

## Annuity Issuers Slowly Enter The Digital Age

By Ben Pousty, Corporate Insight      Tue, Apr 13, 2010

*Annuity issuers are making a concerted effort to implement and promote paperless document delivery services.*



It is no secret that annuity issuers have trailed the rest of the financial services industry in terms of online account opening and management functionalities. The inefficient nature of the annuity account opening process is legendary, as is the lack of online transactional capabilities. Login security has also been a longstanding shortcoming that we've touched on in earlier articles.

Their past failures to swiftly adopt new technologies notwithstanding, annuity issuers have recently stepped up efforts to implement and actively market paperless document delivery services to clients. Although annuity issuers are years behind banks and brokerage firms in pushing these services, the hope here is that this trend signals a broader change in how business is conducted throughout the annuity industry.

The most progressive contribution among the companies we cover comes from AXA Equitable. In February, the firm's annuity policyholders were mailed annual reports that, for the first time, were contained entirely on a CD-ROM in digital format. Previous annual reports were mailed exclusively in paper format.

The digital documents offer two key advantages over paper. First, clients no longer have to find space to keep the bulky, hundred-plus page annual report booklets. Documents can simply be downloaded onto the computer for easy storage. Second, a handy search feature makes it easier than ever to navigate the information-intensive documents, which can be difficult to read.

An accompanying letter from the firm's customer service department provides the rationale for the move to digital document delivery of annual reports. The firm estimates that digital delivery will reduce operating expenses by nearly \$11.5 million annually and eliminate over 2,000 tons of paper waste a year. In short, digital documents are the more practical and Earth-friendly option.

Although AXA Equitable is currently the only annuity issuer we cover that offers digital document delivery, a number of firms have been expanding and promoting their electronic delivery services in a more aggressive manner over the past year. Most of our firms have offered electronic delivery for years; however, the additions of privacy, compliance and policy renewal documents to the service have further enhanced the user experience.

In terms of marketing, the vast majority of electronic delivery promotions target clients and focus on the environmental advantages of the service. The promotional imagery generally links to a registration page with additional information about the service in an effort to make new user enrollment as easy as possible.

AXA Equitable, Jackson National and John Hancock have been the most active firms online, posting

engaging promotional imagery throughout both the public and client websites. Jackson National has been particularly impressive with its public marketing campaigns. Multiple linked images on the homepage, including the vibrant Flash image below, lead to electronic delivery information and enrollment pages.



*Jackson National Public Homepage Green Delivery Promotional Image*

SAVE TIME. SAVE PAPER. SAVE THE ENVIRONMENT.

### Go Paperless with Jackson

How would you like to cut some clutter out of your life? Now you can avoid receiving paper documents, such as prospectuses, annual reports, semiannual reports, confirmations, correspondence and more by signing up for Jackson's Green Delivery Service.


**By switching from paper mailings to online viewing, you get the following benefits:**

**Convenience:** Locate the policy information you need – without searching for paper files. It's a great way to keep your records and key documents organized.

**Access:** You get the policy information you need, when you need it, without waiting for the mail.

**Privacy Protection:** Your personal information is inaccessible to mail thieves.

Also, by signing up for Green Delivery, you can do your part to help the environment.



Did you know the average American uses 650 pounds of paper per year? By recycling one ton (2,000 lbs.) of paper, we all save the following precious resources:

- > 17 trees
- > 7,000 gallons of water
- > 380 gallons of oil
- > 587 pounds of air pollution
- > 3.06 cubic yards of landfill space
- > 4,077 Kilowatt-hours of energy – enough to power an average home for six months.

### Green Delivery

If you are not currently registered on Jackson's website and are a Jackson policyholder, take a moment to sign up today. For ease during registration, please have your Jackson policy number available.

**Sign up Today!**

**Already Registered?**

If you are already registered on Jackson's website, just login, follow the Green Delivery prompts and choose electronic delivery.

**Login Now**

*Jackson National Green Delivery Promotional Page*

It's encouraging to see that annuity issuers are beginning to put a greater emphasis on online services that cut costs and are eco-friendly. Hopefully, the recent advancement by AXA Equitable and the added industry-wide emphasis on paperless delivery will entice more firms to expand their online resources and services.



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