



Media Release

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Australians willing to buy but don't obtain enough cover

A NobleOak survey¹ conducted in December 2017 shows that **45%** of Australians have no form of Life insurance, and those who do have cover may not have enough or the right type.

Anthony R Brown, NobleOak CEO, said this finding is concerning. "Surprisingly it's people aged 55-60 who are more likely not to have cover (**66%**) and are male (**57%**).

"Many people underestimate the impact of an adverse event such as a sudden death or injury preventing them from working. The financial consequences could be devastating."

The NobleOak survey also reinforced the growing trend for people to use the internet with **43.6%** of respondents who obtain advice about Life Insurance access the internet.

With this shift in consumer behaviour to online, decisions regarding how much cover and what type of cover that is needed may not be fully investigated.

"Whilst buying online is the growing trend, consumers need to make sure they do their homework. It can be easy to buy cover because it's cheap, but this doesn't mean it's the best cover for your particular circumstances. In addition, many people think that if they have Life insurance inside their super, they are adequately covered. This is often not the case. Cover held outside super may offer more opportunity to tailor levels and types of cover to suit individual needs."

The issue of underinsurance is highlighted in the Rice Warner *Underinsurance in Australia 2015* [report](#) which shows only 42% of Australians have enough life cover to offer their families the equivalent standard of living. Worryingly, the median level of Life cover in Australia would meet only 61% of basic needs and 37% of income replacement needs.

Resolving the problem of underinsurance requires an industry-wide solution, one that recognises shifting consumer behaviour to using the internet and digital devices and access to quality resources and tools.

NobleOak CEO, Anthony Brown said Australia's insurance landscape is changing. Consumers are bypassing traditional financial advice, opting to research and buy Life Insurance online.

"Results from the NobleOak survey showed that around two thirds (**66.8%**) of respondents would be confident purchasing Life Insurance online without financial advice and with the right resources. In view of this, we have launched a free, user-friendly [calculator](#) that allows people to self-assess the amount of Life Insurance they need online."

¹ Research conducted by Pureprofile in December 2017 with 1,006 Australian resident respondents.



Using a range of behavioural and scenario-based indicators, consumers can determine the level and type of cover required. They also receive a personalised Life Insurance Report with different insurance options to consider.

All assumptions used in the calculator have been independently reviewed and audited by Rice Warner and assessed by ASIC.

APPENDICES

About NobleOak

NobleOak Life Limited (NobleOak), is one of Australia’s most established life insurers, and has been in the Australian market for over 138 years. NobleOak is an independent insurer providing Life cover, 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 98.5% (April 2016 client survey) and is the winner of the “2016 Direct Life Insurance Overall Excellence Award” issued by Strategic Insight and the 2016 Canstar 5 Star Awards for “Life” and “Income Protection” cover.



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