

Building Public Trust; *Role of Insurers*

Insurers sell a promise and trust is more important for insurers than any other type of business. Insurance policy is a contract between the insurer and the insured. The contract determines the claims which the insurer is legally required to pay in exchange for payment(s) made by the policyholder, known as the premium. The insurer promises to pay for loss caused by perils covered under the policy. “Promises were a lot like impressions. The second one didn't count for much.” — Kristin Hannah. This means that, the moment you fail to honour your initial promise, doubts arise in the mind of people on the subsequent ones given. Harvey Firestone also said that, he believe fundamental honesty is the keystone of business.

Insurance companies need trust and honesty to win more people and grow their business. Insurance is essentially there to provide peace of mind, security and protection to individuals and companies from the fear of things going wrong. Insurance also help individuals to build wealth to meet specific needs in the future. How do you reconcile the peace of mind insurance is supposed to provide and the hassle or stress one has to go through to get this peace of mind. The public need trust and confidence in the insurance sector. That is why the overall aim of the National Insurance Commissions is to work with all insurance industry players to increase insurance penetration and to do this, they need to build and enhance public trust, so that when consumers purchase insurance products and services, they can be confident that these products do exactly what they say they will.

Unfortunately, one of the common challenges facing the insurance industry in Ghana is the low public confidence and trust. This is mainly arising from the different views in interpretation of various policy provisions and clauses between the policyholder and the insurance company which in some instances result into disputes. A lot of disputes arise when it comes to the time to make a claim. Most policyholders usually do not know where to send their grievances and give up on pursuing their claims but vow not to do insurance again. Some of these bad experiences are shared with family and friends and this has steered to the lack of trust in insurance sector by most Ghanaians.

Few people who know about the Commission as a dispute resolution report insurers but still lose the trust in the industry even after their complains are resolved. Simply because, some believe, without the Commission, they could have lost. This prevent them from taking the risk of taking insurance policy again. Whether the dispute is resolved at the NIC's Complaints Bureau, in courts of law, arbitration or it goes unresolved, the fact remains that the damage caused in terms of reduced public confidence and trust is enormous.



So, the big question is, how can insurers go about achieving building and raising public confidence and trust in this promising market? They are the very people who can bring the confidence back since they took it away.

Obtaining public confidence and trust calls for full disclosure of product features, being honest on the terms and conditions of the policy, especially at the initial stage or at the point of sale. We need to refrain from disclosing only favourable terms that would inappropriately influence a customer's decision to purchase insurance. Providing incomplete information to influence purchase is unacceptable and trust would immediately dispel when a customer's claim is not honoured. Remember, the valuable business of insurance is claims management. If the claim process is not well managed, trust will definitely be lost.

Secondly, the main benefit of trust and confidence lies in customer loyalty as this may times lead to long-term relationships and higher advocacy or word-of-mouth. Trust in insurance is more important for insurers than any other type of business mainly because insurance is about selling a promise.

Customer service should continue even after the close of a sale/after signing the debit note, and most importantly at the point at which a claim arises. Most claimant are prevented from getting in touch with managers when they are making a claim. They are seen as nuisance to management in their time of distress.

Excellent customer service is another way to build and enhance trust. The insurance industry need to improve customer relationship management for instance taking advantage of the digital platforms to deliver better services. This familiarity with technology is giving prospective clients and many other people the confidence to try more complex insurance interactions online. Having a conversation with an insurance advisor through a video chat on how to settle a claim is helpful to a customer to better understand

the information shared. Likewise, many other insurance enquiries can be addressed in just a simple WhatsApp chat.

As an industry we need to find out whether we have done a lot ourselves to meet the needs and demands of our customers. Today customers are always looking for a better and simple ways to transact business. We need to keep reminding ourselves that in transitioning into the changing insurance market, we can no longer afford to rely solely on traditional business models and distribution channels. We need rather, to invest in innovation and sales development to deliver the desired trust, confidence and growth.

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