



Media Release
4th February 2016

People select Internet before Advisers for Life insurance needs.

Financial advisers are no longer the main point of contact for Life insurance, according to the results of a comprehensive research project commissioned by NobleOak Life Insurance. However, their role is still important for many consumers.

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

The research, conducted by market research company, PureProfile, found that technology has had a significant impact across a number of financial services segments - especially banking, with an adoption rate of 95%. It also found that the general insurance (motor/home/contents) and health insurance sectors have also enjoyed high technology adoption rates.

NobleOak CEO, Anthony Brown, said the outcome of the research showed that some financial services providers need to rethink how they engage with the people who would benefit the most from their products.

"Both Life insurance and investment fund managers appear to have been almost immune from the impacts of consumer facing technology up until now, with 72% of the research respondents saying they had not used technology to buy either of these two financial services products and only 16.5% having purchased Life insurance online," Mr Brown said.

These industries have lagged the banking and general insurance industries in the past, so it is not surprising the technology revolution is now just starting in Life insurance and investment management.

Despite the low uptake of consumer facing technology in the Life insurance sector, the research findings contradict the long held belief that financial advisers are the main point of contact for Life insurance and clearly show that most people research their insurance needs and products either online or by speaking to their families or friends.

The results saw 41% of respondents list the Internet as their primary source of information, 38% followed the advice of family and friends, and only 32% of respondents sought professional advice for any of their financial needs.

To compound this, the findings also showed that most people are not willing to pay anything for advice about Life insurance.

Mr Brown said that while this seemed like bad news, the study found that people's awareness of the need for Life insurance was increasing and that we are quickly moving to a time when people will actively buy Life insurance online to protect their families, rather than seek professional advice or wait for someone to sell it to them.

He said that the findings were clear that companies like NobleOak need to provide people with more comprehensive, self directed sources of information and tools to help them calculate their own Life insurance requirements, at low or no cost. People require the right tools to allow them to better assess their needs and determine the type of insurance that will address these needs.

“This should allow them to choose from a broad selection of insurance types, providers and costs which are not directed at a narrow band of products only offered by one company,” he said.

“If we are going to address the significant problem of underinsurance in the community we need to start giving people better online information, so they can make more informed decisions when protecting their families with Life and Income Protection insurance,” Mr Brown said.

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