

Canada Life – taking technology to the IFA

This week, AT8's Mark Loosmore's tour of the product providers took him to Potters Bar to interview David Greenall of Canada Life



Canada Life has changed its market positioning over recent years, especially since the takeover by Great West Life in 2003. The repositioning has largely been an exercise in focusing on its key strengths. The consequences of this are that it no longer has a direct salesforce and has focused on the IFA market, narrowing its product range in the process. Its key product areas now are: Onshore and Offshore Wealth Management products, Retirement Income based products and Group business. For the purposes of this article we will focus on the individual business and put the group business to one side as this already has a well-developed e-commerce strategy of its own.

Investing in e-commerce

As with a few of the niche providers that we have reviewed, Canada Life found that it was slightly behind the pace of the big brands in supporting the IFA market with e-commerce offerings. Recognising the position led to a focused, strategic investment in e-commerce over the past couple of years, looking at how best to use technology in order to add most value to its distributors. From initial investigations, it decided not to follow the traditional route of creating an 'all singing, all dancing' extranet but decided instead to take the technology to the IFA, providing what the user needed rather than what might be most convenient for Canada Life. In essence, this has meant a heavy investment in providing integrations to existing IFA systems and it is now able to boast

nine integrations to the leading back-office systems including: 1st – The Exchange, IntelliFlo, Durell, Plum, True Potential, Quay, Swift, JCS and 2Plan. The integrations are mainly contract enquiry, allowing real time

the integrations don't have to be via direct links as there are a core number of aggregators such as Exweb, Assureweb, Weblin and True Potential with whom they could integrate. Currently Canada Life only supports a few of its

BACK OFFICE INTEGRATION WITH 9 LEADING SYSTEMS

- 1st – The Exchange
- IntelliFlo
- Durell
- Plum
- True Potential
- Quay
- Swift
- JCS
- 2Plan



updates to the client portfolios with some commission reconciliation also being supported via .csv file transfer.

Electronic new business

The philosophy of linking to adviser systems is one we completely buy into and support. Starting with contract enquiry is also something that we believe is very sensible. From our conversations around the market, automating portfolio valuations is consistently one of the most important e-commerce functions, with some great case studies of cost savings to support this priority. In one of our past articles, we wrote about Castle Court, a three adviser IFA, based in Cardiff who claimed that they were saving £100,000 a year using Plum to automate its e-valuation process.

We believe that the same logic can be extended to take electronic quotations and electronic new business applications to the adviser desktop, too, although

products on Exweb and don't yet support the other aggregators to any great depth. However, we would encourage it to address this in the short-to medium-term. In part, the reason further integration has been left is that it has already a call centre that manages the quotation process very efficiently and gets very high satisfaction ratings from users. Whilst Canada Life has used this as justification for focusing on other areas first, we believe that the time may now be right to support the electronic quote and apply processes more effectively.

Supporting the IFA

Canada Life has begun some interesting experiments into the application process. Once again it has resisted the temptation to follow the conventional electronic application process and have instead worked closely with IFAs to try to get to the heart of how the IFAs themselves want to be supported. As a result, they are trialling a new simpli-

fied process that avoids keying in data from a web page and are instead working to accept a scanned image of a conventional application form.

Supporting Wrap Platforms is becoming part of the Canada Life strategy too and some of its Offshore products are appearing on a number of the current platforms including: Ascentric, Macquarie, Novia, Nucleus, Parmenion, Praemium, SEI, Tethys, Transact and Cofunds. While talking to David it was clear that third-party integration is quite rightly of utmost importance in his e-commerce strategy.

IFAZone

We must be careful not to overlook the expanding functions that Canada Life does have on its extranet, which appear to be very well thought out. The extranet is called IFAZone and has been built on the Group's core Canadian infrastructure. It has done this because it gives a robustness that is needed to support the market and I suspect gives a cost advantage that has enabled ongoing investment in growing the services. The site is very well laid out and it is refreshing to see such a high focus on simple but necessary usability goals. As an example, no function is ever more than four clicks away – simple but effective design is a useful way of bringing users back to the site time and time again.

There is a public and a private area to its web presence with static information on products and funds but they also provide some core tools – including an Investment Planner. As with several of the other providers reviewed (including Friends Provident, LV= and AEGON Scottish Equitable) Canada Life chose to work with Distribution Technology in order to build the Investment Planning tools. It is

able to run an Attitude to Risk Questionnaire, produces a Risk Profile, facilitate an Asset Allocation process against a target Asset Allocation and to match Canada Life's Model Portfolios against the target allocation.

Other tools are also available, including a Tax Wrapper that collects key investment and fund details, tax details and then calculates the rates of return.

The site also has a Technical Zone that has all the technical product information and links to trusted third party sites (such as HMRC) which can provide further financial information.

A strong focus

Canada Life has a strong focus on getting to the heart of an adviser process and identifying where e-commerce can really help. Its mantra of taking the technology to the adviser is refreshing and will provide real benefit to its distribution partners. The approach should not take anything away from its extranet, which while not yet transactional, looks to have been well designed with a strong focus on usability. We would like to

see more attention given to quote and apply functions and support for the portals, but we have no doubt that it will develop this as its infrastructure matures.

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KEY INSIGHTS

- Evaluate and establish where you are in relation to your competition
- Don't just copy what others do – establish what your users (customers) want and need – innovate if possible
- Be realistic about what you can deliver in phased chunks – look for speed to benefit
- Integrate where possible – avoid the temptation to reinvent the wheel
- Utilise existing solutions if they are sufficient for your needs – vendors are getting better at tailoring individuality through configurable solutions