



Media Release  
4<sup>th</sup> February 2016

### **Life Insurance - The Laggard in Technology needs to Address Consumer Shift.**

Life insurance and managed funds are lagging significantly behind the rest of the financial services industry in the take-up of consumer facing technology, according to a comprehensive research report commissioned by NobleOak Life Insurance, "Life insurance - The online shift in consumer behaviour".

The research, conducted by market research company PureProfile, found that technology has been enthusiastically adopted in financial services, particularly in banking, where 95% of people have been impacted by the introduction of technology.

All levels of general insurance have also seen high adoption rates for technology with car, house, contents and health insurance cover rating highly for self-directed research and purchase.

However, the research found that Life insurance has been largely immune so far with 72% of those surveyed report not using technology for any aspect of Life insurance at all.

This means that only one in three people research their Life insurance needs online – the lowest of any financial product - and fewer still go on to purchase Life insurance online.

This is about to change.

During the past five years the community's awareness for the need for Life insurance has significantly increased as a result of educational campaigns by regulators and professional bodies, as well as advertising by many direct Life insurers.

The survey found that 50% of those questioned did not actively seek any form of advice about Life insurance and 71% said they did not want to pay anything for advice.

This represents a huge opportunity as 79% of survey respondents also said: *"With the right resources, they would be willing to make a Life insurance purchasing decision online without a financial adviser"*.

NobleOak CEO Anthony Brown said it was clear that people are willing and able to purchase Life insurance online. They do however need better online information and tools to help them understand and calculate their Life insurance needs. This must be low cost (or no cost) and provide them with an accurate indication of what type of insurance will work for them and their families.

"If we can meet this challenge and help Australians become more self-directed in the research, the assessment and the purchasing of Life insurance, then the trend of Life insurance being more actively purchased by consumers will quickly accelerate," Mr Brown said.

"This trend is consistent with other developed economies, including the United Kingdom, where 38% of Life insurance policies are now bought directly online.<sup>1</sup>"

"If we cannot find a way to deliver a consumer centric solution that addresses all segments of the consumer decision making process, we risk becoming irrelevant in an increasingly technology driven industry."

<sup>1</sup> *Accenture Survey of UK Life & Pension Customers – (March 2014)*

Mr Brown said he believed the technological revolution in financial services is now spilling over to Life insurance, fuelled by consumers' willingness to take their financial matters into their own hands.

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