

# Likelihood to Buy: COVID-19 Consumer Impact

COVID-19 has created a new social and economic reality in the U.S., raising significant challenges and opportunities for the consumers and the life insurance industry. LIMRA asked adult consumers about their likelihood to buy individual life insurance in the face of a pandemic, specifically, how COVID-19 affects their likelihood to buy life insurance in the next 12 months.

LIMRA research shows that the pandemic has increased mindshare around life insurance to protect against physical and financial risks.

## Spring 2020



**29%**

of consumers overall report that they are more likely to buy life insurance in the next 12 months, suggesting a market opportunity of **75 million adults**.

**68%\***

Nearly 7 in 10 recent buyers (those who purchased life insurance in the past 24 months) indicate that COVID-19 makes them more likely to buy life insurance in the next 12 months.

**22%\***

of "non-buyers" (no life insurance purchased in the past 24 months) report that COVID-19 has increased their likelihood to buy life insurance.

\*Updated September 17, 2020.

## Life in Life Stages



- Among recent buyers, younger adults are more likely than older adults to buy more individual life insurance.\*
  - o **100%** of younger singles with children indicate that COVID makes them more likely to buy more/again in the next 12 months.
  - o Nearly **3 in 4** younger couples, with or without children, say that the pandemic makes them more likely to buy life insurance in the next 12 months. Note: Young couples with **(72%)** and without children **(76%)**.
- COVID awakened older (aged 45+) consumers who don't own life insurance.
  - o **All** survey respondents who are single and have a child/children indicated they are more likely to buy life insurance.
  - o More than half **(52%)** of older couples with children expressed their likelihood to buy life insurance in the next 12 months.
  - o Among non-buyers, it is the older cohorts who are more likely to buy life insurance than the younger cohorts.

\*"Younger" respondents are those under age 45. "Older" respondents are 45 years or older.

### Methodology

LIMRA surveyed 3,162 U.S. adults from April 30–May 15, 2020, to understand the role of life insurance across adult consumers' life stages. Survey-respondent mix aligns with the U.S. Census 2016 populations at each life stage. Respondents span the United States. Another objective of the study included gauging how an active pandemic across the country impacts consumers' likelihood to buy life insurance.