

LIMRA's 2011 Research Projects



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As our industry continually faces new challenges, the need for relevant information on critical issues rises daily. LIMRA recognizes this need and has identified a program of 2011 research studies that will give members insights into these contemporary problems. We conduct these projects in addition to our numerous, ongoing benchmarking studies.

This document provides short descriptions of these projects with contact information for the research units that are conducting the studies.

For more information please contact
LIMRA's U.S. InfoCenter at 860-285-7767 or infocenter@limra.com
or
LIMRA Europe Information Centre at +1441727893843 or info@limraeurope.com.

Developmental and Strategic Research		
New Product Development Trends	As the industry comes back from the recession, we expect that a number of new products will address customers' new concerns. We will compile new product offerings and identify trends and their implications. We will also survey companies on their product development strategies.	Jim Mitchel 860-285-7745
2011 Industry Predictions	What is the outlook for 2011? This report presents the collective wisdom of over 100 industry leaders on how likely it is that a number of key events will in fact take place in 2011, along with some of their comments.	Jim Mitchel 860-285-7745 Bob Baranoff 860-285-7818
Claimant Satisfaction Research	With the goal of developing an industrywide benchmark for claimant satisfaction, LIMRA will begin surveying carriers' life insurance claimants in 2011.	Jennifer Douglas 860-285-7742
In Focus: Niche Marketing	This study explores niche or target marketing from a producer perspective. The study identifies elements of successful niche marketing programs and surveys producers to uncover existing niche marketing ideas and solutions as well as related marketing and operational needs.	Scott Kallenbach 860-285-7829
Compliance Research: Company Practices Survey	This benchmarking survey will quantify current regulatory risk practices and will also address how firms plan to identify and handle future regulatory concerns. Participating firms can compare their policies against those of the industry and their peers.	Scott Kallenbach 860-285-7829
Quarterly Consumer Survey	First initiated in 2008 to gauge consumer sentiment surrounding the economy and the financial services industry, these quarterly surveys will continue to monitor Americans' opinions of the economy in 2011 while exploring other topical issues as they arise.	Scott Kallenbach 860-285-7829 Jennifer Douglas 860-285-7742
Consumer Sentiment Among Lower- and Lower-Middle-Income Americans: 2008–2010	As a supplement to LIMRA's quarterly tracking of consumer sentiment, this report offers a glimpse into the opinions of lower-income Americans and whether they differ from those with higher incomes when it comes to the economy, the financial services industry, and their own life insurance needs.	Jennifer Douglas 860-285-7742
Ethnographic Study of Sales Calls	As part of the sales research program, this project will observe potential buyers as they interact with sales representatives during the initial sales interview for individual life or health insurance products. We will also attempt to interview the sales reps and prospects. We hope to gain new insights on how to effectively sell risk products.	Jim Mitchel 860-285-7745 Jennifer Douglas 860-285-7742 Scott Kallenbach 860-285-7829
Group Versus Individual: The Lines Blur	Some carriers are moving away from the group versus individual product/market distinction and are viewing sales at the worksite as simply another distribution channel or means to access the ultimate customer with the added benefit of the employer endorsement. This strategic paper will look at a variety of data sources to gauge the likelihood that companies will merge/integrate these lines of business — so group will come to be treated as “worksite distribution” and individual as “home distribution.”	Jennifer Douglas 860-285-7742

Developmental and Strategic Research (*continued*)

Memories of the Future: Four Scenarios for the Life Insurance Industry in 2016	<p>The study will update the 2007 report, <i>Memories of the Future</i>. The initial report identified four possible scenarios for 2016. We are halfway through the evaluation period — are course adjustments needed? Since <i>Memories of the Future</i> was first published, we have experienced a global economic collapse not seen since the Great Depression and have seen the worst declines in life insurance sales since World War II. Further, the passage of The Dodd-Frank Act will lead to increased regulation, and health care reform will forever change health care in the U.S. How have these events altered the predicted scenarios? Where will the adjusted courses lead us?</p>	<p>Scott Kallenbach 860-285-7829</p>
Sales Capacity	<p>Over the past 10-plus years, the size of the field force in the financial services industry has been relatively flat. There are two ways for companies to grow sales: 1) improve productivity, or 2) increase sales capacity (boots on the street). Over the past 10 years, productivity improvements have been the primary driver of sales growth as increasing sales capacity has stalled. Long-term growth under these trends is not sustainable. This report addresses strategies for increasing sales capacity including:</p> <ul style="list-style-type: none"> • Channel expansion • Business practices • Support for the sales professional • Product offerings • Succession planning 	<p>Scott Kallenbach 860-285-7829</p> <p>Lucian J. Lombardi 860-285-7845</p>
Updated Sales Ratios	<p>As part of the Sales Research program, LIMRA's Producer Panel will be used to obtain 2011 activity numbers to update the 1948 Purdue Formula from "10 seen calls, five closing interviews, and one sale per week."</p>	<p>Jim Mitchel 860-285-7745</p>
Research Briefings	<p>These short reports provide timely assessments of key industry issues based on company surveys that are fielded periodically and in response to important industry developments.</p>	<p>Scott Kallenbach 860-285-7829</p>
Life Settlement Research	<p>This project will start tracking life settlements by asking companies to report on the number and face amount of life settlements they have among their current in force policies. We will also try to collect characteristics of the policies such as age of insured, gender of insured, size of policy, and type of policy.</p>	<p>Jim Mitchel 860-285-7745</p>

Distribution Research		
The New eEntrepreneurs	In the future why would someone want to be a life insurance salesperson? In 2007 LIMRA's <i>Competing for Sales Talent</i> report found that job candidates had certain preconceived notions about pursuing a life insurance sales position as opposed to other financial services positions. Since then, the landscape has changed. This project revisits our findings to see how perceptions have changed and what individuals are looking for in a financial services sales career. We will also share the perspective of recruiters, those individuals on the front lines to see if and how they have changed their approach to recruiting the next generation of sales talent.	Polly Painter-Eggers 860-298-2988
Insurance Cross-Purchase Study	LIMRA research conducted in the past gives us cross-selling benchmarks for companies selling property-casualty insurance, life insurance, life-related insurance, and financial services through the multiple-line exclusive-agent distribution channel. Cross selling continues to be a challenge for these companies. This report is part of a major study exploring the issue of cross selling from three perspectives: the agent, the company, and the consumer. The report focuses on consumers and their opinions, preferences, and experiences related to purchasing automobile, homeowners, and life insurance from a single company.	Laura Murach 860-285-7820
The Evolution of Sales Desks	This project will look at successful sales desk models used today and the key factors driving their success. A specific focus of the study will be how sales desks evolved over the past several years in response to changing marketplace demands and the implications of these changes on sales desk management in the future.	Denise Marvel 860-285-7759
Guaranteed Uncertainty: Socioeconomic Influences on Product Development and Distribution in the Life Insurance Industry	People have a hard time first, recognizing what they need to achieve financial security beyond a dependable source of income, and second, recognizing how the industry's products and services help fulfill their needs. This joint study between LIMRA and the Society of Actuaries explores how socioeconomic trends will influence the need and demand for the industry's products and services. The research objectives are to identify the key socioeconomic trends and assess the implications for product development and distribution that will be required given the potential changes to the economy, population, and societal expectations anticipated over the next five years.	Lucian Lombardi 860-285-7845
Worksite Enrollment Preferences	LIMRA will conduct focus group research to explore employee attitudes and opinions about voluntary products. These will focus on the enrollment process including methods used, types of meetings attended, and satisfaction with the process. We will also examine the role of technology.	Ron Neyer 860-285-7836
Worksite Marketing — Employer Study	An in-depth study of employers' strategies, attitudes, buying behaviors, and practices pertaining to their employee-paid insurance benefits. How prevalent are voluntary products today? What changes lie ahead? Which communication and enrollment methods do employers prefer? Multiple reports will cover these topics and more.	Ron Neyer 860-285-7836

International Research		
Agent Production and Retention	LIMRA will conduct the Agent Production and Retention Study in Asia, the Caribbean, Europe, Africa, and Latin America to examine agent retention and productivity by agents' years of service. Information on base force, entrant retention, and cumulative retention rates will be presented. Agent productivity measures include the number of policies sold along with first year commissions and total earnings. The study is biennially conducted.	Ingrid Goodenow 860-285-7835 Nicola Moss 011-923-437-721
Compensation	Having a summary of agent compensation plans can serve as a valuable resource for companies that are contemplating changes to their current plans and as a guide for companies conducting competitive reviews of their plans. Covered in this report are the main components of compensation plans for both tied and independent agents, including commission rates, bonuses, and benefits. LIMRA will conduct this study in Asia, the Caribbean, and Latin America.	Ingrid Goodenow 860-285-7835
Going Green?	LIMRA is repeating a study conducted in 2008 looking at what financial services companies worldwide are providing to become more environmentally friendly — to “go green.” Green financial products typically offer incentives whereby the product providers will ensure that some action is performed that will improve the environment. Initiatives can include carbon-offsetting, tree-planting, purchase of energy-efficient automobiles, rewards for reducing driving mileage, and domestic energy saving, to name a few. Companies that offer green financial products stand to gain from increased market share, greater employee recruitment, motivation and retention, and enhanced brand awareness as well as contributing to the overall health of the environment.	Jen Berlin 860-285-7718
Is an Insurance Career Appealing? An Analysis of Job Applicants to Insurance Companies in China	Understanding the characteristics of recruits for a career in insurance sales can help managers position the career in a way that is likely to be most appealing. Insurers will also gain insights as to best practices.	Ruthine Williams-Baron 860-298-3927
Life Sales Survey by Distribution Channel and Product	This annual study collects new premiums and number of policies issued by distribution channel and product type. Distribution channels include tied agent, independent agent, bancassurance, and direct marketing. Products include whole life, endowments, unit-linked (variable), term, and universal life. New regular premium and single premium are reported separately. The study will be conducted in Asia, the Caribbean, and Latin America.	Jen Berlin 860-285-7718
Operations Market Maturity Model	This paper will look at what companies are doing in key home office processes including new business, customer service, claims, regulation, and compliance around the world. We conducted in-depth interviews with executives to gain insight into the operating processes and issues in companies at various points in the maturity spectrum.	Jen Berlin 860-285-7718
Irish Broker Opinion Study	This annual study tracks the opinions of brokers in Ireland on a variety of topics including the level of service provided by life insurance companies and their use of the Internet. Life companies are also rated on the products they sell and the quality of their support staff.	Nicola Moss 011-923-437-721

International Research (continued)		
Microinsurance	This study will examine the scope of microinsurance in Latin America. The report will provide information on what types of products companies are offering, which distribution channels they use, whether companies plan on introducing microinsurance in the near future, as well as the general issues surrounding microinsurance.	Ruthine Williams-Baron 860-298-3927
Who Will Service the Middle Market?	Has the banking crisis damaged the bancassurance channel? What impact will new technology have on product distribution, and can we offer financial planning to the middle market at an affordable price?	Brian Eves 011-923-437-721
Commission Versus Fees	With the use of commission as a remuneration system under pressure in a number of countries, what impact will change in this area have on adviser firms' business models? How can consumers be encouraged to convert to fees, and what impact will this have on products?	Brian Eves 011-923-437-721
Solvency II — Product Design for the Post-Solvency II World	Will Solvency II create a less innovative life and pensions marketplace with fewer players with sufficient capital to take part? How will it affect retirement income product design?	Chris Heath 011-923-437-721
Market Maturity Model — New Future View	By surveying the opinions of senior people in the life and pensions industry we will predict future distribution channel growth/decline and which consumer trends will have the greatest influence on this change.	Chris Heath 011-923-437-721
Future Distribution	This white paper will examine new technology and its impact on the life and pensions industry.	Nicola Moss 011-923-437-721

Markets Research		
U.S. Buyers and Nonbuyers Study	This study (most recently conducted in 2004) examines consumers who shopped for key insurance products, focusing on comparing those who bought with those who did not. Products to be covered include life insurance and disability income insurance. The study will assess the industry's marketing efforts, the effectiveness of distribution approaches, and what works or does not work in selling these products. The study permits comparison of demographic and attitudinal differences between buyers and nonbuyers to help producers qualify prospects and identify sales activities that can increase the buying rate. It also will update Opportunity to Buy Trends, most recently conducted in 2003.	Todd Silverhart 860-298-3903 Karen Terry 860-285-7757
Channel Preferences for Insurance and Financial Services	This research will examine the issue of consumers' channel preferences for insurance and financial services. How will consumers' increasing familiarity with a multichannel (phone, Web, store) shopping experience affect the insurance industry? Will consumers expect the same choices and exhibit the same behaviors when shopping for insurance as they do when shopping for clothes, books, and electronics? This study will examine the factors that drive channel choice for various insurance and financial products and identify the implications for companies looking to effectively reach today's multichannel consumer.	Nilufer Ahmed 860-285-7739
U.S. Life Insurance Ownership Study	This periodic study serves as a key source for identifying long-term patterns in U.S. life insurance ownership. It provides basic tracking information about the incidence of life insurance ownership and the specific types of coverage and average amounts owned. Based on the study's 2010 update, we will publish additional reports focusing on personal trends in life insurance ownership, life insurance ownership for single mothers, and the strategic implications of current life insurance ownership levels.	Cheryl Retzloff 860-285-7738
Financial Literacy of Younger Generations	Generations X and Y have multiple financial needs and represent increasingly important markets for our industry. How and when are they educating themselves about meeting all of their financial needs? This qualitative study will provide an understanding of how these important segments are addressing financial literacy in terms of debt reduction, accumulation products, savings, life insurance, and disability insurance.	Nilufer Ahmed 860-285-7739
LIFE/LIMRA Consumer Tracking Study	In 2011 LIMRA and LIFE will initiate an annual study to track consumers' attitudes and experience with life insurance. Goals of the joint project include providing ongoing communications insights that LIFE can use in developing its education program and research insights that LIMRA can provide to assist its members in marketing and distributing life insurance. The survey will include three sections: benchmark questions that are asked every year, periodic/occasional questions that are asked every few years, and "hot topic" questions that are specific to the current year's environment.	Jim Mitchel 860-285-7745

Markets Research (continued)

<p>LIMRA Affluent Monitoring Program</p>	<p>The LIMRA Affluent Monitoring Program provides in-depth insight into the affluent market's demographics, financial attitudes and behavior, product ownership, and advisory relationships. This 2011 initiative is a collaboration with WZ Research + Consulting, LLC to provide information formerly provided through the Phoenix Wealth Survey (conducted from 2000 to 2010) to LIMRA member companies. This research will expand on the traditional sample (households with net worth at \$1 million or more) to include mass affluent households with net worth at \$500,000 to \$999,999.</p>	<p>Todd Silverhart 860-298-3903</p>
<p>Challenges Facing Small Businesses and Professional Firms</p>	<p>This study will build on the 2009 study of business owners (30 percent of whom headed professional firms). The qualitative study will identify challenges they are facing in the new economy, what their needs are now and will be five years in the future, and how the current financial environment influences their decisions about protection and asset management products. Focus groups will be included for women who own businesses as well as business owners from a selected multicultural group.</p>	<p>Jim Mitchel 860-285-7745</p>

Product Research		
Examining the U.S. Individual Health Marketplace	The study will look at the possible impact health care reform will have on the U.S. individual health insurance market from the broker and consumer perspectives.	Yuliya Babushkina 860-285-7852 Anita Potter 860-285-7747
Canadian Benefits Marketplace	This study will look at the current attitudes and buying behaviors of Canadian employers as they relate to employee benefits.	Yuliya Babushkina 860-285-7852 Anita Potter 860-285-7747
Carrier Web Site Practices Among Group Insurance and Health Care Companies	This research will examine the Web site practices of group life and health care companies. Building on research conducted in 2007, the study will provide information on what these organizations offer on their employer, employee, and broker/consultant Web sites, cost issues, Web site usage, and Web strategies.	Mary Art 860-285-7823 Mary Boyce 860-298-3926
Memories of the Future: Four Scenarios for the Life Insurance Industry in 2016	The study will update the 2007 report, Memories of the Future. The initial report identified four possible scenarios for 2016. We are halfway through the evaluation period — are course adjustments needed? Since Memories of the Future was first published, we have experienced a global economic collapse not seen since the Great Depression and have seen the worst declines in life insurance sales since World War II. Further, the passage of The Dodd-Frank Act will lead to increased regulation, and health care reform will forever change health care in the U.S. How have these events altered the predicted scenarios? Where will the adjusted courses lead us?	Scott Kallenbach 860-285-7829
Policy Level Individual Life Insurance Sales (Pilot Study)	A dozen major life insurance companies are participating in a pilot study providing individual life sales data at the policy level. The pilot study was initiated in 2010 with a planned rollout to all participants in 2011. Benefits of policy level data include tracking sales by <ul style="list-style-type: none"> • Policy size • Policy features • Detailed distribution channels • Age and gender • State and metropolitan area • And many more categories 	Karen Terry 860-285-7757 Eric Sondergeld 860-298-3957 Elaine Tumicki 860-285-7749
U.S. Buyers and Nonbuyers Study	This study (most recently conducted in 2004) examines consumers who shopped for key insurance products, focusing on comparing those who bought with those who did not. Products to be covered include life insurance and disability income insurance. The study will assess the industry's marketing efforts, the effectiveness of distribution approaches, and what works or does not work in selling these products. The study permits comparison of demographic and attitudinal differences between buyers and nonbuyers to help producers qualify prospects and identify sales activities that can increase the buying rate. It also will update Opportunity to Buy Trends, most recently conducted in 2003.	Todd Silverhart 860-298-3903 Karen Terry 860-285-7757

Product Research (continued)		
Long-Term Care Insurance Persistency	This report is conducted jointly by LIMRA and the Society of Actuaries (SOA) Long-Term Care Experience Committee. The study examines persistency experience in both group and individual long-term care insurance for voluntary lapse and total termination activity.	Cathy Ho 860-285-7794
Term Insurance: Trends and Outlook	This study examines recent trends in term product design and pricing, including the use of reinsurance, underwriting changes, and new distribution channels. It reviews the effects of recent regulation on term products as well as term insurance lapse experience.	Cathy Ho 860-285-7794
U.S. Individual Life Insurance Persistency	This biennial study monitors lapse experience for individual life insurance in force in the United States. It is designed to help companies understand factors that may lead to lapsation. Lapse rates as percentages of face amount and policies are examined separately for whole life, term, universal life, and variable universal life products.	Cathy Ho 860-285-7794

Retirement Research		
A Longitudinal Study of Pre-Retirees and Retirees	This unique study will observe pre-retirees and retirees over time to assess how their strategies for and attitudes toward various retirement income solutions evolve over time.	Matt Drinkwater 860-285-7743
2011 Sources of Retirement Income	This survey of retirees will help determine how retirees are receiving income from various sources.	Matt Drinkwater 860-285-7743 Jafor Iqbal 860-285-7747
Fact Book on Retirement Income 2011	This annual Fact Book takes a look at the retirement income market and presents facts and figures that can be used for product development, inclusion in marketing materials, and strategic planning.	Dan Beatrice 860-285-7751
Asset Retention and Rollovers	This annual study tackles a core set of rollover topics as well as unique rollover topics, with a deeper dive into 'stay-in-plan' money.	Matt Drinkwater 860-285-7743
The LIMRA Retirement Study	In this new annual study on both core and one-time retirement topics among consumers, plan sponsors, and advisors, some core questions will target annuity sentiment and retirement readiness.	Marie Rice 860-285-7754 Sally Bryck 860-285-7730
Annuity Owner and Buyer Study	This is a survey of individual retail annuity owners and buyers. Along with collecting demographic information, the study will investigate reasons for purchase, relationship with salesperson, understanding of product, and future plans. It will include a subset of 200 recent buyers (who bought within the past two years).	Joe Montminy 860-285-7897
Operational and Service Team Capabilities Study — Retirement Plans	This 2011 study is an expansion of the 2009 study. It will present information on plan provider service standards for a number of critical components.	Kathleen Rook 860-285-7812
U.S. Annuity Yearbook, 2011	This annual analysis of annuity industry sales and assets covers the entire individual annuity market, including sales by distribution channel, deferred and immediate annuity sales, qualified and nonqualified markets, trending, and fixed and variable annuity forecasts.	John Sullivan 860-285-7758
Liquidity Features in Income Annuities	This survey, jointly sponsored by CANNEX and LIMRA, will examine liquidity features available in Income Annuity (SPIA) products in the U.S. market.	Dan Beatrice 860-285-7751
Product Features in Income Annuities	This survey, jointly sponsored by CANNEX and LIMRA, will examine existing product features in income annuity contracts in the U.S. market.	Jafor Iqbal 860-285-7747 Dan Beatrice 860-285-7751

Technology in Marketing and Distribution Research

Carrier Web Site Practices Among Group Insurance and Health Care Companies	This research will examine group life and health care companies' Web site practices. Building on research conducted in 2007, the study will provide information on what these organizations offer on their employer, employee, and broker/consultant Web sites, cost issues, Web site usage, and Web strategies.	Mary Art 860-285-7823 Mary Boyce 860-298-3926
Mobile Technologies	Mobile technologies are positioned to play an integral role in the financial services industry. As carriers develop mobile strategies and integrate mobile technology into their business practices, this research will provide an initial investigation into how mobile technologies are being used and what benefits and best practices are emerging.	Mary Art 860-285-7823
Servicing Customers Online	This study will continue LIMRA's exploration of the interest financial services customers have in using the Internet for transactional capabilities including purchase, information, and service. It will focus on consumers who own life insurance to learn more about how they have used the Web sites of the companies with which they own insurance and functions they desire. It will seek to explore such issues as whether consumers prefer to obtain service online versus through other channels, how companies can use their Web sites to build relationships with customers, and what online services they expect to have available. Differences between various demographic and psychographic segments will be explored.	Mary Art 860-285-7823
Social Media Developments	This study will continue LIMRA's exploration into the use of social media in the financial services industry. As more companies use social media technologies, carriers are eager to better understand the benefits and risks of participating (or not) and the evolving best practices for how social media can be incorporated into their strategies touching on marketing, customer service, recruiting, and internal communication.	Todd Silverhart 860-298-3903
Channel Preferences for Insurance and Financial Services	This research will examine consumers' channel preferences for insurance and financial services. How will consumers' increasing familiarity with a multichannel (phone, Web, store) shopping experience affect the insurance industry? Will consumers expect the same choices and exhibit the same behaviors when shopping for insurance as they do when shopping for clothes, books, and electronics? This study will examine the factors that drive channel choice for various insurance and financial products and identify the implications for companies looking to effectively reach today's multichannel consumer.	Nilufer Ahmed 860-285-7739

Technology in Marketing and Distribution Research *(continued)*

Online Insurance Sales	<p>What can we learn about use of the Internet for the direct sale of life insurance? While to date limited amounts of life insurance have been sold online, business being conducted through quoting services and carrier specific online sales platforms has the potential for tremendous growth. This project will examine the status of online sales practices to provide a framework for understanding the potential for this channel's growth.</p>	<p>Todd Silverhart 860-298-3903</p>
Producer Technologies Carriers Provide	<p>What technologies are carriers providing to producers? The primary focus of this study will continue LIMRA's Internet Practices research with an in-depth look at what carriers offer on their producer Web sites. Site content, challenges, and means of generating traffic on the sites will be discussed, as will be the prevalence of personal producer sites. The research will include an exploration of the availability of mobile and wireless tools, use of customizable marketing materials, and use of new media. Where possible, trends will be examined.</p>	<p>Mary Art 860-285-7823</p>

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