

| NobleOak Life Insurance Pulse Report

Despite downturn, Australians favour financial protection

January 2024



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Financial confidence is diminishing around everyday finances.

There is growing concern about what would happen financially, if the worst was to happen.

Happiness is still on the increase, especially for those with financial security.

There is a high propensity across our sample to purchase or renew life insurance.

People are prioritising their life insurance products over consumables more than ever before.

There's a slight uplift in consumers seeking financial advice in 2023.

Sources of advice remain consistent (with some key differences across age groups) however the internet is still key.

Reasons to both purchase life insurance and choose a life insurer remain relatively consistent year on year.

Trust in life insurers paying claims continues to increase.

Most of those with life insurance think they have the right amount of cover for their needs.

Older Australians are slightly off the mark when assessing health and accident risks they may face in life.

Health is a concern for almost half of our respondents.

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Key findings

Consumers are feeling the pinch

With a staggering 13 interest rate increases recorded since May 2022*, and a cost-of-living crisis in Australia, understandably almost half of our respondents think there is more risk to their job or personal living situation than a year ago and a quarter do not feel comfortable that their family would be looked after financially if something serious was to happen to them. This was highest amongst those without life insurance and younger people.

Furthermore, 41% of our respondents are concerned about their current financial situation and 35% do not feel in full control of their personal finances. Of those 35%, 70% want to do more to feel in control, highlighting the need for improved financial literacy in the current economic climate.

Finances aside, happiness is back to pre-COVID levels particularly for those with financial security

The pandemic had a negative impact on many aspects of life, bringing financial stress for many, with layoffs from employment and closure of businesses, mental health concerns and of course physical health concerns surrounding the virus itself.

Happiness is now back to pre-COVID levels (an average 7/10) and is highly linked to how healthy people feel. There is also a clear link between people's happiness, feeling in control of their financial situation and the ability to cover an unexpected expense.

Consistently since 2018, people tend to be more optimistic if they hold life insurance as opposed to if they don't (29% for those with life insurance compared to 24% for those not holding life insurance in 2023). This implies that individuals with life insurance may feel more secure and better equipped to navigate unforeseen financial challenges or life events, thereby influencing their overall optimism about the future.

There's been a surge in financial safeguards including insurance

People are prioritising life insurance and other personal insurances more than ever before, even being prepared to reduce their grocery bills to keep their life insurance.

In addition, more people currently holding life insurance are planning to renew this year than we have seen in every year since NobleOak began conducting the survey in 2017, indicating that the current external climate is influencing Australians to become both more financially responsible and risk adverse. Of those who don't hold life insurance products, approximately a quarter of these plan to take out either life cover or income protection (or both) in the next five years.

There has also been a slight increase in those who would turn to an expert for advice on their financial decisions, highlighting the need for greater financial education, although demand has not returned to pre-COVID levels.

*<https://www.9news.com.au/interest-rates>



Key findings

People without life insurance are the ones who may need it most

Life insurance helps alleviate some of the stress and uncertainty in people’s lives. However, those who potentially need it most financially are also the ones who are least likely to hold life insurance. Those with a lower household income and renters are least likely to be able to deal with a large, unexpected expense. This is typically the same demographic who are less likely to have life insurance.

The majority of those with life insurance think they are either overinsured or correctly insured for their financial circumstance (82%), with only 18% thinking they are under insured. However, the percentage of people thinking they are under insured is higher for those holding their life insurance within their superannuation (23%). This is consistent with the Rice Warner ‘Underinsurance in Australia 2020’ report* which indicated there is a gap between how much insurance cover many Australians have through super, and how much they may need.

*The Rice Warner ‘Underinsurance in Australia 2020’ report indicated there is an insurance gap between, how much cover many Australians have through super, and how much they may need. The report stated, “the median default cover of superannuation funds meets approximately 65% to 70% of basic level death cover needs for average households, but a much lower proportion for families with children.”
<https://www.ricewarner.com/new-research-shows-a-larger-underinsurance-gap/>

Value for money and claims reliability are key for life insurers to get right

Good value for the cover offered came out on top as the most important factor for our respondents when choosing life insurance products, which indicates that consumers rate the product features and cost as more important than cost alone, despite current cost of living pressures. The insurer’s claims reputation was also rated as a high consideration factor. The ability to purchase products online and the company being Australian-owned were also important factors as rated by our respondents.

Online influence

According to our research, our respondents mostly rely on online sources for advice on both general insurance and life insurance, to both compare life insurance products and to purchase.

28% of those who currently hold life insurance products, initially bought at least some of these products completely online. Surprisingly, this is relatively consistent across all age groups surveyed (30- 60 year olds).

Trust in life insurers paying claims remains on the rise

Confidence in life insurers paying claims, should it be required, is stronger than previous years.

Compared to our 2022 findings, the proportion of people who express at least reasonable to strong confidence has gone up significantly (80% to 94%) and those who are not confident at all has more than halved (from 20% to 6%). This sharp decline suggests a shift in perception, with fewer participants having doubts about the responsiveness and reliability of life insurers paying out claims.



Introduction

This year marks the eighth edition of NobleOak’s report, with insights delving into Australia’s life insurance industry over time.

Thank you for taking the time to read the 2024 Life Insurance Pulse Report.

In an ever-evolving industry, NobleOak’s reports have deciphered the dynamics influencing consumer demand within the financial services landscape and more specifically, within life insurance. It is our responsibility, as a life insurer, to turn those changes into opportunities to provide unwavering support for our customers and the broader Australian community.

This report provides insights into the current financial realities experienced by Australians. Insights from our 2023 report revealed substantial concerns over an impending recession and this has only heightened in our 2024 report findings. After 13 interest rate increases recorded since May 2022*, the financial concerns amongst Australians have increased significantly.

Australians are actively increasing their financial safeguards in response. This includes a trend of consumers maintaining their life insurance coverage or contemplating life insurance. Sacrifices including grocery purchases and recreational activities are being made in favour of securing the financial protection that insurance products can provide.

I truly believe in the important role the life insurance industry plays in Australia and the value it brings. So, I am delighted to share the insights and research with respect to Australians’ attitudes towards their finances in the face of a cost of living crisis, to further highlight the importance of financial protection.

This years’ insights were gathered through a survey conducted by The Market Intelligence Co. of over 1,000 Australians aged between 30-60 where 55% of these individuals hold active life insurance coverage.**

We hope this report provides you with greater understanding of current consumer thoughts and insights in relation to the life insurance industry and financial services more generally.



Anthony R Brown
Director & Chief Executive Officer
NobleOak Life Limited



The information in this report is provided as general information only. It is not personal advice and readers should always consider their own needs and circumstances, as well as the relevant Product Disclosure Statement, before making decisions about life insurance products. Comments made based on the available survey response data have been made in good faith but readers are entitled to make their own conclusions and assessment of the data provided here. NobleOak Life Limited ABN 85 087 648 708 AFSL No. 247302. The respondents referred to in this report were participants in a survey conducted by TMIC as described in the Appendix.

*<https://www.9news.com.au/interest-rates>
**See appendix for full research methodology

Consumers are feeling the pinch

Financial confidence is diminishing around everyday finances.

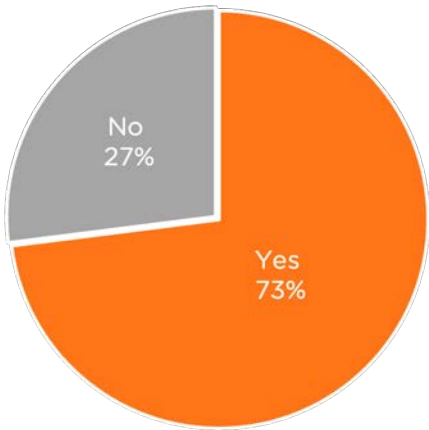
The current cost of living and weak economic outlook has affected the general outlook of Australians around their finances to be more pessimistic. **Those without life insurance are more concerned than those with life insurance.**

A quarter of our respondents did not feel confident that if something happened to them that their family would be looked after financially. This was highest amongst those without life insurance (37% as opposed to 27%) and younger people suggesting that younger Australians may perceive greater vulnerability or have less established financial safety nets in place.

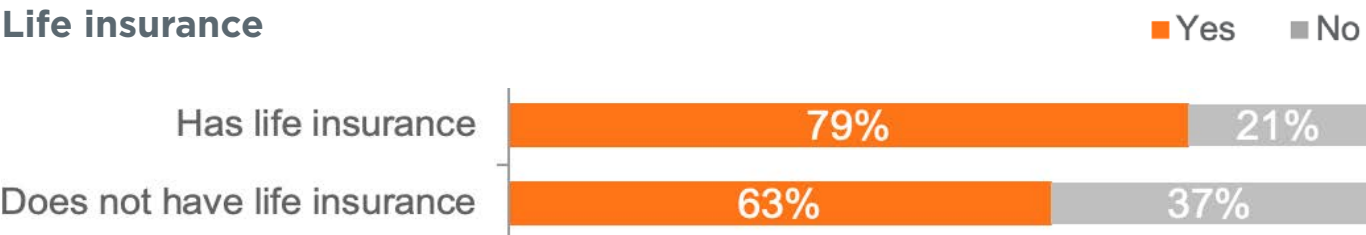
In contrast empty nesters were the most likely to feel confident that their family would be looked after financially despite just 33% of this group holding life insurance products. Only 14% stated they wouldn't be confident that their family would be looked after.

Would you feel confident if something happened to you that your family would be looked after financially?

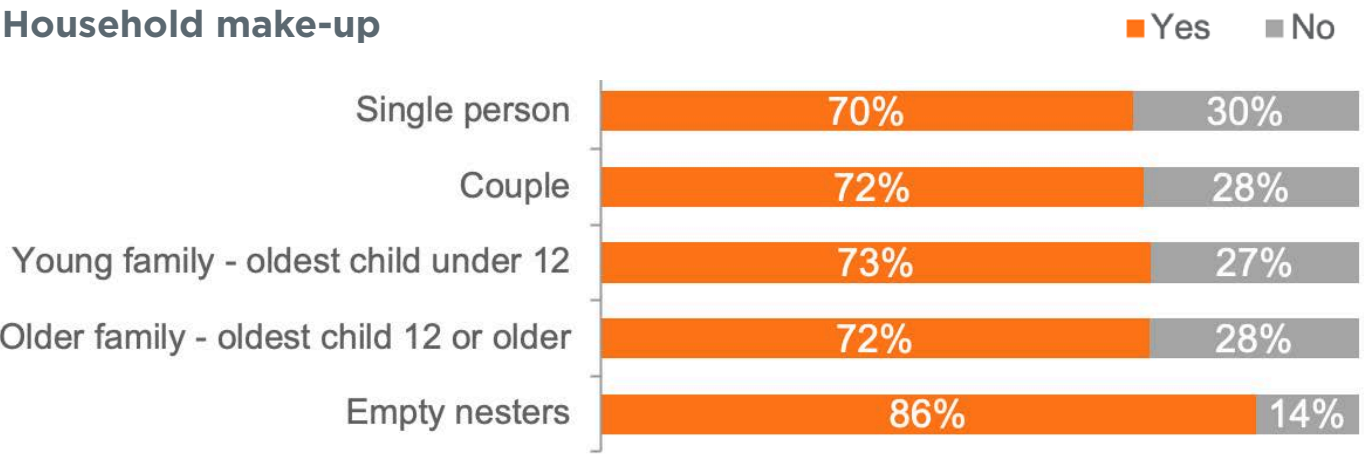
■ Yes ■ No



Confidence if something happened to you that your family would be looked after financially - life insurance versus no life insurance



Confidence by household make-up



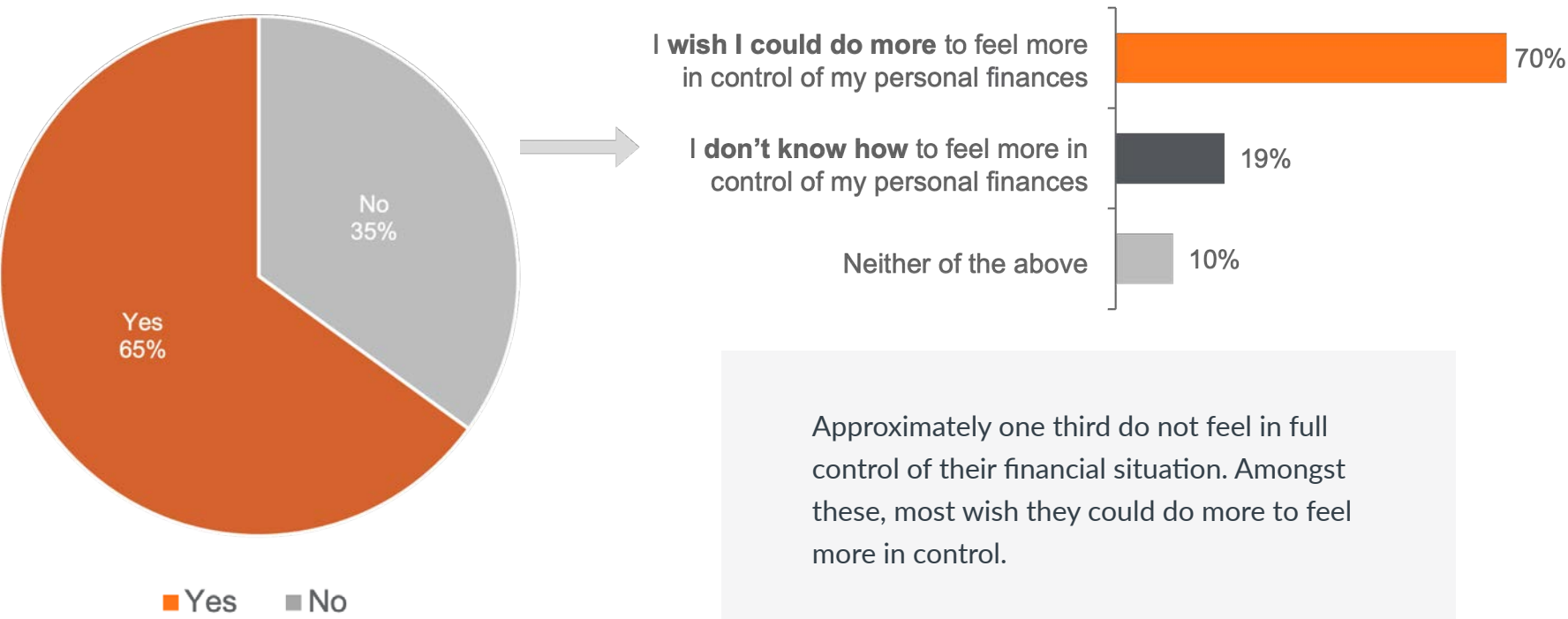
There is growing concern about what would happen financially, if the worst was to happen.

A significant number of Australians (41% of respondents) are concerned about their current financial situation and 35% did not feel in full control of their personal finances.

Of those 35%, 70% want to do more to feel in control of their personal finances highlighting the need for improved financial literacy which is becoming more important than ever in today's economy. Interestingly females are more likely to not feel in full control of their finances than males (38% compared to 31%) which correlates with recent findings* that women generally have lower financial literacy than men.



Do you feel in full control of your personal finances? (2023)



Approximately one third do not feel in full control of their financial situation. Amongst these, most wish they could do more to feel more in control.

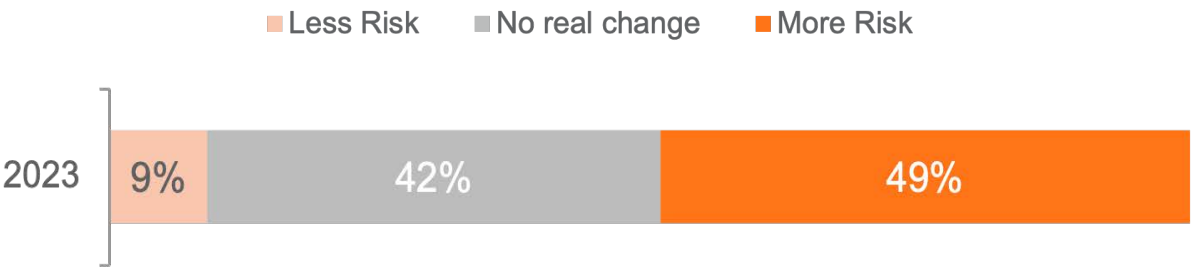
*<https://www.smh.com.au/money/planning-and-budgeting/costing-us-a-fortune-australians-still-failing-basic-financial-literacy-tests-20230810-p5dviu.html>

More risk to jobs and finances:

Approximately half our sample think there is more risk to their job or personal financial situation than a year ago, in keeping with the current economic climate and cost-of-living crisis which Australians are facing.

One in three people surveyed think they'll have to work more for the same or less pay if the economic slowdown continues. This sentiment highlights the understandable anxieties surrounding the implications of an economic slowdown, as many individuals grapple with the potential ramifications on their professional lives and earning potential. Those in major cities were more likely to say they expected to work more (37%) compared to those in regional areas (24%). This is consistent with the December 2022 survey results where 20% in metro areas they would have to work more vs 15% in regional areas.

Compared to last year, in terms of risks to your job or personal financial situation, does it feel like there is ...



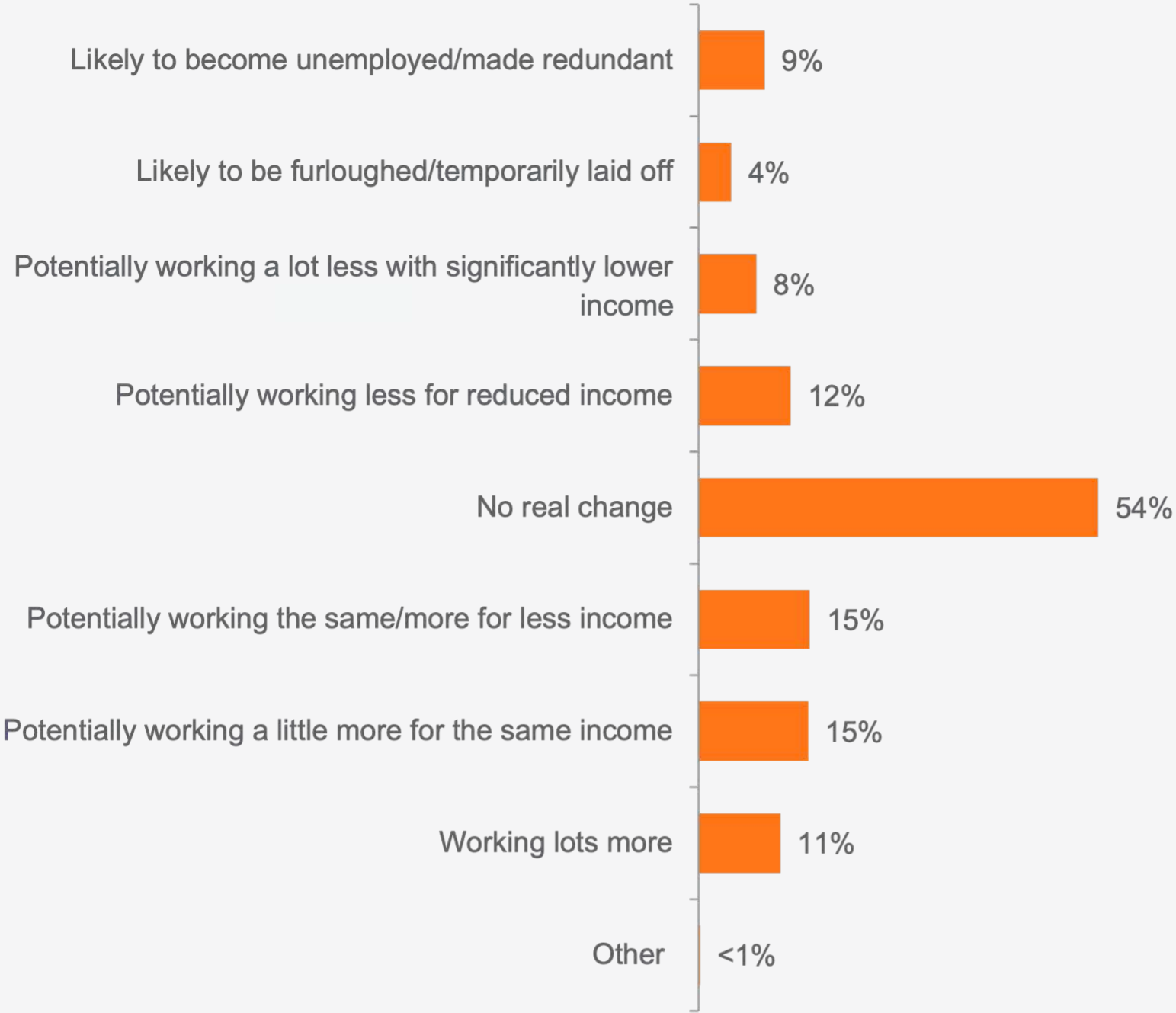
Verbatim comment

“The cost of living and interest rates feels there is an imbalance between how much we’re working and then how much we can afford to do the things we like. Too much work, not enough play. Feels life has been very unbalanced for a long time.” (female aged 30-34)





How do you think an economic slowdown or recession in the near future would affect your working situation?



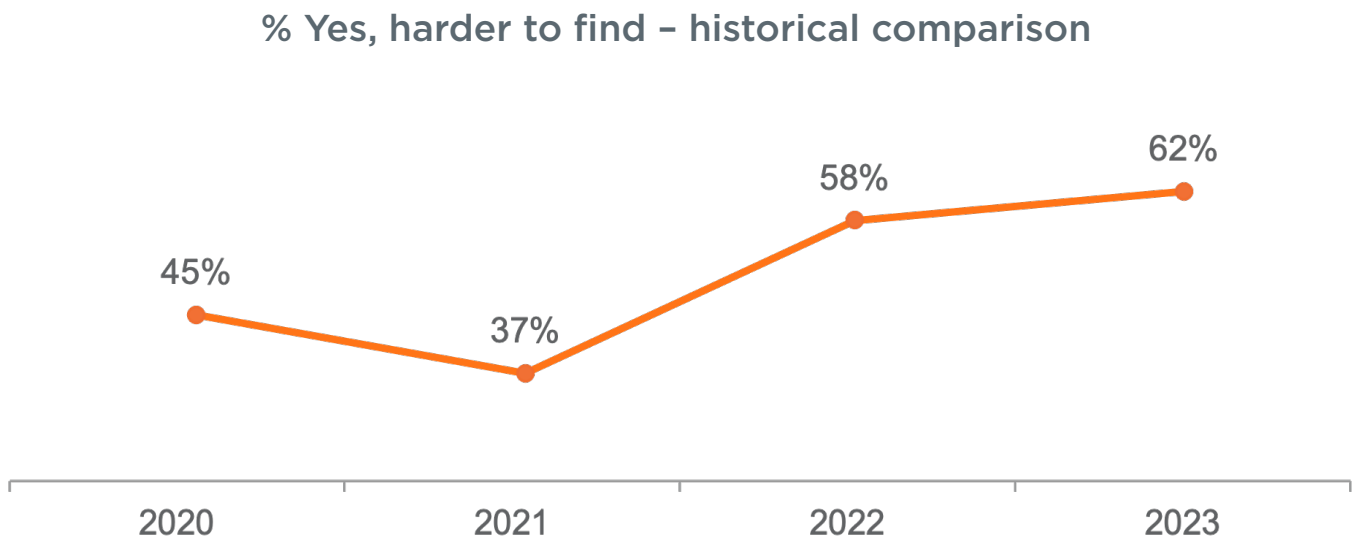
More difficult to find money in an emergency situation:

For the second year in a row, more than half of those surveyed said it would be hard to find \$4,000 if they had to for an unexpected expense. This financial vulnerability is more prominent amongst younger individuals (under 45), as well as singles, who expressed greater concerns about their ability to meet such a financial demand.

Almost one in five (19%) said it would be either very difficult or not possible to find the money to cover an unexpected \$4,000 expense and less than half (46%) of this cohort have some form of life insurance cover. Therefore, the people that potentially need life insurance products the most are the least likely to currently hold them.

When asked, ‘in comparison to last year, would it be harder to find \$4,000 to cover a surprise cost?’, 62% said they perceive it to be harder, a small increase on 2022 but a big increase on the previous years (2020 and 2021). This growing perception of financial strain underscores the evolving economic landscape and highlights the increasing importance of financial resilience and preparedness among Australians.

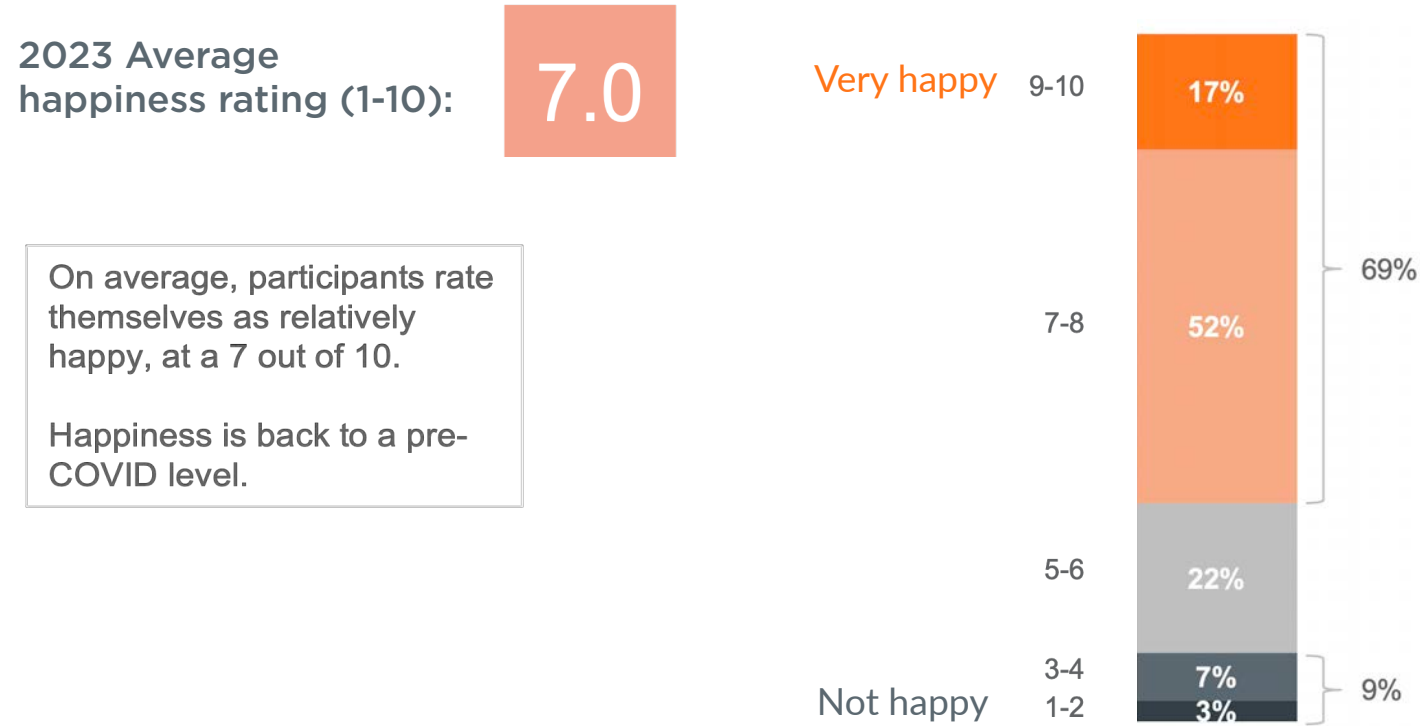
In comparison to last year would it be harder to find \$4,000 to cover a surprise cost?



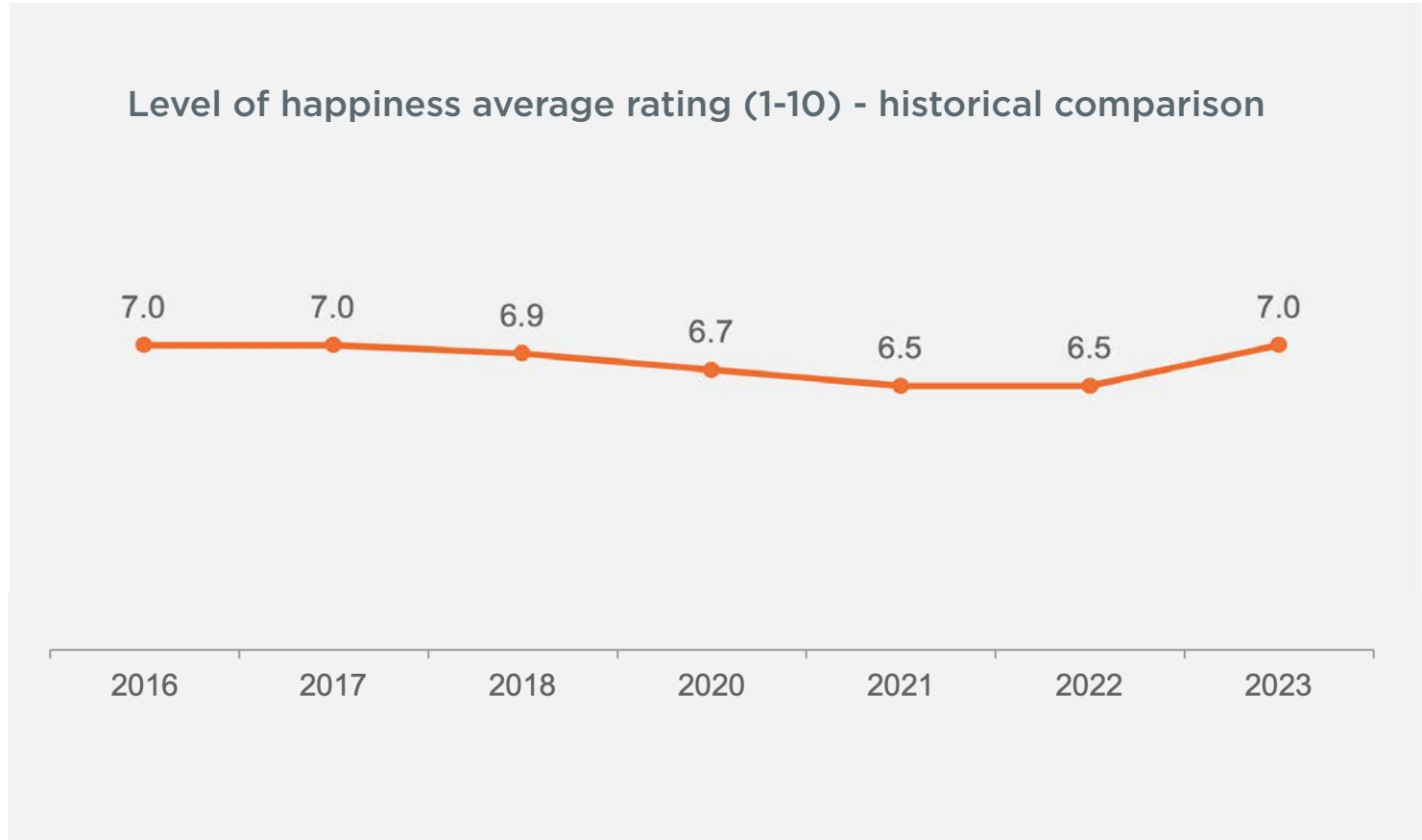
Ever resilient, Australians are upping their financial safeguards

Happiness is finally on the increase, especially for those with financial security.

Surprisingly, people are a little happier than what we found in our report last year, back up to pre-pandemic levels. However, unsurprisingly those in control of their finances are generally happier than those that don't feel they are, and **people tend to be more optimistic if they have life insurance (29% compared to 24%).**



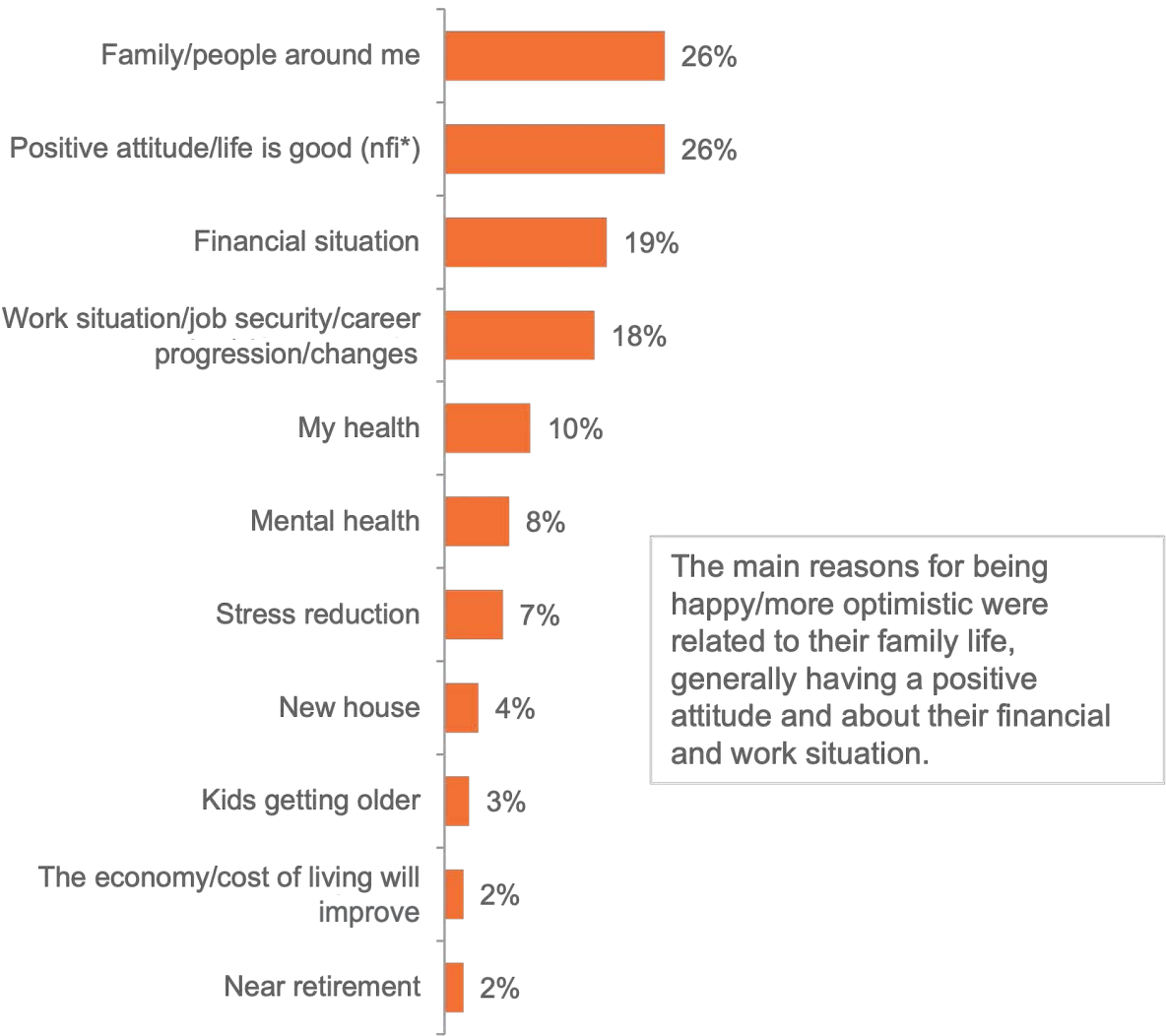
Happiness has increased this year after decreasing or remaining stagnant in the past 4 years. In 2016 the happiness rating was on average at 7/10, whereas it was at 6.5 in the years where COVID was prevalent and has jumped back up to 7 in the 2023 survey, despite cost-of-living pressures.



What are the factors which dictate happiness?

The main reasons for a higher happiness rating include having a strong family or friendship network, generally having a positive attitude to life or feeling they were doing well financially. Whilst the top response for both male and female respondents was ‘family/people around me’ interestingly male happiness is equally dictated by their ‘financial situation’ (23%) and ‘positive attitude/life is good (23%) whereas only 15% of female respondents said their financial situation was the reason for their happiness.

Reasons for being happy/more optimistic (unaided)
(Base: 279 - more optimistic)



* nfi = no further information provided about why they have a positive attitude.



Verbatim comments

“I have a secure job that gives me job satisfaction. I live with my partner in an apartment we own with a mortgage and our relationship is strong and healthy. I am healthy and working on my fitness and seeing results relative to my efforts. I see my family regularly – they are all healthy and well.”

Female, 30-34 years

“I have been reviewing my superannuation and am confident it will support us comfortably in the future, which is important as retirement starts to become a possibility. I have just had a full set of blood tests that indicate I am in excellent health.”

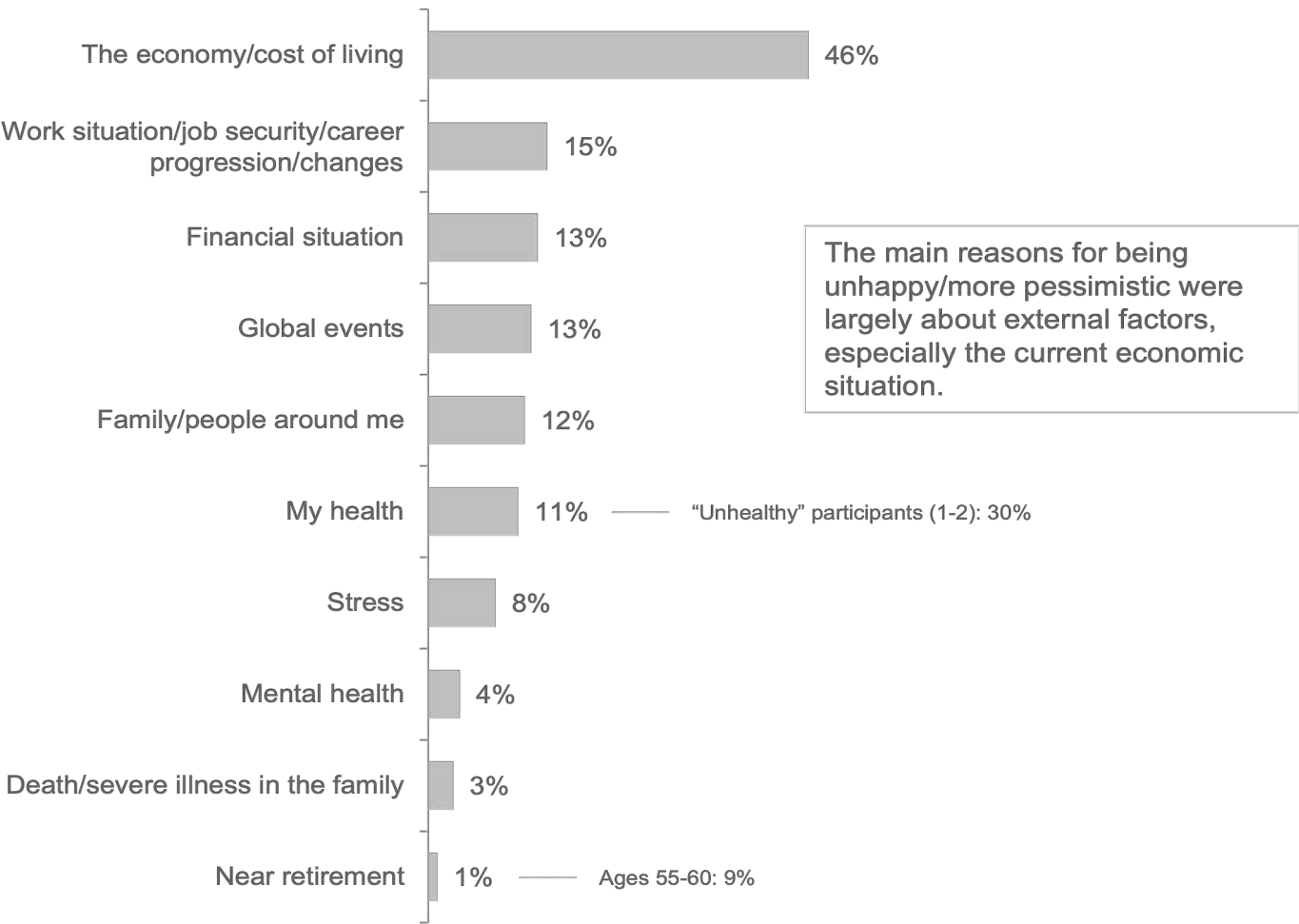
Male, 55-60 years

What are the factors which dictate unhappiness?

In keeping with the general external environment which Australians are facing currently, the economy/cost of living is overwhelmingly the number one reason why Australians might be feeling unhappy or pessimistic (46% of the 'pessimistic' sample). Australians feel like they are peddling hard but getting nowhere, stating in many of the verbatim comments that their wages aren't rising at the same rate as the cost of living.

Whilst male respondents are more likely to be unhappy/pessimistic due to factors relating to their external environment (the economy, cost of living, global events) female respondents were more likely to choose responses related to their family, work situation, health and stress than their male counterparts.

Reasons for being unhappy/more pessimistic (unaided)
(Base: 254 - more pessimistic)



Verbatim comments

“My work situation has changed (the people/ hours of work/amount of work) for worse, less work/life balance.”

Female, 30-34 years

“I love my family, they keep me happy, but increases across all costs of living are causing major stresses, as well as the overall state of the world, and make me pessimistic about the future.”

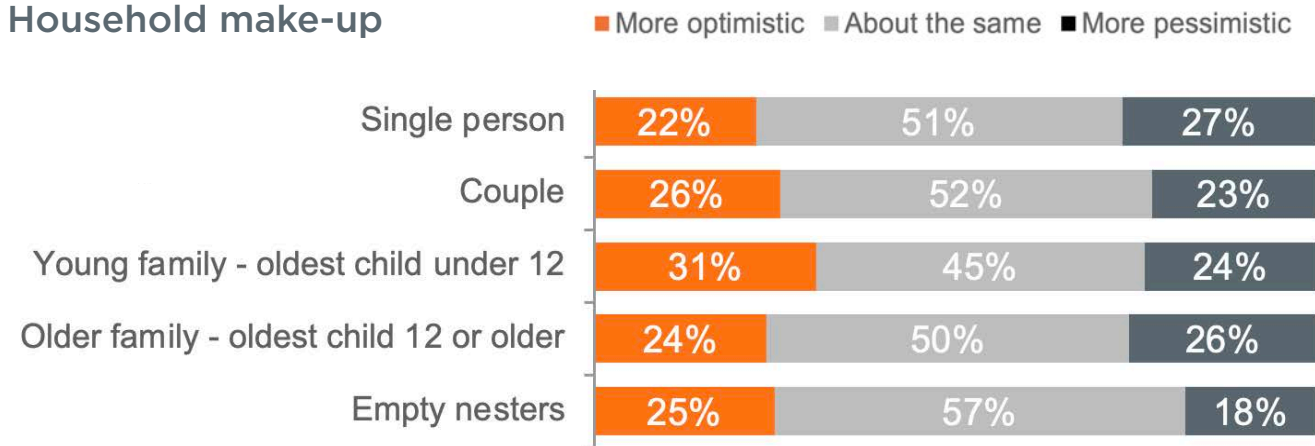
Male, 35-44 years

Are there any stand-out groups when it comes to happiness?

Relationship status:

Single people are generally less likely to be happy than those in the other categories (couples and families), which is not surprising as the main reason cited for being happy was ‘family/people around me’. Singles also reported their main reason for unhappiness and pessimism comes from the state of the economy, with one respondent stating ‘financial strain, mortgage rate increases and cost of living’ were all to blame for their low rating.

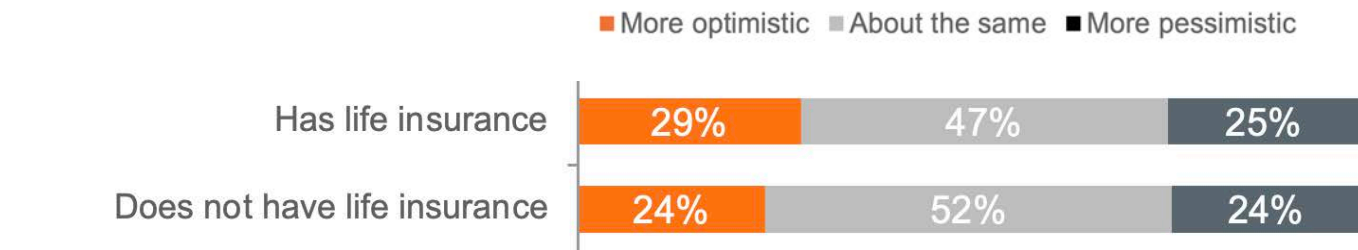
Household make-up



Those holding life insurance products:

Consistently since 2018, people tend to be more optimistic if they hold life insurance as opposed to if they don’t (29% compared to 24% in 2023). This implies that individuals with life insurance may feel more secure and better equipped to navigate unforeseen financial challenges or life events, thereby influencing their overall optimism about the future.

Life insurance



How healthy they perceive themselves to be:

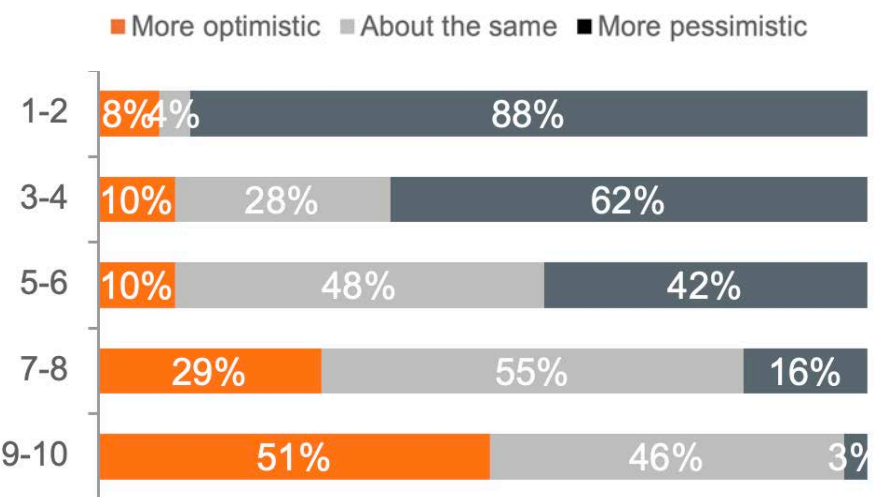
Happiness is also directly correlated to how healthy people see themselves as being. Those ranking themselves as healthy (4 or 5 out of 5) have a happiness level of 7.4 compared to those with an unhealthy ranking of 1-2 with a happiness level of 6.2. Low perceived levels of financial and physical health seem detrimental to individuals’ happiness, with those who rate both as positive being the most happy.

Healthiness is correlated to average happiness ratings



Outlook on life (compared to previous year)

Happiness rating



There is a high propensity across our sample to either renew existing or purchase new life insurance products in the next five years.

The respondents had a high propensity to either already have life insurance products or an intent to purchase them over the next five years.

Life insurance products currently held by our respondents:

Life/death cover:

45% of our sample currently hold life/death cover and of the 55% that don't, 27% intend to purchase over the next five years.

Income protection cover:

33% of our sample hold income protection and of the 67% that don't, 24% plan to purchase over the next five years.

Total and permanent disablement (TPD) cover:

35% of our sample hold TPD cover and of the 65% that don't, 16% plan to purchase over the next five years.

Trauma cover:

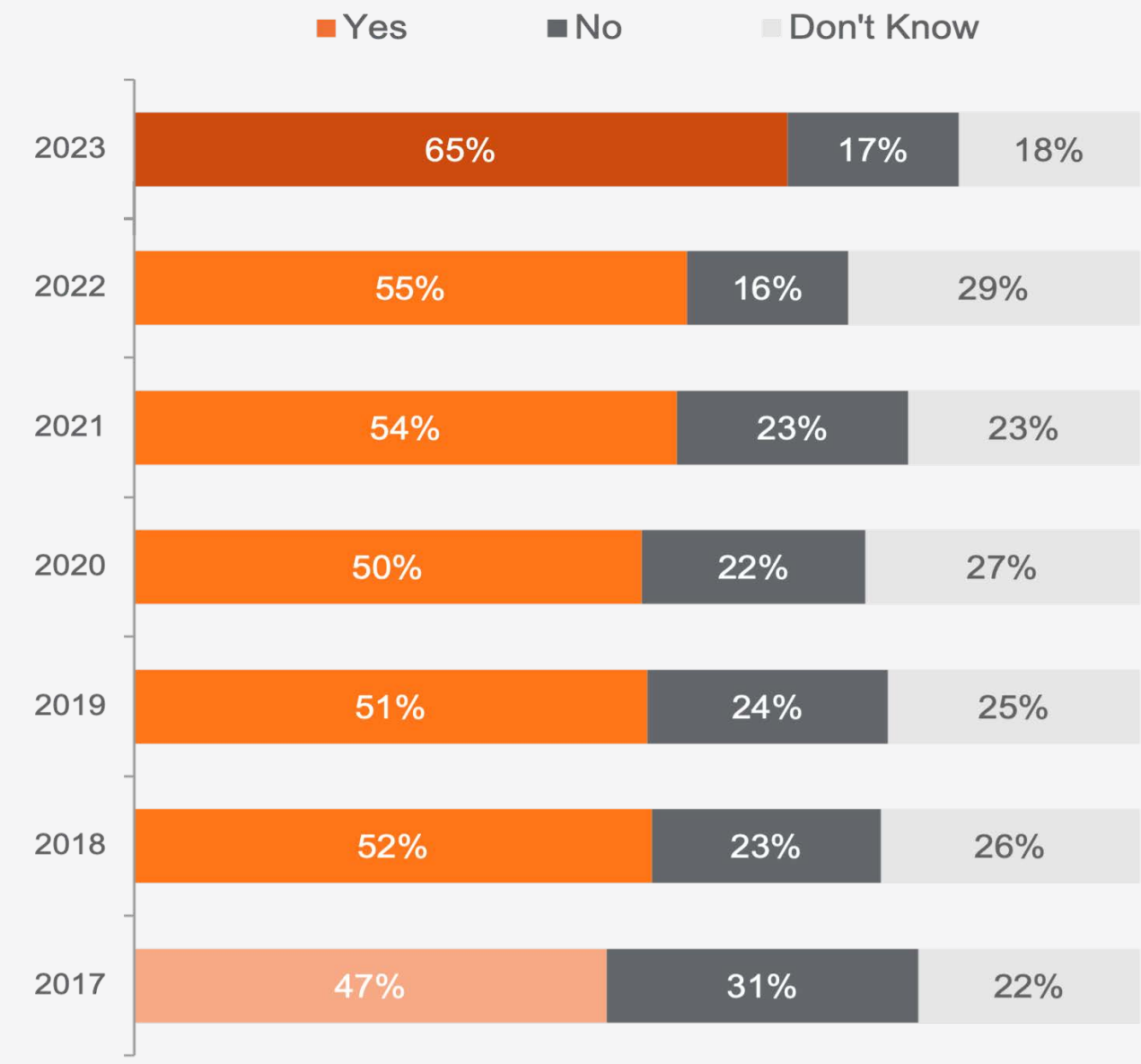
Lastly, 14% have trauma cover and of 86% that don't, 11% intend to get it over the next five years.



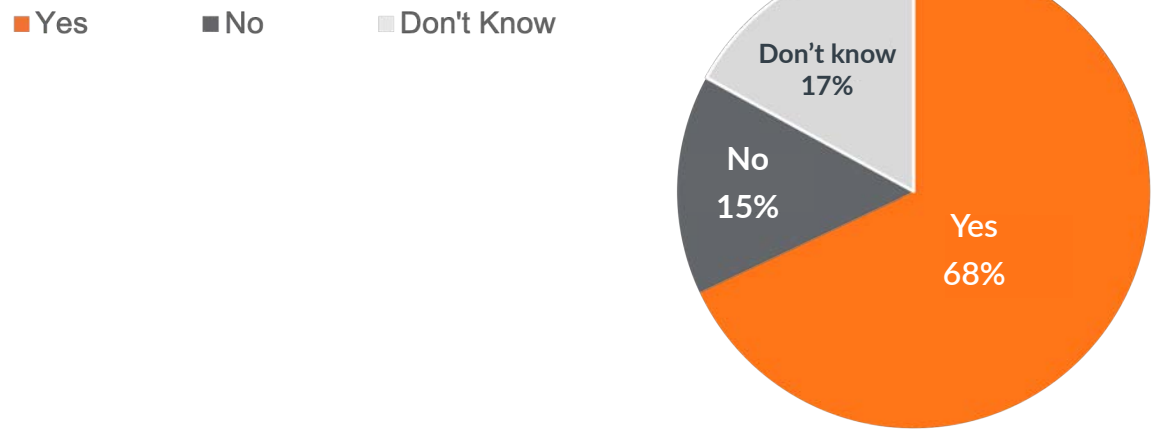
Plans to renew:

Of those that currently hold life insurance products, a significant portion (65%) are planning to renew their life insurance this year. This trend has increased year on year, with only 47% certain they would renew back in 2017, indicating a substantial shift in consumer mindset around the value of these products.

Planning on renewing life insurance

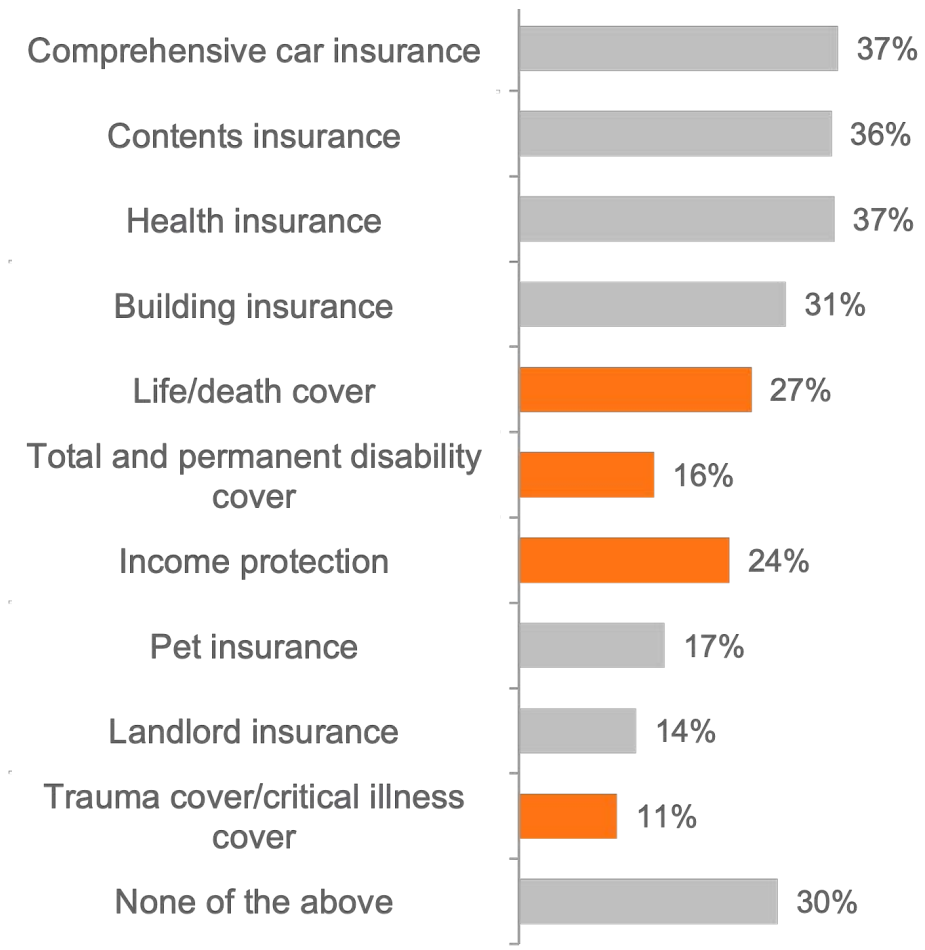


The percentage of those planning to renew their income protection cover shows a similar trend as per below.



Plans to purchase insurance products

Of those who don't currently hold life insurance products, 27% intend to take out life cover in the next five years, 24% intend to take out income protection, 16% intend to take out total and permanent disability and 11% intend to take out trauma cover.



People are **prioritising their life insurance products** over consumables more than ever before.

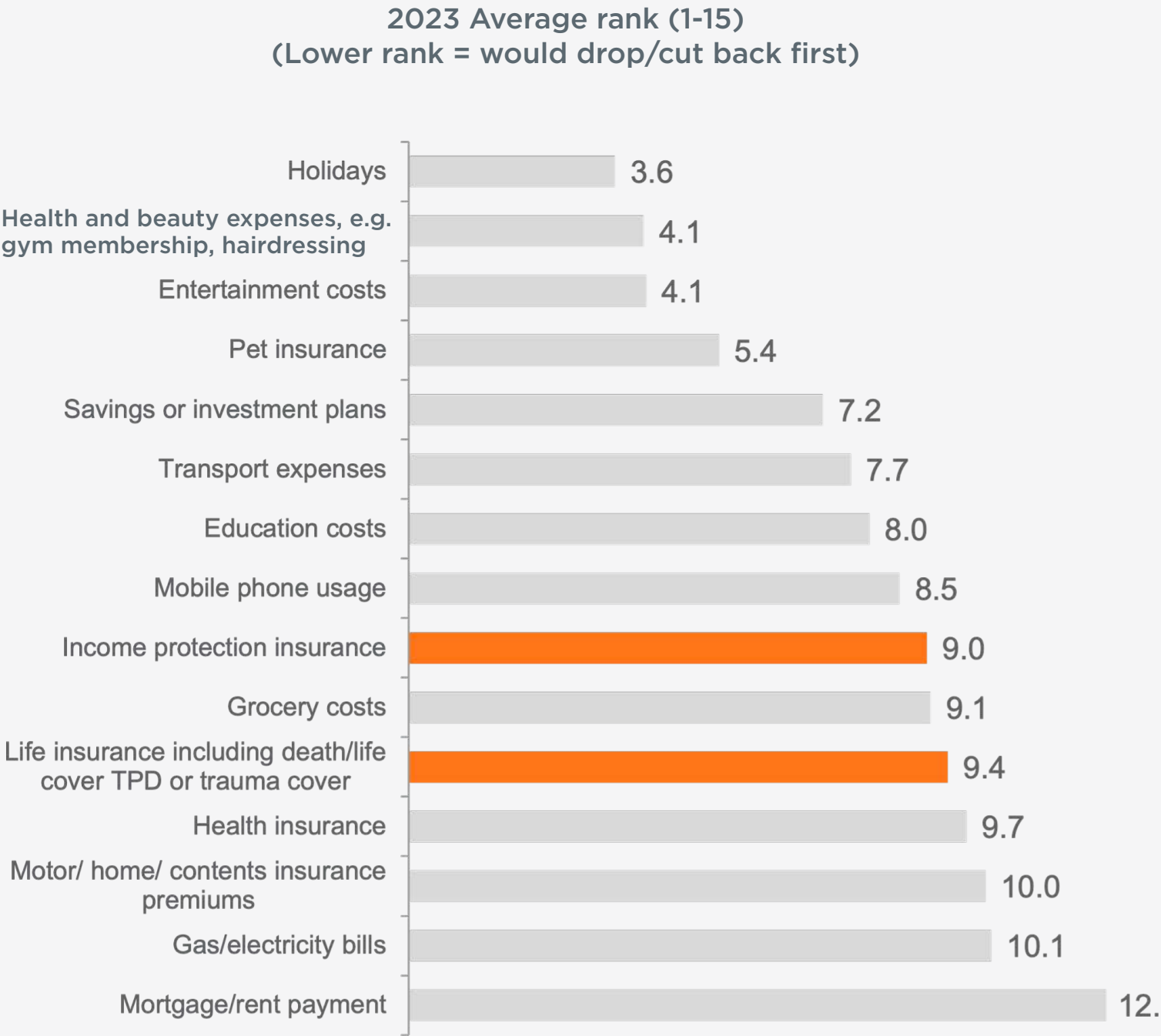
After being asked to rank what they would cut back on first if they lost income or financial support for an extended period, we found that people are more likely to look at cutting grocery costs and most of their other personal expenses including education, transport costs and mobile phone usage before they would look at cutting life insurance.

While this trend is similar to previous years dating back to 2016, participants are more likely than ever before to hold onto life insurance products in 2023. In 2019, life insurance was fifth on the list of things people would cut but in this most recent survey it had moved to eleventh place after grocery costs. Income protection cover was also seen as important, being cut just before grocery costs.

Australians seem less likely than ever before to cancel cover, favouring insurance products in a time of economic uncertainty and high cost of living where money is potentially tight and hard decisions need to be made

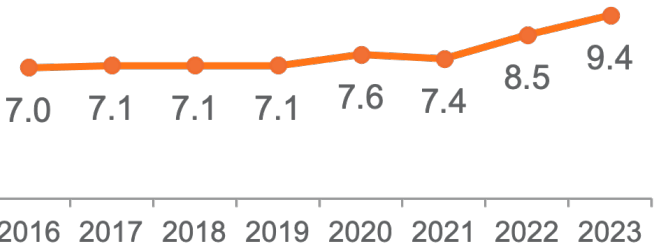


Average rankings of what would people cut, faced with prioritising personal and business expenses.

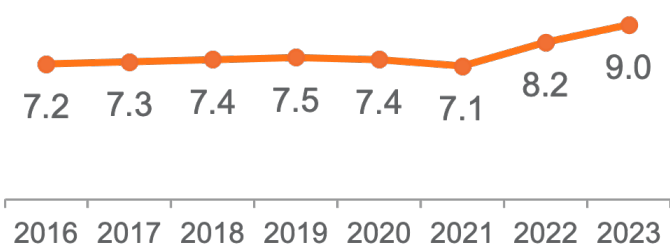


Year on year comparison

Life insurance including death/ life cover TPD or trauma cover



Income protection insurance



There’s a slight uplift in consumers seeking financial advice in 2023.

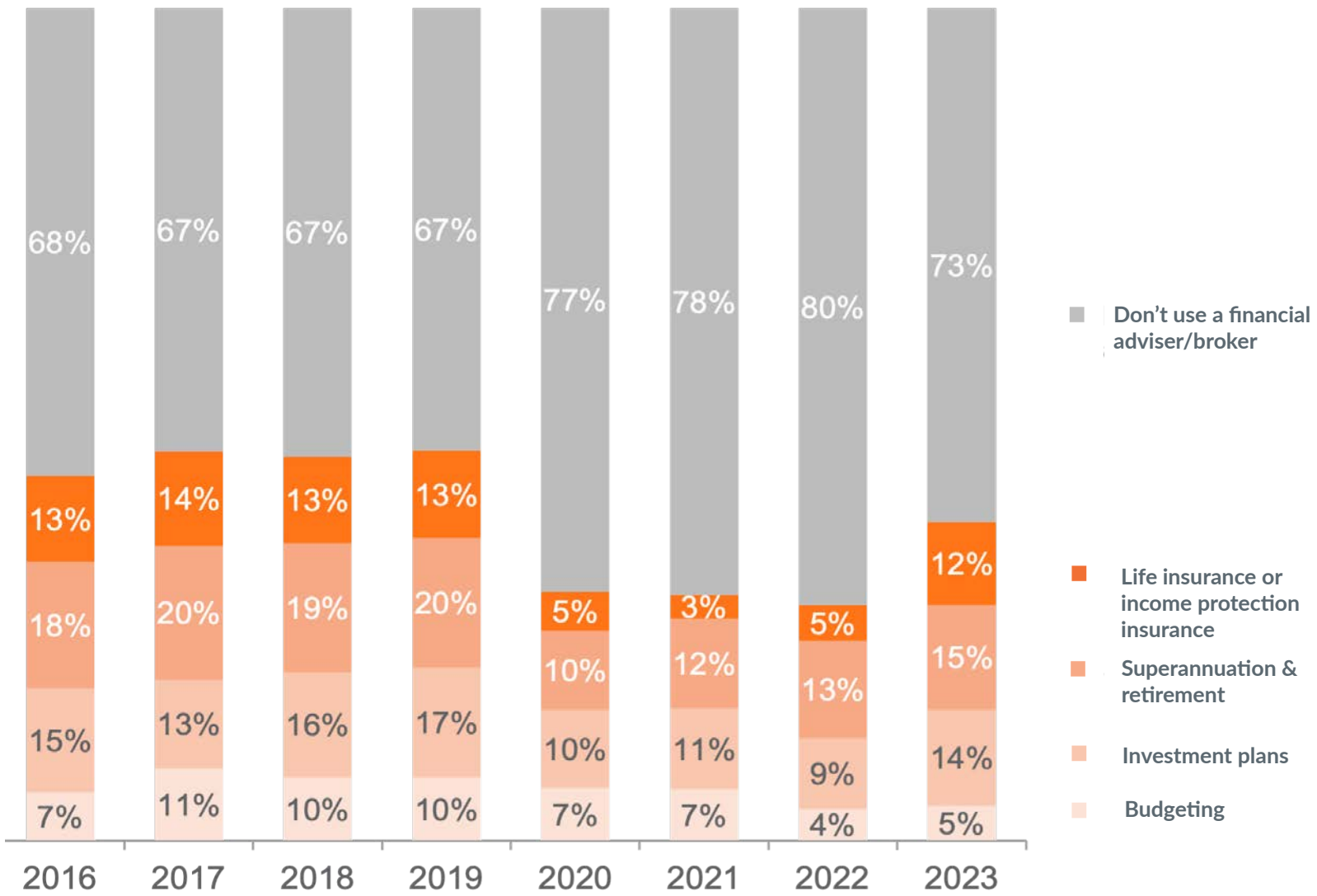
Use of an expert such as an adviser or broker for financial advice has increased, compared to previous years, but demand has not returned to pre-pandemic levels.

12% of our sample now use an adviser or broker for their life insurance or income protection needs, rising slightly closer to 2016 - 2019 results after a big dip in COVID years. The trend is similar for both superannuation/retirement products and investment plans.

This is consistent with the findings cited earlier in this report around Australians being increasingly concerned with their current financial situation (41% of respondents) and wanting to do more to feel in control (70%).

The increase in demand for advisers in the investment space is in keeping with Money Management’s January 2023 report which stated, “Financial advisers’ investment expertise was expected to be prized now more than ever*.”

Engagement of financial advisers - historical comparison from 2016 – 2023



*<https://www.moneymanagement.com.au/news/financial-planning/major-trends-expected-financial-advice-2023>

Interesting life insurance trends

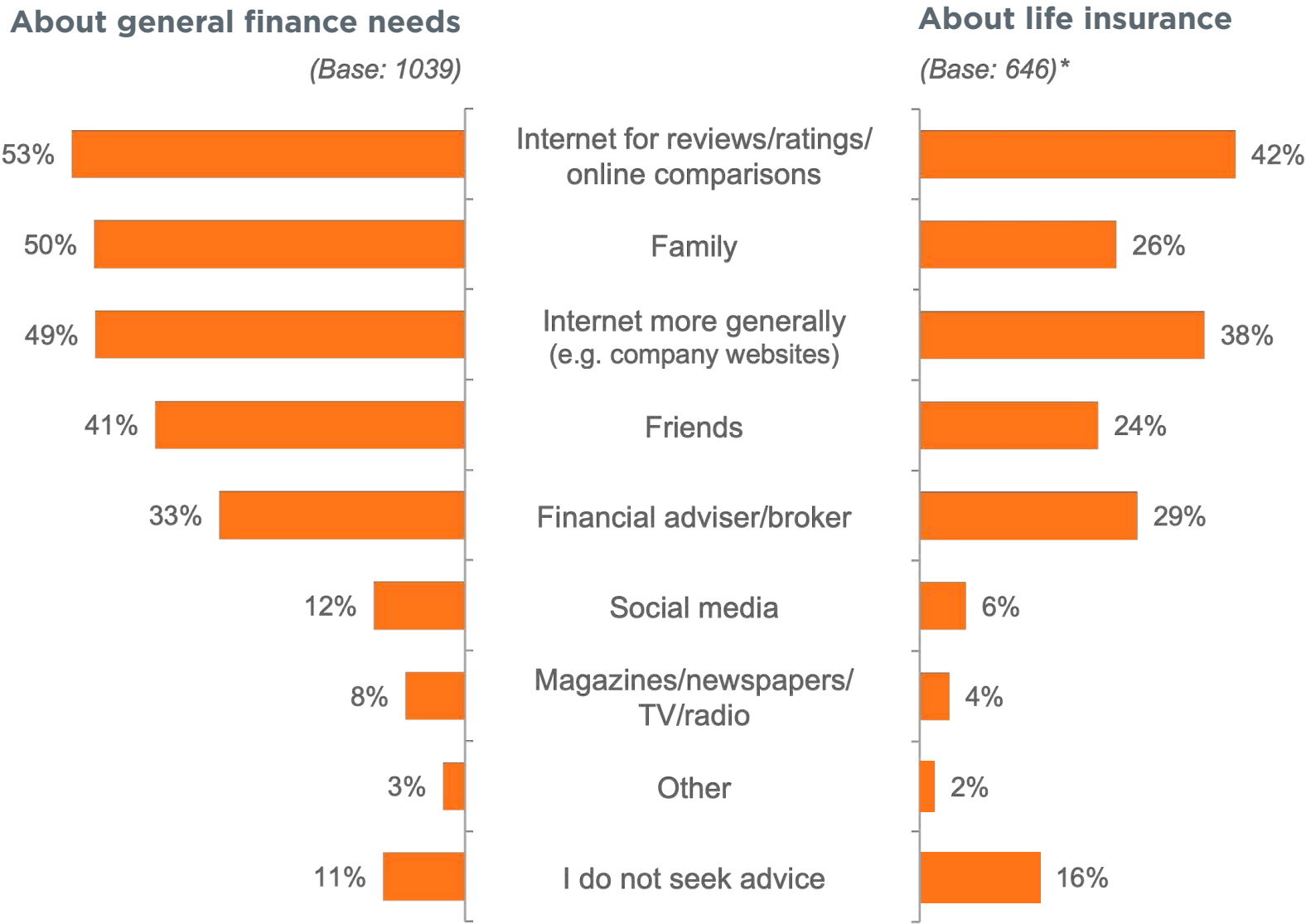
Sources of advice remain consistent (with some key differences across age groups) however the internet is still key.

Obtaining advice:

People generally rely less on advice from family and friends when it comes to life insurance compared to general finance or insurance needs.

Interestingly, when we drill down into differences across age groups, those aged 30-34 were much more likely to rely on advice from their family for life insurance (42%). 14% of those aged 55-60 said they obtain advice from traditional media such as magazines/newspapers/TV and radio compared to the average 4% of the total sample. This generational difference implies that individuals in the 55-60 age group may have more trust in traditional media sources when navigating life insurance considerations, possibly reflecting long-standing habits or a perceived reliability associated with these channels.

Sources of advice



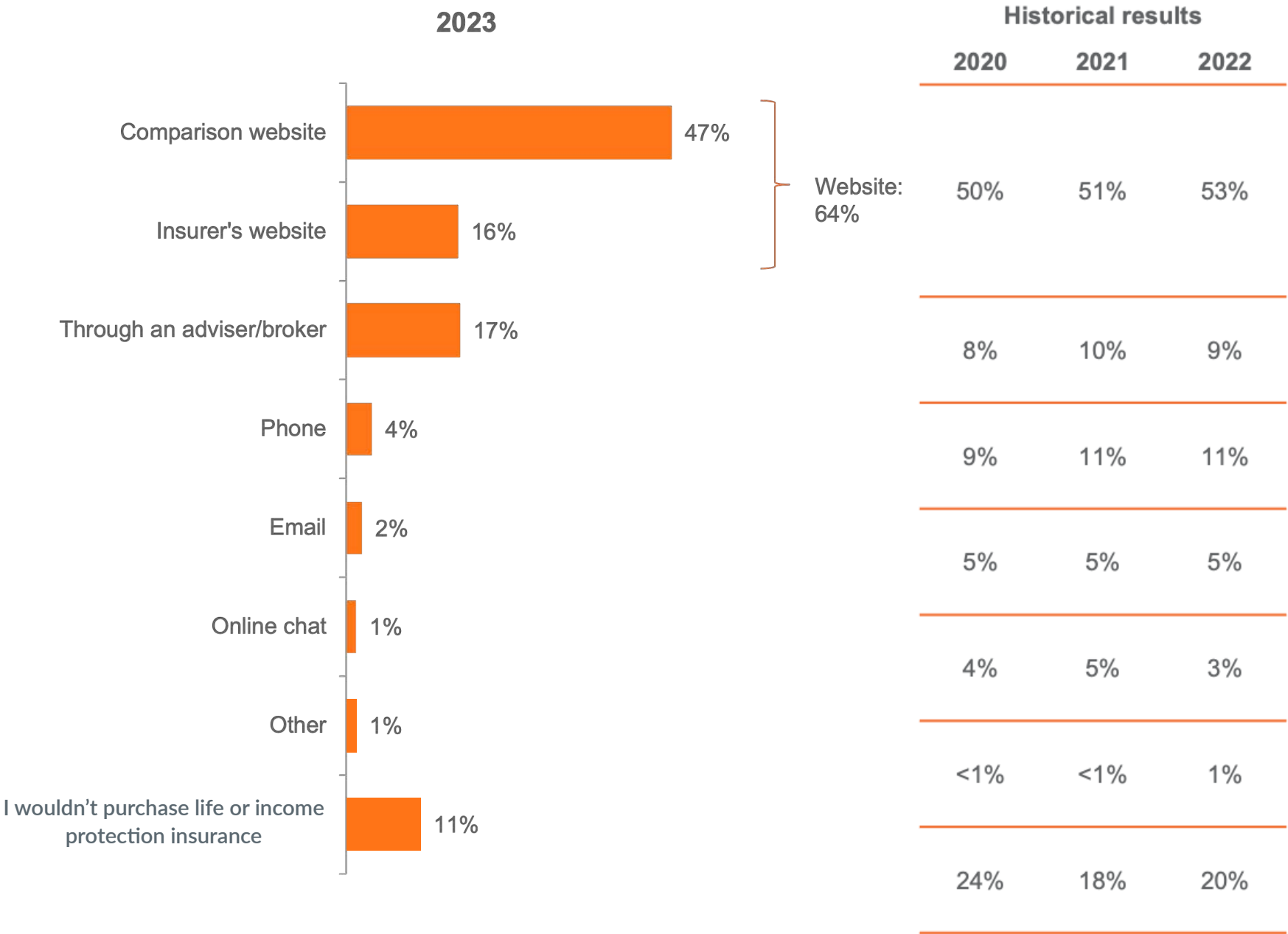
Comparing life insurance products

There has been an increase in consumers perusing web sources to compare life insurance products, increasing from 50% in 2020 to 64% in 2023. Close to half (47%) said they would use a comparison website to compare life insurance products before purchasing. 16% would compare based on insurers’ websites.

17% said they would ask an adviser/broker however this increased to 23% for those with a household income of \$200,000+.

Phone, email and online chat were not used significantly for comparisons of life insurance and were mentioned less than in previous years, suggesting consumers want the convenience of all their options in one place rather than having to shop around and do the legwork contacting insurers themselves.

Channels Australians use to compare life insurance products



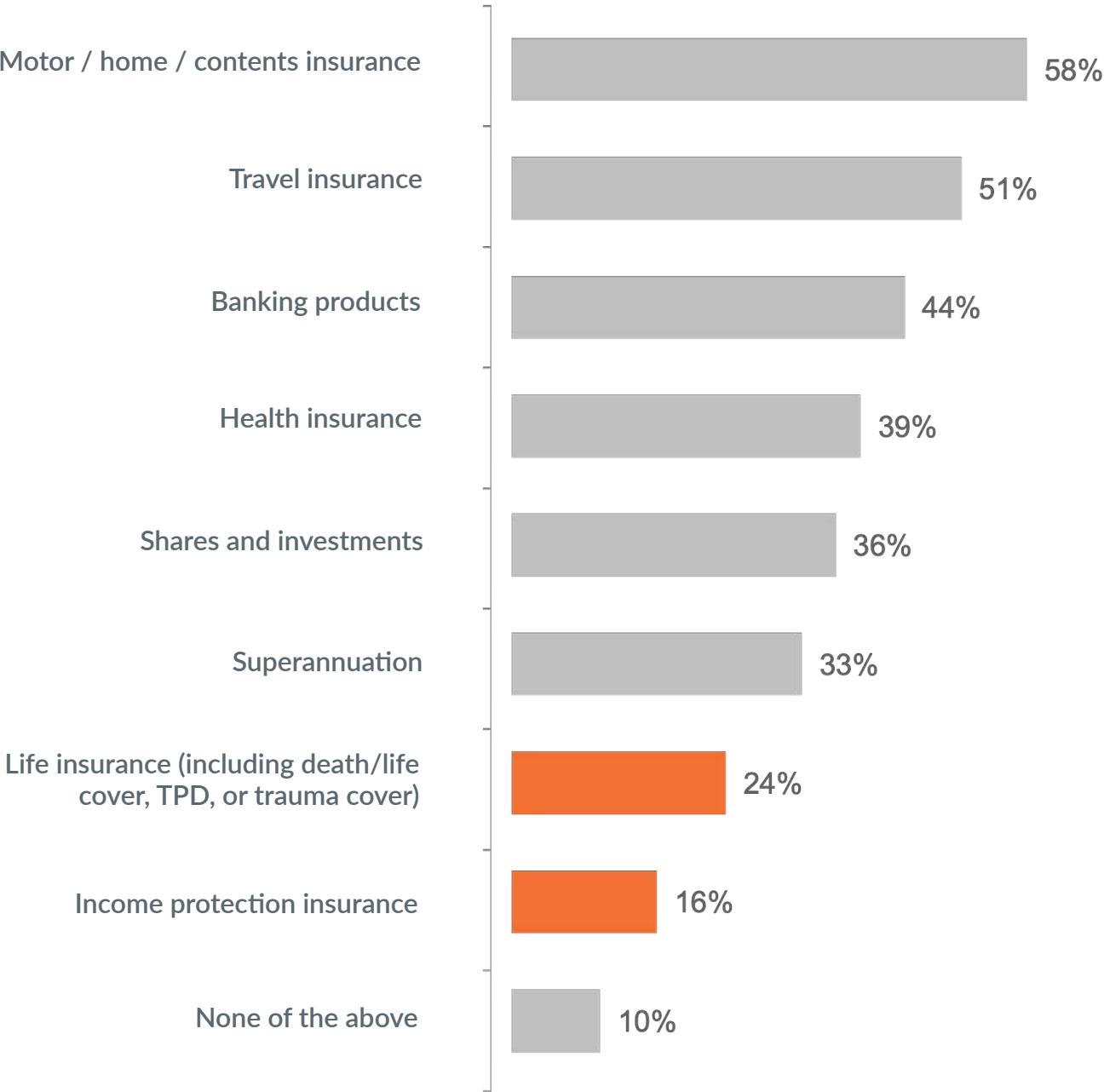
Buying completely online:

28% of those who currently hold life insurance products initially bought (some of) these products completely online.

This is relatively consistent across all age groups surveyed (30-60 year olds), although slightly lower in the 55-60 age group. Even though there is a slight dip in online purchases among those aged 55-60, the overall consistency across age groups challenges stereotypes about certain generations being resistant to digital interfaces, at least in the context of life insurance.

The findings point towards a broader shift in consumer behaviour, emphasising the increasing acceptance of online platforms for significant financial decisions, even in the traditionally perceived conservative sector of life insurance. While it is commonly assumed that general insurers are more advanced in leveraging technology, this data highlights a substantial digital footprint within the life insurance domain.

Life Insurance products initially purchased completely online
(Amongst those who currently hold life insurance products)

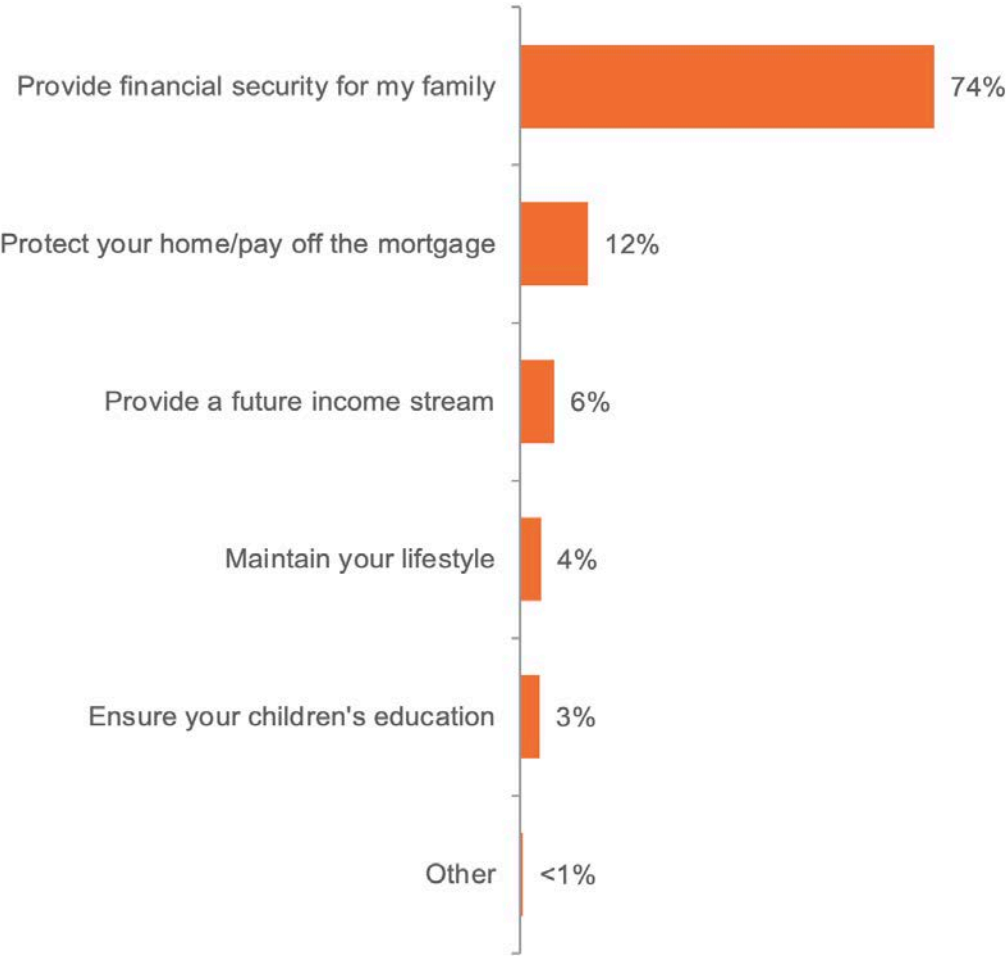


Reasons to both purchase life insurance and choose a life insurer remains consistent year on year.

Purchasing drivers to have or take out life insurance products:

The main reason for holding life insurance products is to provide financial security, especially for families. In addition, 30% of empty nesters said they purchased life insurance to protect their home or pay off the mortgage. 21% of singles said that they have or are planning to take out life insurance products to maintain their lifestyle.

What is the main reason for you having/taking out life insurance products?



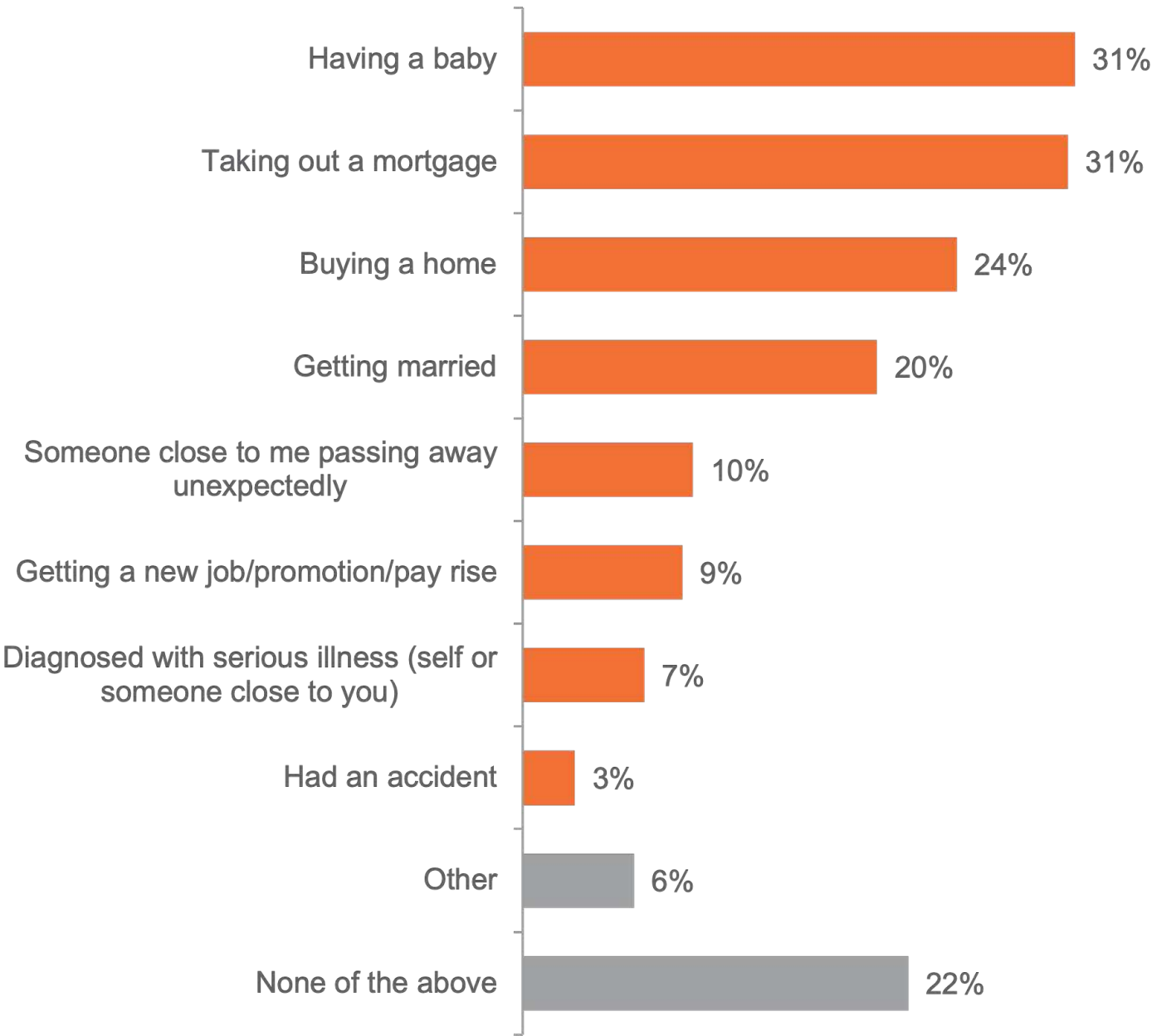
Life events prompting people to take out life insurance products:

Overall, our respondents told us that the main life events leading to them taking out life insurance are having a baby, taking out a mortgage, buying a home or getting married.

Amongst young families, more than half said that having a baby prompted them to take out life insurance. For others, the top reason was taking out a mortgage or buying a home.

Interestingly, those who had a pessimistic outlook would be more likely to take out cover prompted by negative life events such as someone close to them passing away, serious illness and having an accident, whereas those who had a more optimistic view were more likely to be prompted by positive life moments such as buying a home or getting a new job, a pay rise or promotion.

What life events prompted you or would prompt you to take out life insurance products?



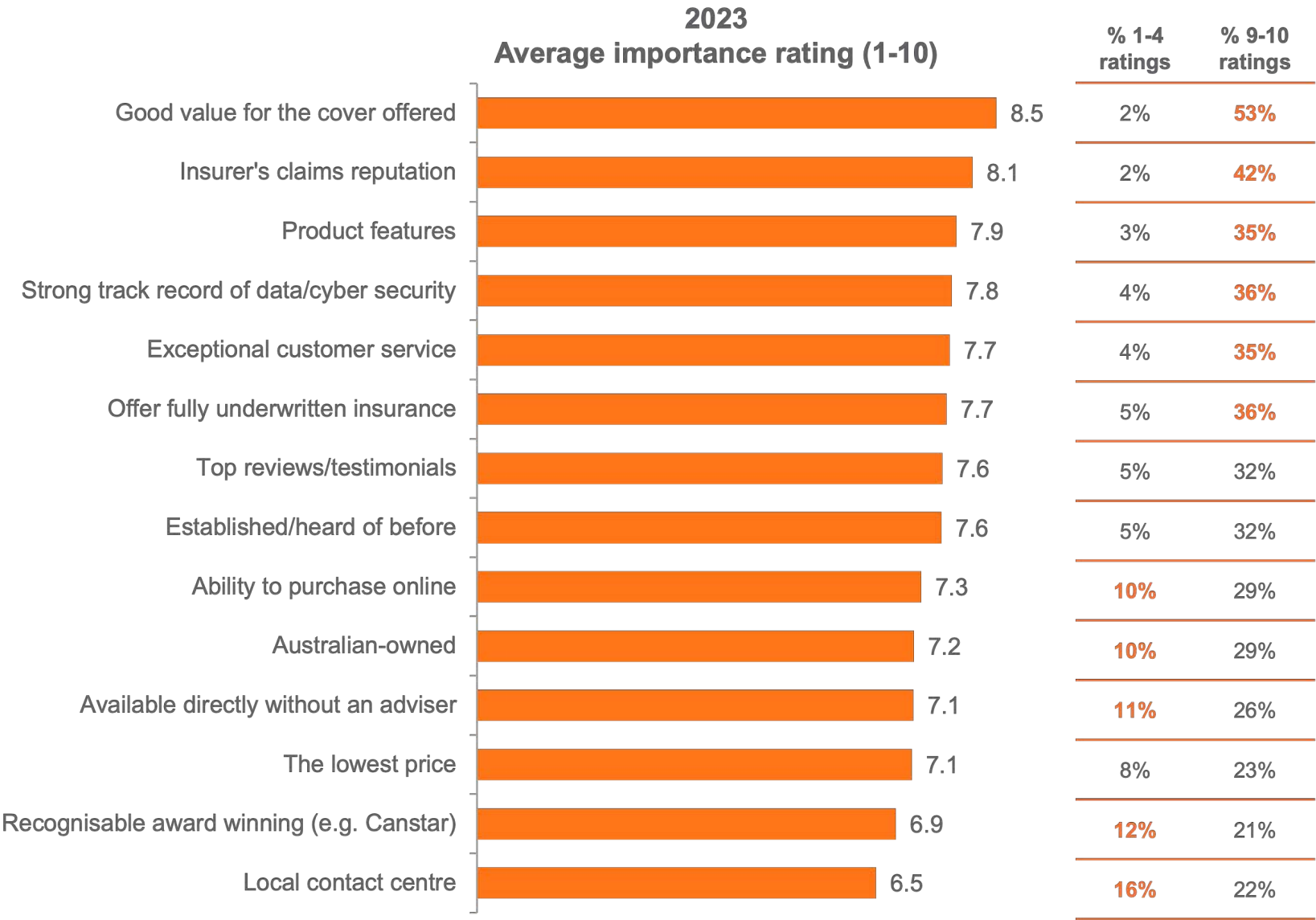
Key factors people care about when choosing a life insurer

What are the key factors people care about when choosing a life insurer?

Good value for the cover offered is the most important factor when considering life insurance products. Consumers rate the product features and the cost as more important than cost alone, despite current cost of living pressures.

Despite both groups placing an equal weighting on value, those with a household income of under \$149,000 place more importance on getting the lowest price (7.3/10) compared to those with a household income of \$200,000+ (6.8/10). The insurer’s claims reputation is also rated highly.

Many other factors are important to some but not as important to others, such as the ability to purchase online or being Australian owned.



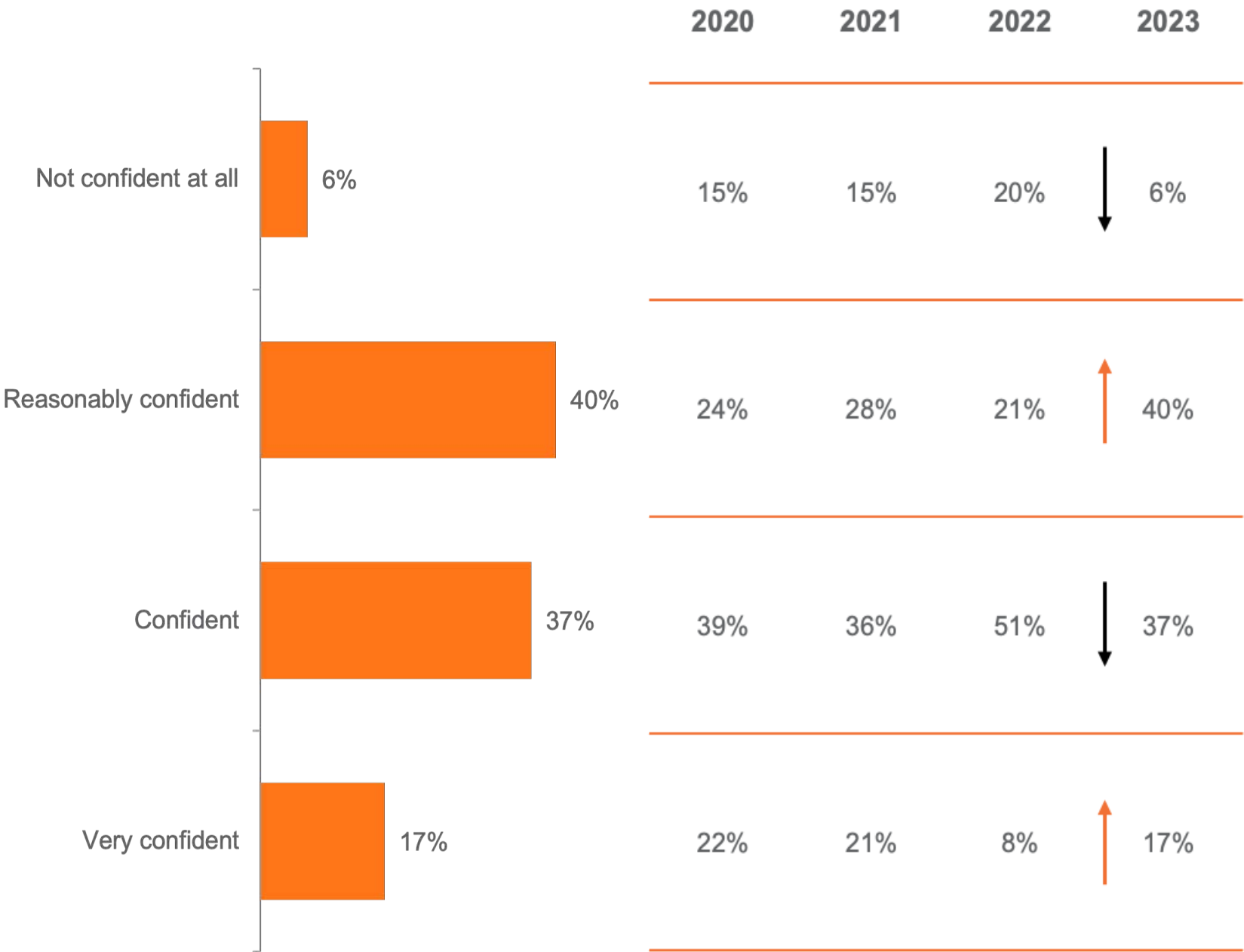
Trust in life insurers paying claims remains on the rise.

Confidence in life insurers paying claims, should it be required, is stronger than previous years. Most of the participants have at least some confidence, and a smaller proportion have strong opinions either way.

Compared to NobleOak’s 2022 survey, the proportion of people who expressed at least reasonable to strong confidence has gone up significantly from 80% to 94% and those who are not confident at all has more than halved since last year jumping from 20% down to only 6%. This sharp decline suggests a remarkable shift in perceptions, with fewer participants having serious doubts about the responsiveness and reliability of life insurers paying out claims.

Those who have trauma cover/critical illness cover are the most confident that insurers will pay out (25% were very confident) compared to those who hold other life insurance products such as life cover, income protection and total and permanent disability.

Confidence in insurers paying out claims (2023)
compared to previous years



Consumer insights

Most of those with life insurance think they have the right amount of cover for their needs.

Only 18% of those with life insurance products think they are under-insured.

Participants were asked if they have less cover than they think they need (i.e. under-insured), the correct amount, or more cover than they think they need (i.e. over-insured).

Most of those who have life insurance think they have the correct amount of cover or more than they need, including the 77% who hold their cover in superannuation. Only 18% of these participants think they have less cover than they need (i.e. they're under-insured), however this does jump to 23% for those who hold life insurance through super, suggesting there is some knowledge that the cover offered through superannuation may not be enough for their individual circumstances.

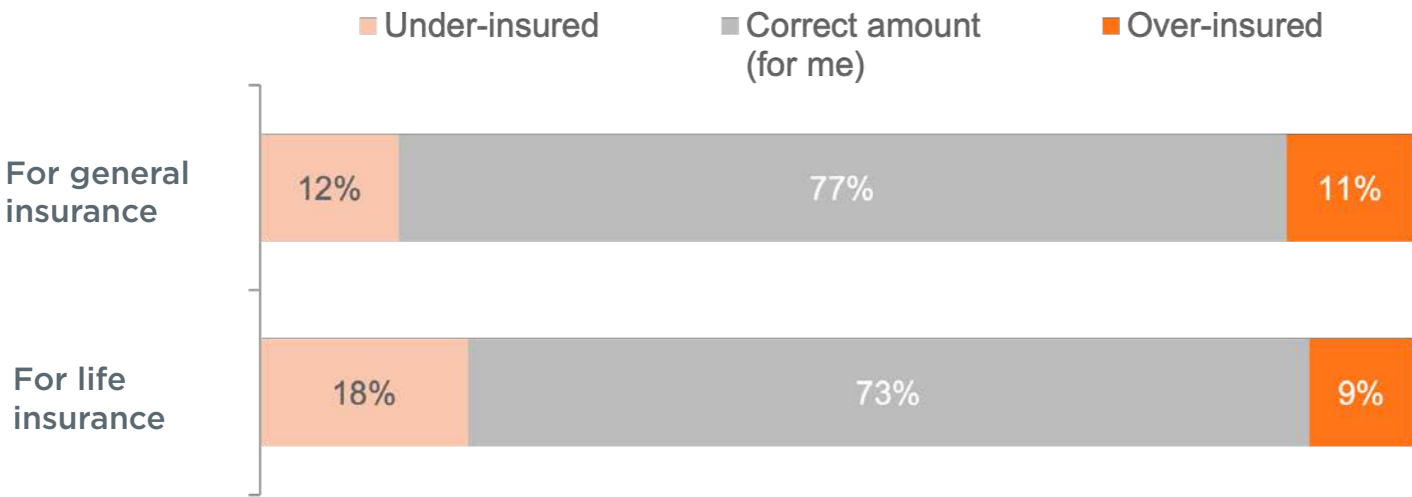
Renters and those with lower income are more likely to consider themselves under-insured, both with general and life insurance.

Interestingly, those who purchased their life insurance directly through an insurer are more confident that they had the right cover than those who purchased though a financial adviser/broker. A greater portion of respondents who purchased through a financial adviser/broker think they are over-insured compared to those purchasing directly through a life insurer.

Channels used to purchase life cover

	Through my superannuation	Via a financial adviser/broker	Directly with the insurance company	Through my bank	Through my health fund
Base:	(293)	(91)	(87)	(21)*	(18)*
I have less cover than I think I need (i.e. under-insured)	23%	11%	11%	19%	17%
I have the correct amount for me	70%	76%	80%	57%	72%
I have more cover than I think I need (i.e. over-insured)	7%	13%	8%	24%	11%

Confidence in amount of cover (respondents who currently hold life insurance products)



Confidence in amount of life insurance cover by channel.

More people in our sample think they are under-insured if they hold life insurance in their super (23% compared to an average of 14.5% through all other channels life insurance can be bought through).

This is not surprising, given the Rice Warner 'Underinsurance in Australia 2020' report which indicated there is an insurance gap between how much cover many Australians have through super, and how much they may need, stating, "the median default cover of superannuation funds meets approximately 65% to 70% of basic level death cover needs for average households, but a much lower proportion for families with children". *

However, of all those surveyed by NobleOak, those with a young family (children under 12) were most likely to think they have the right cover, and least likely to think they were under-insured when it comes to life insurance.

* <https://www.ricewarner.com/new-research-shows-a-larger-underinsurance-gap/>



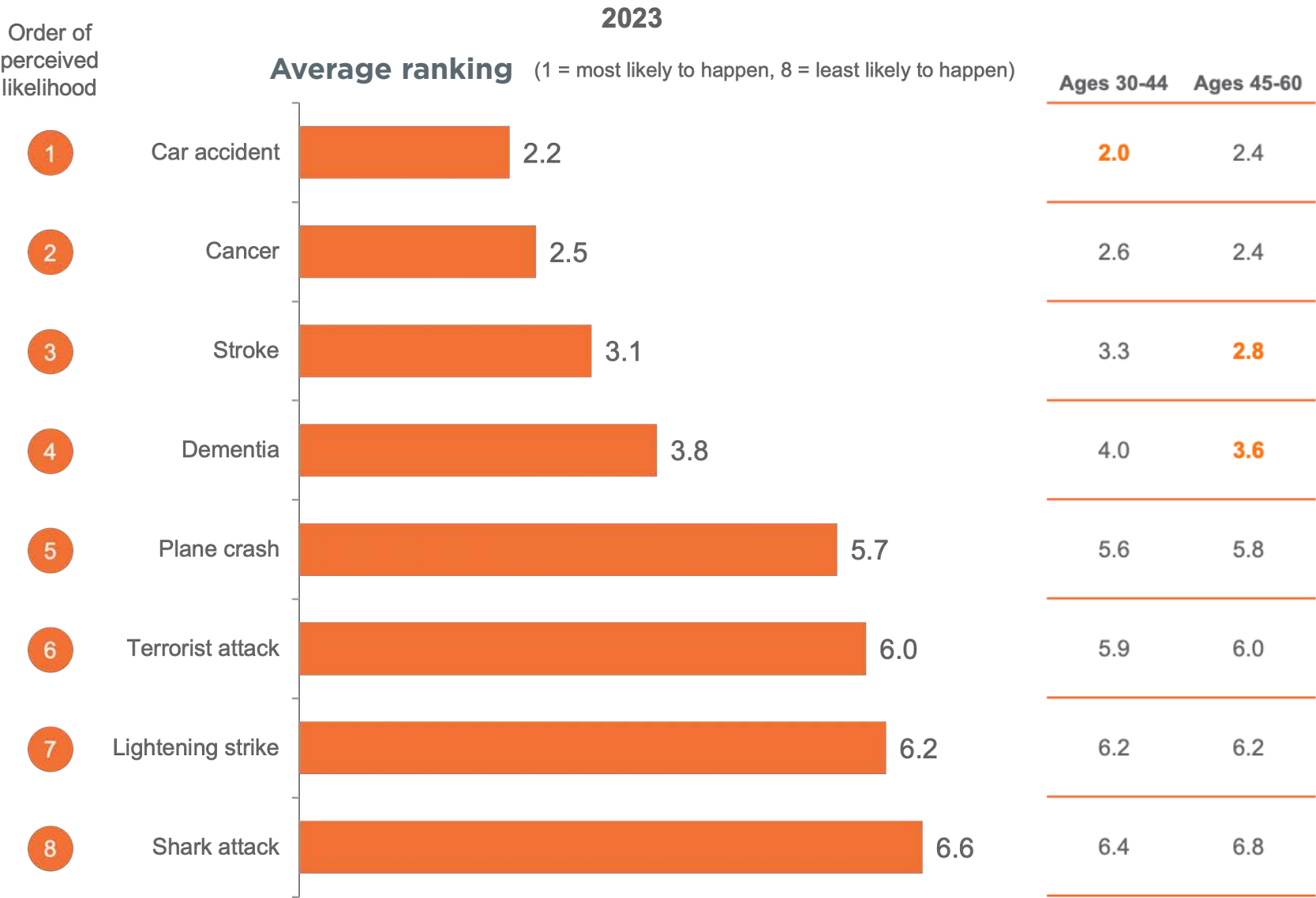
Likelihood of these events happening to someone like you in the future

Older Australians are slightly off the mark when assessing life risks.

When participants were asked about the likelihood of the events listed in the graph below happening to ‘someone like them’ in the future, car accidents were thought to be the most likely risk they would face.

In fact, the actual leading underlying causes of death in Australia in 2021 reported by the Australian Government* were for males; coronary heart disease followed by dementia, and then lung cancer and for females; dementia, coronary heart disease and then cerebrovascular disease (including stroke).

For those up to the age of 44 the leading causes of death are accidents and suicides, which is more consistent with the expectations of our sample. However, the older respondents (aged 44 or older) in our sample still indicated that they thought a car accident would be a more likely event to happen to them than stroke and dementia, which is not the case. This may be because of the regular exposure that Australians receive around drink driving and speeding from our media, making a car accident feel more probable.



*<https://www.aihw.gov.au/reports/life-expectancy-deaths/deaths-in-australia/contents/leading-causes-of-death>

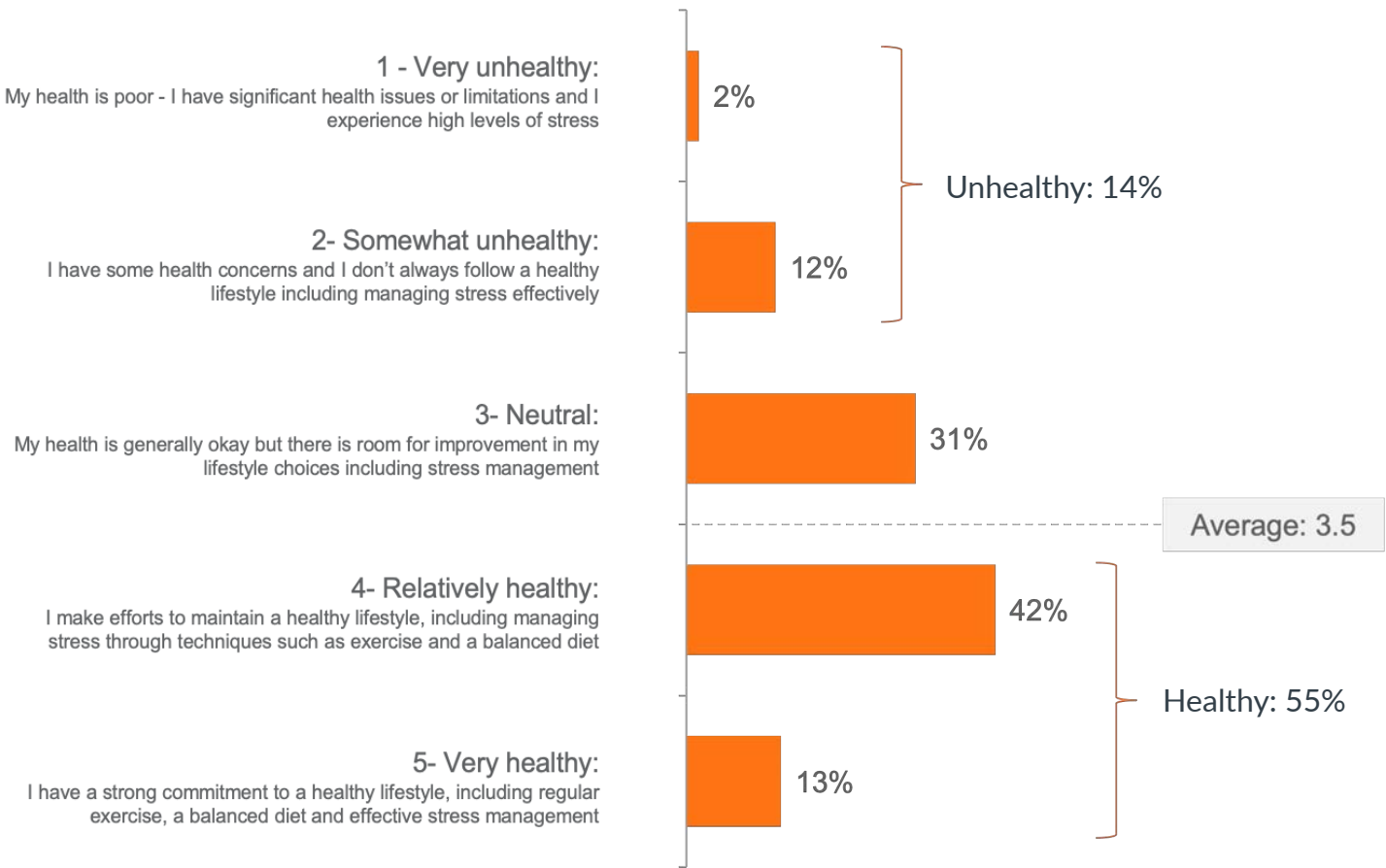
Health is a concern for almost half of our respondents.

Just under half of our respondents (45%) don't perceive themselves to be healthy. Also, as covered earlier in the report, the level of happiness that our respondents reported is directly related to how healthy they perceived themselves as being.

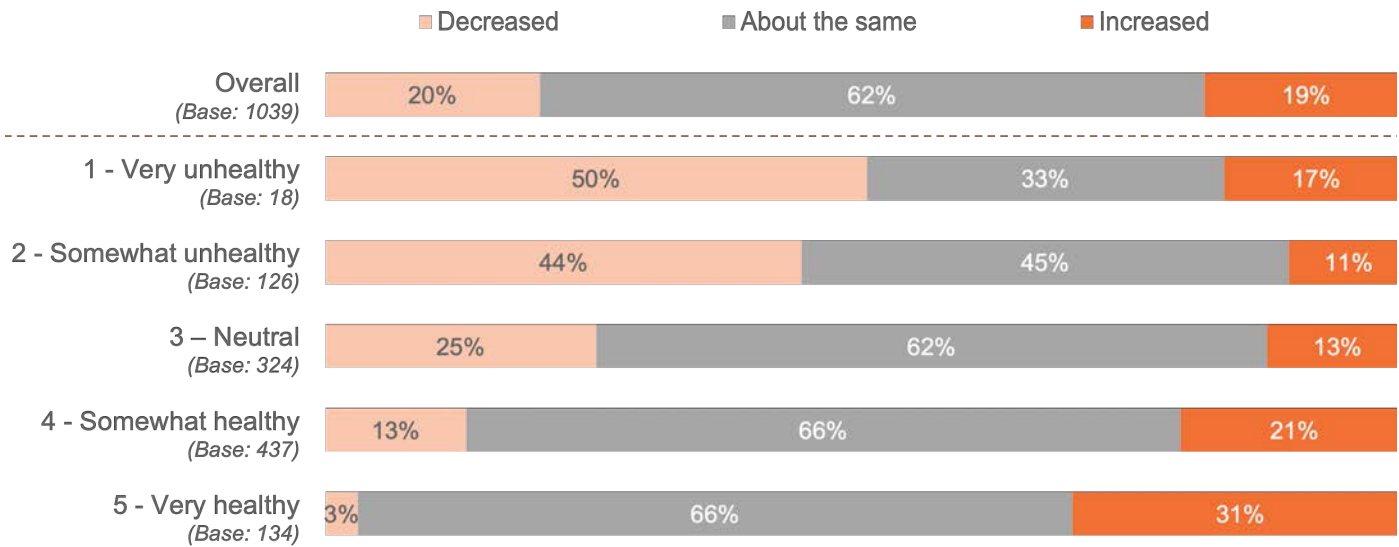
Perceived health does not vary greatly by demographics. However, the average health rating is slightly better for those with a higher household income and is slightly lower amongst those aged 45-54. Overall, 62% say that their health is about the same as a year ago while 19% say it's better and 20% say it's worse.

Whilst happiness and health seem to be related, women are more likely to rate themselves as unhealthy but also generally rated themselves as happier than their male counterparts. This paradox highlights the complexity between subjective health assessments and happiness, suggesting that individual perceptions of well-being are influenced by a variety of factors.

Current perceived state of health across our respondents



Current state of health compared to last year has ...



Overall, 62% say that their health is about the same as a year ago, whilst 19% say it's better and 20% say it's worse.

Those who perceive themselves as currently unhealthy are much more likely to say their health state has decreased.

Conclusion

Higher cost of living, global volatility, and the ongoing economic impacts of COVID-19 are among some of the factors continuing to impact the financial stability of Australians.

With data looking at the Australian life insurance industry and overall financial landscape tracing back eight years, NobleOak has unveiled insights into the shifting dynamics of consumer demand within the financial services sector that reflect the wider economic conditions.

It revealed a heightened financial consciousness over time, prompting individuals to actively fortify their financial resilience. There is an upwards trend of prioritising life insurance coverage and other financial safeguards over non-essential (and in some cases essential) spending reflecting a conscious effort to secure and hold financial protection.

Despite economic challenges, findings have indicated Australian's happiness is back to pre-pandemic levels, particularly among those with financial security and good health.

Key trends in life insurance include a strong intent to renew policies and a significant inclination to purchase life insurance products in the next five years, showing a shift in priorities amid economic uncertainties.

The research also highlights the growing significance of online platforms in life insurance decision making, challenging assumptions about resistance to digital interfaces in this sector. Confidence in life insurers paying claims has also notably increased, with the majority expressing trust in insurers' responsiveness.

At NobleOak, we truly believe in the important role the life insurance industry plays in Australia and the value it brings. We remain committed to looking after the people who matter most to us: our customers.



Appendix

Important information concerning this report

Research Methodology

There were 1,039 online survey participants

These participants were sourced from an online access panel and were Australian citizens or residents aged 30-60, with a household income of \$100,000 or higher.

1,039 is a statistically valid and representative sample and overall results have a confidence interval of +/-3.0 at the 95% confidence level.

Questionnaire

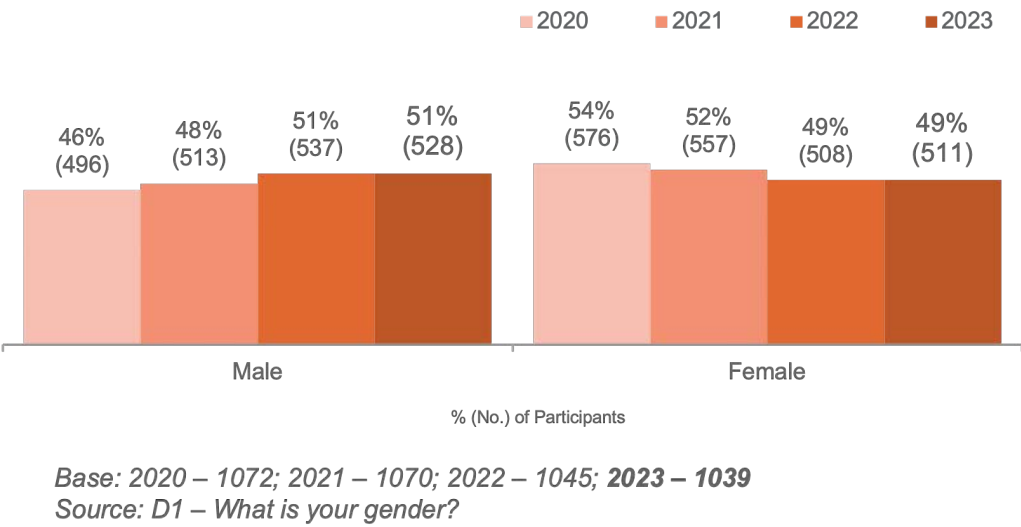
This included mostly closed-ended questions and a couple of open-ended questions.

Timing

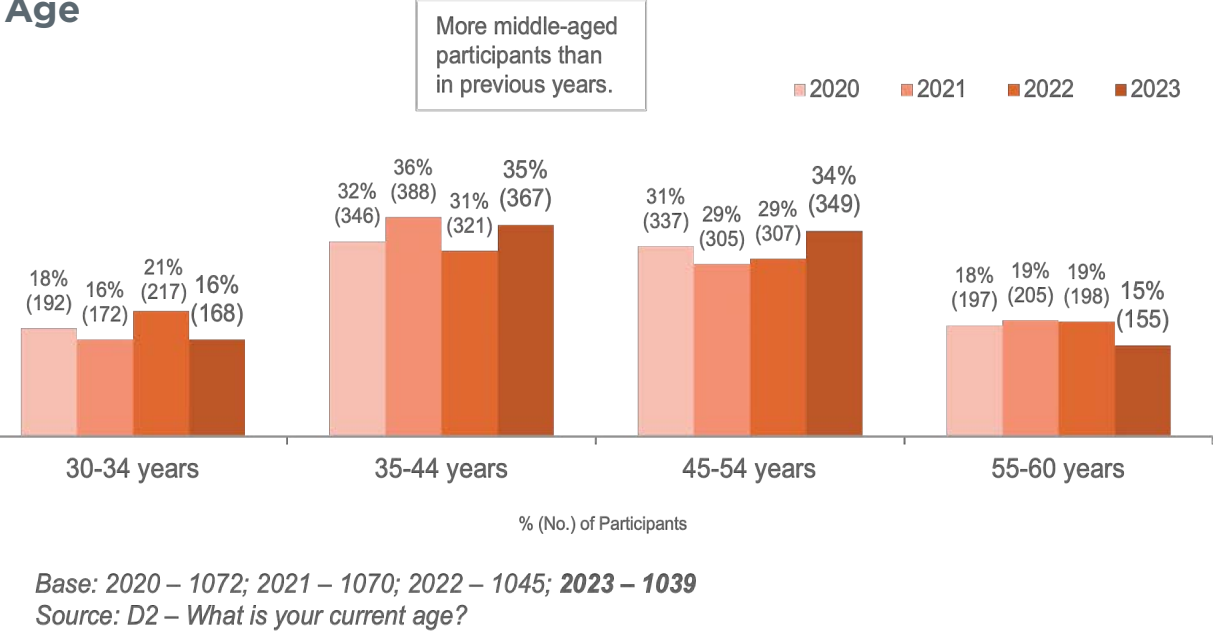
The survey was conducted from 21 November to 4 December 2023, and the report was produced in January 2024.

Participant demographics

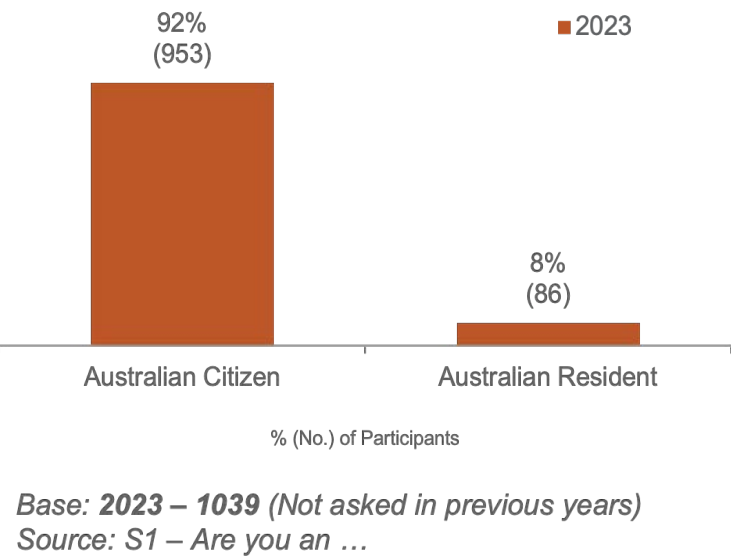
Gender



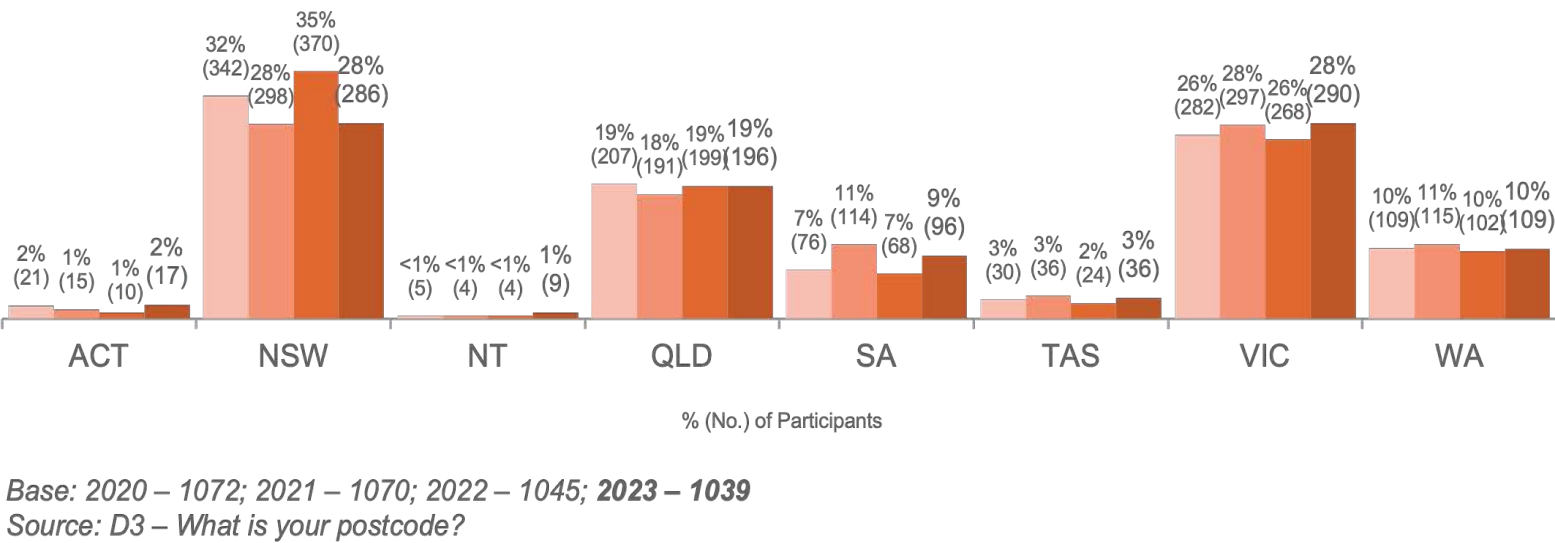
Age



Citizenship status



State



About NobleOak Life Limited

NobleOak Life Limited (NobleOak), is one of Australia's most established direct life insurers and has a 145 year heritage. NobleOak Life is an independent insurer providing life, TPD (total and permanent disablement), trauma, disability income (income protection) and business expenses insurance.

With NobleOak, you buy directly. We keep our overheads low and offer competitive premiums while still maintaining outstanding personal service. NobleOak has a Feefo rating of 4.6 out of 5 stars* and is Australia's most awarded direct life insurer five years running (2019-2023).^ NobleOak is the only life insurer to have won a Canstar Award for "Outstanding Value – Direct Life Insurance" and "Outstanding Value – Direct Income Protection" for the past eight years running. In 2024, NobleOak was the recipient of a Feefo Platinum Trusted Service Award for the fifth consecutive year, the Finder Best Life Insurance award and Mozo's Life Insurer of the year award.

*Feefo rating based on 96 service ratings over the past year (as at 23 January 2024). ^NobleOak awards available at nobleoak.com.au

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About The Market Intelligence Co.

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