

# INSURE YOUR LOVE

Facts from LIMRA



## Why Buy Life Insurance? Let Us Count the Ways

British poet Elizabeth Barrett Browning penned the immortal line: "How do I love thee, let me count the ways." There are many reasons to own life insurance and when you start to count the ways, the reasons all show love of family in many ways.

We know from LIMRA research that 85 percent of consumers agree that "most people need life insurance." So in the spirit of Elizabeth Barrett Browning "let us count the ways" people think owning life insurance is a statement of love and caring.

- Ease the burden of loss from a premature death by covering final expenses
- Replace lost wages
- Help pay off a mortgage
- Assist with college expenses
- Support the family in taking care of daily expenses
- Supplement savings for spouse and family

.. and many other reasons depending on each family's situation.

### *Do significant events in people's lives motivate them to buy life insurance?*

In talking with consumers, 41 percent said life events — getting married, buying a home, having or adopting a baby, receiving substantial assets, or experiencing the death of a relative or close friend — were the reasons they began to **shop** for life insurance. LIMRA research found that less than two-thirds of shoppers prompted by life events **bought** life insurance.

### *Why aren't these people buying life insurance they know they need?*

Many say they don't know how much life insurance or what kind to buy. LIMRA has found that this indecision leads consumers to procrastination.

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## *How can the industry help people understand the importance of having life insurance?*

LIMRA research revealed five things producers can do to help shoppers become buyers:

- **Conduct a needs analysis with clients and prospects.** Consumers who get one are considerably “more likely to buy” than consumers who don’t. What’s more, producers who recommend an amount of insurance to buy ultimately sell more policies, at a 60 percent higher coverage level.
- **Meet directly with clients and prospects.** More than 7 in 10 life insurance shoppers who met with a producer face-to-face bought a policy.
- **Raise the issue.** One-quarter of life insurance shoppers consider life insurance only after a producer initiated the discussion.
- **Understand that many consumers want to approach the buying process on their terms.** While consumers prefer to buy in-person, 86 percent say they would use the Internet to research life insurance before purchasing. Advisors can be an important resource during the shopping process on where to look for solid information.
- **Be persistent with follow-up.** More than one-third of shoppers said the producer should have followed up with them while they were still deciding whether to buy.

There are many reasons for your clients to have the appropriate amount of life insurance and when you count the ways they all involve caring for those you love.

*All facts are from LIMRA’s life insurance consumer studies.*