

**PANDEMIC HAS CHANGED THE WAY CANADIANS CONDUCT FINANCIAL
TRANSACTIONS, AND FOR SOME THE CHANGE WILL BE PERMANENT**
*But while the move to virtual sales and service channels has accelerated, most
consumers still want human interaction for certain transactions*

TORONTO, June 16, 2021 – The vast majority of Canadian consumers (84%) with Credit Protection Insurance (CPI) who participated in a recent survey say their experience during COVID-19 has made them more comfortable conducting financial transactions online, many (72%) say it has changed the way they want to conduct these transactions in future, and a significant number (70%) say they have upgraded their technology to make it easier to conduct financial transactions from home.

Before the pandemic, Canadians were most likely to conduct financial transactions such as arranging for loans or buying insurance in person at a branch, with 48% of people surveyed with Credit Protection Insurance (CPI) saying that's where they did these transactions. Once the pandemic is over, only 36% of respondents say they will return to a branch for these types of transactions -- a 12-point decline over 2018 -- and a sign that the trend towards virtual sales and service channels in financial services continues to build momentum with Canadians.

Consumers still put a high value on branches, with 66% of respondents saying they are looking forward to going back to theirs at some point in the future. Canadians also want the opportunity to deal with financial representatives, with 88% of respondents saying they would prefer this method especially for arranging loans and insurance. However, in addition to visiting a branch, nearly half of respondents (47%) say they would prefer another channel to speak with a representative such as over the phone (23%), have a person come to their home (13%), or speak with someone by video conferencing (11%).

The same sentiment applies to making an insurance claim, with 77% of respondents saying they would prefer to submit a claim on their CPI with the assistance of a representative, compared to 22% who would choose self-service as their preferred option. However, of those 77% who prefer human contact to make a claim, only 33% say they prefer it to be at a branch as opposed to other channels such as phone, home visit, video conferencing or email.

Those are the key findings of a new [Pollara Strategic Insights survey](#) that asked Canadians who had purchased CPI on their mortgage and/or Home Equity Line of Credit (HELOC) since the pandemic started or planned to do so within the next two years, about their experiences and future financial transaction preferences. CPI is used to pay off or pay down a mortgage or HELOC, or to make debt payments in the event of covered occurrences such as death, disability, critical illness, or job loss. The survey is the latest in a series commissioned by the Canadian Association of Financial Institutions in Insurance (CAFII) over the past 6 years that are designed to help its members remain up-to-date on the expectations, priorities and satisfaction levels of customers, and to identify areas for improvement.

According to this year's research, respondents also say it is important for financial institutions to make consumers comfortable with online transactions by providing certain features and benefits. Those include: make it easy for customers to connect with a person to get answers to their questions in real time (93%); ensure plain language information is available online (92%); ensure security and protection of personal information (92%); provide immediate online confirmation of the transaction (91%); provide online tools and diagrams to illustrate product and price information (89%); have all personal information shared only through a secure online portal (89%); and provide customers the ability to deal with one representative throughout the process (88%).

The survey also shows that COVID-19 has raised the prominence of insurance as an option for Canadians, with 65% of respondents saying they are more likely to obtain CPI for a mortgage or HELOC than before the pandemic. With respect to the various types of CPI coverage they chose, life is the most popular type of insurance for mortgages and HELOCs with 77% of respondents saying they had purchased it during the pandemic for a mortgage and 71% for a HELOC, down slightly from 2018. However, the percentage of consumers covered for disability, critical illness and job loss were all up versus 2018, with two-fifths obtaining the latter this year, an increase of 17% since 2018.

In terms of their purchase experience with CPI, 96% of respondents say they were somewhat/very satisfied, a nine-point increase over 2018 when the question was last asked in a Pollara survey. Similarly, respondents report an increased level of confidence in and knowledge of the CPI coverage they purchased.

"While the pandemic has and will continue to change the way that people conduct financial transactions in Canada, we are pleased to see consumers are adapting well to their new reality, and that our industry's customer satisfaction levels have been up to the challenge," said Keith Martin, Co-Executive Director of the Canadian Association of Financial Institutions in Insurance (CAFII). "We also appreciate the value that Canadians place on the availability of in-person service, and their confidence in the people working in financial services who provide it."

These are the key results from a national online survey of 1,002 adult Canadians with who had obtained CPI on a mortgage and/or HELOC since April of 2020, and those who said they were likely to obtain a mortgage or HELOC within the next two years and will likely obtain CPI coverage. The survey was conducted from March 3 to March 10, 2021.

About CAFII: The [Canadian Association of Financial Institutions in Insurance](#) is a not-for-profit industry Association dedicated to the development of an open and flexible insurance marketplace. CAFII believes that consumers are best served when they have meaningful choice in the purchase of insurance products and services. CAFII's 14 members include the insurance arms of Canada's major financial institutions – BMO Insurance; CIBC Insurance; Desjardins Insurance; National Bank Insurance; RBC Insurance; ScotiaLife Financial; and TD Life Insurance Company; along with major industry players Assurant Canada; The Canada Life Assurance Company; Canadian Premier Life Insurance Company; CUMIS Services Incorporated; Manulife (The Manufacturers Life Insurance Company); Sun Life; and Valeyo.

About Pollara Strategic Insights: Founded in 1980, [Pollara Strategic Insights](#) is one of Canada's premier full-service research firms – a collaborative team of senior research veterans who are passionate about conducting research through hands-on creativity and customized solutions. Taking full advantage of their comprehensive toolbox of industry-leading quantitative and qualitative methodologies and analytical techniques, Pollara provides research-based strategic advice to a wide array of clients across all sectors on a local, national, and global scale.

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