A Study on Life Insurance Solicitors’ Business Activities and Job Satisfaction

This report tries to provide the survey data and related analytical results so that insurance companies may establish the strategies for effectively managing their distribution channel (particularly, insurance solicitors), and then to suggest specific management strategies and plans related to the solicitors. In addition, we provide a new view of the insurance distribution channel from supplier-oriented perspective to customer-oriented, and lay the foundation of market-friendly distribution channel models.

Our main findings in this report are as follows: first, as the insurance distribution channels are getting increasingly diversified and differentiated, insurance solicitors’ business activities become varied as well. For instance, unlike the previous insurance solicitors employing only a push-marketing strategy, the new ones adopt various sales methods such as introductions, seminars, social networking with information and communication technology, etc.

Second, we find that the insurance solicitors’ loyalty is so significant in the sales and maintenance management of insurance products, and that it may be accomplished by enhancing their job satisfaction. In doing so, the insurers are required to improve the recruiting and training program for insurance solicitors, to enlarge the reward system for outstanding long-serving solicitors, and to develop insurance products which are easy to sell.

Third, taking into account that the insurance solicitors’ reputation has gotten worse from the consumer complaints due to their incomplete sales, it is so important to manage them both in quantity and in quality to make their image better.

Fourth, although the multiline exclusive system that qualified insurance solicitors can sell both life and non-life insurance products
was enforced about two and half years ago, it is still insufficient to say that the system is currently invigorated. To make matters worse, it incurred the incomplete sales since the solicitors did not have expertise in the other area due to a lack of related education. To get around this problem, we suggest that an additional insurance agency method and a system of the qualified solicitors’ choosing multi-insurers be allowed.

Fifth, our survey shows that the insurance solicitors prefer a stable income basis to excessive advances received. Further, allowing for recent social problems with a system related to the excessive advances received, it would be inevitable to improve the sales remuneration system.

Sixth, we show from our survey that the image of insurers is quite bad. The main reasons for this are a low refund upon cancellation, afore-mentioned excessive advances received, a performance-oriented sales behavior, and so forth. To wipe out such a bad reputation, in addition to solving the problems with the insurers’ image, we suggest that it is critical to change from performance- and supplier-oriented business to consumer protection-oriented one as soon as possible so that they may enhance customer satisfaction, leading to make sure their social reputation and competitiveness in the financial market.