

Media Release

Monday, 22 January 2018

Consumers opt for quality over speed with Life Insurance

People are prepared to put in more effort to get tailored Life Insurance, according to a recent survey commissioned by NobleOak Life Limited (NobleOak)¹.

The survey found that **38.8%** of people think it's better to do a full health assessment, compared to **29.6%** who say it's better to only answer a few questions.

According to Anthony R Brown, NobleOak CEO, these results might come as a surprise to many.

"You might expect that the majority of people would opt for the quickest and easiest way to get covered, but that wasn't the case at all," Mr Brown said.

"As an insurer that strongly believes in the benefits of fully underwritten cover, that's an extremely encouraging result for us."

Benefits of underwriting

The survey also gave some valuable insights into why people feel the way they do. Among those who believed a full health assessment was better, **44.7%** agreed it would mean no surprises at claim time, while **27.4%** agreed it would save them money.

"People want to know they'll be covered at claim time, without any hassles, and there seems to be a good understanding that it's worth spending more time up-front to make sure your insurer knows all relevant information about you," Mr Brown said.

"Similarly, it's true that healthy people may be able to reduce their premiums by disclosing their medical history – effectively ensuring they're not paying more for other people's health risks. So really they're correct on both counts."

Growing understanding of Life Insurance

Mr Brown believes these findings should be welcomed by the Life Insurance industry, as they demonstrate a growing understanding of the way Life Insurance products work.

The report from Rice Warner, 'Underinsurance in Australia 2015' shows that while 92% of the working population have some form of life insurance only **42%** have enough cover to provide the same standard of living for their families if they experience an adverse event such as death, injury or illness.

¹ Research conducted by PureProfile in November 2017 with 1,006 Australian resident respondents.



“One of the reasons we’ve got an underinsurance problem in Australia is a lack of understanding and trust around Life Insurance. But these results show that many consumers understand the benefits of underwriting, and they’re prepared to spend a bit more time up-front to get more comprehensive cover.”

Another sign of growing awareness was the number of people who were happy to research and buy Life Insurance on their own – with 66.8% saying they would be confident purchasing a Life Insurance or Income Protection product online without a financial adviser.

NobleOak is helping self-directed customers research and understand their options by launching a new website that includes an updated [Life Insurance Calculator which is free to use](#).

“We know there’s a growing appetite for quality direct Life Insurance, so we’re making it easier for people to find out what cover they need and get no-surprises cover – without having to pay for advice,” Mr Brown said.

The Life Insurance Calculator can be found on the NobleOak website at:
<http://www.nobleoak.com.au/life-insurance/life-insurance-calculator>

APPENDICES

Source:

Rice Warner ‘Underinsurance in Australia – 2015’

<http://www.ricewarner.com/wp-content/uploads/2015/09/INFOGRAPHIC-Underinsurance-in-Australia-2015.jpg>

About NobleOak Life Limited

NobleOak Life Limited (NobleOak), is one of Australia’s most established life insurers, and has been in the Australian market for over 140 years. NobleOak is an independent insurer providing Life, TPD, Trauma, Income Protection and Business Expenses insurance.

NobleOak keeps costs low by avoiding mass marketing and large upfront commission payments to third parties. They are able to pass savings back to their customers and clients through reduced premiums, supported by outstanding personal service.

NobleOak has a client satisfaction rating of 95.5% (2017 client survey) and is the winner of the ‘2016 Direct Life Insurance Overall Excellence Award’ issued by Strategic Insight and the 2017 and 2016 Canstar 5 Star Awards for ‘Life’ and ‘Income Protection’ cover. NobleOak was also

awarded the Gold Trusted Service Award from Feefo in 2017.



NobleOak is an Australian public unlisted company regulated by APRA, with products backed by a leading global reinsurer, Hannover Life Re. For more information visit www.nobleoak.com.au

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