



Media Release
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Research shows fear of death or injury no competition for a busy life

People who need Life insurance the most are the ones who are not buying it because they see it as a difficult, time consuming process when they have competing priorities, according to a comprehensive research report commissioned by NobleOak Life Insurance.

The research paper, titled: "Life insurance - The online shift in consumer behaviour", looks at how people research and buy Life insurance and why the uptake of consumer facing technology has been accepted faster in other insurance and financial services products than in Life insurance.

The research respondents said their greatest fears involved getting seriously ill so they had to stop work for a period of time, or dying, either by illness or by accident. The top five fears in order of ranking were:

- Being forced to stop work for more than two months because of sickness or injury
- Cancer
- Being permanently injured or sick and unable to work
- Heart Attack
- Stroke

NobleOak Life Insurance CEO, Anthony Brown, said that many of the things people were most concerned about could be covered by Income Protection, Trauma or TPD (Total and Permanent Disability) covers. However the take up of these types of covers were still lagging behind car, house, contents and general health insurance.

He said it was time to start looking at what could be done to fix this, to make it easier for people to understand the types of covers they need and products that would be suitable to them.

"According to the research, people also struggled to see the true value in Life insurance because they often don't understand the product," Mr Brown said.

"They don't see themselves as being involved in the purchase process, because for comprehensive Life insurance they have to go through a financial adviser. This is compared to car/house/content insurance where they can touch the physical thing they are insuring and they can buy the insurance themselves without an intermediary.

"They feel Life insurance is different."

Mr Brown said Life insurance becomes more important to people at different life stages, including:

- The birth of a child
- Taking on significant debt (i.e. a new mortgage)
- Death of friends or family
- Experiencing a personal health scare
- Starting an SMSF (which provides a Life insurance administrative trigger).

Many people take out Life insurance at these milestones and then let it lapse after a few years, as the immediacy of the situation lessens and day to day life doesn't seem as ominous.

People also often take a black and white view when thinking about insurance – they have health insurance to help them with the cost of health care and they think about Life insurance as something they might need in case they die. They often don't think of the other events that happen through various stages of their life such as major illnesses, permanent injuries or long term disability. The insurance products available to cover these events are often not understood or considered until they are needed, when it is too late.

While consumers have a better understanding about the products available to them, and a generic understanding of the triggers for needing Life insurance, than they have had in the past, there are other areas of the decision making process that do not appear to have been successfully addressed for the self-directed consumer, which may result in them seeking help from family, financial advisers and friends.

“It is clear from this research that people need a comprehensive and self directed source of information to help them consider their Life insurance needs, which provides them with an indication of what type of insurance and what level of cover will meet their needs, and importantly with minimal or no cost” Mr Brown said.

“There is an education process that needs to be undertaken so people understand that there are alternatives to going through an adviser to buy insurance.

“If they have the right tools to help them understand their insurance needs they can buy the correct amount of insurance directly from a range of providers that offer products to meet their needs and matches their cost expectations.”

Market Research Company, PureProfile conducted the research with more than 1000 responses from Australians.

END MEDIA RELEASE.

NobleOak is an award winning APRA regulated Australian life insurer and public unlisted company that has been protecting Australians for nearly 140 years. Our vision is to better protect Australians and their families, by providing more affordable and accessible Life insurance. We keep our costs low by avoiding expensive mass advertising and large upfront commission payments to third parties, and pass savings back to our clients through reduced premiums.

NobleOak was established in 1877 our products are backed by a top three global reinsurer for extra security. We provide Life, TPD, Trauma, Income Protection and Business Expenses insurance.

About NobleOak

NobleOak is an award winning APRA regulated Australian life insurer and public unlisted company that has been protecting Australians for nearly 140 years.

Established in 1877, we have grown by being both trustworthy and innovative. We stand by our word and our products are backed by one of the world's largest reinsurers.

Our vision is to better protect Australians and their families, by providing more affordable and accessible Life insurance. We provide Life, TPD, Trauma, Income Protection and Business Expenses insurance.

We provide high quality and comprehensive products, but keep our costs low by avoiding expensive mass advertising and large upfront commission payments to third parties. We pass our savings back to clients through reduced premiums.

NobleOak has a client satisfaction rating of 97% (April 2015) and 90% of our clients would recommend NobleOak to others.

We are more interested in keeping our clients happy than rewarding third parties who distribute our products. We focus exclusively on providing outstanding client service, which consists of:

- Personalised service – we deliver this by having a real person, in your time-zone, answer your call within three rings.
- No automated voice process – you speak to a real person.
- Australian based – we support Australian jobs.
- Simplicity – jargon free so we can be sure our clients understand what is being explained to them.
- Genuinely doing the right thing – looking after client's needs.

NobleOak believes you should feel confident at claim time.

We also believe insurance should be done right from the start. We ask a few more questions up-front during your application, so you get the right comprehensive cover you need and so you can be assured of greater certainty at claim time.

Awards

2015 Plan For Life 'Direct Insurance Excellence Awards':

Overall Winner for TPD Award.

Finalist (Top 3):

- Overall Excellence Award
- Customer Service Award
- Term Life Award
- Trauma Rider Award
- Income Protection Award

2015 CANSTAR Direct Life Insurance Star Ratings – 14 X 'Five-Star Outstanding Value'

Ratings and Awards

2015 AAA Direct Life Benchmark Grade – Plan For Life

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2015 Gold Australian Business Quality Award

2014 Direct Insurance Awards in Customer Service - Plan For Life