



Association of British Insurers

COMPLAINT MANAGEMENT WORKSHOP

3 OCTOBER 2007



Association of British Insurers

Complaint management – how is the industry performing?

George Hodgson, Director of Consumer
Strategy, Association of British Insurers



Customer expectations



- “HSBC suffers Facebook-led student revolt”
 - Daily Mail, 28 August 2007
- “HSBC bows to student Facebook pressure”
 - This is Money, 30 August 2007
- “HSBC submits to online student protest”
 - Times Online, 30 August 2007



And another example...



- “Tesco petrol mix-up fuels drivers anger”
 - The Northern Echo, 10 February 2007
- “Inquiry into contaminated fuel”
 - BBC News, 28 February 2007
- “Tesco to pay for fuel damage repairs”
 - Guardian Unlimited, 6 March 2007



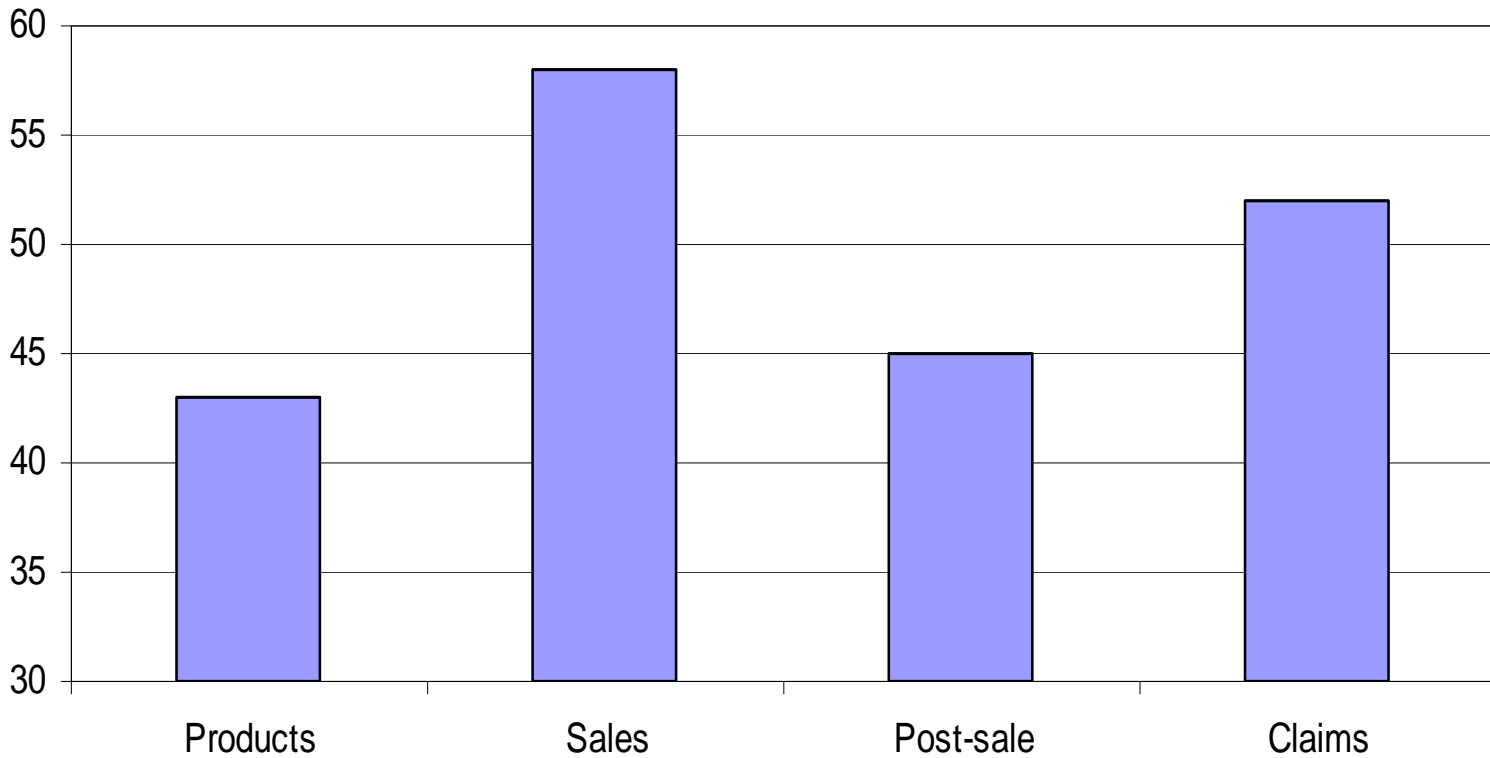
Customer Impact Survey

customer
impact

- Over 18,000 customers surveyed
- Provides industry benchmarks
- Majority trust the industry
- Low ratings in some areas
- 4% of total survey sample made a complaint
- Another 4% of the sample considered making a complaint

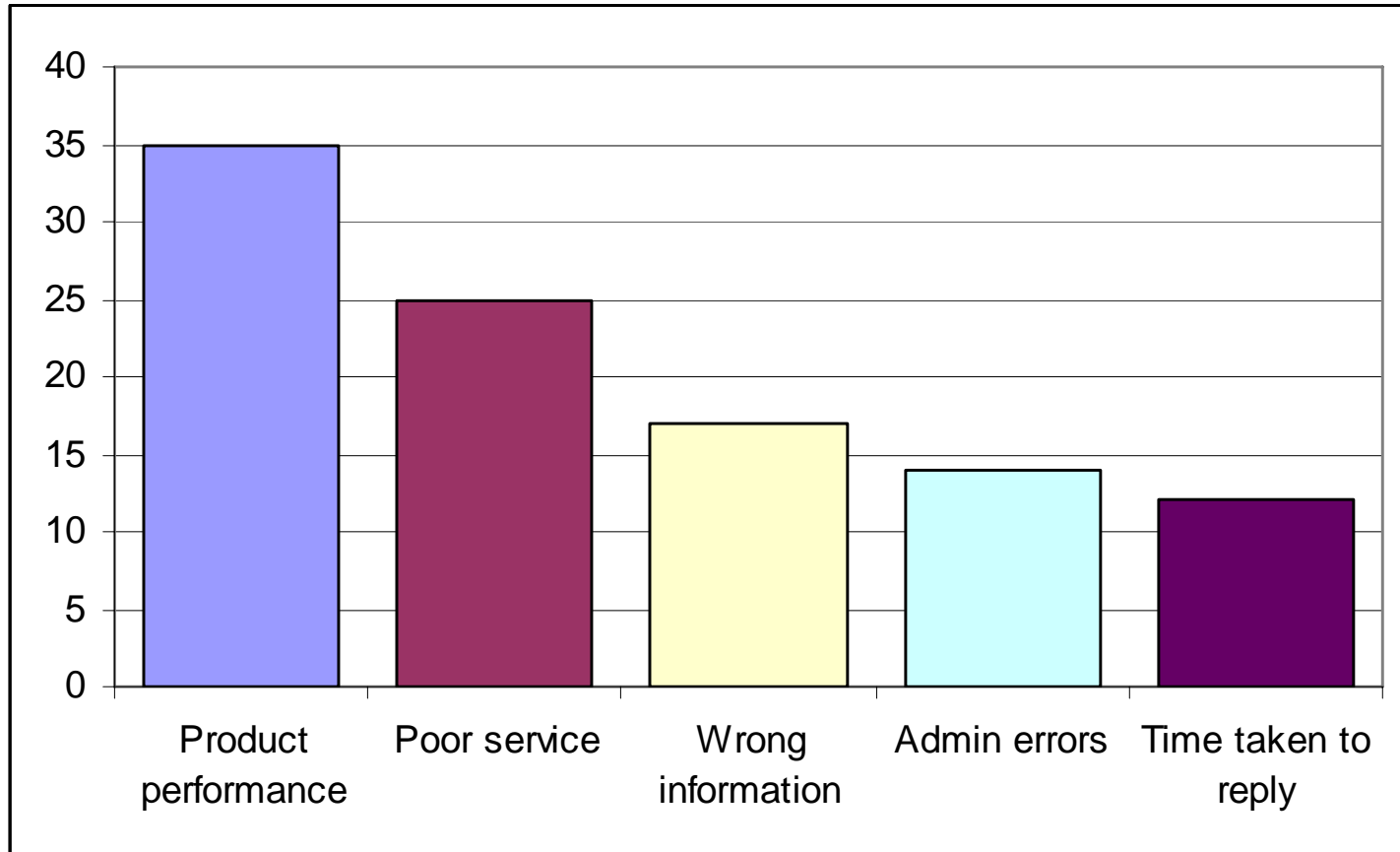


The 2006/07 Survey – Overall Rating





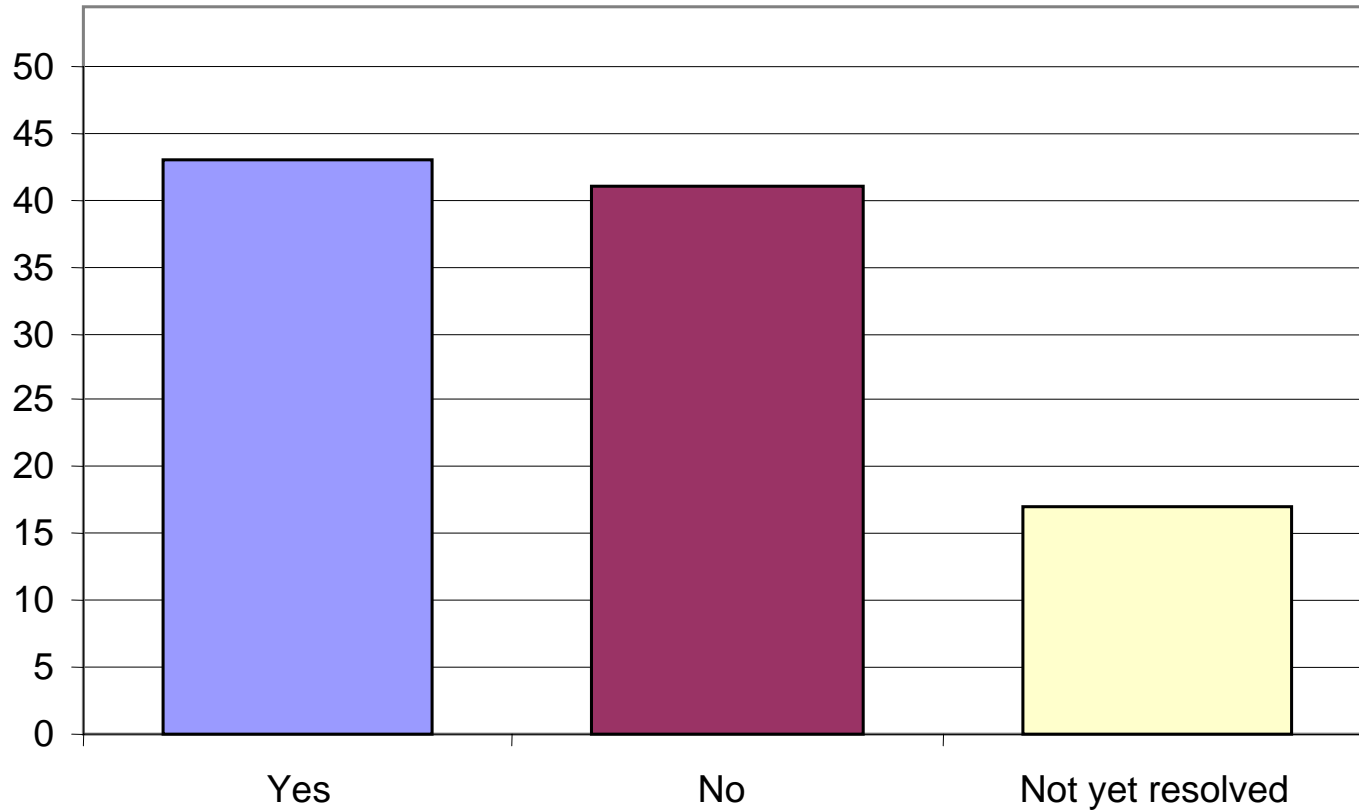
Causes of complaints





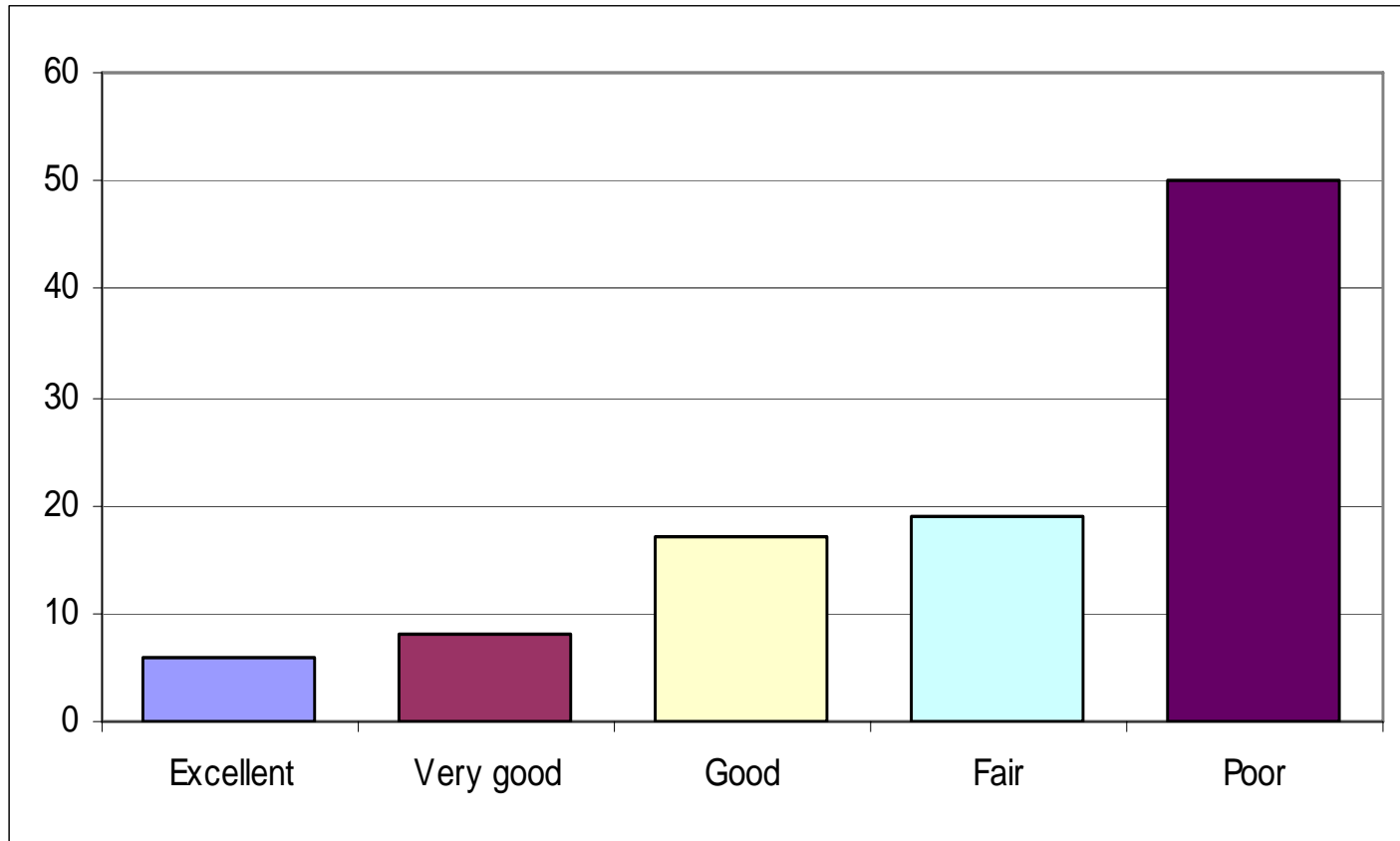
Was the complaint resolved to your satisfaction?

customer
impact





How would you rate the way your complaint was handled?



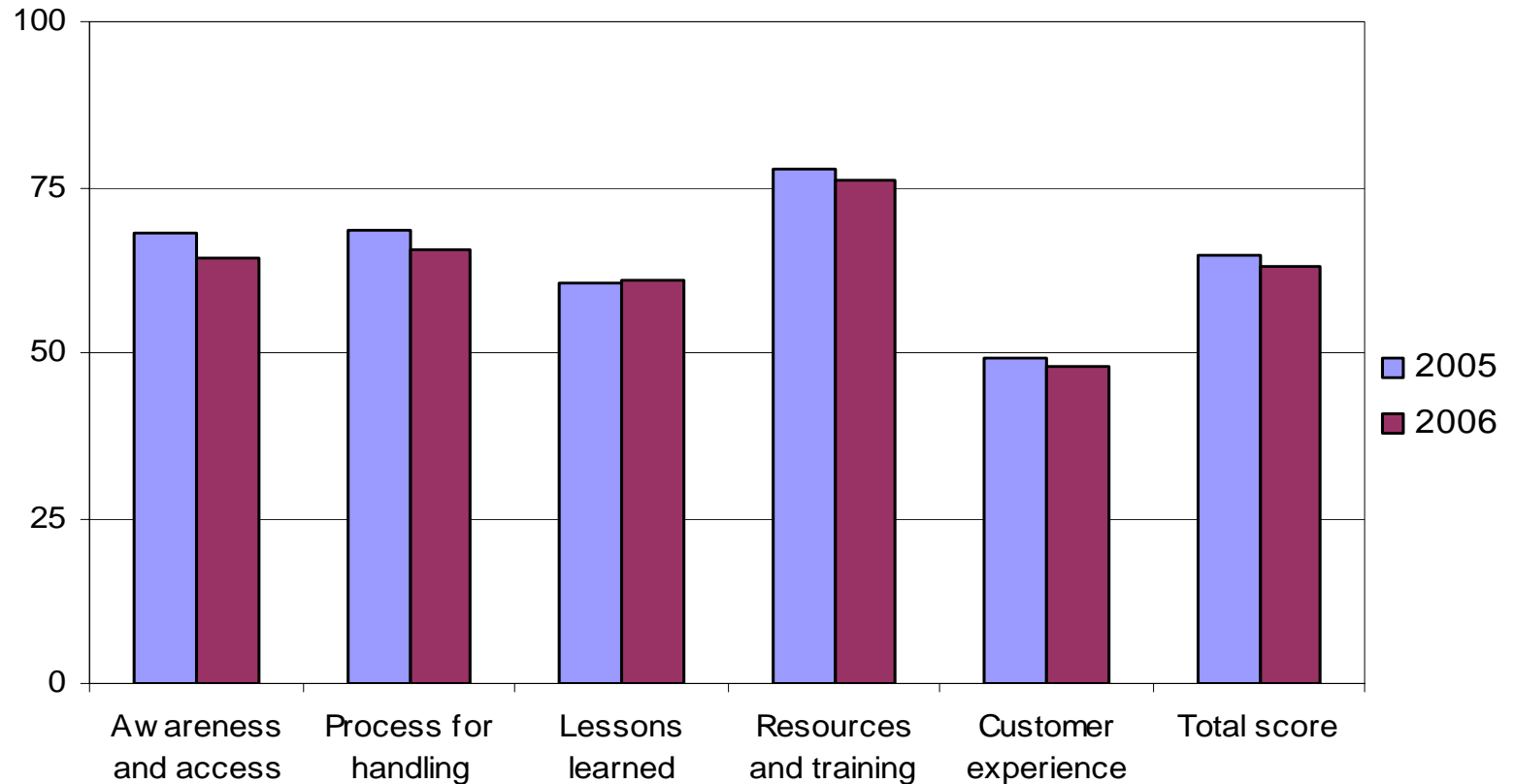


ABI Complaints Benchmarking Exercise

- Member survey of processes – does not ask customer views
- Aims to improve approach and performance
- Industry and individual reports produced
- Five scoring areas



The 2006 exercise - overall scores



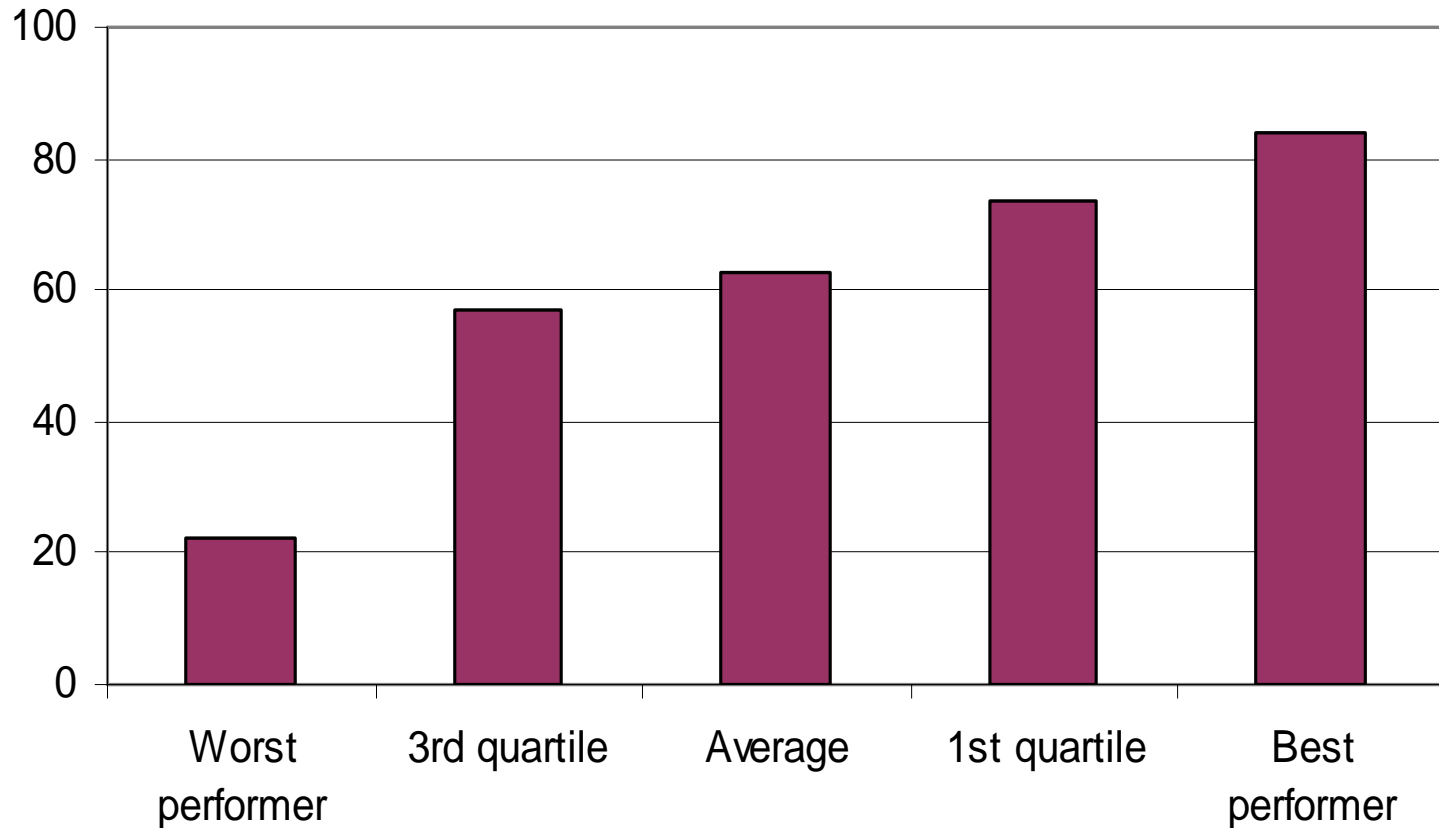


The 2006 exercise – some key findings

- Resources and training scored the best
- 83% of complaints closed within 8 weeks
- 5% of complaints passed to the Ombudsman
- **Customer experience the poorest**



The 2006 exercise – overall industry scores





Objectives for the day

- To identify reasons why customers are not satisfied with complaint handling process
- To explore alternatives which can lead to improved customer outcomes
- To assess and prioritise changes that could be made according to the level of difficulty and impact



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Complaint Management Workshop

Steve Southall, Director, Financial Services, Ernst & Young

David Hazell, Director, Financial Services, Ernst & Young



3 questions for discussion in your tables

1. What are the drivers of current standards?
2. How do we put customers at the heart of the process?
3. What are the key change priorities (and barriers to change)?



1. Drivers for current standards

- What are the top drivers (up to 10) for current standards of complaint management?



2. How do we put customers at the heart of the process?

- What do customers want from a complaint handling process?
- Does the industry deliver this? If not, why not?
- How will principles-based regulation help/hinder the complaint management process?
- What are the main benefits of implementing more customer-centric processes?
- What are the likely costs?



3. What are the key change priorities (and barriers to change)?

- Given the drivers for current standards and the benefits of putting the customer at the heart of the process, what are your ideas for change and priorities.
- What are barriers to implementing the change?
- How can the changes be sold internally?



Closing thoughts