

## Protection Products Most Complex - ABI

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**Critical illness (CI) and mortgage payment protection insurance (MPPI) are among the most complicated financial products for consumers to understand, the ABI has found.**

Only standard payment protection insurance (PPI) is harder to understand or more difficult for customers to compare.

The results are likely to prove a warning to the protection industry about its difficulties in relating to consumers and also illustrate the need for a successful simple products regime.

According to the ABI quarterly consumer survey, 36% of respondents rated their understanding of critical illness cover at five or below (out of 10), with 29% feeling the same for MPPI.

Only PPI (52% rating understanding at five or below) was below these two product lines, with a similar result on ability to compare product features.

In this case, the results may prove more alarming and further highlight the sector's problem.

Here almost half (46%) rated the ability to compare CI product features at five or below (out of 10), with MPPI confusing 41% of those evaluating products.

Private medical insurance (PMI) and life insurance received more positive answers with around half (52% PMI, 48% life) the product was very well understood (eight or more out of ten).

However both these products suffered in comparability, with around a third (32% PMI, 36% life) of consumers saying the features were difficult to judge against competitors.

These results (alongside other variables such as cost or compulsion) may explain why MPPI, CI and PMI are all within the five least owned product types.

Savings, loans, mortgages, and car or van insurance were the most highly ranked for understanding and comparing the products.

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<http://www.ifaonline.co.uk/cover/news/2142289/protection-products-complex-abi#ixzz1kwwcEG4L>

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