

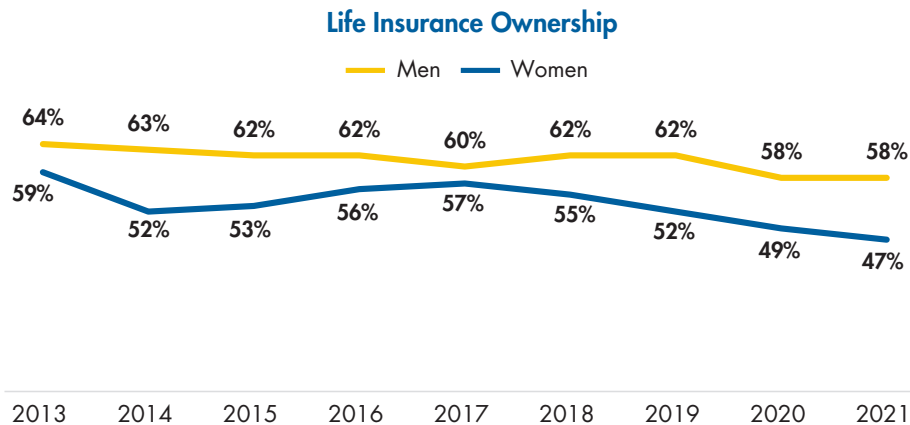


Understanding the U.S. Women's Market

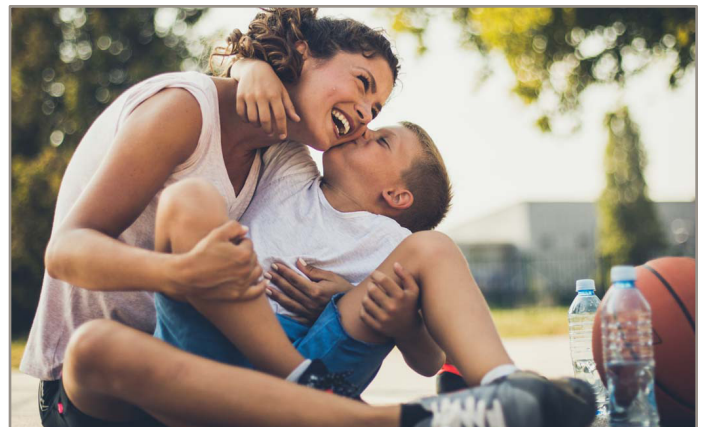
This fact sheet is designed to provide relevant facts and insights that will inform your business strategy, support marketing your life insurance products, and help highlight the important role life insurance plays in a family's financial security to your stakeholders.

Size of the Market

- There are 131 million adult women in the United States. In 2021, 47 percent of women owned life insurance, 11 points below the ownership rate of men (58 percent). This marks the fifth consecutive year of declines in the rate of women's life insurance ownership.



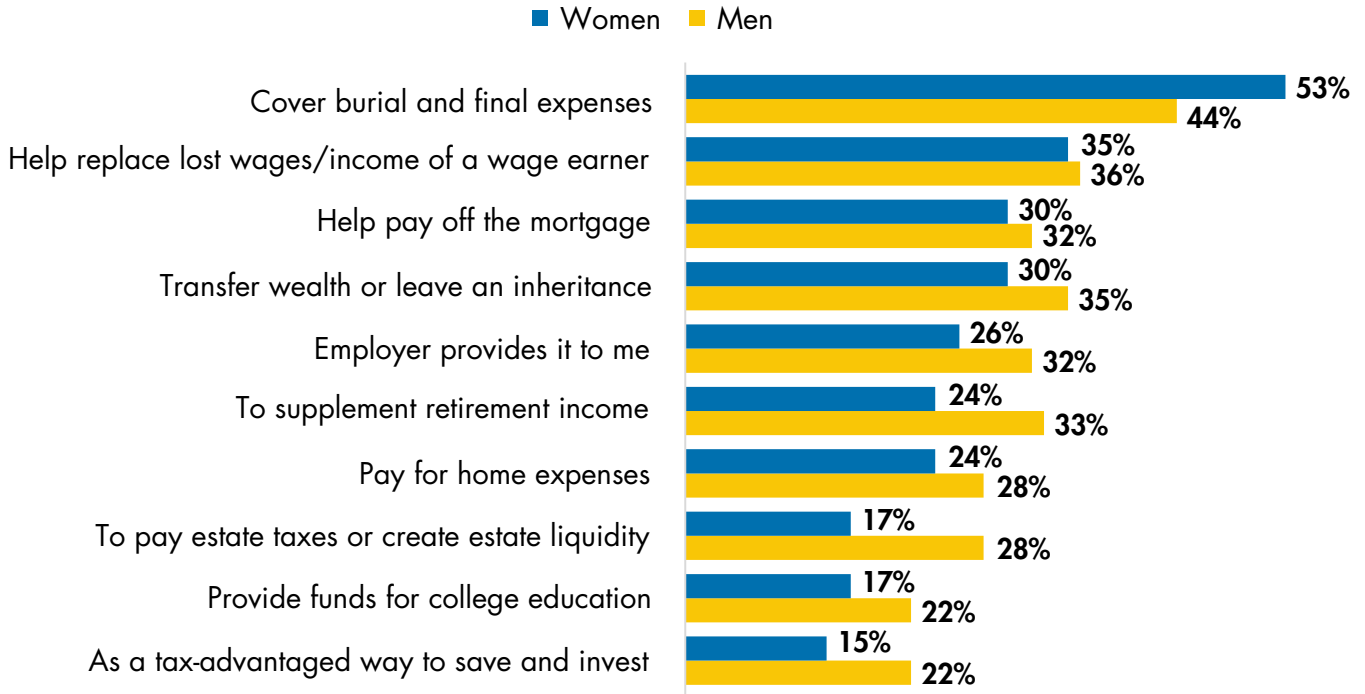
- Among uninsured and underinsured women, 43 percent say they need (or need more) life insurance, which equates to more than 56 million women living with an acknowledged life insurance coverage gap.
- Mothers with children under the age of 18 are more likely to own life insurance. Of the women with dependents under 18, 51 percent have life insurance coverage. According to the Bureau of Labor Statistics, 71 percent of households with children under 18 rely on the woman's salary, which signals a 28 percent ownership gap for families with children under 18.
- Approximately 14 percent of women — more than 20 million — lost their life insurance coverage in 2020. More than a third (36 percent) said it was due to unplanned job loss.
- Women currently control a third of U.S. household financial assets, an estimated \$10 trillion and growing. The value of wealth transfers to women by the end of the decade is estimated at another \$20 trillion, providing ample incentive for financial advisors and insurance companies to create solutions that women need and expect.



Consumer Perspective

- In 2021, women were more likely than men to worry about their families' health and the duration of the pandemic. Despite this, women were less inclined than men to say they were likely to purchase life insurance coverage due to the pandemic (29 percent versus 33 percent).
- Four in 10 women say their families would face financial hardship within six months should the primary wage earner die; 1 in 4 (26 percent) expect their family to struggle financially within one month.
- Just 31 percent of women planned to buy coverage within the next year, compared to 42 percent of men.
- More than a third of women (35 percent) say they wished they had purchased life insurance coverage earlier in life. An equal proportion of women believe they don't have enough coverage.
- Four in 10 women say their households need enough life insurance to cover 5–10 years of a primary wage earner's income, in the event of a primary wage earner's death. Another 4 in 10 women (37 percent) set their sights higher, saying 11 years or more of coverage is needed.
- A majority of women (53 percent) say the major reason they have life insurance is to pay for burial and financial expenses. Women also cite replacing income and paying off mortgages as top reasons they have coverage.

Top Reasons to Own Life Insurance



- Thirty-six percent of women say other financial priorities prevent them from purchasing life insurance coverage. Women's three top financial concerns include having enough money for a comfortable retirement, being able to support themselves if they are unable to work, and paying for long-term care if they need it. Just 3 in 10 are worried about burdening others with burial/final expenses and leaving their dependents in a difficult situation should they die.

Opportunities to Educate and Engage

Research shows women are not confident in their knowledge about life insurance. Life insurers and financial professionals can help educate women and dispel their misconceptions about it.

- The top reason women give for not purchasing life insurance is that they think it is too expensive. Yet, 8 in 10 women overestimate the cost of life insurance.
- Less than a quarter of women feel they are very knowledgeable about life insurance. One in five say they haven't purchased coverage because they don't know how much they need or what type to buy.
- A third of women (33 percent) don't believe they need life insurance.



Women's Preferences for Buying Life Insurance

- Forty-five percent of women prefer to buy individual life insurance through a financial professional. Other ways women prefer to obtain individual life include life insurance carrier websites (17 percent) and affinity group websites, e.g., AARP (12 percent).
- In 2021, 38 percent of women said they worked with a financial professional and 26 percent say they are looking for a financial professional. Seven in 10 women say it is important to them to meet with a financial professional before purchasing life insurance.
- When obtaining life insurance coverage at work, channel options are key. Women prefer using their employer's online enrollment portal (39 percent) to enroll in their workplace benefits. One in five prefer to complete a paper enrollment form (21 percent); another 19 percent want one-to-one support to complete the enrollment form.
- Among women who own life insurance, more than half (54 percent) would like their agent to connect every year or two for coverage review. One third of women report that they would only like to have their life insurance reviewed at their request.

Sources: 2021 Insurance Barometer Study, LIMRA and Life Happens, *Consumer Sentiment Survey*, January 2022, LIMRA, *Employment Characteristics of Families — 2020*, Bureau of Labor Statistics, 2021.