

SYNOPSIS

Simple
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Key words: simple products

Purpose of your paper: Investigating the impact of added complexity of our products. Does this discourage consumers? Should we consider Simple Products?

Synopsis: Insurance products have been around for a long time and with a few exceptions, such as trauma, new developments have been limited.

In more recent years we have seen products becoming increasingly complicated with the addition of more minor benefits and conditions covered. This has been to provide a competitive advantage and score higher with the various rating houses.

Does this benefit the consumer?

The addition of more conditions makes it harder to truly compare products and leads to customer confusion about what the product delivers. There is an increased need to obtain financial advice which can be a time consuming and expensive process and not available to all lives.

This leads to a lack of interest in the product and encourage consumers to put off taking any action until a later date. And unfortunately that may be too late in some circumstances.

For those who buy the product they are often disengaged from the product feeling that they have done the right thing and then they fail to take advantage of the many benefits offered by the product.

Should we consider Simple Products?

Simplicity means a straightforward product with simple processes and a straightforward way to purchase. This can build consumer trust and increase confidence to purchase.

The presentation will discuss the current markets complexities, the disadvantages of over-complexity and the case for simplicity. It will look at developments in other markets to offer simpler products and examine some principles for good design and how they could be incorporated into a new product.