



NOBLEOAK

The smarter way to insure your life

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Confusion around Life Insurance can lead to unprepared consumers

New research after the Royal Commission, from NobleOak, has shown that the number of consumers purchasing Life Insurance has dropped since 2018 from 56% to 47%. The majority of respondents (30%) were not confident at all that issues identified by the Royal Commission would be fixed. This indicates a lack of trust in the industry to change. Interestingly, the age bracket that was most prepared for unfortunate and unforeseen events were 30-34 year olds, with 54% currently having a Life Insurance product. However, the age bracket that is least prepared is the 55-60 year olds, with only 36% having a Life Insurance product.

Anthony Brown, CEO NobleOak said, "For some, the need for Life Insurance is more apparent in their 30s and 40s when achieving milestones such as buying a house or starting a family. However, Life Insurance still remains important through the different stages of your life. It is concerning that some people may not be getting the cover they most likely need."

Lack of trust and confusion around Life Insurance products often leads to people being underinsured and underprepared. 60% of people found Life Insurance products confusing. Almost 20% more women found Life Insurance products more confusing than men and people in the 30-34 age bracket were 17% more likely to find Life Insurance products more confusing than those in the 55-60 age bracket.

More concerning is that for those who don't have Life Insurance the majority, at 65%, indicated that they would rely mainly on savings should they contract a major illness and be unable to earn an income, 52% would use health cover or Medicare and 31% would rely on family and friends.

Brown continued, "Confusion and lack of trust continue to be a barrier for people when considering Life Insurance. The most common questions consumers have are, what type of cover should I have and how much do I need? An increasing number of consumers are underinsured and would rely on savings and family and friends should a crisis occur. Unfortunately, these funds often aren't enough. At NobleOak, we continue to drive awareness and understanding in the community about the risks of underinsurance."

Anthony Brown, CEO NobleOak helps to dispel the confusion and shares his insights into what cover is needed for each life stage.

Thirties and Forties

"Buying Life Insurance in your thirties can be the most affordable and practical time to buy. If your health is good you are likely able to secure coverage at more affordable premiums. This is also the time in your life when you might start to have dependents such as a family or purchase your first home."

Fifties

"Life Insurance at this later stage of life can be a vital component of your financial plans. If you are reviewing your existing Life Insurance cover, you will benefit from spending time conducting the necessary research. Life Insurance premium rates usually increase annually with age and unfortunately, it's more expensive to purchase as you get older. If you've had any major health issues over the years, this too could have an impact on the premium you will need to pay."

Sixties

"Nearing retirement we all hope for our life plans to have eventuated, but what happens when the reality may not be as we expected? What would happen if you suffered a sudden health crisis and you still have financial responsibilities? Many Life Insurance policies help protect families by releasing some funds early to help look after any immediate funeral and legal expenses at the time of a death occurring. NobleOak Life Insurance has a Funeral Advance Benefit of \$15,000 for this purpose, as part of the cover at no additional cost."



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To make choosing Life Insurance products easier, NobleOak launched an online Life Insurance Assessment Calculator to help people assess and calculate how much cover they may need. This tool incorporates Life Insurance, TPD cover, Trauma cover and Income Protection cover in one, so a user can consider their needs across a range of life insurance products.

To find out more about Life Insurance products visit www.nobleoak.com.au

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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.

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