

## Mixed results for insurance sector

**SINGAPORE** - Despite the decline in customer satisfaction for the insurance sector, indicated by the latest Customer Satisfaction Index of Singapore (CSISG), Singapore's consumer watchdog handled fewer complaints about the sector last year.

The Consumers Association of Singapore (CASE) said it handled 43 complaints related to the insurance sector last year, down from 70 in 2012. CASE Executive Director Seah Seng Choon said that common complaints were misrepresentation and failure to honour the agreement. The Financial Industry Disputes Resolution Centre (FIDReC), which handles financial disputes, was unable to provide figures for last year.

Assistant Professor of Marketing (Practice) and Academic Director of ISES Marcus Lee said the decline in satisfaction could have to do with

factors like varied customer segments and changing customer expectations.

Ms Kristy Wu, 32, is an analyst and when it comes to buying insurance, she makes sure to do her homework first. "I know what I require from insurance and how to track their performance so my expectation of insurance companies is purely that they can tell me what the policies are about. In that aspect, I find them satisfactory," she said.

Ms Wu has insurance policies for life, health, accidents, hospitalisation and loss of income, and some of her policies are investment-linked. She could not recall at a snap how many in total she holds, and suggested better consolidation of products. "For each type of insurance, there are multiple policies each time I top up. In addition, employers usually have separate insurance plans for us. To consolidate all of this information is at

times confusing because the coverage can potentially overlap," she said.

Last year, Mr Seelan Raj and his wife made a hospitalisation claim after she underwent an operation. The 33-year-old, who works in the aviation sector, said that having to pay upfront before the insurance company reimbursement gave him pause. "Thankfully, I had the means to pay for it first but that experience made me think real hard about those who don't have the means to pay huge medical bills," he explained.

Mr Raj feels that more can be done in the aspect of letters of guarantee so that upfront payment is not needed, and that the importance of medical and hospitalisation insurance must be conveyed to the public, in particular those above the age of 50.

He added: "Agents should be well-versed in their products and help the



**It may be worthwhile for companies to investigate the relevance of their product and service offerings.**

**Dr Marcus Lee**  
ASSISTANT PROFESSOR  
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client choose the right policy.

"The companies are doing a decent job but some of their agents aren't. I've come across many agents who have very superficial knowledge and yet call themselves financial advisors. I think more regulation is needed, just like in the real estate industry," said Mr Raj.

When shopping for insurance products, Mr Seah suggested first reading up on the subject at the Monetary Authority of Singapore's consumer education website ([www.moneysense.gov.sg](http://www.moneysense.gov.sg)). "Most insurance policies come with a 14-day 'free look' period for consumers to review the agreement," he added.

Investment-linked policies require more careful research, he advised, because returns fluctuate with the performance of the fund linked to the policy and are not guaranteed.

**HE PEIWEN**

**This report is a collaborative project between TODAY and the Customer Satisfaction Index of Singapore.**