or disagree with positive statements related to first notification of loss (household)



Graph 4: Percentage who agree or disagree with positive statements related to first notification of loss (travel)



Both areas related to first notification of loss are perceived as performing moderately well, but were judged better in household than travel claims. The best performing aspect is having a straightforward claims notifications process for household claims (74% agreed), although a smaller proportion agreed this is provided for travel insurance (61%).

Making clear to claimants how the claim will proceed is performing less well for travel claims, where 22% disagreed that next steps are made clear to claimants.

“Customers are quite often stressed and anxious when submitting a claim so the initial explanation of the process is quite often not taken in. All parties in the claim process need to make sure that there is plenty of communication.”

For both household and travel claims, CII members working in insurance companies tended to be the most positive about these areas. Brokers were less likely to offer an opinion.

During the claim

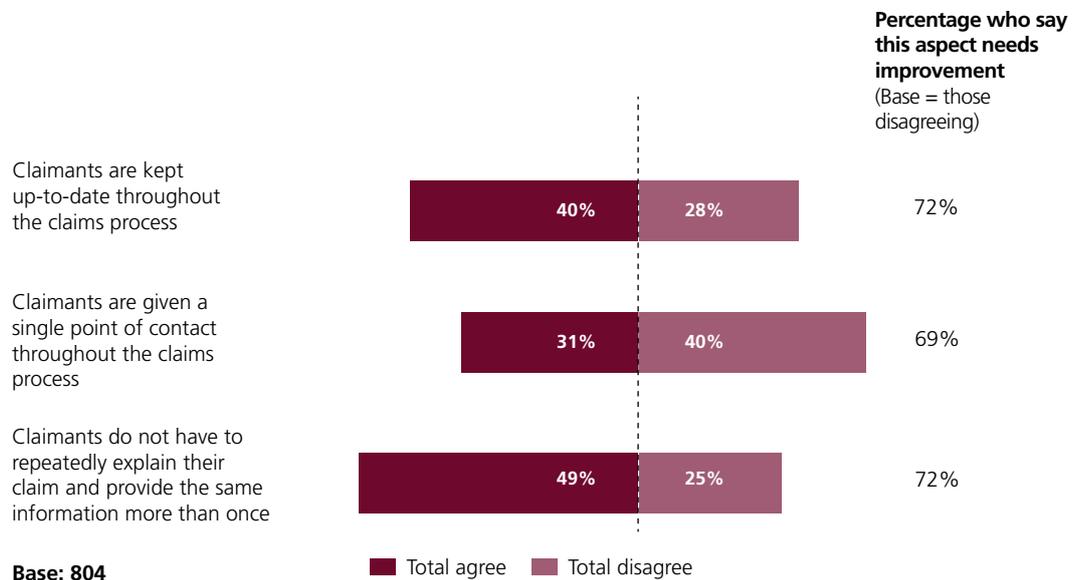
Here we consider four parts of the claims handling process during the claim:

- communication
- staff
- third party suppliers; and
- managing fraud

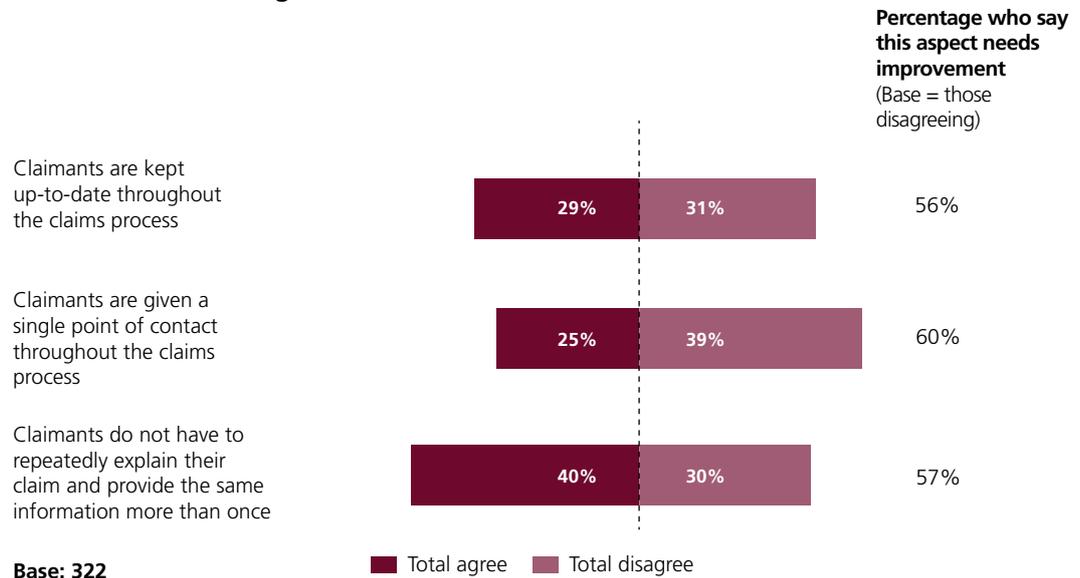
Communication

Three aspects related to communication during the claim were assessed: whether claimants are kept up-to-date throughout the claim; if customers are provided with a single point of contact; and, whether customers have to repeatedly explain their claim and provide the same information more than once. The graphs below show members' perceptions in relation to each of these.

Graph 5: Percentage who agree or disagree with positive statements related to communication during the claim (household)



Graph 6: Percentage who agree or disagree with positive statements related to communication during the claim (travel)



Communication with customers during the claims handling process is an area thought to be performing relatively poorly and in need of improvement. CII members called for a greater flow of information *from providers to customers*.

“Communication generally, its frequency and its relevance must be a priority.”

Specifically, across household and travel, two-fifths of CII members disagreed that claimants are provided with a single point of contact throughout the claims process. Keeping claimants up-to-date throughout the claims process and ensuring customers do not have to repeatedly explain their claim also perform relatively poorly. These communications aspects may be related, if we consider that a single point of contact would retain knowledge of claims that they are handling and could keep customers informed of progress at key stages.

Among CII members saying that a single point of contact is not provided to customers, this was flagged as an aspect for improvement by 69% for household and 60% for travel. Keeping customers up-to-date and ensuring customers do not have to repeat the same information are other key areas for improvement in household insurance, where many of those disagreeing that these aspects are provided said they need improvement.

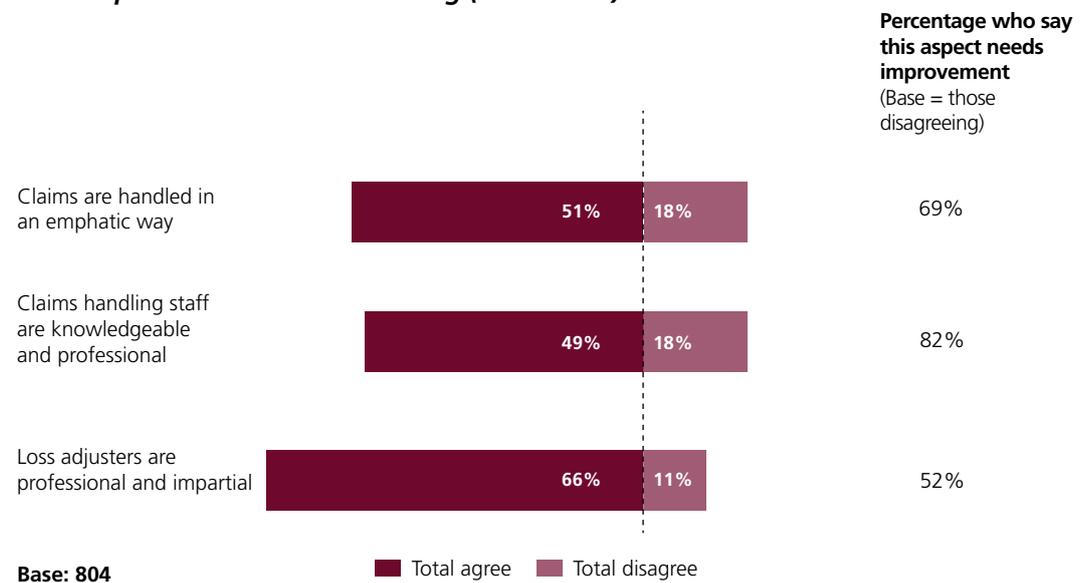
“By assigning one claims person to a particular claim and leaving the case with that person until the matter is finalised would help speed up settlements. The practice of not specifically assigning the handling of a claim to one person creates all sorts of delays and frustration to the claimant.”

By profession, the pattern of responses for these areas is broadly similar for both household and travel; those with no significant claims handling responsibility were less likely to offer an opinion.

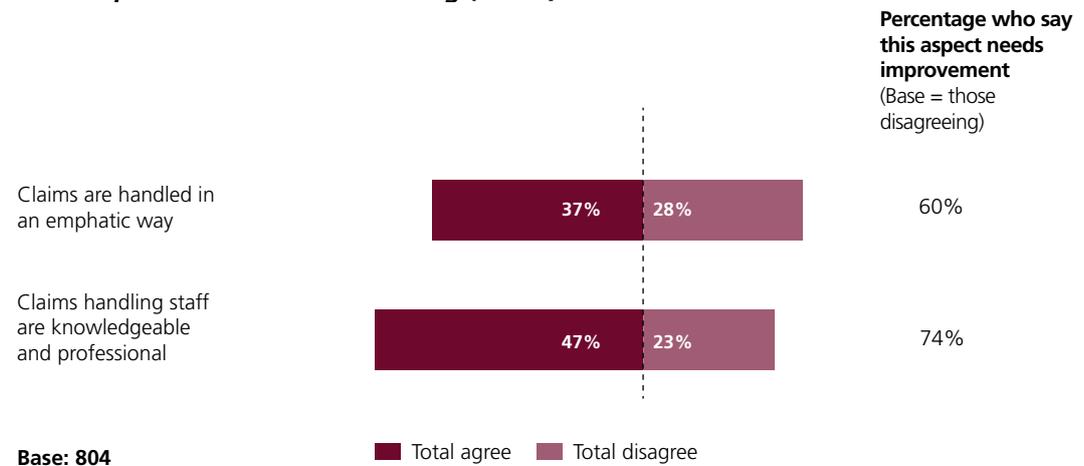
Staff

Members were asked to give their perceptions with regard to claims handling staff and loss adjusters (household insurance only) in terms of their empathy, knowledge and professionalism. Findings are outlined in the graphs below.

Graph 7: Percentage who agree or disagree with positive statements related to the staff responsible for claim handling (household)



Graph 8: Percentage who agree or disagree with positive statements related to the staff responsible for claim handling (travel)



For household claims, 66% of CII respondents view loss adjusters as impartial and professional, and with relatively low disagreement (11%), this is an aspect performing relatively well.

Ensuring claims are handled in a way that is empathetic of a claimant's circumstances and claims handling staff being knowledgeable and professional are areas, according to CII members completing the survey, of poorer performance and in need of improvement. One-half of respondents (for household and travel) agreed that claims handling staff are knowledgeable and professional, and for household, that claims are handled in an empathetic way. The proportion was less for travel with only 37% agreeing that claims are handled empathetically.

Comments from CII members suggest that travel insurance claims can sometimes be more complex and stressful than household claims, especially if medical factors are involved.

"People who are ill or injured abroad and their families should be treated with the utmost sensitivity and their concerns and worries recognised and addressed. Same applies to a lesser extent with medical cancellation where there is a serious condition."

"Greater understanding [is needed] by claims handlers and claims handling sub-contractors of the anxieties felt by claimants who, by definition [are] abroad and out of their comfort zone when they claim, especially for major claims such as severe illness/injury."

Many other comments from CII members emphasised the importance of well-trained claims handling staff who understand what needs to be done, and have the authority to make decisions. It is believed these factors would speed up the claims handling process and provide a smoother customer experience.

"Effective management of claims ... in my view requires well-trained staff with experience in being able to assess and desktop claims. More often than not... even on small losses...claims staff's role is limited to performing diary exercises from a workflow of ongoing claims."

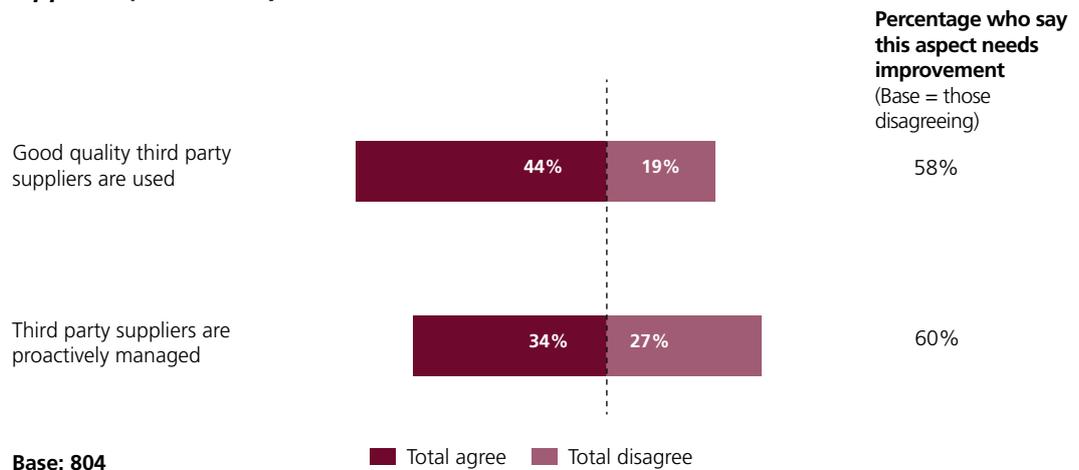
With regard to differences in perception between the various professions, for travel, brokers and those working for insurance companies had consistent views. However, for household insurance, brokers had less favourable perceptions with regard to:

- empathetic claims handling (22% of brokers disagreed that claims are handled empathetically vs. 13% of insurers and 6% of loss adjusters)
- impartiality of loss adjusters (14% of brokers disagreed that loss adjusters are professional and impartial, vs. 6% of insurers and 3% of loss adjusters)

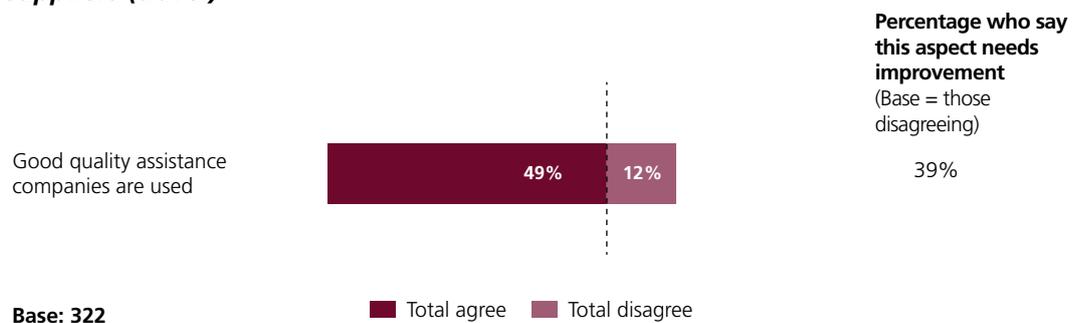
Suppliers

During a household claim customers may engage with third party suppliers, such as suppliers of replacement goods and contractors. To assess how well the industry is perceived to be performing in this area questions were asked about the quality of third party suppliers and how well they are perceived to be proactively managed by the insurer responsible for the claim. For travel, perceptions about the quality of assistance companies were gathered.

Graph 9: Percentage who agree or disagree with positive statements related to suppliers (household)



Graph 10: Percentage who agree or disagree with positive statements related to suppliers (travel)



For household insurance 44% of CII members agreed that good quality suppliers are used compared to 19% who did not. With regard to whether third party suppliers are proactively managed during household claims, 34% agreed, 27% disagreed and the remaining 39% neither agreed nor disagreed.

Third-party selection is perceived to be better for travel claims, as nearly one-half of CII members evaluating travel insurance agreed that good quality assistance companies are used, while only 12% disagreed.

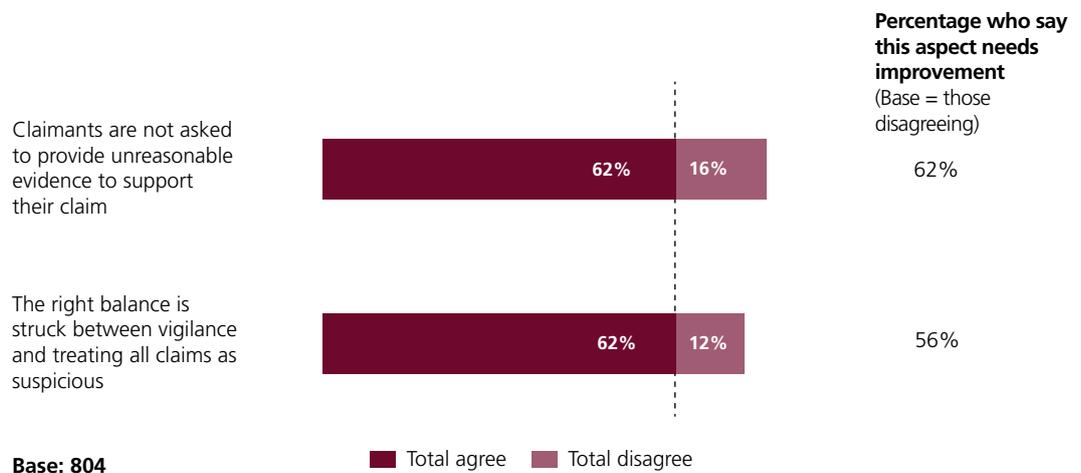
Insurers were more positive about the selection and proactive management of third party suppliers than brokers and loss adjusters. While loss adjusters tended to be more negative, brokers were less likely to have an opinion or strong opinion about these aspects. Those with

significant claims handling responsibility were more likely to express an opinion/strong opinion. This pattern was also observed for travel with regard to the quality of assistance companies.

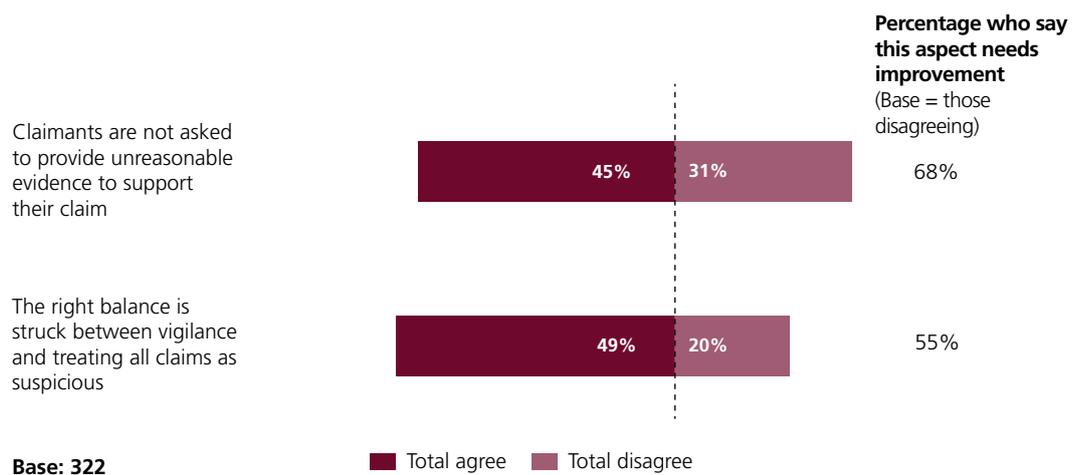
Managing fraud

There were two areas assessed surrounding managing fraud: the extent to which the right balance is struck between vigilance and treating all claims as suspicious, and the amount of evidence to support the claim that customers are expected to provide.

Graph 11: Percentage who agree or disagree with positive statements about managing fraud (household)



Graph 12: Percentage who agree or disagree with positive statements about managing fraud (travel)



For household claims, this is an area perceived to be performing relatively well, as 62% of CII members agreed that customers do not have to provide unreasonable evidence to support a claim, and the same proportion feel the right balance is struck between being vigilance and treating all claims as suspicious.

These aspects were viewed less favourably for travel claims where, compared to household claims, roughly double the proportions disagreed with both statements. In particular, 31% disagreed that travel claimants are not required to provide unreasonable evidence, and 68% of these said this needs improvement.

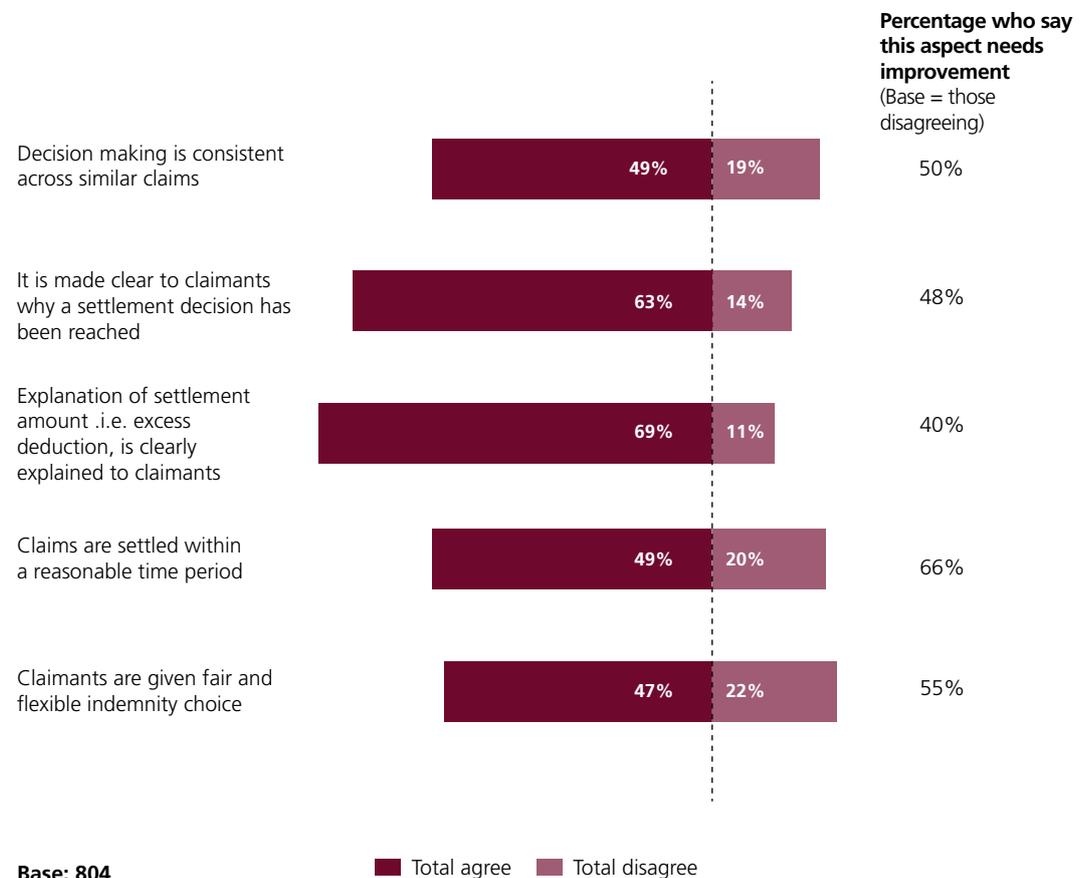
For household claims, insurers and loss adjusters were more likely than brokers to express a positive opinion for both evidence required and balance between vigilance and suspicion.

For travel claims, while brokers and those working for insurance companies were equally likely to disagree that these aspects are fulfilled, those working for insurance companies were more likely to express a positive opinion. In all cases, brokers were more likely than other professions to neither agree nor disagree, indicating they could not express an opinion, or had no strong opinion.

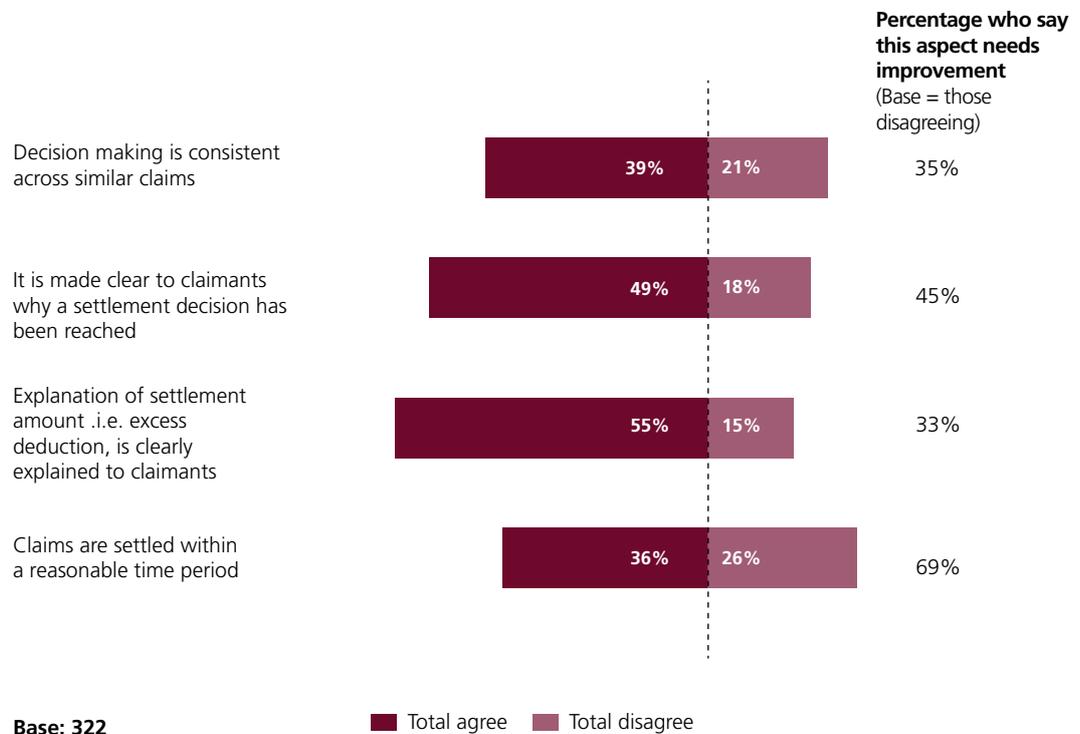
Settlement

A number of elements related to the settlement of a claim were assessed. These include consistency of decision making, the explanation provided to customers as to the decision made and the settlement amount, and the time taken to settle the claim. For household the extent to which claimants are given an appropriate and fair indemnity choice, providing flexibility with regard to cash or repair /replacement was also assessed.

Graph 13: Percentage who agree or disagree with positive statements related to settlement (household)



Graph 14: Percentage who agree or disagree with positive statements related to settlement (travel)



Areas related to settlement performing relatively well for household claims involve making it clear to claimants the reason for a settlement decision and providing an explanation of the settlement amount (i.e. deduction of excess). These aspects, as with all aspects in the settlement area, perform less well for travel claims, although here larger proportions had no opinion/strong opinion (i.e. larger proportions neither agreed nor disagreed with positive statements).

Ensuring consistency in decision making across similar claims is an aspect perceived to be performing only moderately well, however, according to CII member responses, this is not a priority for improvement compared to other service aspects along the customer journey.

For household claims, giving customers a fair indemnity choice is an area performing relatively poorly. Where CII members did comment on indemnity choices, the focus was on allowing claimants to choose their own suppliers, for example, for repair work.

“Allow the policyholders to use local trusted tradesmen of their own choice, especially where they have had previous satisfactory dealings with the tradesmen involved.”

The time taken to settle claims is another aspect performing only moderately well. For household claims, 20% disagreed that claims are settled within a reasonable time and 66% of those

flagged it as needing improvement. For travel claims, this is an aspect in need of improvement as 26% disagreed and of these 69% of those said it needs improvement.

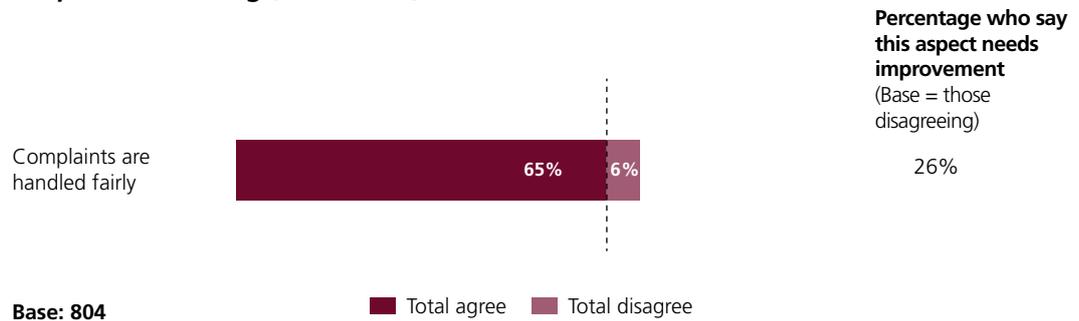
For household claims, brokers and loss adjusters tended to be less positive than insurers about the consistency of decision making across similar claims and the time taken to settle claims. Loss adjusters were more positive than other professions about clear explanations of decisions and settlement amounts being given to customers, and only 5% disagreed for both of those aspects. For travel claims, brokers tended to be less positive than insurers about all settlement aspects as well as more likely to have no opinion/no strong opinion.

Complaints

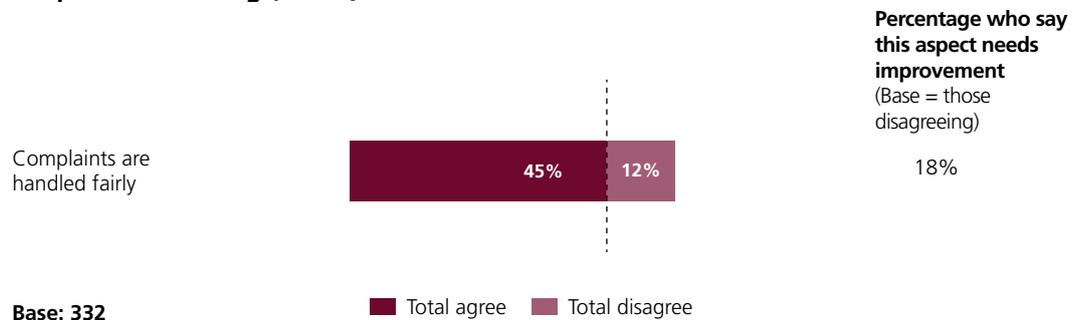
Handling complaints fairly is an aspect performing well for household insurance claims, as 65% agreed and only 6% disagreed that complaints are handled fairly. Performance is less clear for travel claims as 45% agreed, 12% disagreed and 43% neither agreed nor disagreed. Complaints handling is not an area needing improvement according to survey respondents.

For both household and travel claims, insurers and loss adjusters tended to be most positive about complaints handling. Although brokers were no more likely to disagree that complaints are handled fairly, they were more likely to have no opinion/no strong opinion.

Graph 15: Percentage who agree or disagree with positive statements related to complaints handling (household)



Graph 16: Percentage who agree or disagree with positive statements related to complaints handling (travel)



CII members' view as to what is important to customers when making a claim

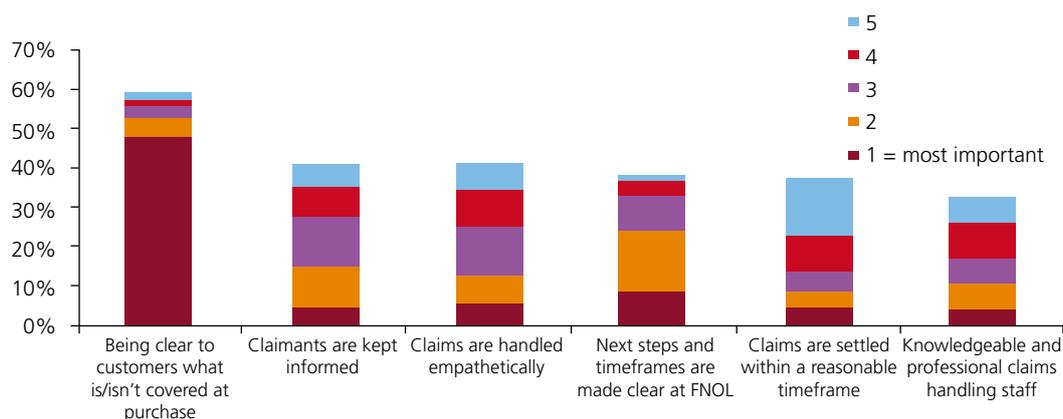
Members completing the survey were asked to select five service areas which they believe, according to their experience, to be most important to customers when making a claim on their household or travel insurance policy and rank them in order of importance (where '1' denotes highest importance).

For household, ensuring it is clear to customers when they purchase their policy as to what they are and are not covered for was selected by 59% of members as one of their five most important areas to customers when making a claim and 48% ranked it first for importance.

This was followed by ensuring claimants are kept informed throughout the claims process and that claims are handled empathetically, with 41% selecting each of these as areas important to consumers when making a claim.

The results for the most frequently selected aspects thought to be important to consumers are shown in the graphs below.

Graph 17: Areas most selected by respondents as important to consumers when making a claim (household)

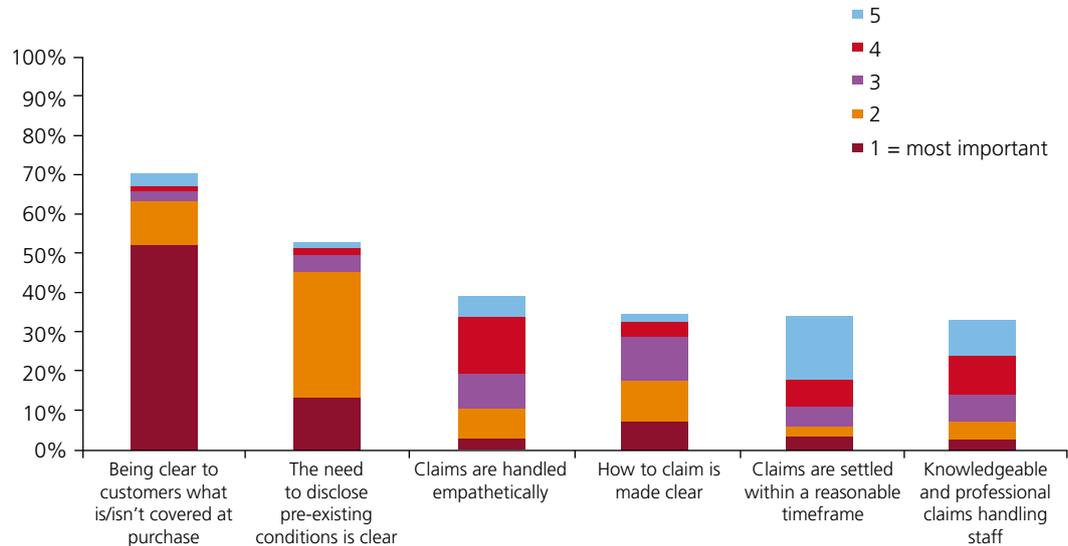


Base: 804 Top 6 selected aspects shown, out of 20

For travel, the two areas identified by members as being most important to customers when making a claim involved the purchase process. As with household, the first involves clarity of cover, with 70% selecting the importance of ensuring that it is clear to customers as to what they are and are not covered for when purchasing their policy. The second area most widely selected to be important to customers when claiming, was making it clear to customers the need to disclose pre-existing medical conditions when purchasing a policy.

Reflecting back to performance in these areas, making it clear that pre-existing medical conditions should be disclosed is a relative strength for travel insurance. However, providing clarity of cover at purchase was an aspect with poorer performance.

Graph 18: Areas most selected by respondents as important to consumers when making a claim (travel)

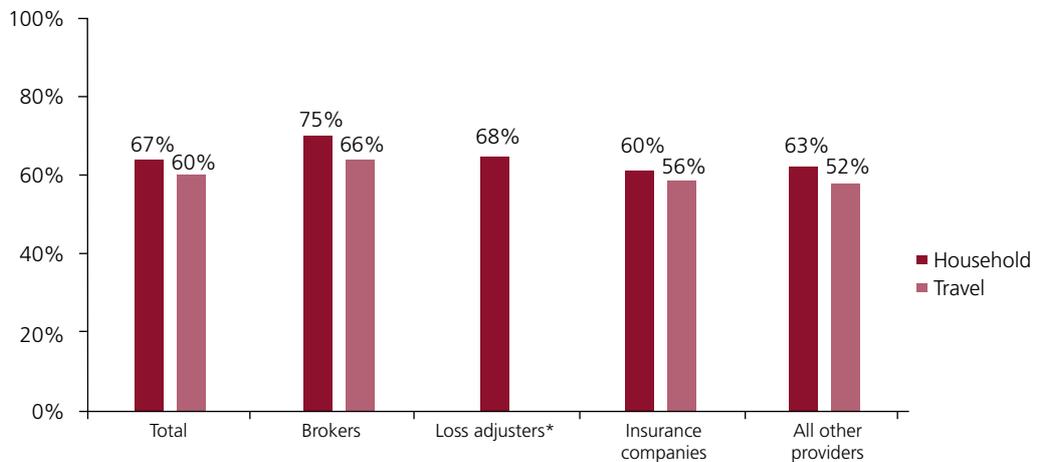


Base: 322 Top 6 selected areas shown, out of 18 areas

Influence of distribution channel

CII members were asked whether they think the distribution channel of household and travel insurance influences how well claims are managed. Overall, 67% (household) and 60% (travel) agreed that the distribution channel matters. Brokers were the most likely to hold this view, while those working for insurance companies were the least likely, although more than one-half of them agreed.

Graph 19: Percentage who agree that distribution channel influences quality of claims management



*Insufficient data for loss adjusters/in travel survey sample

Base: Travel – Brokers (155), Insurance companies (90), All other providers (77)

Base: Household – Brokers (311), Insurance companies (267), Loss adjusters (79), All other providers (147)

Based on comments received from those who say the distribution channel matters there seemed to be little consensus on which model works best for customers, with each professional group tending to favour the model in which they work. Brokers tended to be very positive about the broker model compared to other models, stating that brokers provided more knowledge, support, influence and personal service to claimants, although there was acknowledgement that the quality of brokers can vary.

Comments regarding affinity brands and financial services providers placed emphasis on impersonal service of poorer quality and less knowledgeable staff, or a lack of understanding of the policies. However, positive views on these providers focused on the need to protect a strong brand, providing impetus for good customer service, and having the infrastructure in place to deliver better quality of service.

Comments related to the direct insurer model focused on the advantage of a single contact for customers, but also on more negative aspects of large insurers with large call centres, no single point of contact, and a lack of support compared to the broker model.

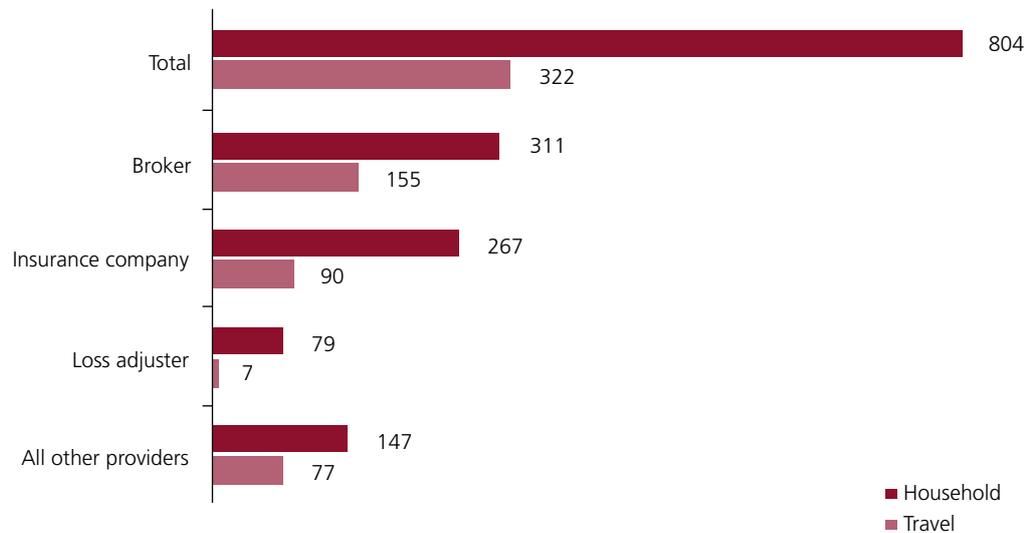
Annex 1

Technical Information

The survey research was designed and conducted by the FCA with significant input from the CII Claims Faculty Board. All CII members were invited² by the CII to complete two separate online surveys in October 2013. Within the study period 804 members completed the Household Insurance survey and 322 members completed the Travel Insurance survey (an unknown number completed by both surveys). Responses were given anonymously. All respondents are members of the CII whether or not they are currently in active employment.

45% of household and 37% of travel survey respondents have claims as a major part of their responsibilities. The vast majority are working for or as brokers, insurers or loss adjusters.

Graph 20: Type of company/organisation respondents work for



Acknowledgements

This research was conducted by the FCA in conjunction with CII and analysed and reported by Spotlight Market Research & Editing, a member of ESOMAR. Spotlight abides by the ICC/ESOMAR International Code of Market and Social Research and ESOMAR World Research Guidelines.

² For who the CII had valid email addresses

Annex 2

Questionnaire

NOTE: The two separate surveys were largely similar therefore items specifically for the Household or Travel survey are identified.

The Financial Conduct Authority is carrying out a thematic project looking at insurers' handling of personal lines claims in Household and Travel. This project was announced by Martin Wheatley, the FCA Chief Executive, at the BIBA conference. www.fca.org.uk/news/speeches/meeting-the-growth-challenge. The project involves working with insurance companies and conducting consumer research amongst policyholders who have had a recent claim.

The FCA is also keen to have the views of insurance industry professionals – CII members – as to how well claims are currently managed and any areas of improvement. This will provide a very valuable third perspective.

To this end, the questions in the attached surveys have been agreed with the FCA and the CII Claims Faculty Board. Please answer the questions based on your overall experience and your overall view, rather than a company specific one. We are also interested in the views of all members, not just claims professionals.

All answers will be completely anonymous and the information will be combined and reported in aggregate. The findings will be made available to the FCA which will also provide feedback at a later date to members.

Whatever your role and function in the industry this is an important opportunity to provide direct, but anonymous input to the conduct regulator about claims – the “moment of truth” in general insurance and I hope you will take the chance to have your say.

Q1: Is claims a major part of your core role and/or responsibilities?

Yes/No

Q2: What type of company/organisation do you work for?

Insurance/reinsurance company

Broker

Managing General Agent

Delegated authority outsource provider/third party administrator

Loss adjuster

Loss assessor

Law firm/legal services

Service provider

Other – specify

Q3: Please could you rate how far you agree or disagree with the following statements in relation to the industry's management of [household/travel] claims.

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
Communication					
Next steps: At first notification of loss, it is made clear to claimants how the claim will proceed e.g. next steps and timeframes.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Keeping informed: Claimants are kept up to date throughout the claims process.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Single point of contact: Claimants are given a single point of contact throughout the claims process.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Claims Process Management					
TRAVEL ONLY: Assistance companies: Good quality assistance companies are used.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
HOUSEHOLD ONLY: Proactive management: Third party suppliers (such as suppliers of replacement goods and buildings/repairs contractors) are proactively managed.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
HOUSEHOLD ONLY: Suppliers: Good quality third party suppliers (such as suppliers of replacement goods and buildings/repairs contractors) are used.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
HOUSEHOLD ONLY: Loss adjusters: Loss adjusters are professional and impartial.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Claims handling: Claims are handled in a way that is empathetic to claimants' circumstances.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Notification: The claims notification process is straightforward.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Evidence required: Claimants are not expected to provide unreasonable evidence to support their claim.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Customer service: Claimants do not have to repeatedly explain their claim and provide the same information.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Fraud: The right balance is struck between being vigilant and treating all claims as suspicious.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Staff: Insurers' claims handling staff are knowledgeable and professional.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Settlement					
Decision making: At settlement, decision making is consistent across similar claims.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Explanation of decision: It is made clear to claimants why a settlement decision has been reached.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Explanation of settlement amount: The calculation of the settlement figure i.e. that excess is deducted is clearly explained to claimants.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Time: Claims are settled within a reasonable time period.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
HOUSEHOLD ONLY: Choice: Claimants are given a fair indemnity choice; providing flexibility with regards to cash or repair/replace settlement.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Complaints					
Complaints: Complaints are handled fairly.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q4: Thinking about your response to the above question, please rank in order of importance which FIVE areas you feel the industry should improve in order to make sure customers are treated fairly?

[SHOW Q4 ONLY IF DISAGREE OR STRONGLY DISAGREE WITH Q3 OPTIONS 1-20. ONLY SHOW OPTIONS BELOW THAT WERE DISAGREED OR STRONGLY DISAGREED WITH AT Q3 FOR RESPONDENTS TO RANK]

Communication	Rank
Clarity of cover: The clarity of information provided to customers as to what is and isn't covered when buying their policy.	–
How to claim: The clarity of information provided to customers as to how to make a claim if they should need to.	–
TRAVEL ONLY: Disclosure: It is made clear to customers that pre-existing medical conditions should be disclosed when they buy their policy.	–
Next steps: At first notification of loss, making it clear to claimants as to how the claim will proceed e.g. next steps and timeframes	–
Keeping informed: Keeping claimants up to date throughout the claims process.	–
Single point of contact: Providing a single point of contact throughout the process.	–
Claims Process Management	
TRAVEL ONLY: Assistance companies: Good quality assistance companies are used.	–
HOUSEHOLD ONLY: Proactive management: Third party suppliers (such as suppliers of replacement goods and buildings/repairs contractors) are proactively managed.	–
HOUSEHOLD ONLY: Suppliers: Good quality third party suppliers (such as suppliers of replacement goods and buildings/repairs contractors) are used.	–
HOUSEHOLD ONLY: Loss adjusters: Loss adjusters are professional and impartial.	–
Claims handling: Handling claims in a way that is empathetic to a claimant's circumstances, allowing for an adaptive claims process where appropriate.	–
Notification: Keeping claims notification process straightforward.	–
Evidence required: Not expecting claimants to provide unreasonable evidence to support their claim	–
Customer service: Ensuring claimants do not have to repeatedly explain their claim and provide the same information more than once.	–
Fraud: In dealing with suspected fraud, striking a balance between being vigilant and treating all claims as suspicious.	–
Staff: Using knowledgeable and professional claims handling staff.	–

Settlement	
Decision making: Being consistent in decision making at settlement across similar claims.	–
Explanation of decision: Making it clear to claimants why a settlement decision has been reached.	–
Explanation of settlement amount: Clearly explaining to claimants the calculation of the settlement figure i.e. that excess is deducted	–
Time: Settling claims within a reasonable time period.	–
HOUSEHOLD ONLY: Choice: Giving claimants an appropriate and fair indemnity choice; providing flexibility with regards to cash or repair/replace settlement.	–
Complaints	
Complaints: Fair handling of complaints	–

Q5: Please write below any other areas not already captured that you feel should be improved when managing Household claims to make sure customers are fairly treated. [OPEN QUESTION]

Q6: Please write below any areas not already captured that you feel work particularly well when managing Household claims. [OPEN QUESTION]

Q7: Please rank the top five areas you feel are most important to customers when making a claim on their [home/travel] insurance policy. 1 = the area you feel ranks as the most important.

Communication	Rank
Clear information as to what is and isn't covered when buying their policy.	–
Clear information as to how to make a claim should they need to.	–
TRAVEL ONLY: It is made clear to customers that pre-existing medical conditions should be disclosed when they buy their policy.	–
At first notification of loss, making it clear how the claim will proceed e.g. next steps and timeframes.	–
Keeping them up to date throughout the claims process.	–
Having a single point of contact throughout the claims process.	–
Claims Process Management	
TRAVEL ONLY: That good quality assistance companies are used.	–
HOUSEHOLD ONLY: That third party suppliers (such as suppliers of replacement goods and buildings/repairs contractors) are proactively managed on their behalf.	–
HOUSEHOLD ONLY: That good quality third party suppliers (such as suppliers of replacement goods and buildings/ repair contractors) are used.	–
HOUSEHOLD ONLY: Loss adjusters are impartial and professional.	–

Claims are handled in a way that is empathetic to their individual circumstances and requirements, allowing for an adaptive claims process where appropriate.	–
The claims notification process is straightforward.	–
That they do not have to provide unreasonable evidence in support of their claim.	–
That they do not have to repeatedly explain their claim and provide information more than once.	–
When making a claim they do not feel that they are being treated with suspicion.	–
Insurers' claims handling staff are knowledgeable and professional.	–
Settlement	
At settlement, decision making is consistent across similar claims.	–
It is made clear to them why a decision has been reached.	–
The calculation of the settlement figure i.e. excess deducted, is clearly explained.	–
Claims are settled within a reasonable time period.	–
HOUSEHOLD ONLY: They are given an appropriate and fair indemnity choice; providing flexibility with regards to cash or repair/replace settlement.	–
Complaints	
Complaints are handled fairly.	–

Q8: Please write below anything else that you feel is important to customers when making a claim on their Household insurance policy. [OPEN QUESTION]

Q9: Do you think that the way in which Household insurance is distributed e.g. direct, broker, bank or building society or affinity partner will influence how well claims are managed?

Yes

No

Don't know

Q10: You said you think that how well claims are managed may differ by distribution method. Please write below why you think this is. [ONLY SHOW Q10 IF ANSWER OPTION 1 'YES' AT Q9. OPEN QUESTION]

Financial Conduct Authority



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