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Dear Valued Clients

We can't believe its summer already and the festive season is just around the corner!

This September, Ron made a week long trip to Central Queensland to see a number of clients and their beautiful properties including long standing clients Tim and Alison Kirkwood; and Hugh and Sherri Philp (pictured).

Ron also attended the McCaffrey's Bull Sale or the Monty Atkinson Genetic Sale (MAGS) held in Charters Towers at Mungalla Stud on 8-9th November. Ron enjoyed the chance to meet new people and caught up with as many clients as possible.

One of our Brokers, Niah, attended a Council of Queensland Insurance

Brokers Training Event in Toowoomba on the 28th October. During the event, Brokers discussed the ever-changing technology available to farmers and the changes that are required in order for the Australian Insurance Industry and its Brokers to keep up to date.

Our office will be closed from December 25th to January 4th. However, we can be contacted during this time for claims and urgent queries via email or on Ron's mobile: 0408 717 733.

Coming to the end of the year, it is a chance for us all to look back and reflect on the year that has been and look forward to 2016.

We wish you and your family a very Merry Christmas and Happy New Year

and we look forward to assisting with your insurance needs next year!

Please contact us if you have any questions or you require advice on issues raised in the Brokerwise articles.



Hugh and Sherrie Philp with Ron at 'Wyena Station' Clermont. Taken after the morning activity vet testing Droughtmaster Bulls for the MAGS annual sale held at Charters Towers on 9th November 15.

Insurance cover in question

RISKS IN SHORT TERM HOME LETTING

There are several web based accommodation services that connect travellers with local hosts but by far the industry leader is Airbnb. Travellers can find unique places through the Airbnb website that in most cases are much cheaper than hotels and hostels in the same area. Hosts can rent out their extra rooms, flats and properties and earn good money. It's fun and easy.

Founded in 2008 by two almost-broke roommates, the accommodation website Airbnb now has over 1.5 million accommodation listings in 34,000 cities in 190 countries.

The service is very popular and a great way to see the world as a paying guest in a diverse range of homes. It's also an excellent way to make money for those prepared to welcome strangers into their homes.

Although there are various security checks to ensure the bonafides of

property owners and paying guests, the sheer number of users suggests there will be exposure to a percentage of bad apples on both sides.

Where there's risk, there is also insurance.

In Australia, one of the largest Airbnb markets after the USA, participating 'hosts' have access to Airbnb's Host Guarantee. But this is not insurance, the Host Guarantee provides protection for up to \$1,000,000 in damage to

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your property in the event of guest-caused damages, *which are not resolved directly with the guest.*

Compensation payments under this scheme are subject to conditions, limitations and exclusions. Airbnb advise removal of certain types of property before letting your premises although there is a security deposit system payable by renters that hosts can implement for certain wear and tear issues.

Airbnb recommends hosts obtain insurance cover for damage caused by guests however, potential hosts should bear in mind that failure to notify your

insurer of your participation in home letting arrangements, which is in effect ‘a change in living conditions’, could be considered a breach of the insurance contract and as such your policy could be voided, leaving you exposed.

Theft is another issue. Most insurance policy claims require clear evidence of break and enter, so handing over keys and allowing entry may compromise your cover. There is also the ‘business income’ issue of receiving income for letting your property when covered under a domestic insurance policy.

If considering the money-making

potential of Airbnb or similar services. A call to your insurance broker should be the first step. ■



Corporate Travel Insurance ... and why you need it

“It was a remote surf break in the Solomon Islands where my friend went face first into a coral head and a long drama unfolded resulting in emergency evacuation and ongoing treatment. He hadn’t taken travel insurance but it was a good thing he was travelling with an insurance broker mate who had covered both of them.”

— A recent, real incident

Travel insurance can be the greatest thing backing you on a trip. The injured man recovered and without impact to his finances thanks to the Travel insurance policy, something that could save you, hopefully, in less dramatic circumstances.

Our banks and credit unions are now offering travel benefits under their credit cards, but can you feel secure if you have this kind of cover and something unpleasant occurs?

The major drawback of credit card travel insurance is that it plays upon the need these days to make things convenient and to solve problems quickly. It does that but the extent and quality of cover could be better utilised with a Corporate Travel policy, available to an individual or business with an ABN.

There are other travel policies available but in this case, we’ll look at Corporate Travel insurance vs. Credit Card Travel insurance.

There are now many credit cards that include travel cover. These are usually reserved for premium cardholders and while too numerous to focus on as details vary from brand to brand, the main issues to be aware of are these:

- The card must be used to pay for the total travel fares for the cover to be validated
- Restricted cancellation cover
- Pre-existing conditions may be excluded
- The cost of the travel benefits may involve higher credit card fees

Corporate Travel insurance is competitively priced and tax deductible.

The benefits are usually higher allowing for leisure travel extensions that include family members. Importantly, death cover and kidnap and political evacuation cover are included.

This may seem unnecessary to some, but consider favourite holiday destinations that have been targeted by terror acts; Paris, New York, London, Bali, Thailand and India.

If a staff member was involved in an incident, it certainly helps any communication with family and fellow concerned workers when you know what the cover includes and what policy benefits are available to get them home safe.

Having cover as soon as you book the ticket is also important in case of cancellations or delay costs are incurred – all covered by your Corporate Travel cover.

There are varying types of travel cover and the business should consider this product. If not, make sure you have some personal travel cover in some shape or form to be able to enjoy your holiday and business trips. Volcanic ash clouds do happen! ■

BIG DATA... or BIG BROTHER?

Have you recently had an experience where you read an article about a particular topic and then immediately saw an advertisement for a product associated with this topic when you logged on to Facebook or other social media? You might think that this is a coincidence. However, in actual fact it's not. Behind this science is what's known as BIG DATA.

The term Big Data usually refers to any large structured or unstructured data source that can be collected, organised and analysed to produce business intelligence. While the advancement of technology and proliferation of the internet has always enabled businesses to perform data analytics, the difference with Big Data is the volume, velocity and variety of the data available, which leads to data in a more digestible form in 'real time' and which might assist businesses in making more informed and confident decisions.

For marketers, Big Data has the potential to capture information about target customers with an accuracy and level of detail unfathomable only a decade ago.

For insurers, Big Data represents opportunities to use a greater number of resources, particularly external resources, to capture information about the individual risk profile of a policy holder that might be more in-depth than traditional methods of data analytics. It can also enhance other functions such as insights into customer behaviour and buying habits, marketing distribution, claims management and fraud detection.

The flow on effect from the ability to understand and predict risk is the likely reduction of loss.

So where does Big Data come from and how is it accessed? Big Data can come from a huge number of sources, including consumer behaviour data, credit information, geospatial data and social media, just to name a few.

There are currently a vast number of Big Data analytics tools available on the market and it is crucial to evaluate the potential business value that each tool can offer, in the context of the long-term objectives of the business.

Further, Big Data does have its limitations because the data is only as effective as its users enable it to be. The data can only suggest trends, validate claims and reduce uncertainty of human error in decision-making. It is still the human decisions that keeps the wheel turning and in order for Big Data to have its full impact, businesses will need to employ the right of kind of staff with appropriate technical skills to take advantage of the potential opportunities that Big Data analytics can present for them.

In summary, while Big Data can revolutionise the way that businesses do business, at the end of the day it is still data analytics and requires human input for its success. Saying that, Big Data seems to be the way of the future and for those businesses that are prepared to embrace it, the result might revolutionise the way the business operates and open up new opportunities that were not previously available. ■

Wise.words

from Mary Kay Ash,
founder of Mary Kay Cosmetics

"Pretend that every single person you meet has a sign around his or her neck that says, 'Make me feel important.' Not only will you succeed in sales, you will succeed in life."

"A company is only as good as the people it keeps."

"Sandwich every bit of criticism between two layers of praise."

Be sure. Before you insure!

Ask your CQIB broker about...

Commercial and Retail Insurance

- Business Property
- Business Interruption incl Loss of Rent
- Liability
- Burglary and Money
- Glass Breakage
- Machinery Breakdown
- Computer
- Goods in Transit
- Tax Audit
- Motor
- Contract Works
- Commercial Strata

Liability

- Public and Products Liability
- Professional Indemnity
- Management Liability
- Directors and Officers
- Employment Practices Liability
- Statutory Liability
- Cyber Risk

Private and Domestic Insurance

- Home and Contents
- Car, Caravan, Boat and Trailer
- Travel
- Residential Strata

Life, Disability and Partnership

- Life / Accident and Illness
- Term Life
- Long Term Disability / Income Protection
- Key Man
- Superannuation

The CQIB represents over 60 Queensland firms employing nearly 400 staff and placing in excess of \$500,000,000 in annual premiums. The CQIB charter is to maintain the level of professionalism of its members by the sharing of knowledge, information and ideas.



For more information visit
www.cqib.org.au

The articles in Brokerwise are provided as information only. They are not general or insurance broking or legal advice. It is important that you seek advice relevant to your particular circumstance.

Fitton Insurance (Brokers) Australia Pty Ltd

ABN 90 010 987 489 AFSL No. 264671

13 Bowen Street
(PO Box 1515)
Toowoomba QLD 4350

Phone: 07 4638 4233

Fax: 07 4638 3369

Email: reception@fitton.com.au

Web: www.fitton.com.au