



SOCIETY OF ACTUARIES

Article from:

News Direct Newsletter

January 2003 – Issue No. 42



NEWSDIRECT

NEWSLETTER OF THE NONTRADITIONAL MARKETING SECTION

NUMBER 42

JANUARY 2003

Editor's Viewpoint:

Stepping into the All-Electronic Future...

by Brian L. Louth

Welcome to the first all-electronic edition of *NewsDirect*. This is the beginning of a new approach to keep you abreast of the Nontraditional Marketing Councils' activities, of bringing interesting and educational topics to the membership, and in creating an opportunity for you to contribute your thoughts and ideas toward making this a vibrant and informative communication vehicle.

This also represents a new beginning for me in working with Julie Tani as co-editor for *NewsDirect*. As a new member of the Nontraditional Marketing Council, and the first one from Canada, I am hoping to bring some perspective from north of the border. I also look forward to learning a great deal in supporting the future editions of *NewsDirect*.

I have enjoyed many articles from *NewsDirect* over the last few years. I have to admit that there have been times when I didn't get to it right away. In the past it was very easy to let it mature with other items in my reading basket. Invariably there has been at least one item that I have been eager to pass on to colleagues in order to facilitate discussion and thought.

What does it mean for the newsletter to be 'all electronic'? First off, there won't be any hard copy reaching my reading pile. Instead there will be an e-mail notification and if you are like me, there are days when the last thing you want to see or open is another e-mail from anyone. I



certainly hope that I catch myself before I delete the note with the link to the newsletter.

I am also not prone to reading through page upon page of a PDF file. I still like to have a hard copy for longer articles, to make notes and highlight key points while I am trying to absorb and consolidate new information. I am not that keen to read off my computer screen.

There will need to be changes in the format of the electronic form of *NewsDirect*. This first edition resembles the hard copy format we have seen in the past. You can expect this to evolve over the next year to take greater advantage of the electronic medium. There will be greater use of links to full articles with summaries to facilitate a quicker review and to pique interest. Keep watching and reading—the evolution should be very exciting.

Going all-electronic is only part of the story. Timely and informative content is still the key. I have already discovered that it is very different to be directly involved in putting the newsletter together. Getting people to develop articles and put their ideas to print is

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to distribute it through brokerage channels at a significant and sustained level. As usual, there were bumps in the road—we couldn't negotiate the exclusive marketing arrangement we sought and also lost a major part of the financing for our efforts because of "administrative hitches." These impediments seriously impaired (pun intended) our marketing, relegating most of our efforts to small local "feeling out" of the various doors we saw to the market rather than more aggressive marketing and selling. Nevertheless, the results of "feeling out" the market have been instructive and now form the basis for more extensive marketing by us (the company continues to market the product through its brokerage channel).

Our primary tests have been focused on the various providers in the geriatric care field—nursing homes, assisted living facilities, geriatric care managers, retirement communities, Elder Law attorneys, as well as accountants, trust departments of banks and some specialized brokerage firms.

Our biggest early disappointment was nursing homes. They had and continue to have more major problems, including rampant turnover of administrators, though we are seeing some turnaround here. Assisted living facilities were a pleasant surprise, though some product gaps were experienced. Elder care attorneys and

accountants were also not very productive. Geriatric care managers, though, seem to hold some potential. Several new niches have also been developing, among them, a charitable giving play. Direct approaches to the market also seem to hold some promise. And as experience is developed both at the customer and center of influence level, there seems to be potential for even greater success. And as originally anticipated, helping people with these problems opens up trust and cross-selling opportunities—certainly for the LTCI and the investments of the impaired person's offspring.

Moreover, as with the initial development of this product (and others), being in the market uncovers potential for additional product innovations. We are already seeking insurance companies interested in a second stage product and, perhaps more significantly, for refurbishing the basic LTCI package into a much more consumer-friendly offering. I also trust, as I have from the outset, that this work at the extreme edge of elder needs will be instrumental in bridging the gap beyond the products now receiving attention at the beginning of an elder years' market (such as LTCI and payout annuities).

The moral of this tale—stay attuned to changing needs in the market, be persistent, adjust for inevitable bumps in the road, be flexible and remain focused. 📖

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challenging. I feel very fortunate to have an excellent framework to start from as developed over the last year by Chris Hause and Julie Tani. As editors we are very fortunate to be able to work with an engaged group of authors and contributors.

This edition includes a message from Diane McGovern, the new Chairperson of the Nontraditional Marketing Council, which outlines our focus for the next year. We have also included overviews of sessions from the annual SOA meeting in Boston that were sponsored in whole or in part by the non-traditional marketing section. From a field trip to Babson College to learn about entrepreneurship to a session in patenting

insurance products, these sessions were very thought-provoking. For good measure, there are some excellent articles, including the third installment from Robert Winawer, "Direct Insurance Sales Using Microeconomics" and a piece from Bob Smith, "Outlooks for Using the Internet in the Distribution of Life Insurance."

I look forward to working with Julie over the next year to bring you interesting new issues of *NewsDirect*. Should you have any thoughts or ideas on how to improve the newsletter, both Julie and I would be very interested to hear from you. The path starts with a willingness to participate. 📖

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