



INNOVATE WITH PURPOSE

2024 LIMRA ANNUAL CONFERENCE

Empowering Underserved Markets With Emerging Sales Talent



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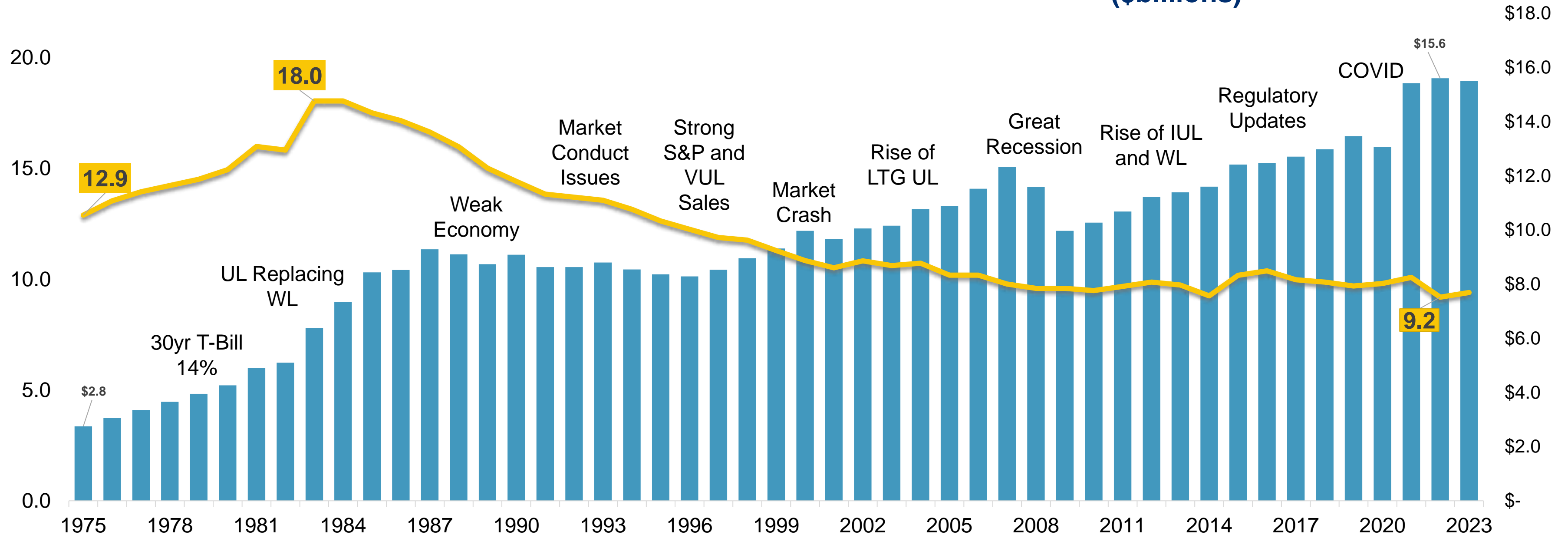
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Retail Individual Life Sales Trends

Policies (millions)

Annualized premium (\$billions)



Source: LIMRA's U.S. Retail Life Insurance Sales Survey and LIMRA estimates

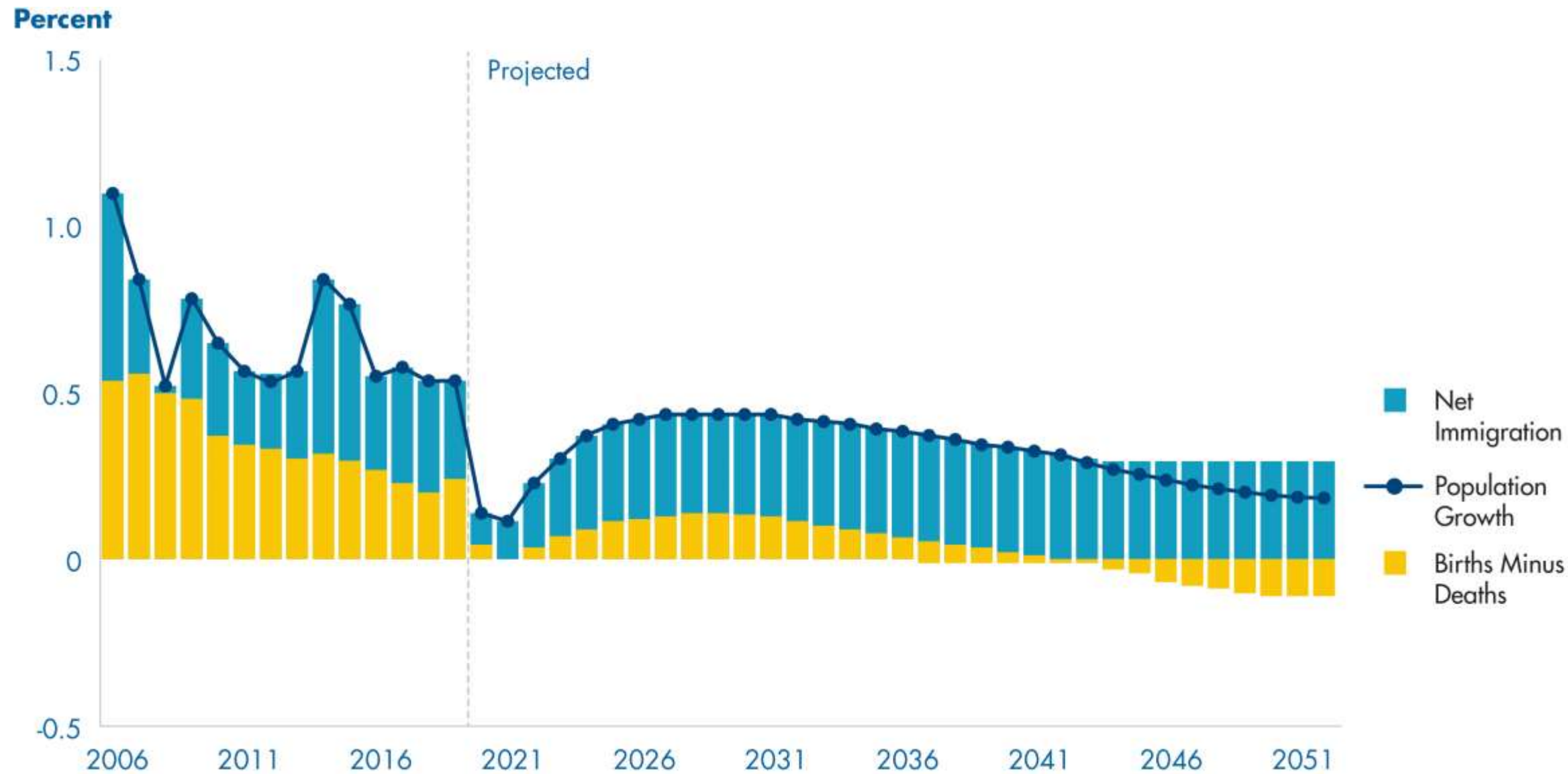


Demographics: To Whom Will You Be Selling?

- Little population growth
- More diverse population
- Fewer marriages
- Fewer children
- Aging population



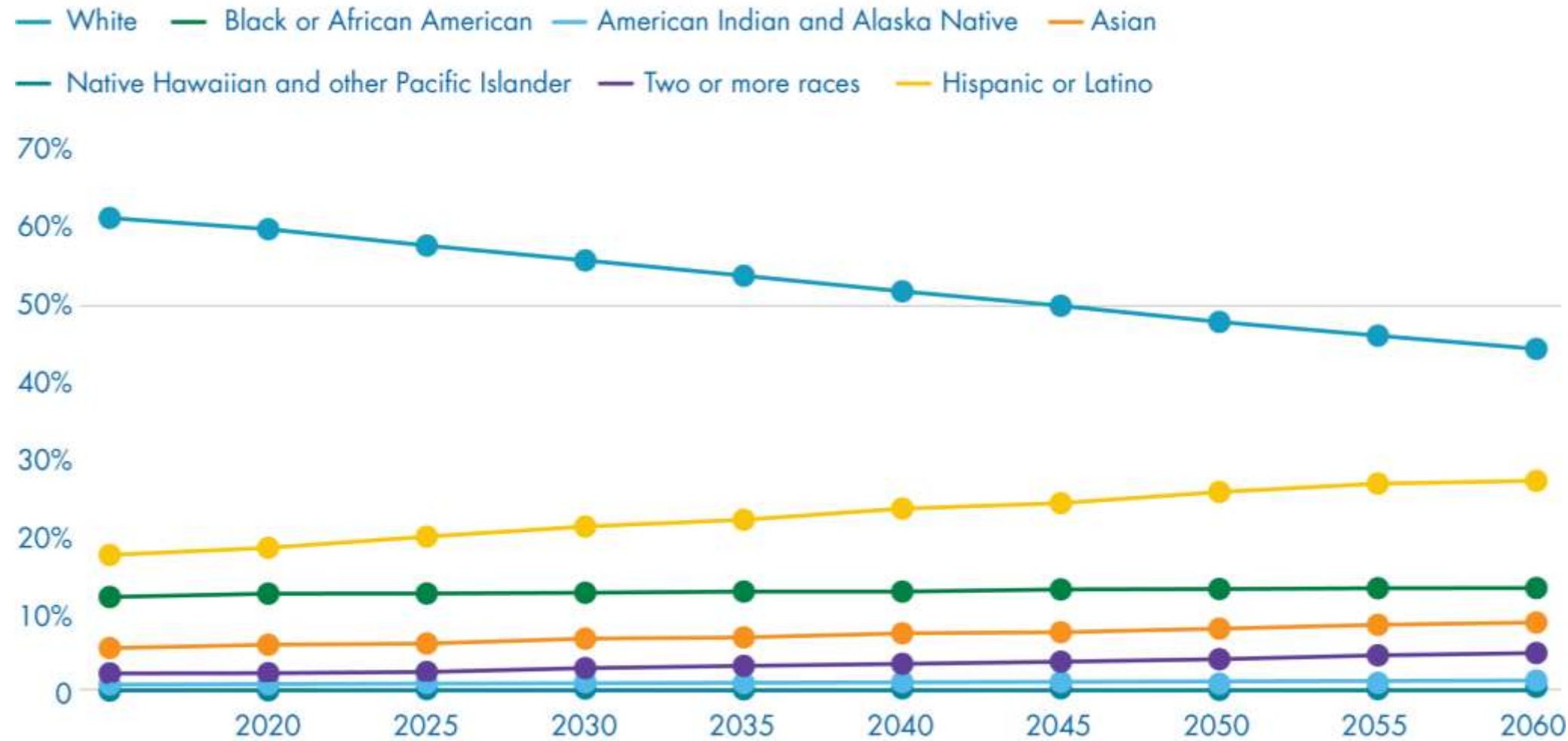
Demographics Contribute to Population Growth



- Population growth is slowing
- Population growth increasingly driven by net immigration

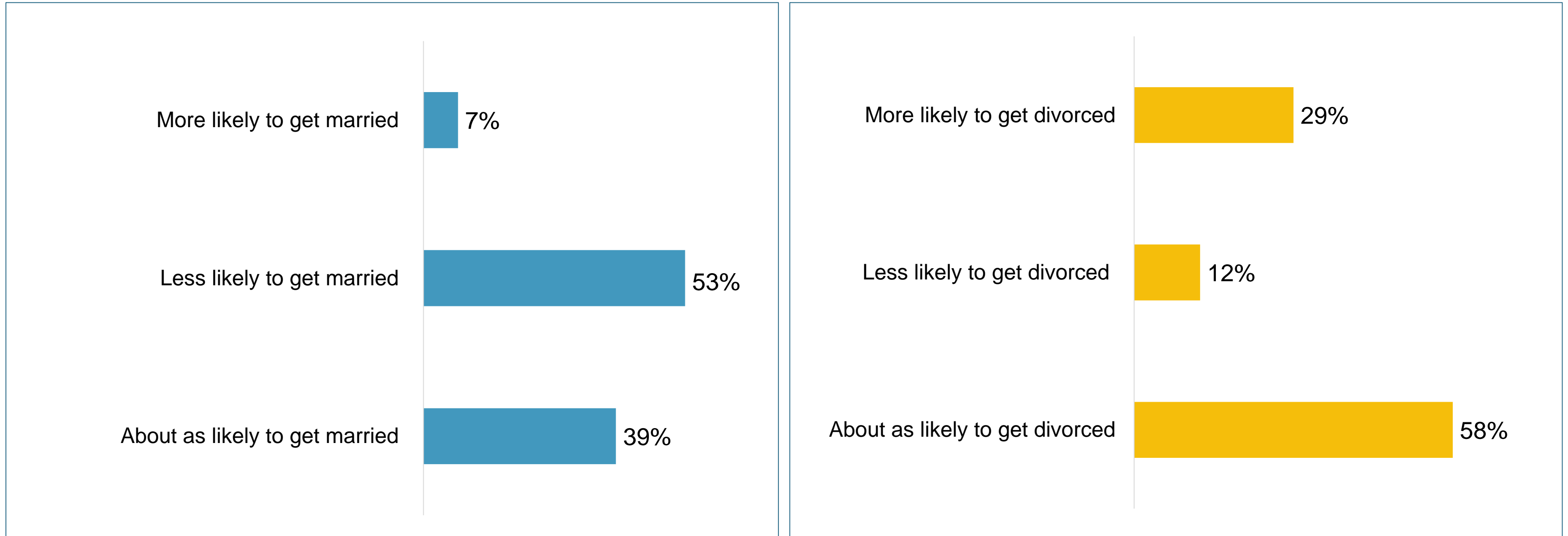
The Changing Face of the United States

After 2045, non-Hispanic whites will likely make up less than half of all Americans.



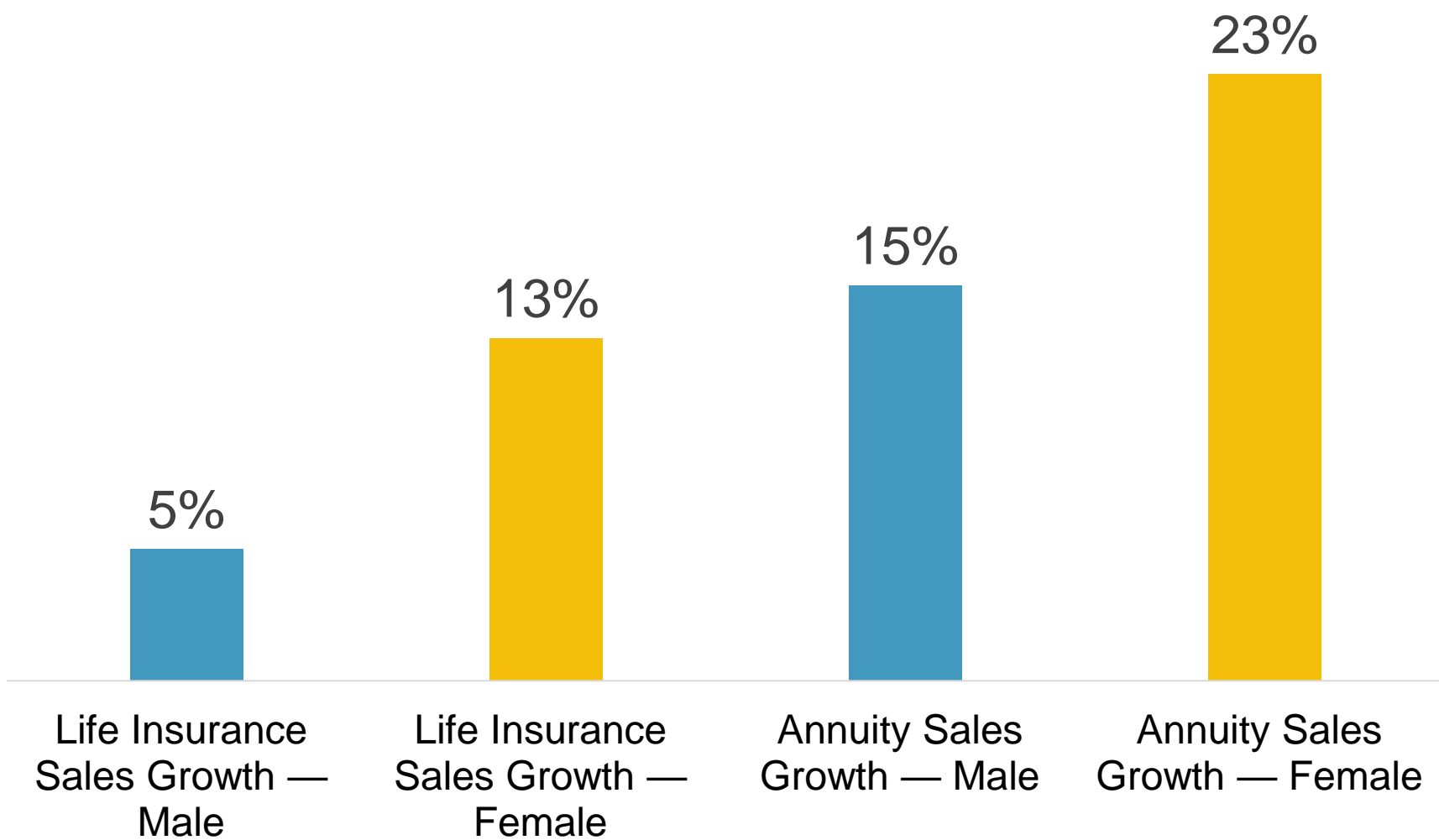
Fewer Marriages, More Divorces

Percent saying that by 2050, they expect people will be _____ than they are now



Woman Are Driving Sales Growth

Female advisors are growing their client base 22% more than their male counterparts.

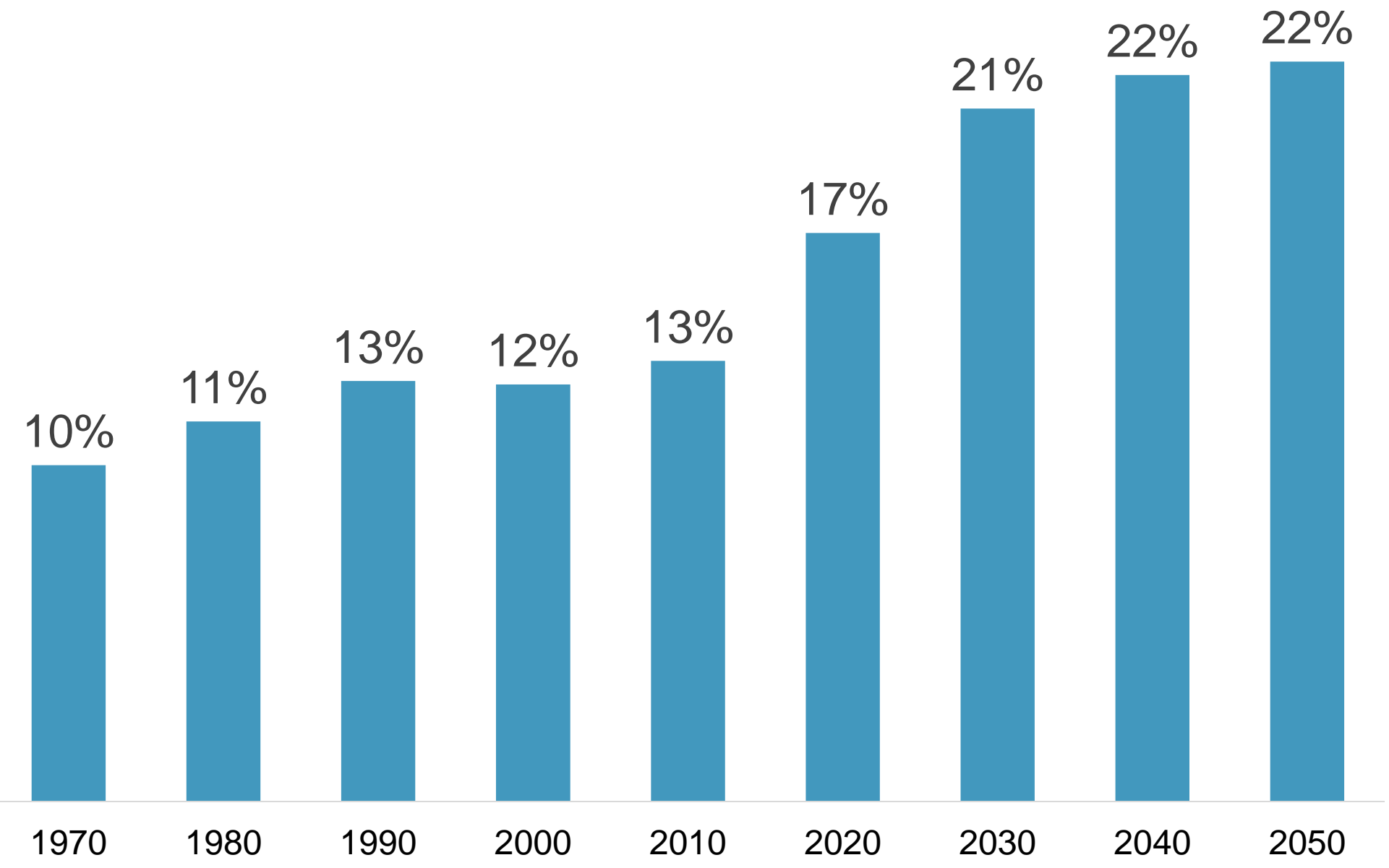


LIMRA EY Study of Experienced Advisors, 2023.

Age Brings Opportunity

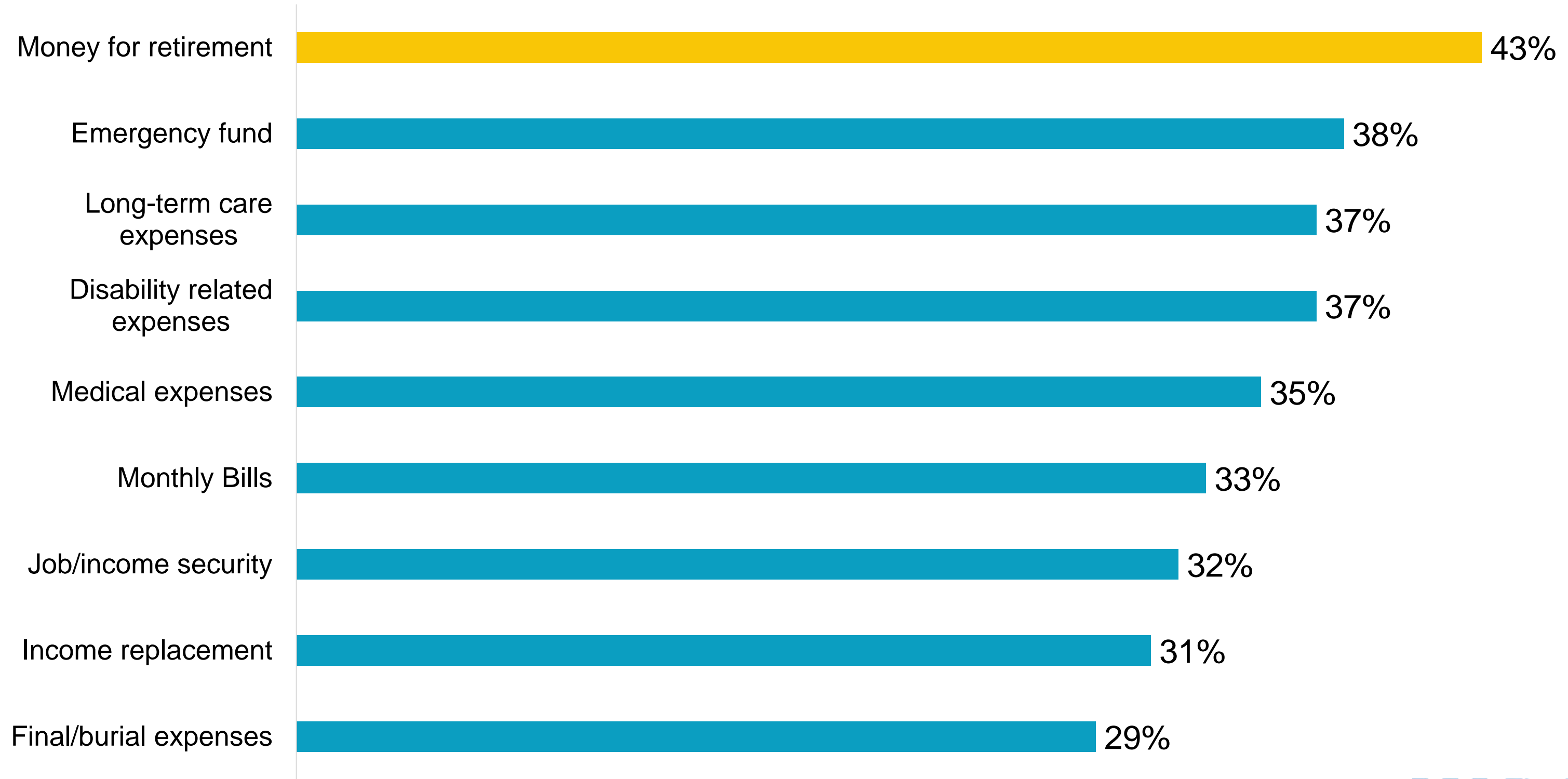
The number of Americans ages 65 and older will more than double over the next 40 years.

Share of population 65 and older, 1970–2025



Statista, 2023.

Consumers Have Competing Priorities





Underserved Markets

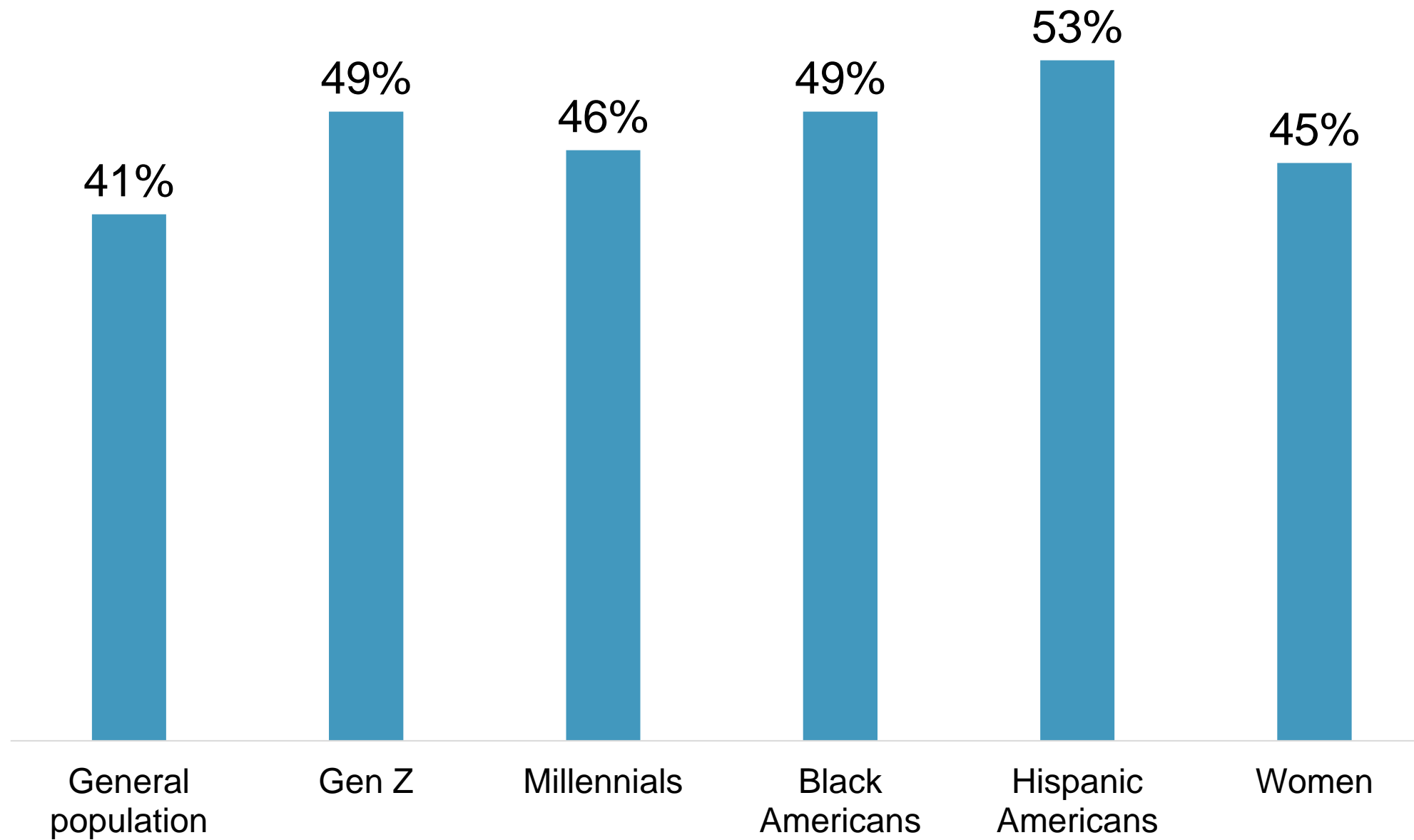
Defining Underserved Markets

- Middle & Lower Income
- Younger Consumers
- Women
- Black Americans
- Hispanic Americans
- LGBTQ+ Americans

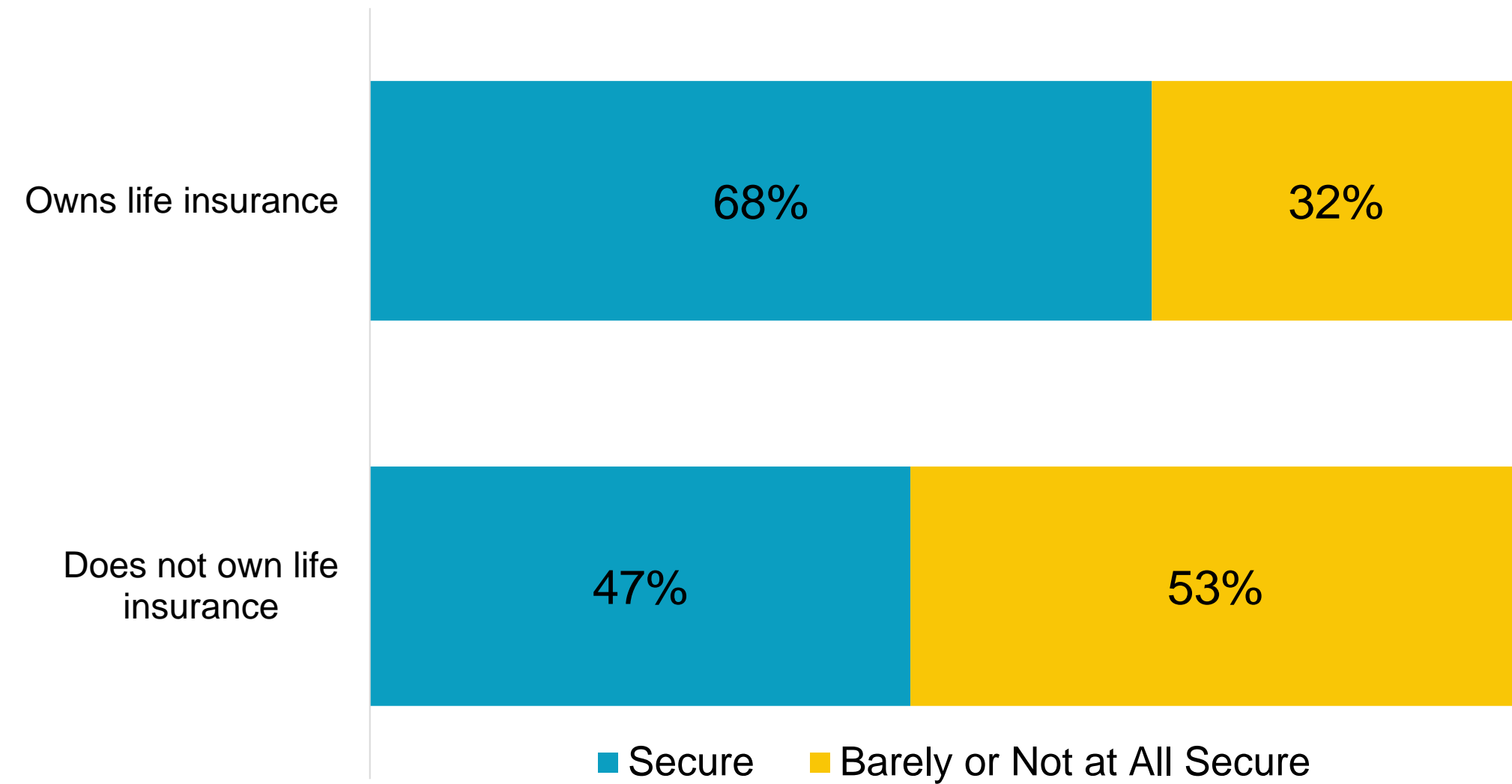


Insurance Gap

U.S. consumers who say they need (or need more) life insurance



Life Insurance Owners Feel More Secure



78%
of those who own
both worksite and
individual life
insurance feel
secure.

Closing the Gap

Growth will come from traditionally underserved and new markets

Women

54 million

in the U.S.

85%

are either the sole or the joint financial decision-makers in their households.

↑ 40%

In the U.S., the number of single-mother households with minor children has increased 40% since 1980.

Gen Z

68 million

in the U.S.

Smallest adult population today

19 million

expressed an ownership need.

LGBTQ+

7.2%

of population.

Nearly 20%

are Gen Z.

Ethnicity

Black Americans:

higher ownership

Only 40%

own to transfer wealth or leave an inheritance.

↑ Hispanic Americans: 62.1 million people

(an increase of 23% over the past decade)

The Opportunity



The Female Market Is a Growth Opportunity...

54 million
adult women
in the U.S.

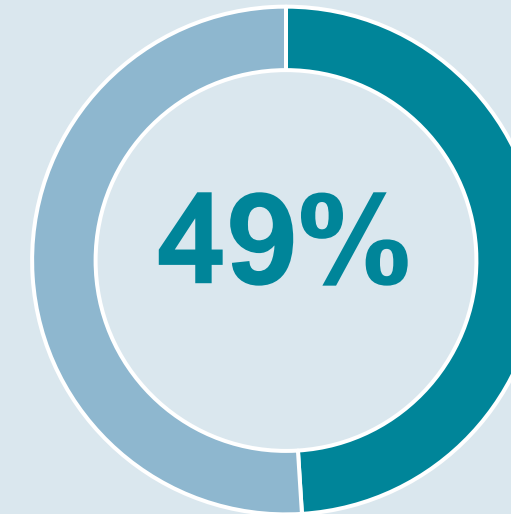
Make up
48% of the
workforce

Outlive men by
an average of
6 years



Control an
estimated
\$10.9 million
in assets

85% are either the sole or joint
financial decision-makers in
their households



Nearly half of women say
their families would feel
financial hardship within
one year or sooner should
the primary wage earner
pass away.

...and Welcomes Advice and Expert Guidance

Perceptions

More likely to report financial stress

34% **23%**

of women vs. men

Less likely to say they are very knowledgeable about investments and/or financial products

13% **27%**

of women vs. men

Financial Advisor Relationships

A quarter are looking for a financial advisor

But have less confidence in carriers and financial professionals (for insurance agents and brokers)

25% **41%**

of women vs. men

Uninsured

Women

51%

Men

45%

Underinsured
"I need more life insurance"

34%

30%

Your Newest Customers



Capturing the Next Generation: Z

Demographics



- Young
- Ethnically and racially diverse

Psychographics



- Digital natives
- Values-driven

Experiences

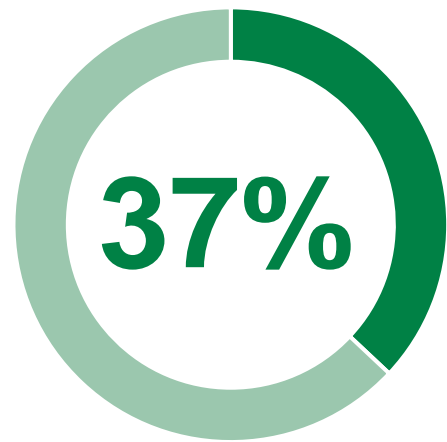


- More educated
- Slower to join the workforce
- Used to structure, achievement, and support

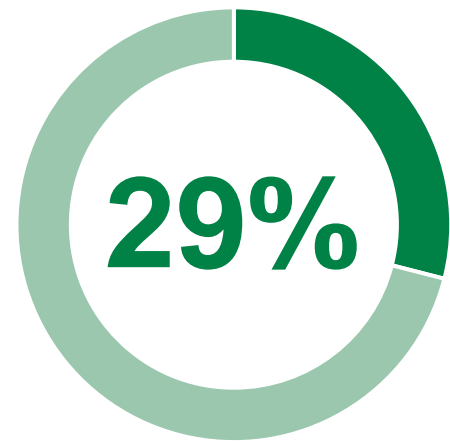


Gen Z and Life Insurance

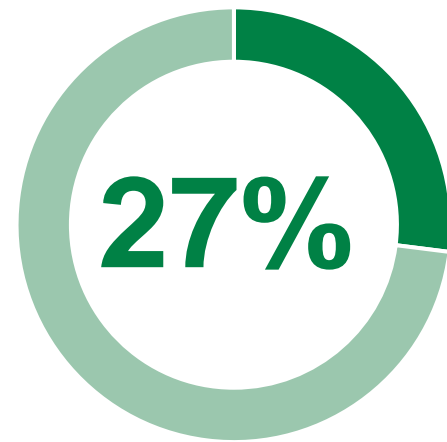
Why They Don't Buy



Perceived expense



Procrastination



Unsure how much is needed or what type to buy

They Have Other Concerns Ahead of Life Insurance

45% Saving for an emergency

43% Job security/maintaining income

45% Saving enough for retirement

41% Paying monthly bills

44% Being able to support self if unable to work

▶ Employed Gen Z is more likely to believe what they have from work is sufficient.

▶ **Half (47%) of Gen Z adults and Millennials (49%)** say they need life insurance or more of it.

Relies More on Social Media

Gen Z: Social Media Use for Financial Information



70%



50%



47%



They use social media to research, but prefer to buy from a professional



Top 3 reasons for buying:



33% Pandemic

22% Familiarity with strain of a lack of coverage

21% Purchasing a home

The LGBTQ+ Market

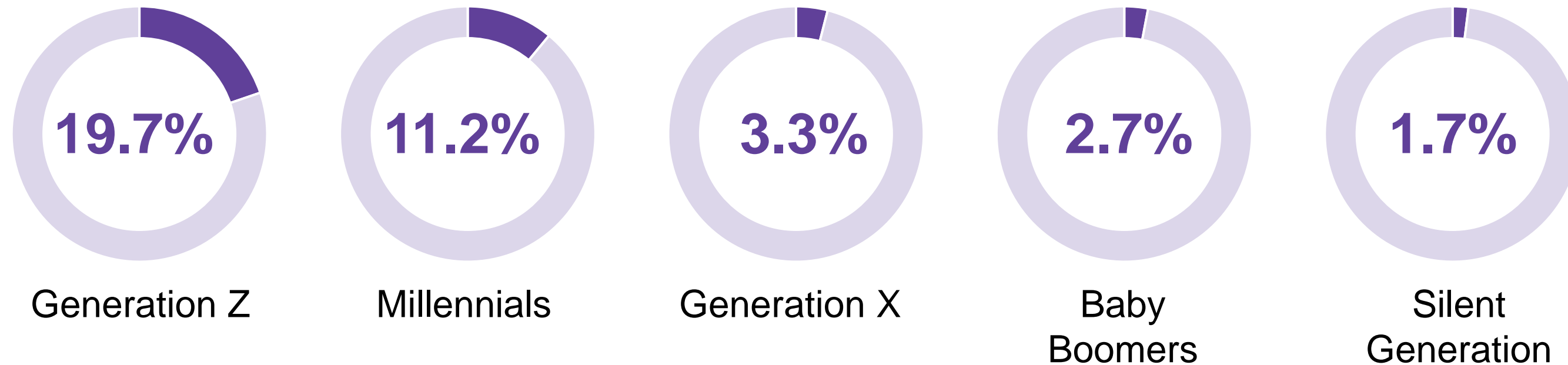


LGBTQ+ American Trends Suggest Future Growth

About 7.2% of population identifies as LGBTQ+ (according to Census analysis)

LGBTQ+ Identification by Generation in 2022

Percentages of those who identify as lesbian, gay, bisexual, transgender, or other:

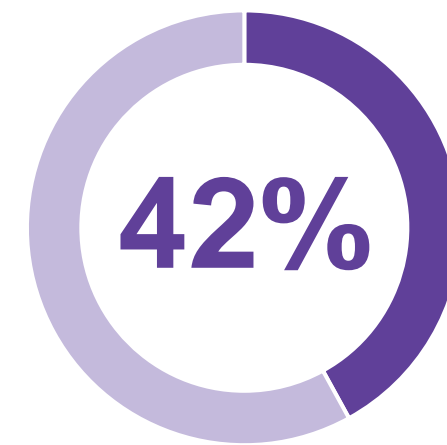


LGBTQ+ Americans Are Disproportionately Underserved

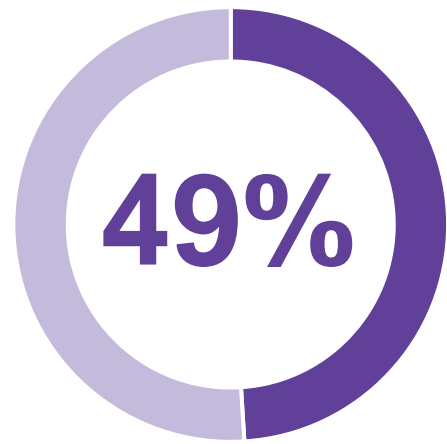
Same-sex married couples have higher median HH income than straight couples



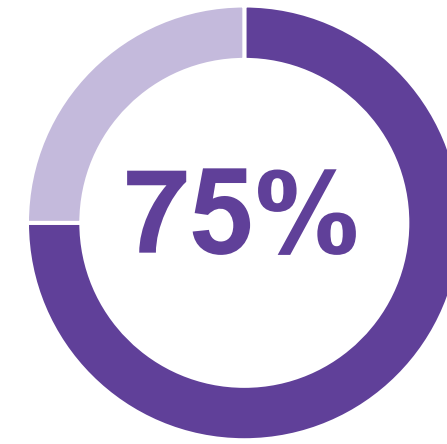
are worried about having enough to comfortably retire



ownership; **10 points lower** than general population



report high or very high levels of stress regarding household finances; **17 points** higher than Americans overall



of LGBTQ+ consumers recognize their need for life insurance and are **1.5 times** as likely to buy it

The Hispanic Market



The Hispanic Market Is Diverse



62.1 million

U.S. Hispanic population represents 62.1 million people (**23% increase** over the past decade)

Challenges to Ownership

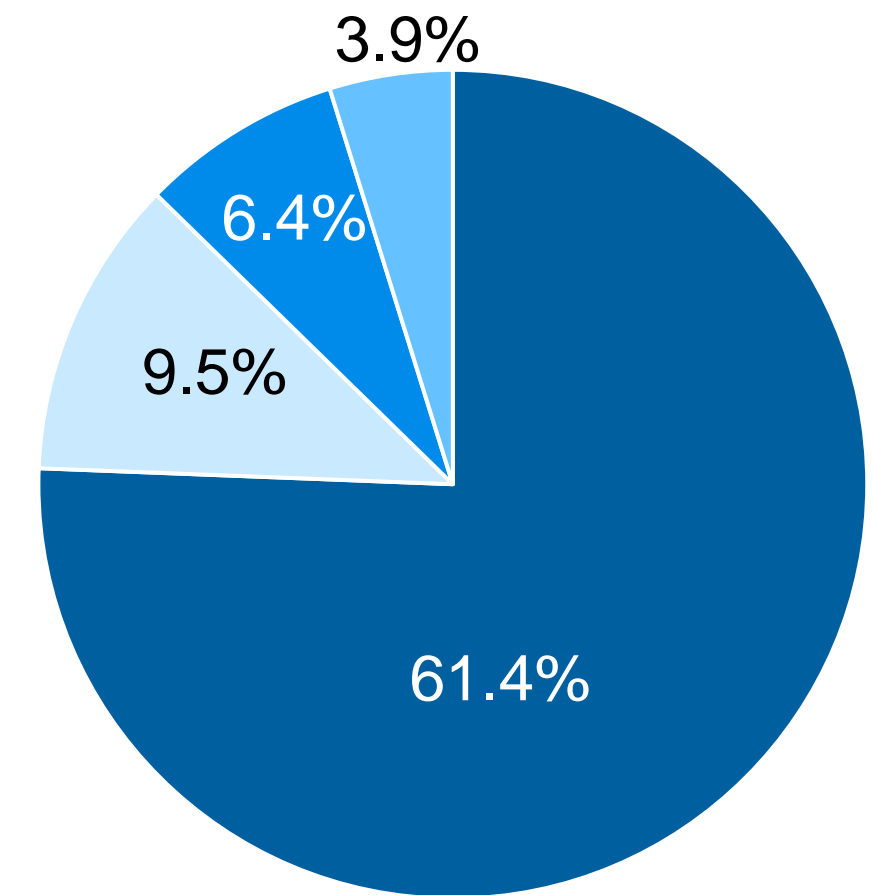
Younger

Many speak Spanish or are bilingual

May have less access to life insurance at work

Trail non-Hispanic whites in educational attainment and income

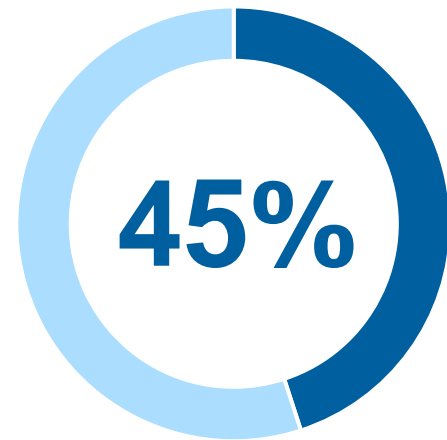
Places of Origin Vary



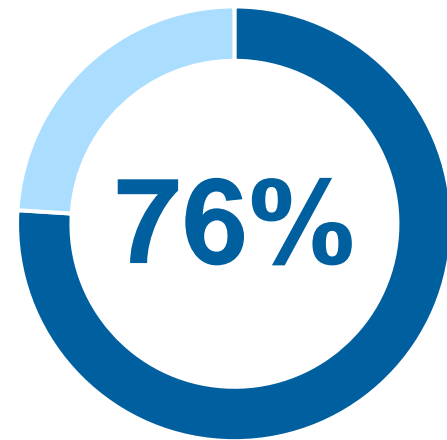
■ Mexican ■ South or Central American
■ Puerto Rican ■ Cuban

Multilingual Advisors Are Growing Their Businesses Faster

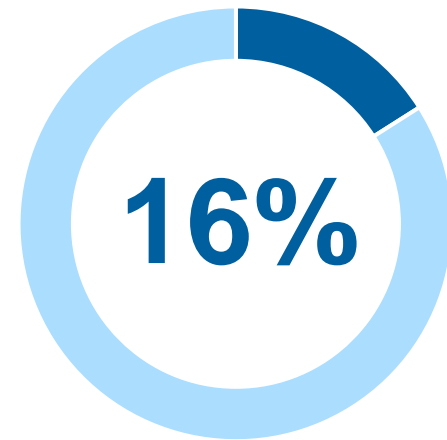
Lower Ownership Across Products



for life insurance



for health/medical



disability

Time to Hardship Is Fast

45% say within six months

28% say within one month

Commonly Held Beliefs

More likely to believe that the recommended amount is too high

27% believe that it's for final expenses only

The Black American Market



Missed Opportunity: Black American Generational Wealth

54% Own life insurance
(and **39%** think they need more)

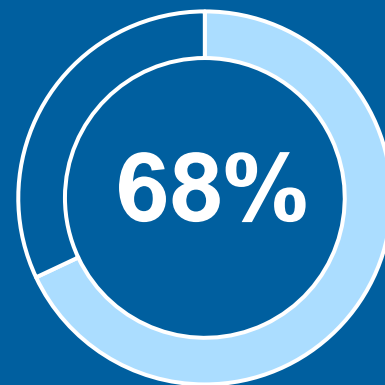
64% More likely to own to cover burial and final expenses

41% Don't think they qualify for coverage

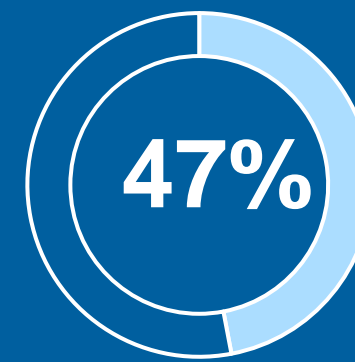
Source: *From Intent to Action: Creating Financial Security for Black Americans*, LIMRA, 2023.

Life Insurance Ownership Influences Financial Security

Feel financially secure

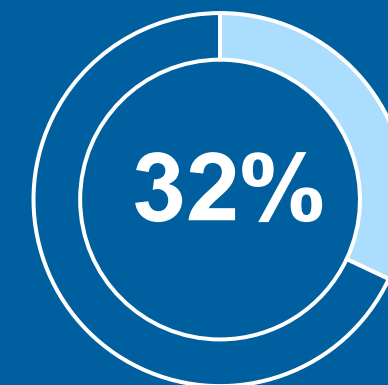


Insured Black Americans



Uninsured Black Americans

Feel barely or not at all financially secure



Insured Black Americans



Uninsured Black Americans

Source: *2023 Insurance Barometer Study*, LIMRA and Life Happens.

More likely to believe life insurance is only for burial and final expenses

Opportunity to build and transfer wealth; build an estate

Discussion

- **Market Challenges**
Is this a market worth pursuing?
- **Customer Experience**
How can the experience be improved?
- **Distribution Strategies**
How to attract young talent?
- **Trends**
How to measure success?





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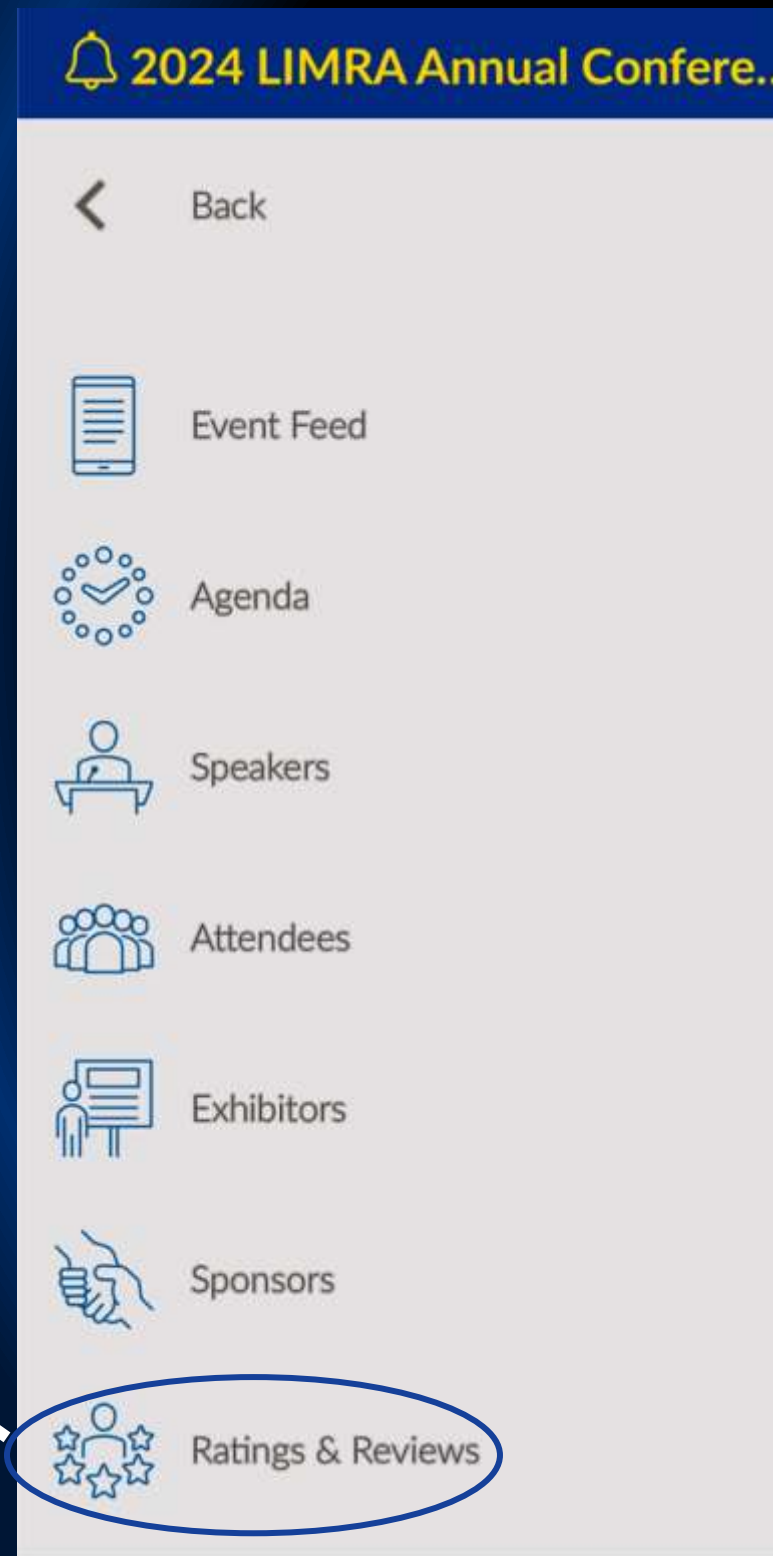


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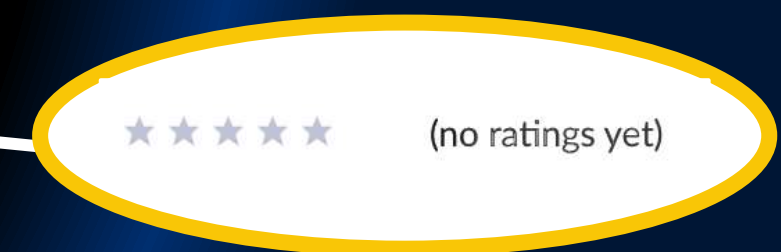
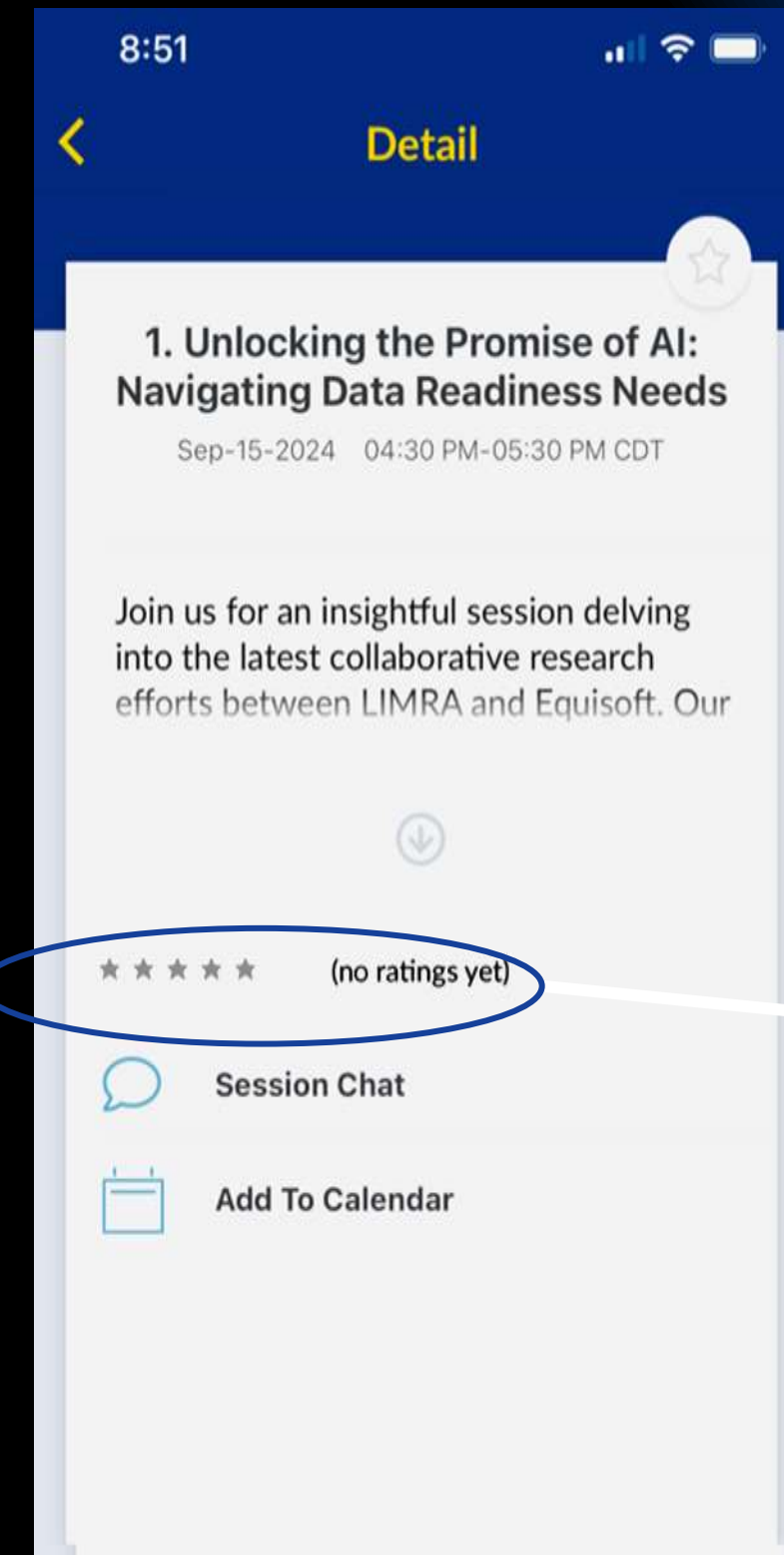
Chief Distribution Officer
Integrity Marketing Group

Please Provide Your Feedback on the Conference App

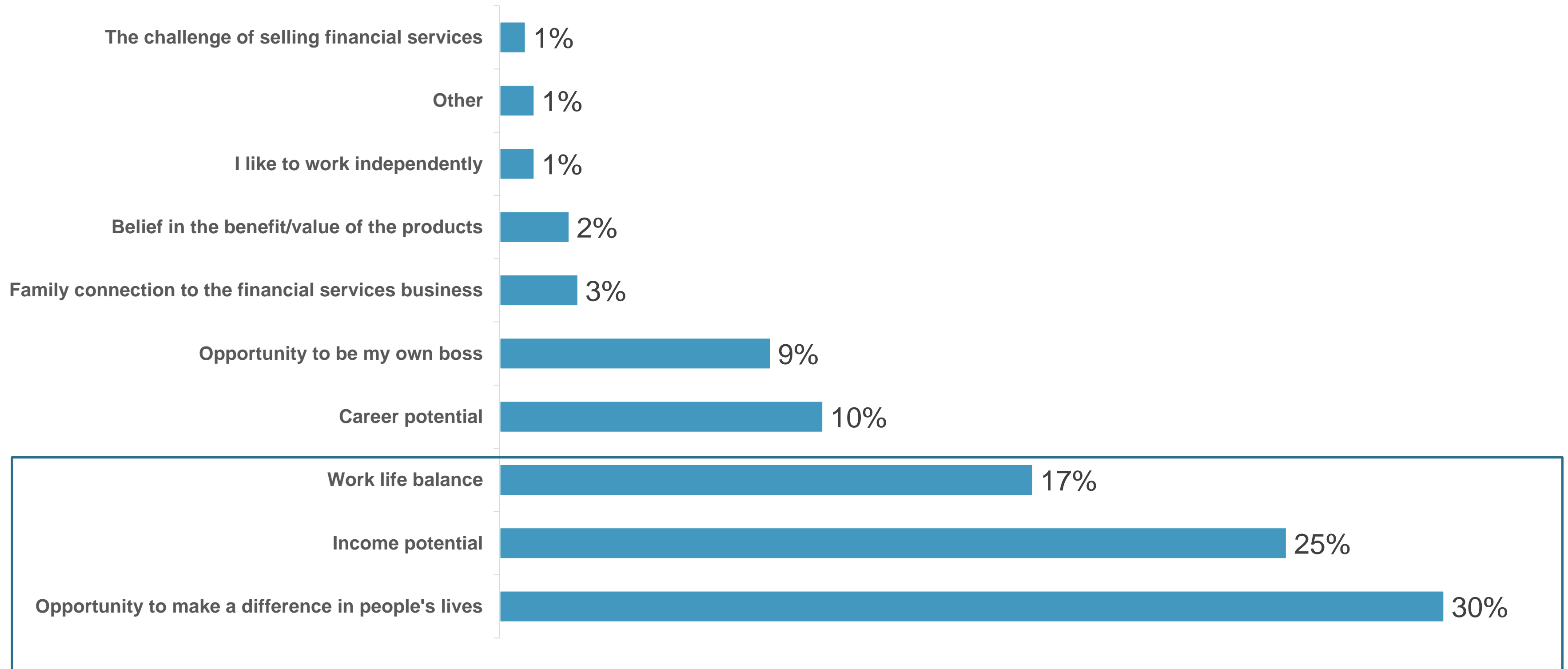
OPTION 1



OPTION 2



Top reasons for a career in financial services sales



Leading Carriers Are Enabling Data-Driven Personalization

The customer experience—and the critical capabilities that enable it—will drive growth.



Simplifying the customer journey will enhance the customer experience and improve the conversation rate.



74%

About 74% of respondents view **data science and data analytics** as crucial to success



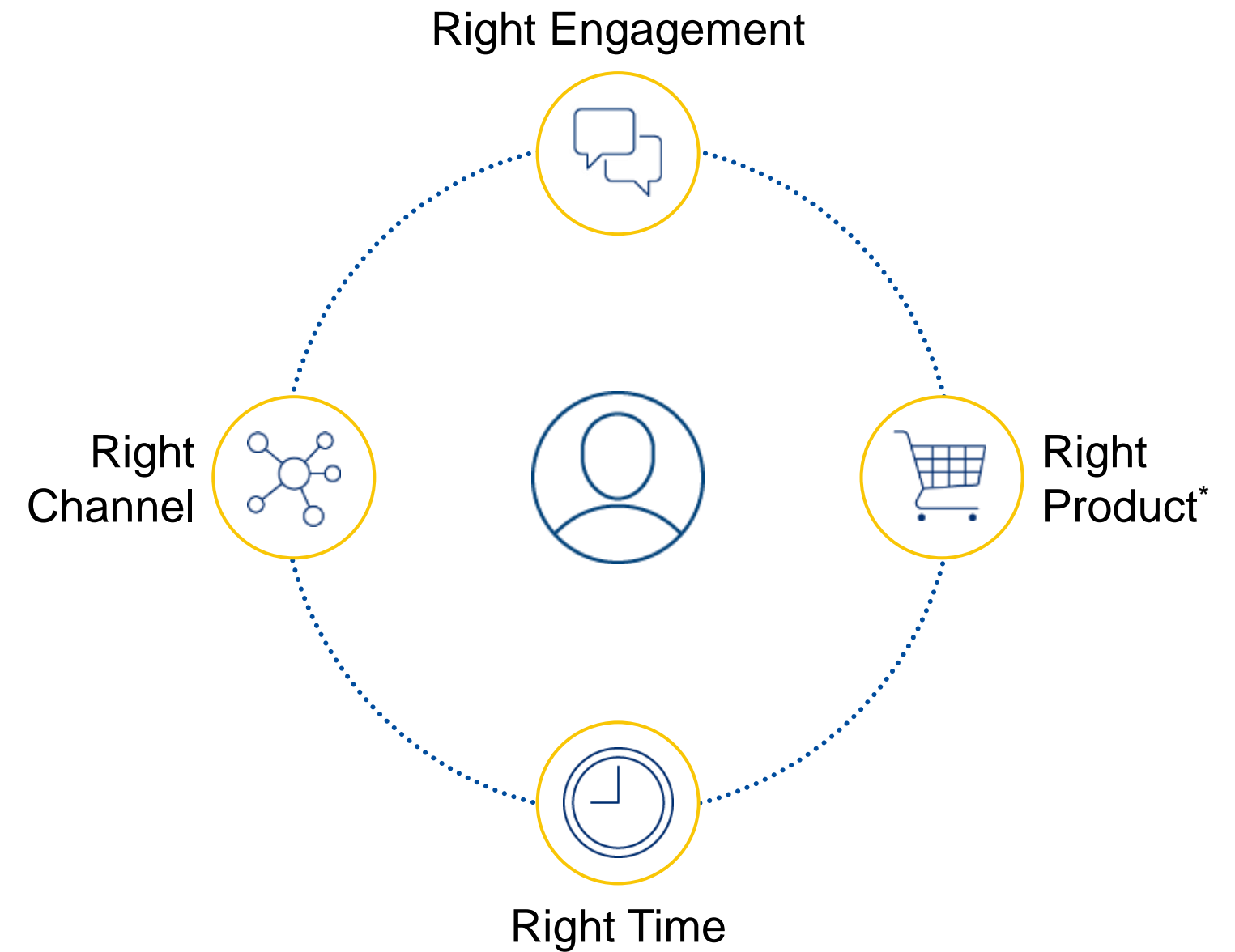
66%

About 66% of respondents view **customer service technologies** as crucial to success

The ability to engage customers in meaningful ways will be critical to persistency over time.

— An in-force management executive

Successful one-to-one personalization meets four customer needs.






Many Insurers Are Helping Advisors Build and Maintain Relationships

Assisting advisors requires investment.

60%
of respondents
Identified **helping advisors** as a top distribution challenge.

69% of advisors
Chose **service & relationship** as the top reasons for using an independent marketing organization.

New capabilities are being deployed to meet advisors' needs.

-  **Lead generation & analytics**
 - Ecosystem-based leads (e.g., social media and partners, etc.)
 - Propensity models
 - Outbound engagement & marketing tools
 - Personalization solutions
-  **Holistic advice**
 - Interactive outreach (e.g., data intake apps)
 - Co-browsing & co-pitching assistance
 - Customer calls that include an insurance expert
 - Financial planning tools
-  **Automation**
 - Straight-through processing
 - Self-serve account updates
 - Chatbots
 - Automated reminders

Sources: BCG and LIMRA's 2023 global survey of life insurance executives; *Inside the Intermediary 2.0*, LIMRA and the National Association of Independent Life Brokerage Agencies, 2023; executive interviews; BCG analysis.



Thank You

