PROFITING FROM BANCASSURANCE : CHOOSING THE RIGHT ROUTE

PETER V BURDON, MANAGING DIRECTOR
BRITANNIA LIFE LIMITED
BRITANNIA COURT
50 BOTHWELL STREET
GLASGOW G2 6HR - SCOTLAND
TELEPHONE: 0141-223 6081
FAX: 0141-223 6001

ABSTRACT :

Bancassurance is still being developed in the UK. This paper describes the various options open to building societies in this area, and suggests that a change of mindset is needed to take full advantage of this method of distribution. The experience of one particular organisation, Britannia Life, is used to demonstrate that bancassurance can become a very effective and profitable core business within a building society.

KEYWORDS :

Added value, Distribution, Customer needs, Core business, Tie, Buy, Develop, Third party, Joint venture, Disclosure, Regulation, Direct sales, Compliance, Culture.

Introduction

The opportunities for bancassurance remain as strong as ever in the United Kingdom, possibly more so with the forthcoming changes in the disclosure regime under the Financial Services Act. In this paper I will be looking at the various ways in which building societies can take advantage of these opportunities.

I will be looking back at how various societies have catered for bancassurance in the past and how things have changed in the last year or so. I will then look forward to 1995, when the new guidelines for selling come into force, and consider the likely impact on the life assurance market. Finally, I will look at direct salesforces and how these are progressing in the industry.

During our journey along the various routes to what I see as a successful bancassurance future, I will also be looking at some of the related topics of Customer Retention and Customer Service. In particular, I will be making reference to some of the opportunities and threats facing building societies.

The views and statistical data presented in this paper are intended to provide an opportunity for general discussion in the light of the experience of my own company in recent years.

Challenging Environment for Building Societies

Tomorrow's environment looks like one that will be extremely competitive and hard in the traditional building society sectors of mortgage lending and deposit taking. With low inflation already here and looking likely to continue for some time, I believe that all our customers will be looking increasingly for ways of enhancing their potential return over and above that available from traditional building society accounts.

This search for added value has already begun in earnest. For example, in 1993 we at Britannia saw sales of Unit Trusts and Personal Equity Plans (PEPs) to our building society customers reaching about £80m. This was about the same as our sales of the Guaranteed Equity Bond that we had on offer during the year. Having such products available within one financial services institution is thus being welcomed by our own customers and I have no reason to believe that other societies could not be just as successful.

There have been many months in the last few years when there were net outflows from building societies which found their way into the funds

managed by Unit Trust and PEP Management Companies. This has now become a fact of life and if you want to keep your customers' funds within your group, I would suggest that it is sensible to offer the widest range of financial services products - something you can easily do if you fully embrace the bancassurance concept.

Customers today are becoming more and more sophisticated and much more educated regarding the financial products on offer in the market. If you do not offer these products yourself, your customers will take their money elsewhere. However, if you set up a full financial service to advise your customers, you are more likely to attract their long term loyalty, thus increasing profitability and member value.

With all the uncertainties in our industry at present, I am sure that most societies are having a good close look at their vision for the future and how they intend to fulfil their long term ambitions regarding increasing member value.

Some will take the view that they are merely there to offer a narrow range of traditional building society products. They will seek to add value by becoming increasingly efficient at mortgage processing, for example. Such societies, like the Cheltenham and Gloucester, will find that they are in a position to join forces with other institutions which can offer similar advantages in different products or distribution methods.

I cannot help but think this is the way forward for many building societies, and I can see relatively few niche players left to concentrate solely on mortgage lending and deposit taking. This is not to say that I expect everyone to go rushing off to be bought by a bank. Each society has its own set of skills, and will be seeking to identify additional skills which it believes are necessary to provide the full range of benefits for its customers.

These societies will seek out other societies or banks or insurance companies which they feel could add real value to their members. The extra value could be as a result of additional distribution methods, insurance products, other investment products, money transmission facilities, general insurance and so on. Once such partners or potential partners have been identified, only then will the means of partnership need to be considered.

Mutuality is unlikely to be thrown out of the window unless it is technically necessary in order to secure the partnership or to achieve the desired results of the partnership. For example, this might be because the

partnership needs to concentrate far more on insurance products than mortgage products, thus threatening the nature limits implicit within the building society regulations.

The publicity being given to the Lloyds/Cheltenham & Gloucester merger seems likely to lead to pressure from members to see more tangible member rights. Those societies seeing greater benefit in retaining their mutuality will no doubt find ingenious devices to secure their members' continuing loyalties.

Here again, I would suggest that those societies which include bancassurance within their capabilities will be more likely to be able to devise schemes to demonstrate increased member value. This is so because of the wide range of products which they have to play with.

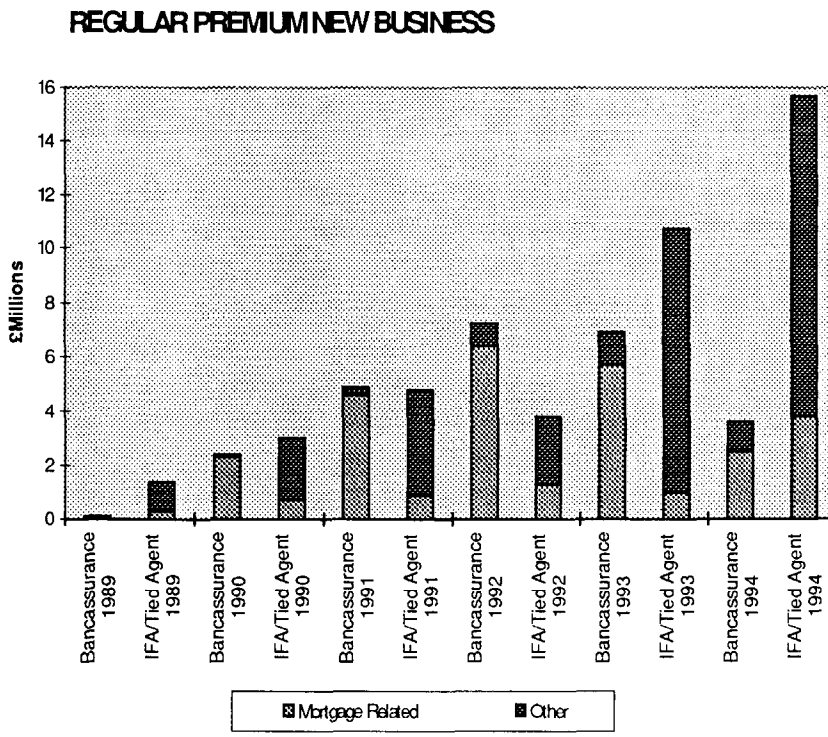
The main reason for setting up bancassurance operations will be to satisfy the evolving needs of your customers. These customers may be seeking a reduced level of mortgage finance in future, but there is no reason to suppose that their requirements for life, pensions and investment products will reduce as well. In fact, the size of the total market remains at a good level, despite poor market conditions in 1994.

The main area which has suffered recently is endowment mortgages. There are a number of reasons for this, mainly to do with the recession and the desire by many borrowers to reduce their repayments to the lowest possible levels. My own company's experience as a bancassurer is relevant here.

Britannia has seen sales of endowment mortgages fall in the last year, and in particular during the early months of 1994. The experience in the first half of 1994 has been extrapolated to get the figures shown in Figure 1.

A similar pattern is seen not only in the bancassurance sector but also in the independent sector of the market, where we still sell over half our business. For Britannia, though, the Independent Financial Adviser (IFA) sector remains extremely buoyant in terms of pensions sales, and this accounts for the major part of the increase shown.

Figure 1


REGULAR PREMIUM NEW BUSINESS
£Millions
16
14
12
10
8
6
4
2
0
Bancassurance 1989
IFA/Tied Agent 1989
Bancassurance 1990
IFA/Tied Agent 1990
Bancassurance 1991
IFA/Tied Agent 1991
Bancassurance 1992
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Bancassurance 1993
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Bancassurance 1994
IFA/Tied Agent 1994
Mortgage Related
Other

Figure 2

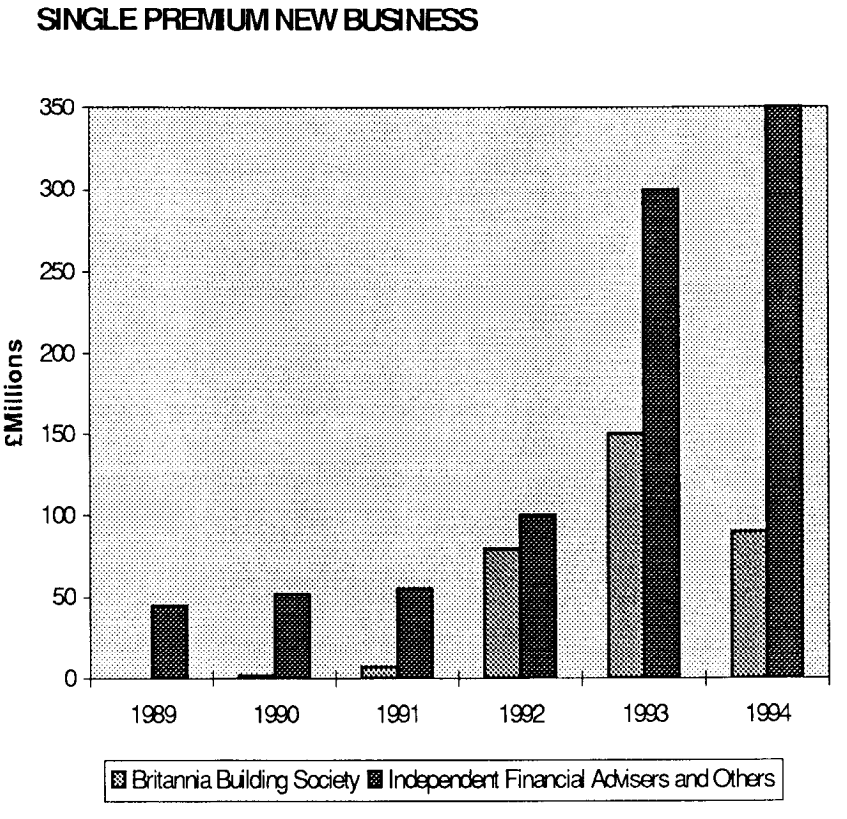

SINGLE PREMIUM NEW BUSINESS
£Millions
350
300
250
200
150
100
50
0
1989
1990
1991
1992
1993
1994
Britannia Building Society
Independent Financial Advisers and Others

Figure 2 illustrates the benefits of having a range of single premium products on offer across our different distribution channels. Taken together, what both tables demonstrate is that it is still possible to increase total insurance sales in a bancassurance operation even when endowment mortgages are not buoyant. The profit from such sales obviously goes towards restoring the society's profitability levels which dipped as a result of bad debt provision.

As we look forward to the end of the century, we at Britannia see insurance sales across the whole industry being about one third higher in real terms, with a significant part of that increase being in respect of pensions and investment related sales.

We also see the proportion of sales from bancassurance virtually doubling to 40% of total sales by the end of the century. Missing out on the profitability and commission income from these sales could be damaging to some societies and their members.

So I think the message the clear. Bancassurance will become increasingly important and I think that few top twenty building societies will be able to resist the temptation of adding value to their members by focusing firmly on bancassurance as a means of obtaining competitive advantage.

A Definition of Bancassurance

But what exactly is bancassurance? Within Britannia, we have defined it as follows:-

"The design, production, distribution and maintenance of traditional building society, insurance and investment products and services, and the provision of other banking services, to a common base of existing and potential customers, thus enabling a financial services group to satisfy all the evolving borrowing, investment and protection needs of those customers".

You will see from this that it very much depends upon full integration of the manufacturing and marketing of the full range of financial services products. Somewhat looser definitions could be used to cover those societies that merely tie to a particular life office in respect of the sale of regulated products.

Similarly, an amended definition could be used to cover those few societies which now remain offering independent advice to their customers.

But whatever definition we are using, it is clear that the society is trying to satisfy the evolving needs of its customers by offering a wide range of financial products.

Once a society has decided to travel down the tied route, there are, of course, various options facing it. One is to remain tied to one specific life office. I have always seen this as a short to medium term solution, particularly for the major societies, so I thought the end of the Halifax/Standard Life arrangement was entirely predicable.

Within a few months from now, over half the top 10 societies and all the major banks will have their own life companies up and running. Such a change certainly creates threats to traditional insurance companies, which in the past have attracted large volumes of business through these outlets.

Having decided to own your own life company, two main options then present themselves, namely, buying a life company or setting up one from scratch. In the latter case, there are further options of setting up the company on your own or entering into an arrangement with a third party to share the costs and benefits.

This latter approach is another which I feel is relatively short to medium term in nature. It seems likely to me that any society entering into a joint venture will ultimately wish to control the whole bancassurance operation in due course. After all, why should the society give up any of its profits from the sales through its extremely strong distribution outlets?

The only such relationships which are likely to be sustainable are those in which there is a very strong correlation between the vision and culture of the society and the insurance company. Without such synergy I foresee a turbulent relationship evolving, particular given the extreme pressures for change within the whole financial services sector.

Buying a Life Company

Buying a company has to date been the least favourite option, with only Britannia and Abbey National (who I think we must still class as a society in most respects) having taken the plunge.

Other societies have expressed interest in particular insurance companies from time to time, and, given the general upheaval that is expected in the

whole financial services sector, I would expect a few more companies to be bought in future.

When looking at the possibilities for buying an insurance company, you need to take a good long look at the advantages and disadvantages for both parties in the deal. The only insurance companies that can be readily purchased are proprietary companies, but I guess that many of the favoured targets are actually mutual ones.

Persuading an insurance company that it is in their policyholders' interests to give up their mutuality is a course of action which has never been taken lightly. However, I believe it is more likely that such deals can lead to good results in a shorter timeframe than through the purchase of a proprietary office.

This is because the insurance company's executives will themselves have had to be fully committed to the project. This is not necessarily the case when buying a proprietary company, since it will be the company's shareholders that will be putting such a deal together, rather than the insurance company executives.

In fact, there has not yet been a purchase of a proprietary company to provide the basic insurance aspect of bancassurance for a UK building society. Across the Irish Sea, however, Irish Permanent Building Society recently announced the purchase of Prudential Life of Ireland.

But back in the UK, Britannia and Abbey National both bought mutual companies. Since that time Britannia has added to its insurance stable by purchasing Crusader and Life Association of Scotland, but I would maintain that the absorption of those two companies within the existing bancassurance operations was always going to be far easier than if insurance operations had not already been set up within the society.

There are various advantages and disadvantages of purchasing a life company. On the positive side, you will have a ready made management team and a range of products which should be able to be used to the advantage of the society. The products on offer from the insurance company will have been built up over a number of years and there should thus be a track record relating to them. That track record may relate to with profits policies or to investment related vehicles such as unit trusts.

All these advantages could in fact turn out to be disadvantages because, for example, the management team may not be willing or able to adapt to the new environment in which they will have to work very closely with the society executive.

It may prove to be very difficult to come to terms with the fact that the products will have to be offered through different distribution channels. This could be a problem not only internally, but also externally, because the company may have to persuade the Independent Financial Adviser market that it has the means and ability to continue to support actively that distribution channel.

Looking at the track record, this could of course be a two edged sword. If the track record has not been good in the past, this fact will become known and some good marketing skills will need to be used to convince customers that the past is irrelevant when trying to predict future performance.

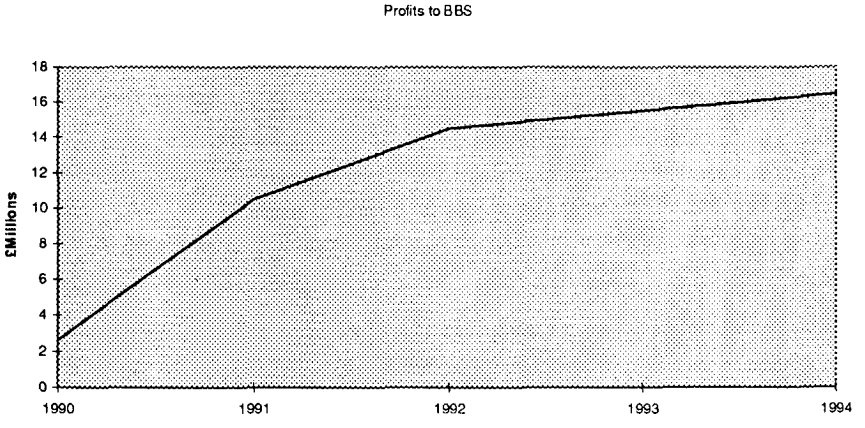
Finally, as with any takeover or merger, there is a potential problem with a clash of cultures between the two parties involved. If the society and the insurance company both have mutual backgrounds, it seems to me far more likely that the merger could proceed without too many difficulties. To illustrate the success of this type of takeover, I will provide some information about the takeover of FS Assurance by Britannia.

The Britannia Experience

In our own case, the driving force for the takeover from the life company's point of view was the requirement to attract capital for future expansion and to take advantage of the economies of scale which were expected to arise from having access to a new and secure distribution channel. This has been fully documented by Burdon (1990).

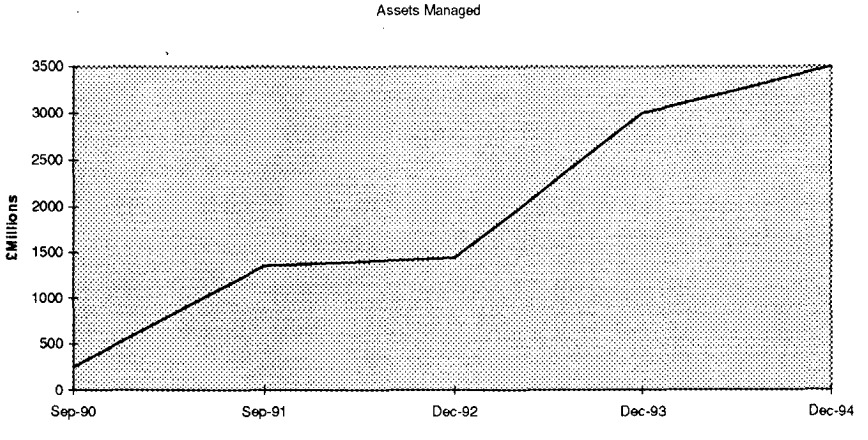
So just how successful has the Britannia merger been? Well, I think the figures in Tables 3-6 speak for themselves. New business has increased substantially, not only, as expected, through the building society distribution channel but, more surprisingly perhaps, through the important IFA distribution channel.

Figure 3



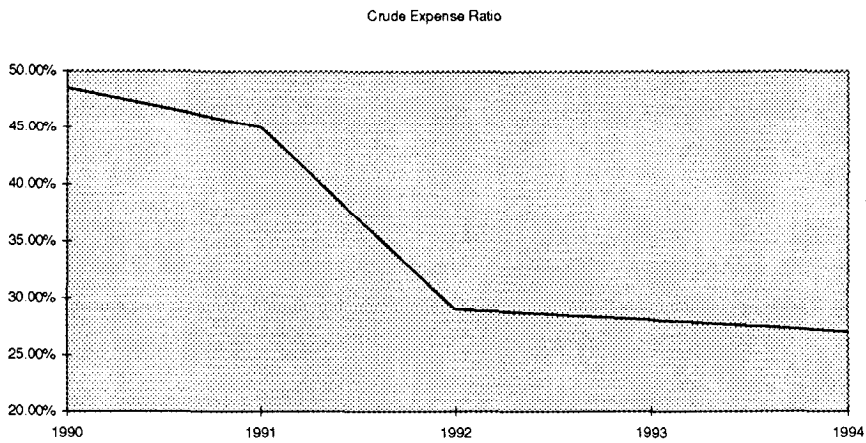
Profits to BBS include all profits from the life company and all investment companies. Profit from the life company is measured as the increase in the published embedded value over the year plus the statutory shareholder's transfer.

Figure 4



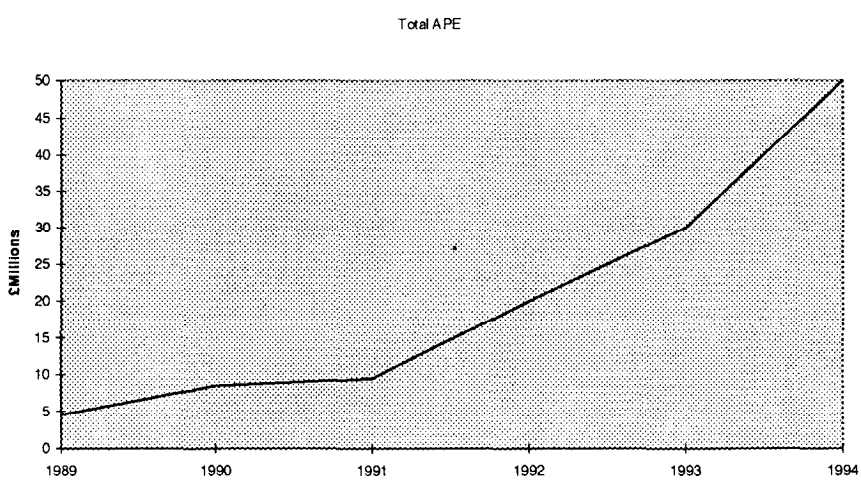
Assets managed includes all the life company's investments together with all the retail unit trusts and external segregated fund business.

Figure 5



The crude expense ratio is the ratio of expenses to annualised premiums. Annualised premiums are annual (and monthly) premiums received plus 10% of single premiums received, with the exception of immediate annuity and managed pension fund business where only 2% is taken into account.

Figure 6



Total APE (annual premium equivalent) is the amount of new annual premiums written in a year plus 10% of single premiums written, with the

exception of immediate annuity and managed pension fund business where ony 2% is taken into account.

By continuing actively to support the IFA distribution channel, we have substantially increased our market share. This has been helped by the acquisitions of Crusader and LAS, both of which allowed us to reduce unit costs and speed up product development.

Return on capital has been excellent, and this was one reason why our parent society was very willing to provide further capital for expansion. The new rules on provision of capital to subsidiaries of societies may well hold back further acquisitive expansion. For the time been at any rate, this is not seen to be a major drawback. We have quite enough challenges in the market just growing organically!

As far as cultures are concerned, there is no denying the fact that it took some time for the two organisations to work well together. This led to a rather slower build up of bancassurance sales in the early period of the acquisition, but this was probably no bad thing in retrospect, as it gave us time to understand each other and develop better administrative systems. We have now developed a far greater integration of minds and this we think will stand us in very good stead when it comes to developing further.

Setting Up Your Own Company

Let us move on now to the alternative methods of approaching bancassurance. Assuming you are not going to tie to an existing insurer, or remain independent, then the only alternative, as mentioned earlier, is to set up your own life company, with or without help from a third party.

The main advantage of this is that you can focus entirely on your own distribution channel. It is unlikely in my view that such a company could make strong headway in an alternative channel such as the independent market, although some of the newer bancassurance companies have said that they want to try to do just that.

The very clear focus of such a bancassurance operation will have certain advantages from a marketing point of view, but equally there can be disadvantages in such a scenario. This is because your products will not be held up to scrutiny as much as those which are on offer in the independent market as well. As a result, it may be tempting to produce products for your customers which are not actually the best in the market.

Whilst this may have some success in the short term because of the powerful loyalty of a society's customers, I believe that market forces and adverse publicity will eventually ensure that the customers find out the true value of the products on offer and vote with their feet.

Distributing products to your own customer base should be quite cost effective, but even so the intrinsic complexity of insurance products means that very large volumes need to be sold to become really cost effective. At first sight, therefore, it appears that the only opportunity for really profitable selling will be found in the large building societies.

There is one way round this particular problem which will provide a means for the medium sized society to come into the market. The solution is to be found in third party administration. In this case, an insurance company will be providing administration services to a number of societies - as well as to its own customers in other distribution channels - and will therefore be able to take advantage of economies of scale when it is able to pass on these economies to the society in whole or in part.

I see the main benefits of third party administration as being those of cost, speed of development and reduced need for internal technical excellence.

On the negative side come a loss of profit, and, most importantly, a lack of control over the systems and services being provided to your own customers. If you consider that one of the core competencies of any building society is the provision of first class service to its customers, then the use of third party administration must surely be seen only as a compromise which will be fairly short lived. Surely any society will seek to learn the skills from the third party administrator as soon as possible and then bring the function in-house.

I therefore see third party administration going down the same route as the original ties between building societies and insurance companies. In my view, given the increasing pressure on society profits, I cannot see these deals being sustainable in the long term. Customer service, and the very strong bond which exist between customers and the societies, must surely drive societies into providing their own servicing expertise.

Another approach to the problem which I see as having a relatively short term future is that of joint venture companies. There have been a number of these such as Woolwich Life which was set up as a partnership between the Woolwich and Sun Alliance. Indications are that these joint ventures will

become less and less joint over time, with the society gradually taking control of the reins.

As with third party administration, the joint venture concept therefore allows the society to gradually build up expertise while being able to come to the market reasonably quickly by building on the knowledge of the insurance company. But I am sure that the pragmatism of this approach is of only a short term duration, and that we will see more and more functions being controlled in-house in the medium term.

A New Definition of Core Business?

Whichever way the building society decides to tackle bancassurance, it is essential that it comes to terms with what is its core business in the new environment under which we are operating. We all know that under the Building Societies Act, building societies are defined to be in business primarily to provide mortgage finance. Certain nature limits - either published or not - prescribe the retail funding restrictions and the capital which may flow into subsidiary activities such as those relating to life operations.

The regulators are obviously trying very hard to flex the detailed regulations driving the industry so that societies are not too restricted. The pace of change is not as fast as some would like, but there is obviously a legitimate concern that wholesale changes in the regulations might upset the inherent nature of building societies.

That said, my view is that building societies have now become much more rounded financial services organisations. Not only that, but the time has come for rigorous and far reaching analysis of the overlapping regulatory and fiscal environments in which societies, banks, insurance companies and investment management companies operate. There are indications that sales of mortgage and deposit products will become regulated rather like insurance sales. If that happens, it seems but a short step to propose that consistent regulation should be applied across the whole financial services sector by one government department.

I believe the time has come to face up to the fact that the society's core business is now not just the provision of mortgages. Instead, it is the operation of a comprehensive financial services company that has to compete effectively in an ever more sophisticated and knowledgeable market place.

A bancassurer has the major advantage of having a wide range of products with which it can gain competitive advantage by fulfilling its customers' evolving needs. But this brings difficulties when compared to the relatively cosy world in which societies developed a few years ago.

In today's marketplace, the customer is much more fickle and demanding. The financial press has made the customer far more aware of all the financial products on offer in the market, and "chasing the rate" has become far more prevalent, particularly following the introduction of postal accounts.

So if a customer now wants to invest in unit trusts or PEPs or bonds, having a warm relationship with his building society will not stop him doing so. What it may do, however, is to persuade the customer to keep the funds within the building society bancassurance operation, rather than taking the money and investing it outside that organisation.

One consequence of this is that cannibalisation of a society's retail deposits is an essential characteristic of success. It is a necessary evil that must be embraced openly and enthusiastically, otherwise the society will find that deposits leak away outside the organisation. And with those funds will go the future profits that would otherwise grow from those funds, whether as deposits or as bancassurance products.

Unless one faces up to the swings and roundabouts of the integrated bancassurance operation, this cannibalisation of accounts will be very difficult to accept. However, once you have come to terms with this concept, it becomes very clear that your main marketing thrust must be to present the society as a comprehensive financial services organisation surrounded by a semi-permeable membrane.

This membrane will allow new funds to be attracted from outside because of the comprehensive nature of the services on offer, whilst retaining virtually all existing funds within the organisation. In practice, of course, competition will ensure that the membrane is not quite as watertight as this, and there will be some seepage, but the principle remains just as valid.

So the message is clear. All your bancassurance products are core products and none can be ignored at the expense of others. This requires a paradigm shift in attitude, but I think anyone who manages to make the transition has a very secure future.

Future Opportunities

You will also find that within the bancassurance group, there are various ways of taking advantage of the different fiscal and regulatory environments in order to help the balance sheets of the various constituent parts of the group. If regulations across the financial services industry do converge more, there will be even more opportunity for joint product development across the bancassurance group. I think we are only scratching the surface in this area at present.

Scratching the surface we may be, but can we look forward nevertheless to buoyant bancassurance sales in future, given the imminent introduction of the new disclosure regime under the Financial Services Act?

Modern financial products are complicated and customers deserve to receive relevant and understandable information with which to compare alternative offerings. The new regulations will go some way to addressing this problem, but I believe that more needs to be done - particularly with products which are not currently regulated, such as Tessas.

Whether or not you believe that the extra disclosure requirements are a good thing, what is important to us is to consider whether the impact of these new regulations is likely to have a positive or negative impact on sales. Here there may a distinction between the impact on sales by bancassurance operations and sales by other distribution channels such as the independent market.

It is, for example, widely predicted that a third or more of the independent operators will decide not to continue in business not only because of the disclosure regime, but also because of the introduction of the Personal Investment Authority and the new Training and Competence regime.

If that is, indeed, the consequence of the next few months' upheaval, I believe we will still end up with a very strong independent market, because it will be the weaker, smaller players that will not make the transition. I believe that the quality of the remaining players will be such that they will overcome most, if not all, of the perceived detrimental effect of commission disclosure.

I do not believe it has yet been proven that commission disclosure will drive away business, but I do believe that it will lead to greater competition amongst independent advisers, and will also lead to much greater use of fees and of level or reduced commission products.

A move towards level commission, which is already very prevalent in the pensions sector, has the added advantage of improving surrender values. This feature will itself improve potential for sales, since it will enable the salesman to demonstrate that, although the product is being effected for long term benefit, the short term penalties are not too severe.

And of course the sale of financial services products is very much built on the trust between the client and the salesman. This applies through any distribution channel and, if anything, I believe the extra disclosure at the point of sale will give the salesman a new opportunity to develop that trust and convince the customer that the sale is for the true benefit of the customer.

Much the same arguments apply to bancassurance operations. Here there is a very strong relationship between the customer and the building society which will help overcome any lingering doubts in the mind of the customer.

Not only that, but the new Training and Competence requirements will mean that the technical expertise of all salespeople will be considerably enhanced and this will surely have a beneficial effect on the quality of sales.

But the increased awareness of financial matters to which I have referred already will lead to increasing pressure being placed on the level of commission of financial services products within the bancassurance sector, just as it will in the independent sector.

A move to level commission will, I think, be an inevitable conclusion of competition in this strong and growing sector of the market. Not only will this provide better short term returns to the customer, but it is more in keeping with the traditional methods of dealing with expenses within building societies and banks. Effectively, it spreads all costs throughout the whole life of any particular account, allowing for a level of subsidy between short term and long term investors.

So all in all, I am fairly bullish about the prospects for sales under the new environment, but we are going to have to work very hard on marketing and training to ensure that full advantage is taken of the new opportunities.

The same message will hold equally if new regulations are introduced for building society products. So long as the benefits of the products are set out clearly and distinctly and the salesman oozes technical expertise, there should

surely be no problem in taking advantage of any additional disclosure requirements.

These arguments are just as valid - possibly more so - when considering direct salesforces in bancassurance operations. Earlier, I mentioned the requirement for a paradigm shift in attitude when considering the competitive nature of sales of various bancassurance products. With direct salesforces, an additional paradigm shift is required, this time in respect of the direct salesman's attitude to compliance.

Too often in the past direct salesmen have given the impression that regulations are there to be challenged and that compliance is a hindrance to a sale. Enlightened direct salesforces these days enthusiastically embrace the rigour of compliance. They realise that, by following the procedures relating to collection of the client's confidential data and the needs analysis, they will be able to present a comprehensive justification for the products they are going to recommend.

This will lead to a lower lapse rate and a far higher level of satisfaction by the customer. The salesman will have collected a very wide set of data which can be used not only in the initial sale but also in follow-up sales at a later time. This should impress the customer, improve the income of the salesman and will certainly help the society successfully to implement an effective strategy for customer retention, essential for improved future profitability

Underlying the success of warm direct salesforces, as used by bancassurance operations, is the very strong relationship between the customer and the building society. The customer is very happy dealing with the building society and with all parts of the organisation that share the culture and values of that society. So a successful direct salesforce must be very careful not to run at odds with that culture.

An over-aggressive attitude will certainly not be successful in bancassurance, and will probably also have an adverse affect on the core business as well. Uniformity and consistency of approach are thus essential when setting up a direct salesforce. The negative impact of getting this wrong will far exceed the costs relating to product training, sales training and technology.

The technology needed to support direct salesforces these days is rather more extensive than it used to be. Ideally, a laptop will be provided that can

trigger the completion of the client questionnaire, provide detailed quotations for the various products that will satisfy the needs analysis, and will be able to automatically update the main systems of the bancassurer through telecommunications links. The system will therefore be providing comprehensive sales management information and will take advantage of compliance to provide a rigorous and successful sales process.

The initial training provided for the salesmen will probably cover a wide range of product and regulatory knowledge, and will need to be augmented by regular training updates as well as the inevitable costs of compliance monitoring arrangements. Setting up and running a salesforce will therefore require substantial initial funding and ongoing costs. To make a profit for the organisation, the salesforces need to be very productive.

Setting up and running a work sales force is certainly no easy option, especially if you are working in an environment which has never been particularly focused on sales opportunities. However, I do think it is the most effective way to deliver products and services to your evermore sophisticated customers.

Summary

Bancassurance is a subject which will continue to attract much attention in the United Kingdom, and I believe that developing an effective bancassurance capability is something that medium sized and large societies will ignore at their peril.

This paper has outlined the various alternatives for setting up life operations within a bancassurance organisation. It has demonstrated the profitability of my own organisation's approach, and it has questioned the long term sustainability of third party administration and joint venture companies.

I have stressed strongly the integral nature of bancassurance products and the complete change of mindset that is required to develop these, compared to the traditional way of looking at building societies and insurance companies.

I have further predicted that the development of bancassurance will be one more pressure that may well lead to welcome further regulation of financial services products, thus leading to a far more consistent approach across our industry.

I went on to suggest that such regulation could be quite positive for sales by bancassurers, and in particular I expressed quite bullish predictions for sales after the new disclosure regime comes into force in 1995. My bullish predictions rely quite heavily on the development of warm direct salesforces that are well trained, very technically competent and enthusiastically compliant.

Just as importantly, the success of bancassurance in future will demand an integration of minds and a common culture across all bancassurance operations, in order that full advantage can be taken of the opportunity to sell a wide range of financial products to a society's customers.

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