



# Engaging the Millennial Market

Consumer insights to inform your marketing, product, and distribution strategies

## Size of the Market

- There are more than 72 million Millennials (ages 25–41) in the United States, representing the largest generation in the U.S.
- Just 45 percent of Millennials own life insurance. However, 47 percent believe they need (or need more) coverage, representing a market opportunity of nearly 34 million adults.
- Thirty-seven percent of Millennials own individual life insurance, slightly lower than other generations' individual ownership rate.
- Millennials are most likely to rely solely on group coverage, leaving them at greater risk of being underinsured or losing coverage should they leave their job.
- Nearly half of uninsured Millennials say they plan to buy life insurance coverage in 2022.

## Millennial Perceptions About Life Insurance

- Half of Millennials said COVID-19 made them more health conscious, and 33 percent said the pandemic prompted them to purchase coverage within the last year.
- More than 4 in 10 Millennials say they wish they had purchased coverage earlier in life, which is the highest among the age groups.
- For Millennials who own permanent life insurance coverage, 54 percent say they plan to use the cash value to pay for emergencies.

### Reasons for Owning Life Insurance

- *Burial/final expenses — 52 percent*
- *Replace lost wages — 43 percent*
- *Transfer wealth/inheritance — 42 percent*

### Reasons for Not Buying Life Insurance

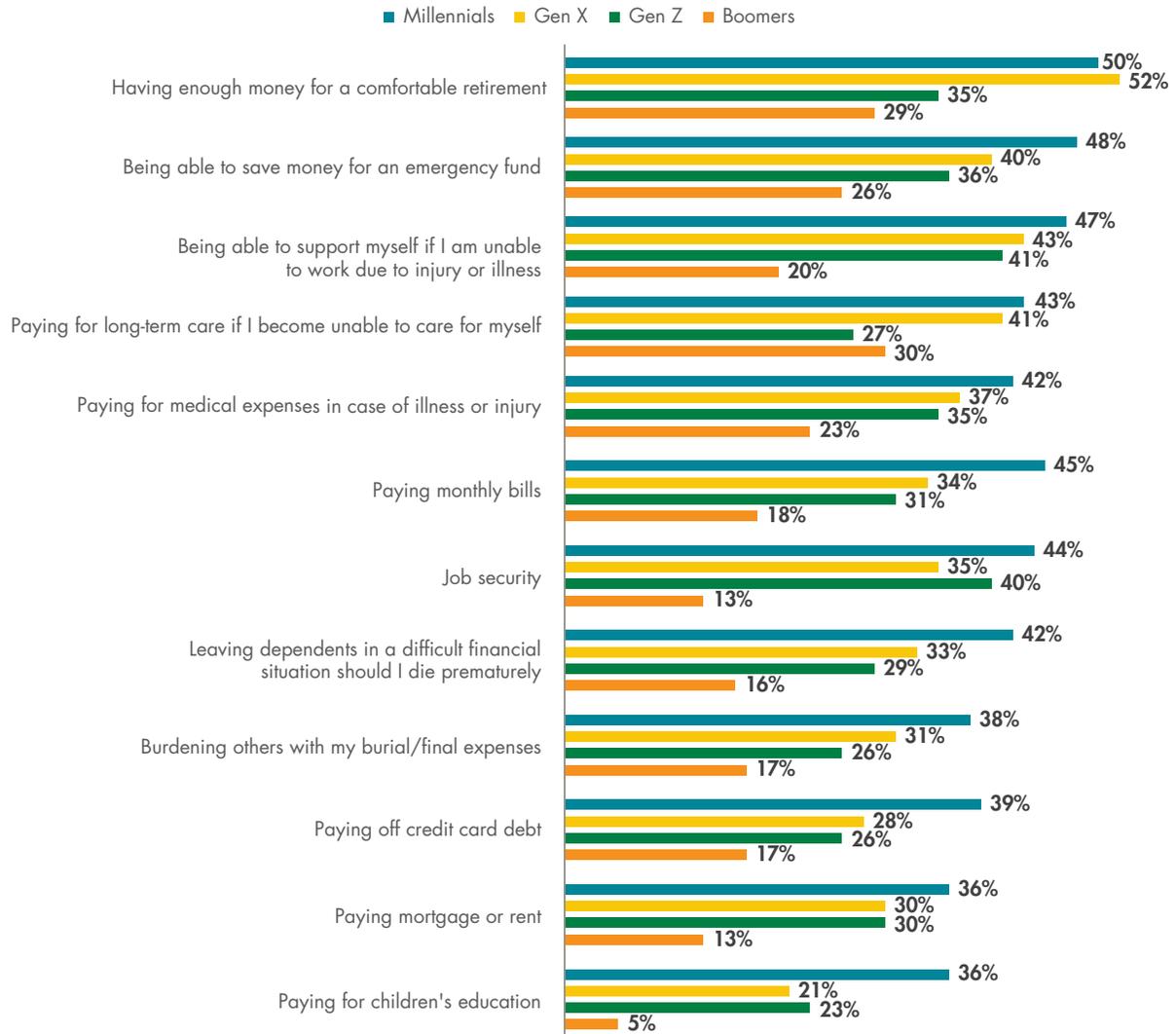
- *I have other financial priorities — 40 percent*
  - *Too expensive — 35 percent*
  - *Don't know what to buy or how much — 26 percent*
- Almost 4 in 10 Millennials (38 percent) believe they are very or extremely knowledgeable about life insurance. Yet, nearly 8 in 10 Millennials overestimate the cost of coverage and a third believe life insurance is only to pay for final expenses.



## Millennials Express Higher Financial Concerns

- Overall, Millennials express greater financial concerns than other generations. Given their age, many are just starting their careers and raising families, making them more susceptible to a financial shock than other age groups.

### Financial Concerns by Generation



- Millennials are twice as likely as other generations to have children under 18. Therefore it is not surprising that they are more likely than other generations to worry about leaving their dependents in a difficult financial situation in the event of their death or burdening their families with their final expenses. This market segment is also more concerned than other generations about paying for their children's education.
- More than half of Millennials (52 percent) say their families would face financial hardship within six months should the primary wage earner die. Three in 10 say they would struggle financially within a month.

## Where Millennials Seek Information About Life Insurance

- Social media is an important tool for Millennials to gather information. Three quarters of Millennials report using a social media platform to learn about financial products and services.

### The top three social media platforms Millennials use are:

- *Facebook — 53 percent*
  - *YouTube — 48 percent*
  - *Instagram — 36 percent*
- Forty-three percent of Millennials report working with a financial professional and another 29 percent are looking to engage one.
  - When considering a financial professional to work with, Millennials rank experience (44 percent) as the most important factor. Recommendations from family and friends as well as an advisor's specialty were also important (both 18 percent).
  - Millennials are more likely to say they prefer to purchase life insurance online. Three in 10 say they would prefer to buy online. Other ways Millennials prefer to purchase life insurance include:
    - *Through a financial professional (27 percent)*
    - *By phone or mail (20 percent)*
    - *Through the workplace (16 percent)*



**Methodology:** In January 2022, LIMRA and Life Happens engaged an online panel to survey adult consumers who are financial decision makers in their households. The survey generated more than 8,000 responses, including nearly 3,000 Millennials.