

insurennow

# THE TIME IS NOW FOR INSURANCE

Given the events of the past year, preparing for the unexpected is now firmly front of mind for Australians. In this alternative product roadmap, the founding director of SHC Insurance Brokers, Stefan Hicks, outlines how brokers can offer general insurance products to their clients and help put their minds at ease

## **Q.** How can brokers offer general insurance policies to clients?

General insurance is another financial services product, just like mortgages and finance, that is extremely easy to cross-sell to clients. It gives finance and mortgage brokers the ability to diversify and grow their income passively. It is easy to sell because the insurance covers the assets that are being financed or mortgaged.

In most circumstances, evidence of insurance is required for release of newly financed funds, so it makes perfect sense that the two are sold together, and the broker benefits

from the diversification on earnings. It is easily written by the broker forming a partnership with a general insurance provider. However, beware that some providers are considerably more successful than others.

## **Q.** What is the benefit of referring to an insurance brokerage?

Traditionally in the past, brokers generally partnered with single insurers. This was logical because, in the past, only the insurance company had the infrastructure to partner. However, times have changed considerably and, with the Hayne royal commission questioning the

independence of the financial services industry's advice, it needed to change.

Dealing with a single insurer limits the products and pricing a broker can offer. In addition, if a broker or aggregator only deals with one insurer, they are deemed to be agents for the insurer and not representing their client.

Partnering with someone like SHC, an insurance brokerage, the partner has access to the entire market of insurers and legally represents the client's interests, which ticks the box for independent advice.

SHC has created a specialised division, Insure Now, which is dedicated to helping cover the

insurance needs of our referral partners' clients.

## **Q.** Do brokers need to upskill to write this product or can it be referred out?

There is no upskilling or additional education necessary to cross-sell our general insurance. It is a simple referral model that uses state-of-the-art IT platforms.

Insure Now plays a key part in partnering and providing brokers with simple-to-use tools. The model captures only four or five fields, which is enough for the Insure Now's team to follow up, quote and write the insurance policies. The free IT service

allows the broker to view all referred clients in real time to see how they progress through and ensures that the agreed service standards are upheld.

The system also allows integration through APIs to the larger, bespoke broker or aggregator systems, which enables very clever techniques to cut down the referral process even further, making it super simple.

## **Q.** How long does the entire referral process take?

By using an IT platform like Insure Now offers its partners, it is a simple referral model. It literally takes less than a minute (or maybe a bit more if you have problems typing!) to

complete the referral form. This then lands on the desk of the customer service team, which contacts the client immediately for the additional information needed to quote.

Insure Now then assesses the requirements of the client and matches them with the correct policy and the insurer with the most competitive price available. All the while, the partnering broker can see the progress of the client through the system in real time.

It can take between an hour to 48 hours to confirm (depending upon the complexity of the risk and where it is located). However, the average is less than 24 hours.

A Certificate of Currency is then issued to the broker, so the funds can be released by the lender.

## **Q.** What type of clients can brokers refer to Insure Now? Are there any exclusions?

No clients are excluded at all. The most common referral is for residential mortgages, so the associated insurance policies are house and contents insurance and/or landlords insurance.

Other more complicated referrals (for example, for commercial/business insurance) are better managed by Insure Now, as it is a licensed insurance broker. Commercial

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insurance generally pays considerably more for the referring partner and is a lucrative source of diversified passive income.

The simple referral process is the same for every client, which means no extra time or information is required by the referring broker.

## **Q.** How much can brokers make by referring to Insure Now for general insurance?

We offer some of the highest and most generous commission structures available in the marketplace. In addition, Insure Now offers high new business and ongoing renewal commissions, which means the broker earns more money for the lifetime of the insurance policy. By accessing the entire market of insurers, Insure Now has higher strike ratios than others, which also results in more passive income.

Over the years, the commissions build and the passive income can grow to substantial amounts. Insure Now has many individual brokers that wake up on 1 July knowing that they have already earned \$100,000+ for the year.

Aggregators (depending upon size) can also negotiate generous overriding commissions based on volume. ■

To find out more about Insure Now and how you can become a referral partner, visit: [www.inow.com.au](http://www.inow.com.au)



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