



Media Release

Insurance Culture and Conduct Steering Committee launches action plan to bolster trust in the industry

Action items to directly address insights from second Insurance Trust Indicator Study which found trust scores for majority of the segments remaining within the moderate to strong range

Singapore, 14 November 2024 — The Insurance Culture and Conduct Steering Committee (ICCSC) today announced the launch of its new action plan to strengthen trust in Singapore’s insurance industry. Developed by the ICCSC’s General and Life Insurance sub-committees, the action plan incorporates insights from the Insurance Trust Indicator Study 2024 (ITIS 2024)¹. Specific focus areas have been identified by the sub-committees and the plan will be updated with initiatives over time.

The first part of the plan is spearheaded by ICCSC General Insurance sub-committee and prioritises measures that enhance consumer awareness, improve insurance policy literacy, and elevate the claims experience. The ICCSC Life Insurance sub-committee leads the second part of the plan, focusing on raising the quality-of-life intermediaries’ standards by encouraging best practices, alignment and clarification of standards.

This is the next phase for ICCSC following the release of a series of best practice papers² which provides guidance and recommended initiatives to elevate culture and conduct standards within the insurance eco-system.

“Trust is built over years and we are taking a long-term approach to continually strengthen trust in Singapore’s insurance industry. This requires the efforts of all parties within the eco-system, all playing our part and coming together to create a strong culture of ethics, accountability, and customer-centricity. This action plan is another step in our efforts to make a real difference to elevate industry standards overall,” said Dr Khoo Kah Siang, Chairperson of the committee.

¹ More information about the Study below

² All best practice papers can be accessed here:

- <https://gia.org.sg/consumers/resources/for-members.html>
- <https://www.lia.org.sg/industry-guidelines/insurance-culture-and-conduct-steering-committee/>

Key takeaways from the ITIS 2024:

Insurers

- General Insurers’ trust indicator scores stayed within moderate to strong levels of 73 to 76 despite recording a decline in trust performance across both consumer and business segments.
- Life Insurers achieved a moderate trust indicator score of 70 among consumers, a 2-point increase from the inaugural study in 2023.

Intermediaries

- Trust indicator scores for general insurance intermediaries ranged between 62 and 69 with declines observed across both consumer and business segments.
- Trust indicators scores for life insurance intermediaries among consumers maintained at 73, and scores for businesses ranged between 64 and 73.

From the trust indicator scores, we were able to identify key drivers that are the greatest predictors of trust performance within each segment, which ICCSC used to determine priorities for the action plan. The selected industry initiatives aim to provide consumers with better claims experience, better quality advice and improved communications from their insurer and/or insurance intermediary.

No.	Insights from ITIS 2024	Key focus areas in the action plan
<i>General Insurance sub-committee: Prioritising measures that will enhance consumer awareness, improve insurance policy literacy, and elevate the claims experience</i>		
1	<p>Key predictors of trust performance include:</p> <ul style="list-style-type: none"> • Having customer service representatives that are empathetic to their needs and can resolve their issues at the first engagement. • For intermediaries such as insurance agents, IFAs*, and FAs, helping to make the insurance application process easy for customers, e.g. helping them understand the documentation required. 	Improving communications with customers and enhancing consumer awareness and understanding.
2	<p>Key predictors of trust performance include:</p> <ul style="list-style-type: none"> • Keeping customers updated on the status of their claims. 	Improving the claims experience for customers.

3	<p>When a breach of trust occurs during disputes over practices and/or market conduct, customers are likely to:</p> <ul style="list-style-type: none"> • Seek alternative providers. • Warn friends/family to avoid brands. • Feel less likely to trust other companies that affiliate with the brand. 	<ul style="list-style-type: none"> • Monitoring and acting on dispute cases and resolutions brought to FIDReC (Financial Industry Disputes Resolution Centre Ltd) and CASE (Consumers Association of Singapore). • Monitoring insurers' claims statistics.
<p><i>Life Insurance sub-committee: Focusing on driving quality and standards by encouraging best practices and alignment of standards</i></p>		
1	<p>Key predictors of trust performance include:</p> <ul style="list-style-type: none"> • For intermediaries like insurance agents, IFAs*, and FAs, providing customers with high quality advice in their insurance purchase journey. 	<p>Strengthening the quality of advice by:</p> <ul style="list-style-type: none"> • Encouraging the adoption of best practices on the hiring of Financial Advisory Representatives; and • Driving the adoption of Life Insurance Intermediaries Best Practice Paper from January 2025 onwards to achieve alignment in practices.
2	<p>Key predictors of trust performance include:</p> <ul style="list-style-type: none"> • For Life Insurers, providing regular communications about consumers' insurance policy via their preferred channels. 	<p>Boosting customer engagement at key life milestones for timely advice and service provisions.</p>
3	<p>Key predictors of trust performance include:</p> <ul style="list-style-type: none"> • Claims-related drivers such as clearly explaining how to make a claim and processing the claim efficiently. 	<ul style="list-style-type: none"> • Improving the claims experience by providing additional clarity to customers. • Introducing targeted training programmes for the life intermediaries.

**Independent Financial Advisors (IFAs) refer to standalone Financial Advisors (FAs) who are not owned directly or indirectly by insurers or other relevant product manufacturers.*

To date, the ICCSC has developed and released five best practice guidelines as well as recommended various initiatives for stakeholders within the insurance eco-system, to elevate the culture and conduct standards of insurance companies, intermediaries (e.g. Financial Advisory Firms), employees, and the entire insurance ecosystem in Singapore.

About the Insurance Trust Indicator Study

Commissioned by ICCSC and conducted by Forrester Consulting, the annual study will be conducted over a three-year period from 2023 to 2025. It is part of the ICCSC and industry's effort to assess the levels of trust in the insurance industry and identify areas where consumers and businesses' trust in life insurers, general insurers, and insurance intermediaries (e.g. insurance agents, brokers, financial advisers) in Singapore can be improved. This is in keeping with the ICCSC's broader goal to elevate culture and conduct standards in the industry.

ITIS 2024 was conducted between February to April 2024, surveying 3,044 consumers and 506 employees (managerial-level and above from SMEs and Corporates) in Singapore.

The full Insurance Trust Indicator Study (ITIS) report can be found here:

<https://gia.org.sg/images/resources/For-Consumers-PDF-file/ICCSC-ITIS2024-FinalReport.pdf>.

https://www.lia.org.sg/media/4388/iccsc_insurance-trust-indicator-study-2024_final-report.pdf

About the Insurance Culture and Conduct Steering Committee (ICCSC)

The Insurance Culture and Conduct Steering Committee (ICCSC) was established in December 2019 as an industry initiative involving the Monetary Authority of Singapore (MAS) with General Insurance Association (GIA), Life Insurance Association Singapore (LIA Singapore) and Singapore Reinsurers' Association (SRA) as founding members, to foster sound culture and strengthen standards of conduct among insurers in Singapore. The Association of Financial Advisers (AFAS) and Singapore Insurance Brokers Association (SIBA) joined ICCSC subsequently.

The ICCSC, chaired by Dr Khoo Kah Siang, Chief Executive Officer, Manulife (Singapore), comprises members from 11 insurers, reinsurers, brokers, financial advisory and consultancy firms in Singapore. These members have responsibilities in business, distribution, risk management, and compliance. It monitors trends and identifies emerging issues, collaborates with MAS on initiatives such as industry self-assessments and the development of best practice guides, and champions adoption of good practices by the insurance industry including distributors.

For media queries, please contact:

Corporate Communications Team
Life Insurance Association, Singapore
Email: media@lia.org.sg

Q Akashah (Ms.)
Ogilvy Singapore
Tel: +65 9825 1944
Email: akashah.q@ogilvy.com

Corporate Communications Team
General Insurance Association of Singapore
Email: media@gia.org.sg

Gindelin Low (Ms)
Muse & Motif
Tel: +65 9668 9469
Email: gindelin@museandmotif.com