



# Transforming the GAP Insurance Market

[gapinsure.com](http://gapinsure.com)

## A HERITAGE OF CUSTOMER SERVICE

Sat Insure was formed in 2009 and was the first fully regulated company to offer insurance for TV and Satellite Systems. The regulated sales process, transparency and customer centric approach allowed the true value of the product to be recognised and understood by the market.

At its peak Sat Insure delivered 5-star service to 80,000 paying customers.

As the Sat insurance sector has matured, so a natural, evolutionary opportunity arose to similarly transform the GAP insurance market in the same way as the Satellite insurance market – a transparent online model, monthly direct debits, fair value pricing and a fully regulated and accessible UK contact centre.

Customer service excellence has successfully transferred over, where GAPinsure.com already has 5 Star Google reviews.



# Transformation!

**This is revolutionary, new and transformational in the GAP insurance market – a reputable, fully FCA regulated, monthly premium, affordable product in what (historically) has been a reputationally poor arena.**

**Akin to car insurance itself. This offers significant value to customers and truly treats customers fairly, to recover any/all losses on write off at affordable monthly premiums, mostly under £10 p.c.m.**

- ❑ Gap insurance is essentially there for if you'd want to buy a new car or indeed a used car, or if you've a finance deal and would owe more to the finance company than you'd get from the insurer.
- ❑ Those who have already safeguarded against this predicament have benefited from higher value (gap) insurance claim pay outs, demonstrating its success as a value-add product.
- ❑ Providing gap protection is consumer duty centric and could also help to build greater customer loyalty and retention for the future by providing affordable protection.
- ❑ Revenue growth of the global/UK gap insurance market is significantly driven by rising concerns in car owners minds about overcoming the cost difference between loan amount/replacement value and their vehicle's depreciated value. Moreover, there is rightly growing awareness of protection against borrowers unexpected shortfall loss with finance providers and leasing operators, which further bolsters growth of the Guaranteed Asset Protection (GAP) Insurance Market.

## Misconceptions Surrounding Motor Coverage

First and Third Party research has demonstrated the misconception around motor insurance cover especially in relation to vehicle paid through a finance agreement including:

- ❑ A third (34%) assumed/expected their insurer to pay out the purchase price of the vehicle if it is written off or stolen.
- ❑ Three quarters (78%) who bought finance believed that, in case of a write-off, the outstanding loan would be cleared either by their own motor insurance or that of the other driver
- ❑ Price of Gap has historically a major factor (large lump sum).
- ❑ The product was sold/pushed hard by dealers, causing serious concerns with the FCA.

## The Historical Problem with GAP

In 2014 the GAP product was reviewed by the FCA and the findings were not unlike similar original findings of the Satellite product:

- ❑ The product was not fully understood
- ❑ It did not offer value to customers

A natural opportunity arose to revolutionise the GAP insurance market the same way as the Satellite insurance market –a transparent online model, fair pricing, small monthly premiums, a fully regulated and accessible UK contact center.

Issues with the UK GAP market are;-



### EXPENSIVE

Perceived as optional and at a high price, no different to paint or wheel cover. Lump sum or short-term split premiums make this high cost, little or no customer payment options.



### POOR AFTER SALES

Sold at point of sale with little or no after sales support or customer service.



### BOLT ONS

Poor reputation, 'flogged' by dealers and questionable value. Often missold by dealer network.



### PUBLIC AWARENESS

General ignorance around GAP by a good % of the public. Less than 1 : 10 drivers have a GAP policy.



### SIMPLE & SECURE

Quote to conversion in under 2 minutes with device responsive 4 step quote process



### CUSTOMER PORTAL

Customers will receive logins to a web-based portal where they can view all their documentation.



### UK BASED CALL CENTRE

A Team of UK based expert advisors trained in sales, customer service and claims handling.

[gapinsure.com](http://gapinsure.com)

# GAPinsure.com – The Difference



### VALUE

Offering GAP provides an opportunity for incremental revenue.



### ONLINE

Website – ‘all in one’ quote engine, policy purchasing, DDR premium setup and Regulated policy documents with just a few clicks.



### FCA REGULATED

Being fully regulated we ensure compliant customer relationships and sales, removing risks of complaints and arduous monthly reporting.



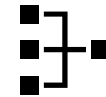
### CHOICE OF COVER

Ability to select from different cover terms and types of GAP means you can choose to provide the product that best suits our customers’ needs.



### MONTHLY PREMIUMS

The first UK GAP insurance with genuine monthly premiums, via Direct Debits.



### SYSTEM

State of the Art System allowing real-time premium quotations and DDR payment set up and Bordereau settlement.



### DEALER REFERRALS

QR code non advisory referrals, commission payments with transparent audit trail.



### PAYMENT MANAGEMENT

Directly authorised with BACS and integrated direct debit software, allowing us to efficiently manage missed or late payments.

# Consumer Duty – Treating Customers Very Fairly

This is the very essence of what Gap insurance and GAPInsure.com is all about:

1. Monthly premiums averaging **£5.73 p.m.** makes Gap very affordable for many more consumers.
2. The growth in car buying using Finance with our GAP is a perfect lease solution; supporting customers by avoiding potential debt shortfalls. Lower risk for both parties (and treating customers fairly too)
3. Our ethos is to make this a mainstream insurance product alongside car insurance.



01

## CONSUMER PRINCIPLE

A firm must act to deliver **good outcomes for retail customers**

02

## CROSS-CUTTING RULES

Firms must

1. act in **good faith** toward retail customers
2. avoid **foreseeable harm** to retail customers
3. enable and support retail customers to pursue their **financial objectives**

03

## FOUR OUTCOMES

1. Products and services
2. Price and value
3. Consumer understanding
4. Consumer support

Great experience! It made a change talking to someone with a personality, exceptional customer service.

It was clear from the beginning that this company's focus is on the customer. Before contacting GAP Insurance, I was confused with all the terminology & was afraid I wasn't going to get the cover I was searching for. Within the first couple of minutes it was all explained to me in a way I could understand. Pleasantly surprised how easy it was to complete the process.

The added bonus - it was a third cheaper than my previous quote! They also have the option to pay monthly, which I'm sure some people will find really helpful.

Highly recommend 🍷

- N. Wilder

## FCA Compliance

Great gap insurance company to deal with very competitive price and you can pay monthly or a one off payment quick and easy to set up very friendly knowledgeable staff highly recommend

- M. Daly

# CUSTOMER DUTY, CARE & COMPLIANCE

- ❑ High Compliance culture already embedded in our business. FCA 489457.
- ❑ High customer service and personal claims handling in small UK call centre.
- ❑ Treating Customers fairly leads to high service and repeat business.
- ❑ Client Monies premiums held in IBA accounts and Bordereaux operated with tight controls. Never any issues, premiums protected.
- ❑ Full regulatory operation and reporting.
- ❑ Training and compliance rigour applied.
- ❑ Claims history is modest given nature of product, GAP will increase this but comfortably in 50/50% territory and at a level for satisfactory underwriter risk/reward.
- ❑ Binding authority and binding levels respected and complied with.
- ❑ Insurance underwriters must ensure that their decisions and actions comply with all relevant legal and ethical standards. This includes adhering to industry regulations, privacy laws, and fair underwriting practices

# INSURE TECH

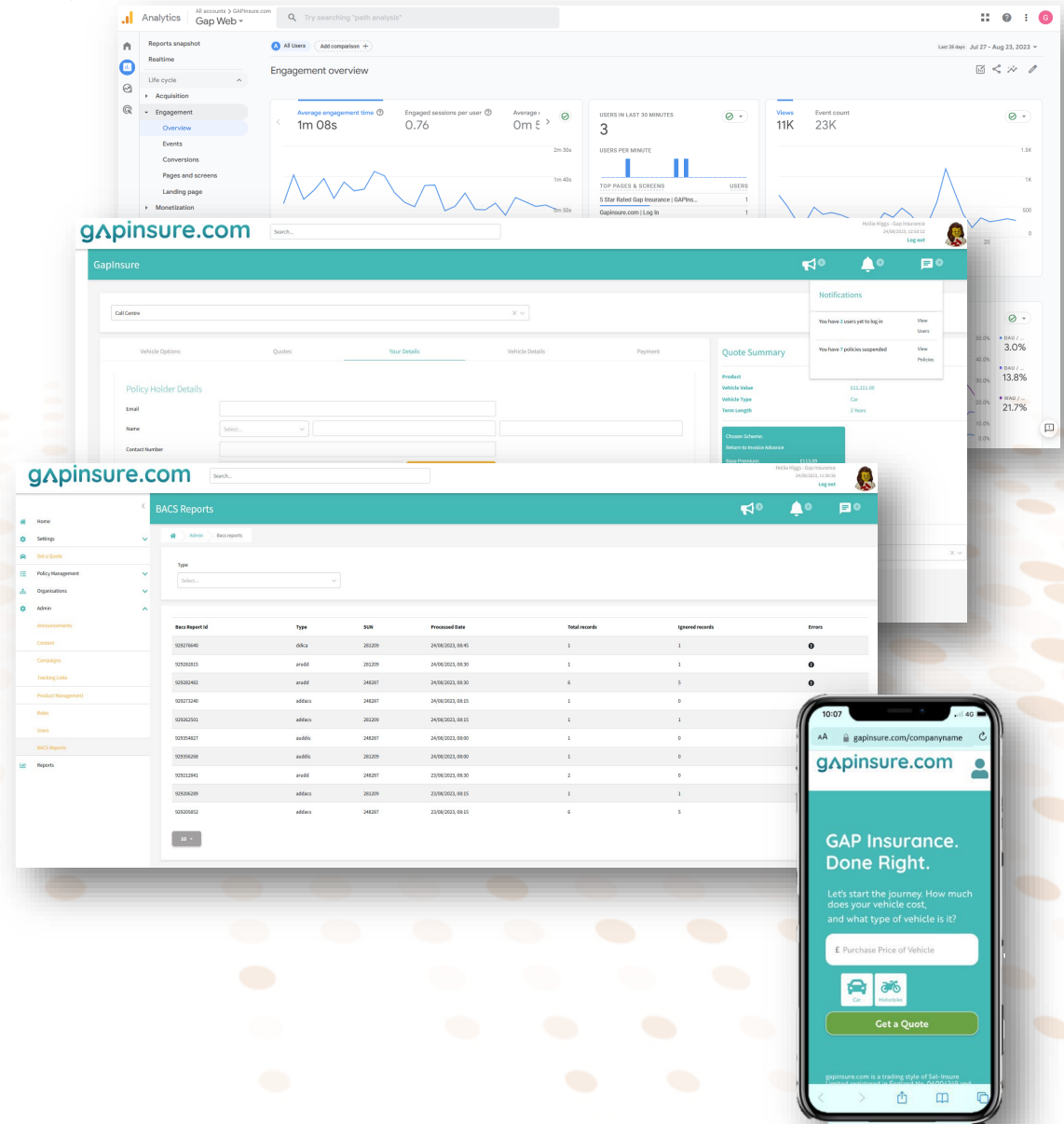
We provide our commercial partners with a state-of-the-art system, experienced & trained staff, regulatory permissions and direct authorization with BACS.

Working with the best of breed technology and finance partners, we have pioneered a system stack linking the Underwriter, 3rd parties and payment facilities creating a seamless experience for the customer.

Consumer Duty - A low monthly premium product to serve mass market and vehicle manufacturers and truly add value and fair duty to their customers.

We can integrate in several ways including but not limited to:

- A white label version of the online quote process
- Dedicated unique number customer service number for your clients.
- Unique campaign & tracking and QR codes



## SUMMARY

- ❑ Gap insurance will become a mainstream insurance solution.
- ❑ GAPInsure.com makes this revolution possible.
- ❑ Supports finance and lease providers to demonstrate treating customers fairly.
- ❑ Turns a poorly sold, misunderstood and tainted high single premium add on product into a must have, monthly premium, low cost protection product.
- ❑ Treats customers fairly – is consumer duty centric for car owner and lease lenders. Fully online purchase.

## NEXT STEPS

1. Get in Touch! We're happy to answer any questions & discuss a partnership that works for you.



GAPinsure.com brings 5 Star Defaqto rated GAP insurance products to the UK market with the unique option to pay in equal monthly payments over the full term of the policy by Direct Debit!



About GAPinsure.com

GAPinsure.com

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