

# Postcards give the edge

Victoria Young

## THE PRACTICE

The humble postcard holds the key to client retention, new business and compliance for one Queensland risk insurance firm.

Professional Investment Services (PIS) Logan City adviser Troy Edmondson has developed an ingenious marketing campaign using quirky mail-outs.

"Insurance is boring, so we have a strategy where our communication with clients is different – it has the 'wow' factor," Edmondson says.

After making an appointment, new clients receive a reminder postcard with a \$1 scratch card attached. The card reads: "Wanna get rich quick? At PIS Logan City we won't leave your future to chance."

When the policy has been written, customers receive a postcard and a pair of movie tickets. After two weeks a postcard is sent asking if the client has forgotten to disclose anything; information that may affect their claim.

Customers can choose a gift, including \$100 shopping vouchers and theme park passes, if they refer two people by responding to a postcard.

"We're regularly asked: 'how can you afford to do all that [marketing] for your clients?' and our standard response is 'how can you afford not

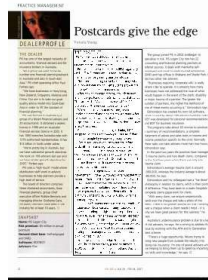
to?' The average client is worth \$3330 in terms of revenue. If I have to spend \$100 to attract that, I'd do it a million times – it's a great return on your money," Edmondson says.

His marketing ingenuity and software development clinched Edmondson the Association of Financial Advisers (AFA) Adviser of the Year Award 2006. His client retention rate is close to 100 per cent. Other clever marketing tools include bottles of wine personalised with the client's photo for platinum clients and 'survivor' bottles of wine for trauma policy claimants.

The back of Edmondson's business card reads "life insurance can be a waste of money" because he believes in finding the right insurance product for the individual, rather than a "one size fits all" approach.

Edmondson studied to be an actuary during his five years in the Queensland police. His first job was with MLC in Sydney in 1989. He was a business development manager with Aon before starting his own business in 1999.

His father and brother, Allan Edmondson and Jason Churchill respectively, joined as partners in 2000. Edmondson senior later retired and Wayne Tyley joined as a partner in 2004.



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The group joined PIS in 2002 and began to specialise in risk. PIS Logan City now has 22 accounting and financial planning practices as referral sources. It deals with mainly the self-employed and small to medium-sized enterprises (SME) and has offices in Brisbane and Shailer Park. It has two other risk advisers.

"Businesses requiring 'corporate wills' is really where I like to operate. It is amazing how many businesses have not addressed the issue of what would happen in the event of the death, disability or major trauma of a partner. The greater the number of partners, the higher the likelihood of one of these events occurring is," Edmondson says.

Edmondson has created his own risk software, which is used by about 150 advisers Australia-wide. ROY was developed for personal recommendations and BOY for business insurance.

The programs take about 30 minutes to produce a summary of recommendations, a complete statement of advice and sales tools on trauma and income protection specific to the client. Normally these tasks can take advisers more than two hours, Edmondson says.

In the past two years the practices have managed

15 trauma claims and two death claims, compared to the first four years when there was only one trauma claim.

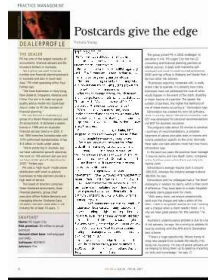
Edmondson's average trauma claim is around \$390,000, whereas the industry average is about \$80,000, he says.

Edmondson and his colleagues have a "be there" philosophy in relation to claims, which is their point of difference. They have been to a dozen hospitals to complete claims paperwork for clients.

"With every claim, we ensure we personally hand over the cheque and take a photo of the event. There is no greater satisfaction than handing over a cheque when a client needs it most – it is why we have great passion for this business," he says.

Australia's underinsurance problem is due to a lack of risk advisers, he says. He is striving to address the issue by working with the AFA and its Generation Next scheme.

"There's a huge opportunity. We are trying to bring new people from outside the industry into doing risk insurance. I'm one of several advisers who are helping to bring them up to speed by imparting our skills and knowledge," he says. □



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## DEALERPROFILE

### THE DEALER

PIS has one of the largest networks of accountants, financial advisers and life insurance brokers in Australia.

"As a group we want to be the number one financial planning network in Australia and also in South-East Asia," PIS chief operating officer Paul Forbes says.

"We have businesses in Hong Kong, New Zealand, Singapore, Malaysia and China. Our aim is to take our good quality advice model into South-East Asia in order to lift the standard of financial planning."

PIS was formed in Australia by a group of a dozen financial advisers and 20 accountants. It obtained a dealers licence in 1996 and an Australian financial services licence in 2003. It has 1065 branches Australia-wide with 1379 authorised representatives. It has \$14 billion in funds under advice.

"We're pretty big in Australia, but we have substantial growth objectives. We took on 108 advisers last year and we have similar growth objectives for 2007," Forbes says.

PIS uses a 'high touch' model where distribution staff work in advisers' businesses to help planners provide a high level of service.

The board of directors comprises three chartered accountants, three financial planners, group chief executive officer Robbie Bennetts and managing director Grahame Evans. All board members have been in the industry for at least 10 years. □

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### SNAPSHOT

**Name:** PIS Logan City

**Risk premium:** \$5 million in annual premium

**General client base:** Self-employed and SMEs

**Software:** ROY/BOY

**Advisers:** Five