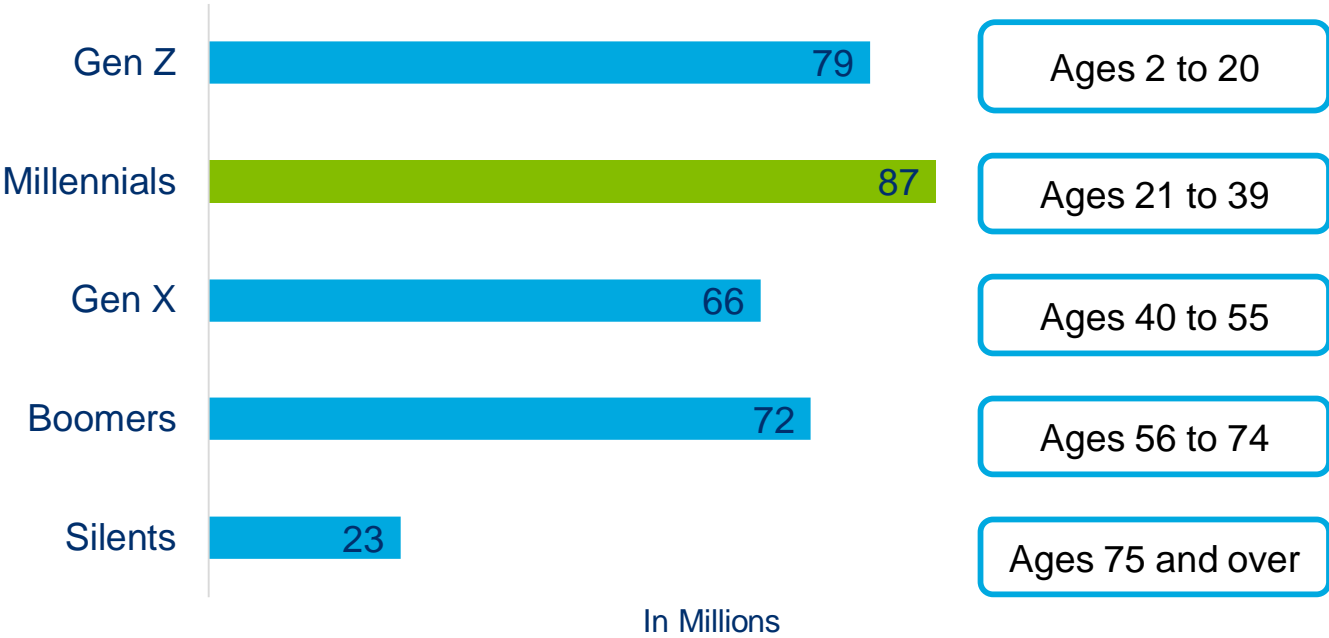


Marketing to Younger Generations

U.S. Population by Generation - 2020



Defining Events for Millennials

Generations are defined by common experiences.

Technology

- Growth of the internet, search engines & information.
- Explosion in social networking and news sources
- Ubiquity of mobile devices.

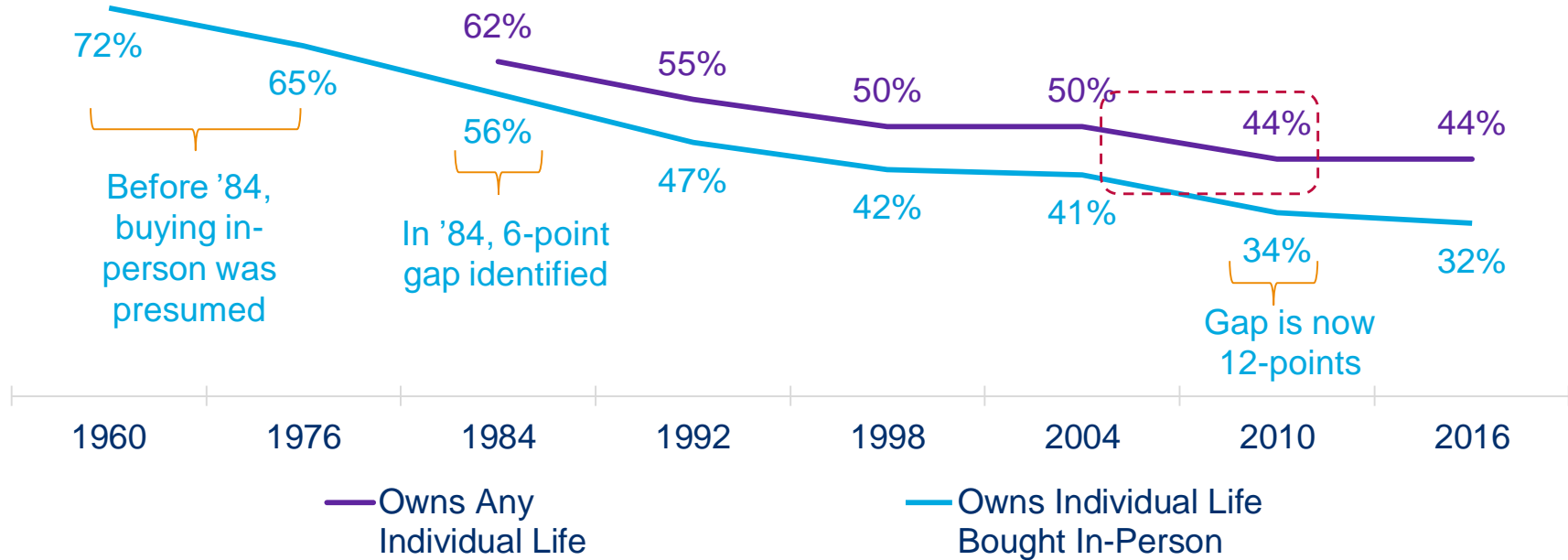
Terrorism & War

- September 11, 2001 terrorist attacks.
- The Afghan war, which began in 2001, is the longest war in U.S. history!

Economic Instability

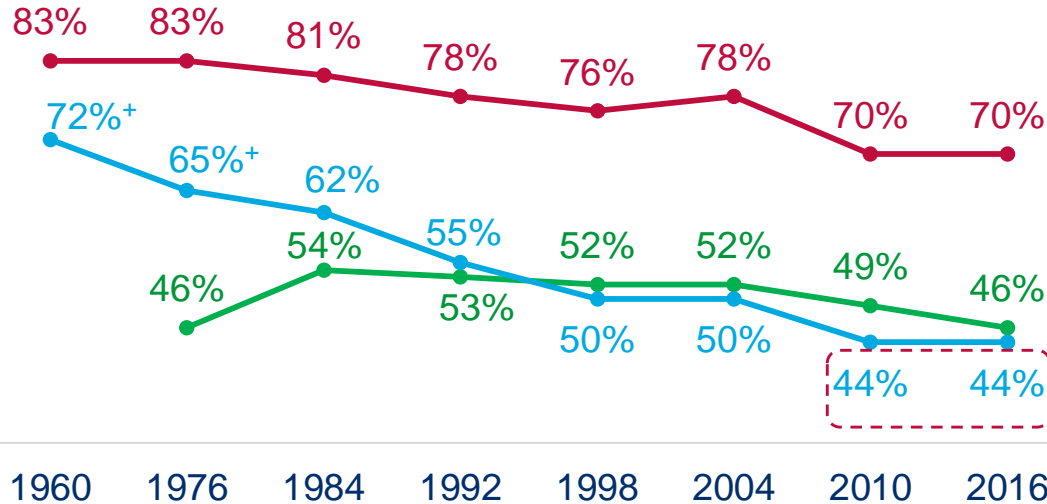
- Economic recession in 2001.
- Financial crisis of 2007– 2009.
- Worst economic period since the great depression of 1929–1939.

Individual Life Distribution Trends



Group Coverage More Common than Individual

— Owns Group Life — Owns Individual Life — Owns Any Life*



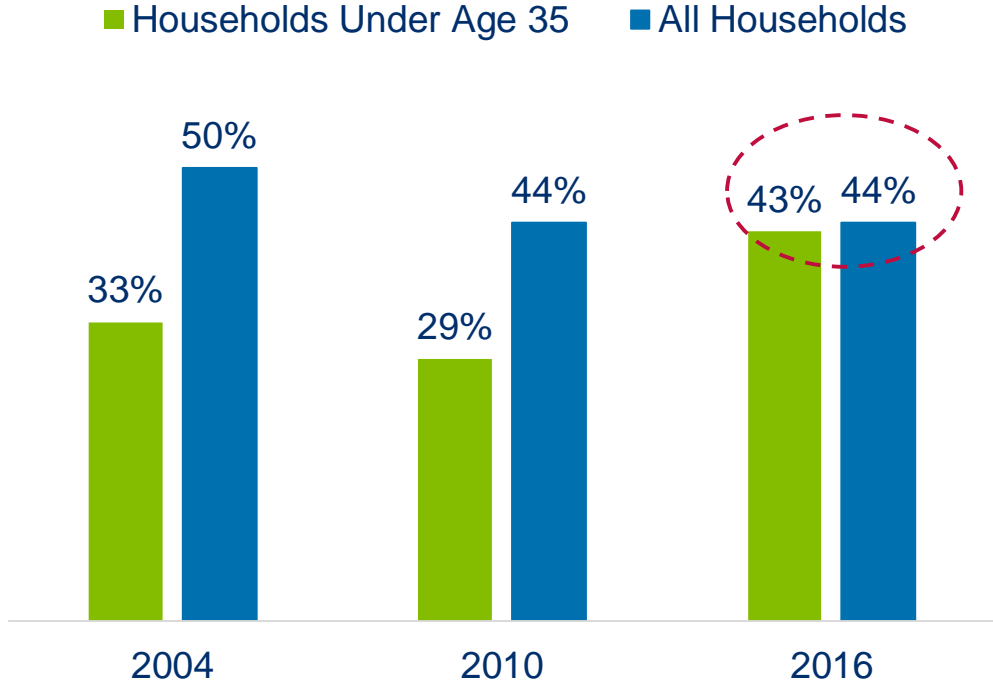
Buying via agents was a shared experience among most households.

Now, those working with an agent (or owning individual life) are the minority.

Very different context for modern shoppers!

*Includes Individual, Group, SGLI & VGLI
+ Individual Life Sold Face-to-Face through an Agent

Individual Life Ownership Trends by Age



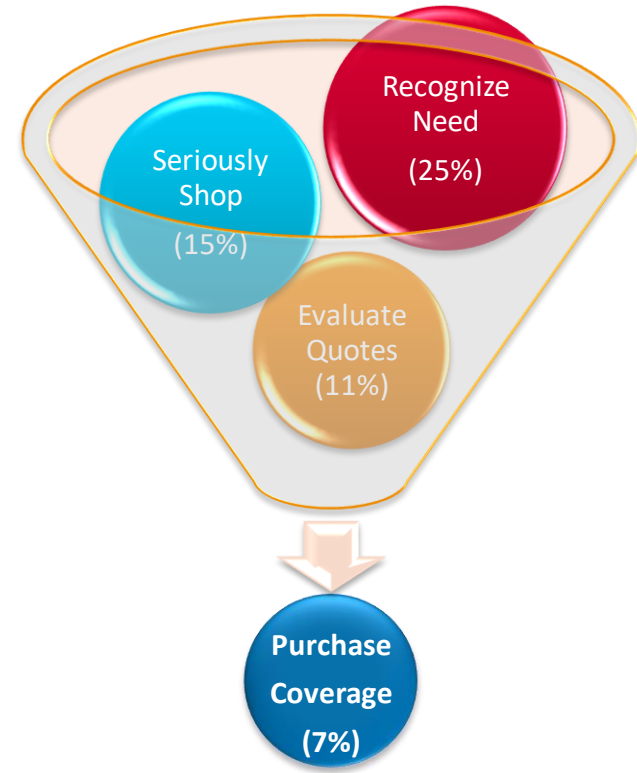
Big change in ownership trend among Millennials vs. Gen X.

Most prefer to buy in-person.

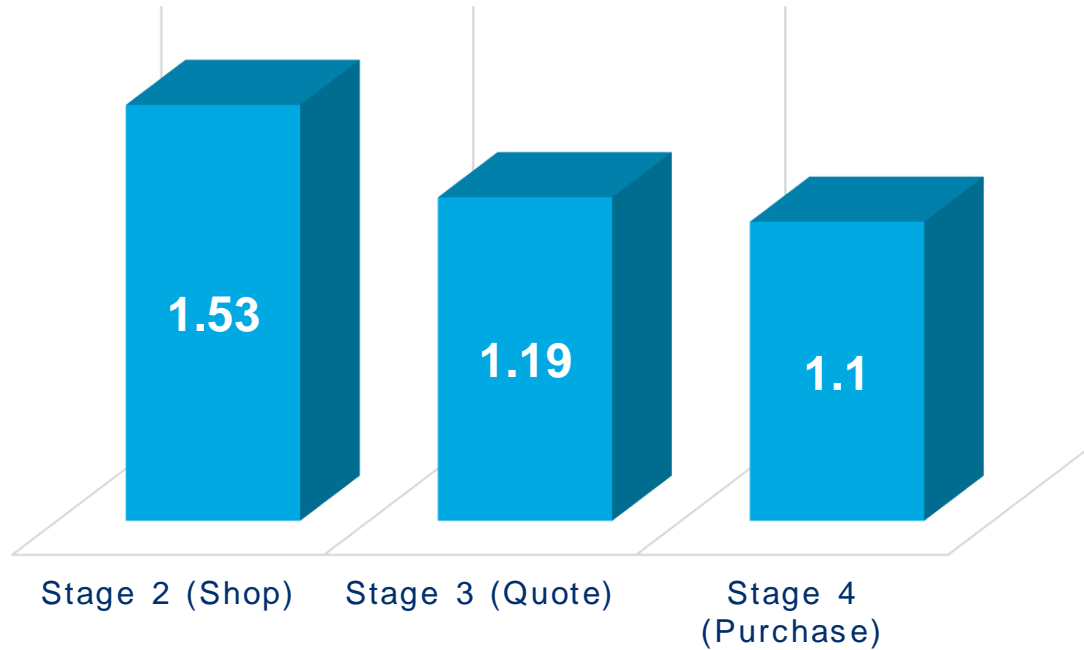


The Individual Life Purchase Funnel

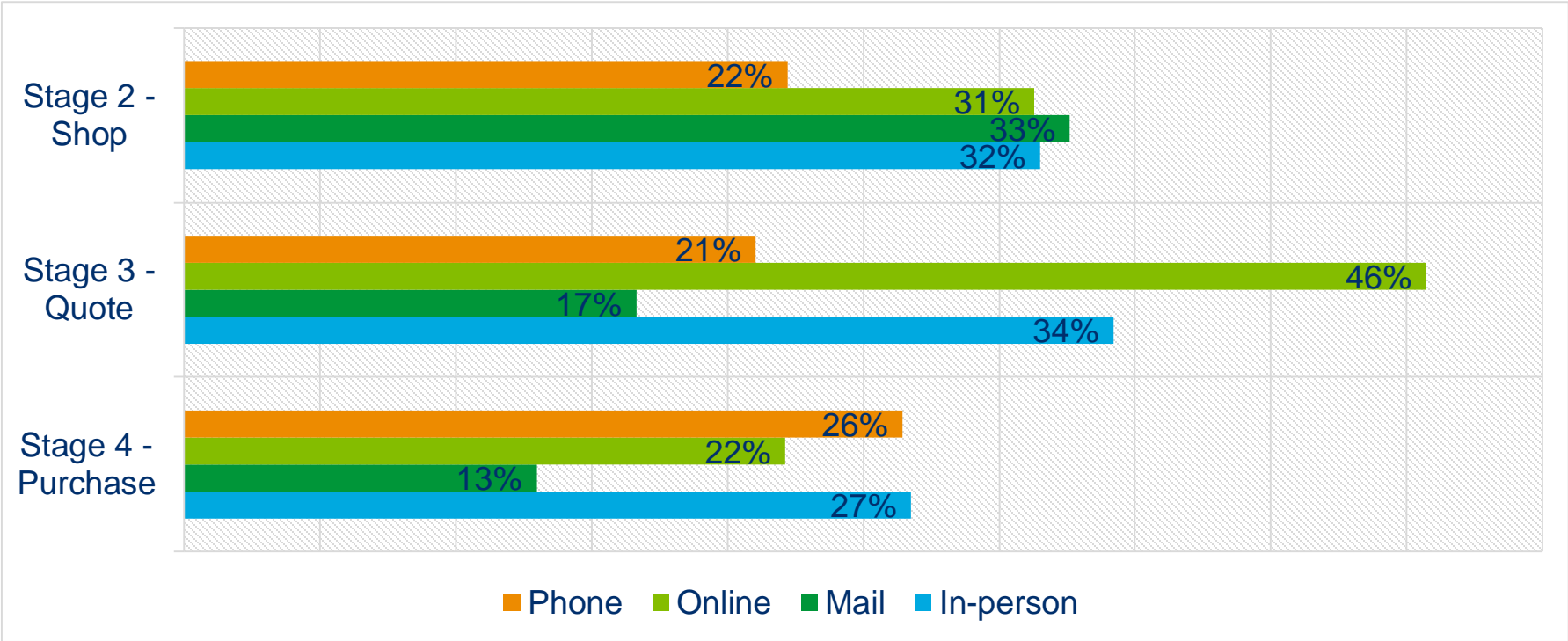
- 1-in-4 households recognize a need for life insurance in a 24-month period (31 million households).
- Among those, just 58% move on to “shop” for coverage - 19 million households.
- The majority (72%) of “shoppers” move on to apply for quotes - 14 million households.
- Of those that apply for quotes, 66% go on to buy life insurance - 9 million households.



Number Of Methods Used By Stage



Distribution Share By Purchase Stage

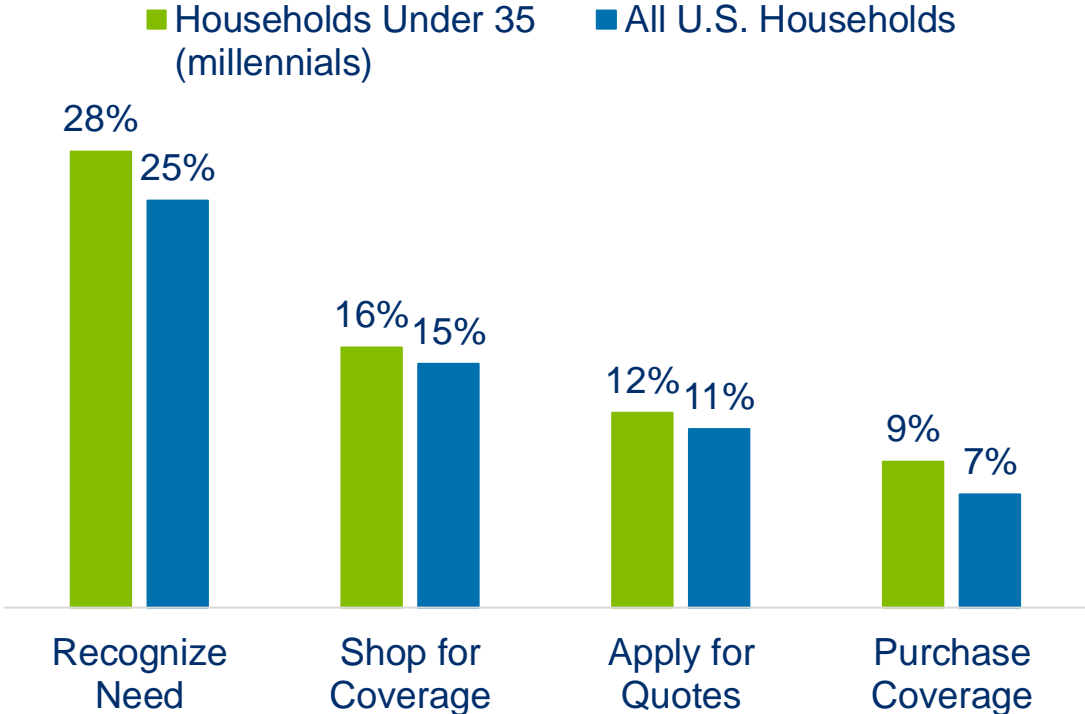


Included: in-person, mail, online, phone. Excluded: banks, peer-to-peer, workplace, other.

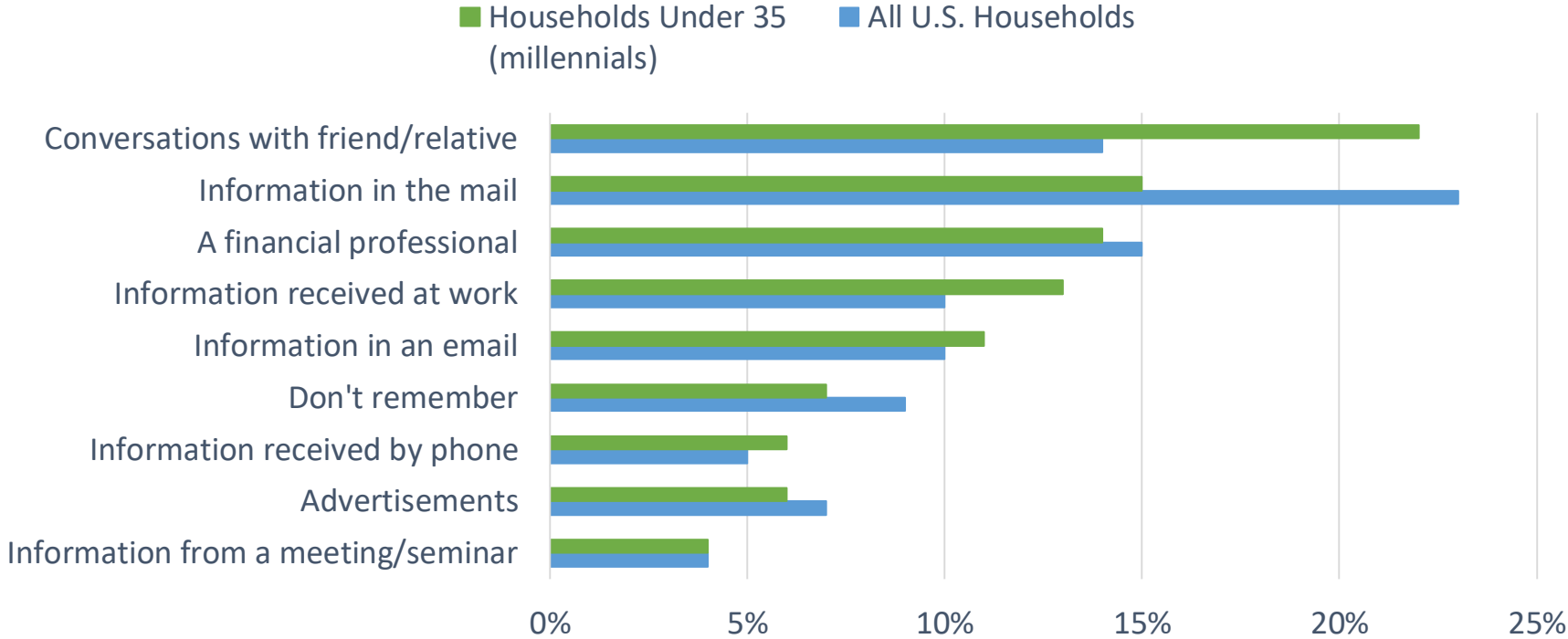


Purchase Funnel - by Age

Younger consumers are slightly more prevalent in the purchase funnel.



Stage 1 - Strongest Impression on Need for Coverage



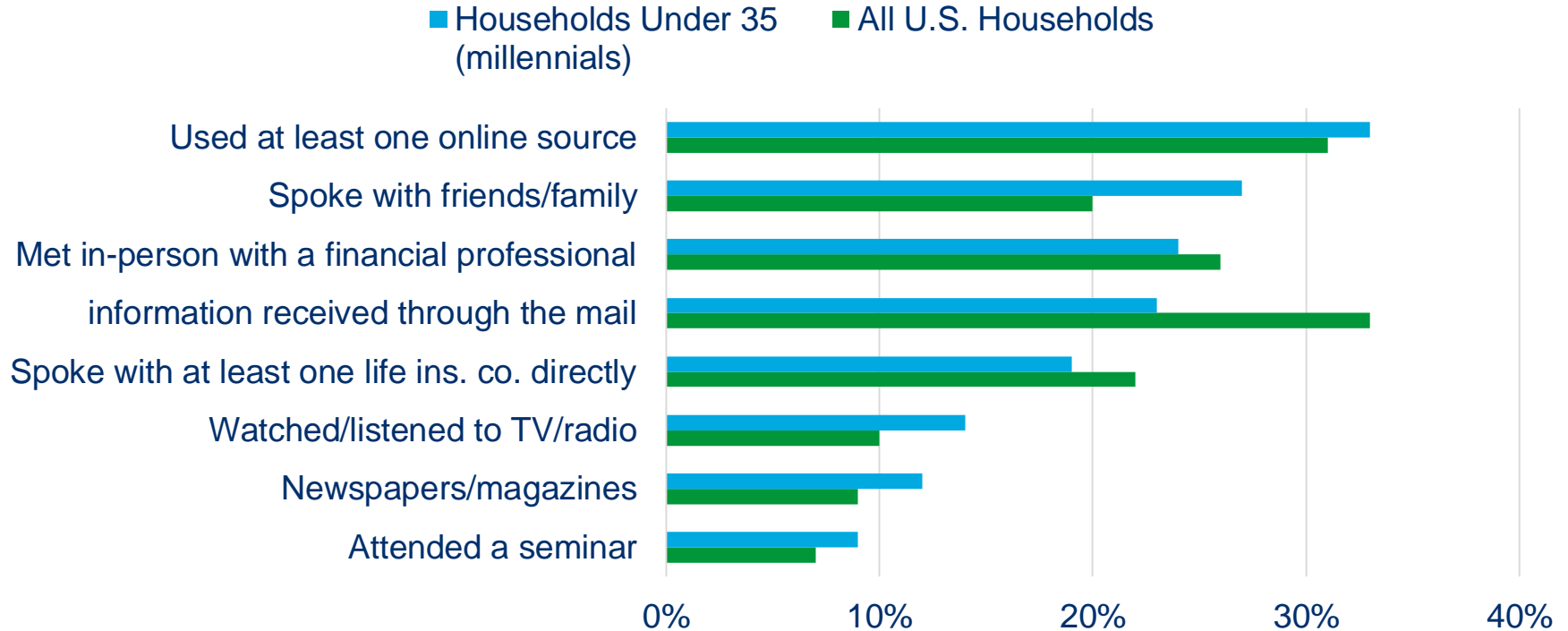
11 Source: The Purchase Funnel, LIMRA, 2017



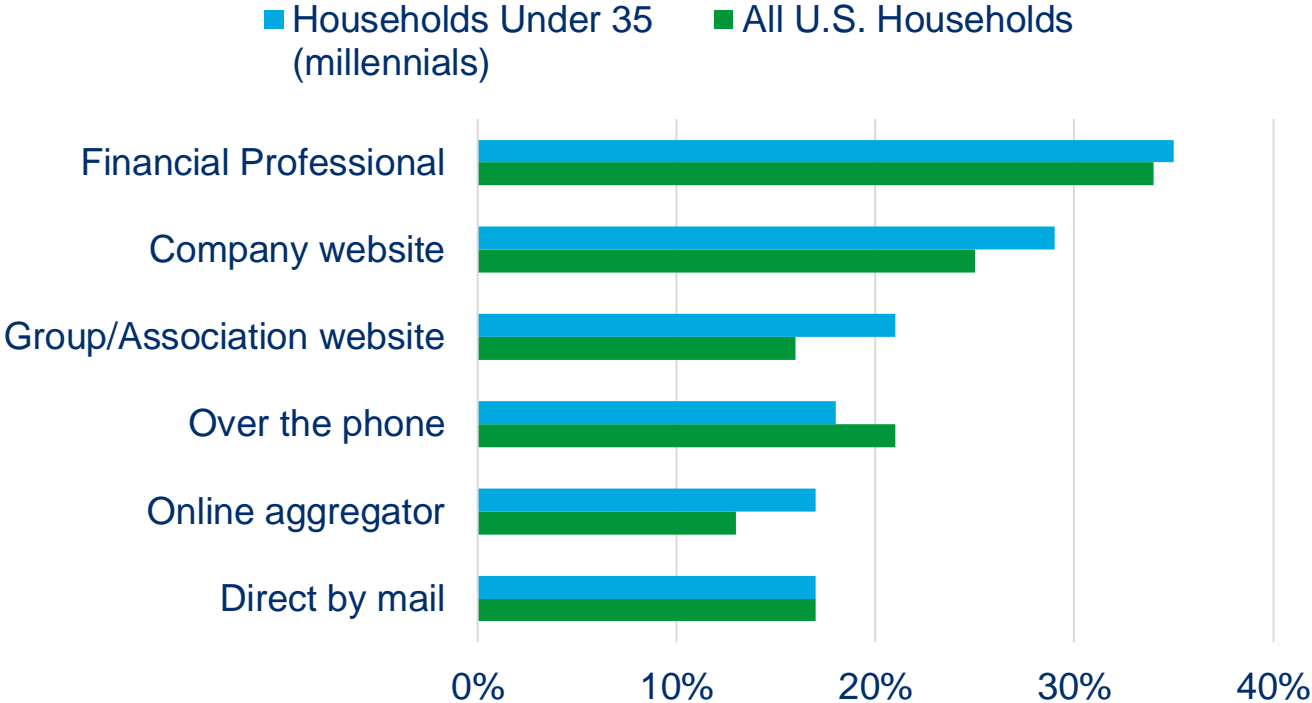
Stage 2 – Information Sources Used

Information Sources	Percent Used	'Very Helpful'
I reviewed information I received through the mail	33%	46%
I used at least one online source for information	31%	58%
I met in-person with at least one Financial Professional	26%	82%
I spoke by phone with at least one company directly	22%	61%
I spoke with friends and family members	20%	56%
I watched/listened to information on TV/radio	10%	44%
I read information in newspapers and magazines	9%	49%
I attended a seminar or meeting on life insurance	7%	60%

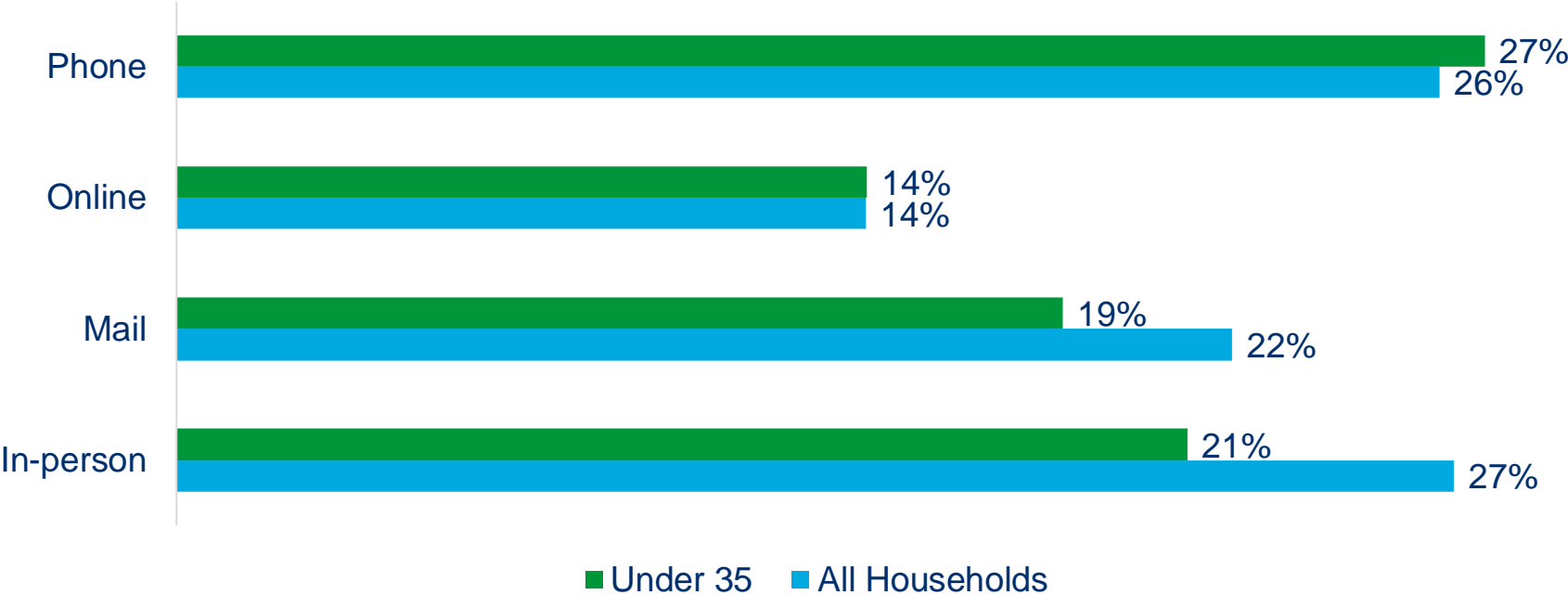
Stage 2 – Information Sources Used



Stage 3 - Method Used for Quotes by Age



Stage 4 – Purchase Method By Age

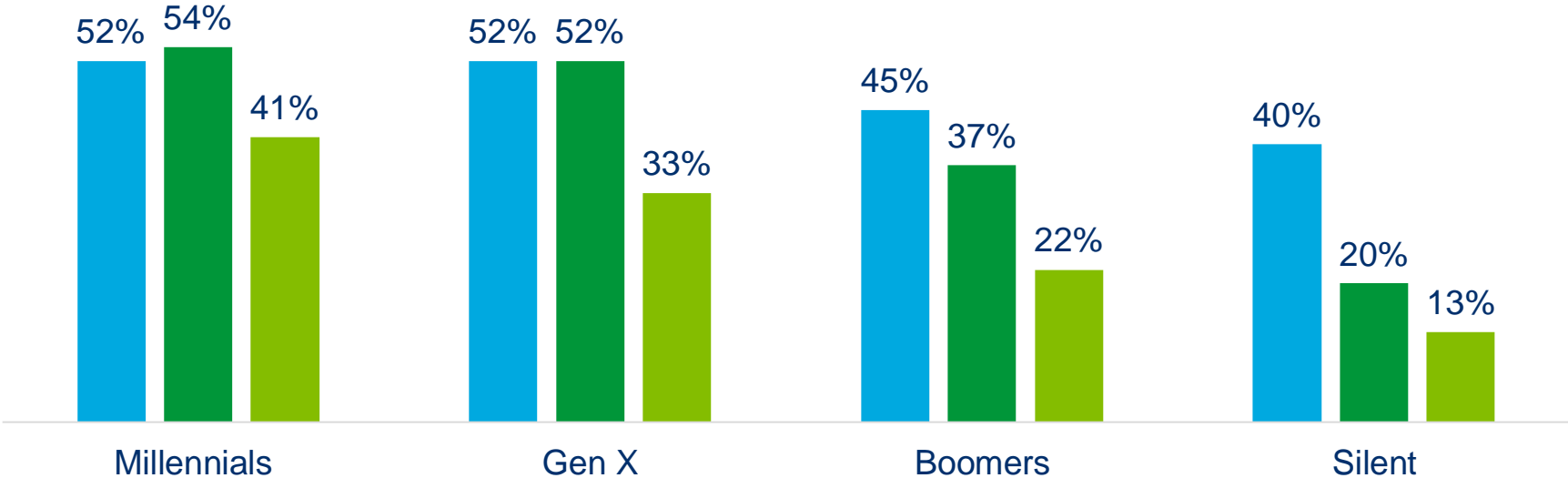


Included: in-person, mail, online, phone. Excluded: banks, peer-to-peer, workplace, other.

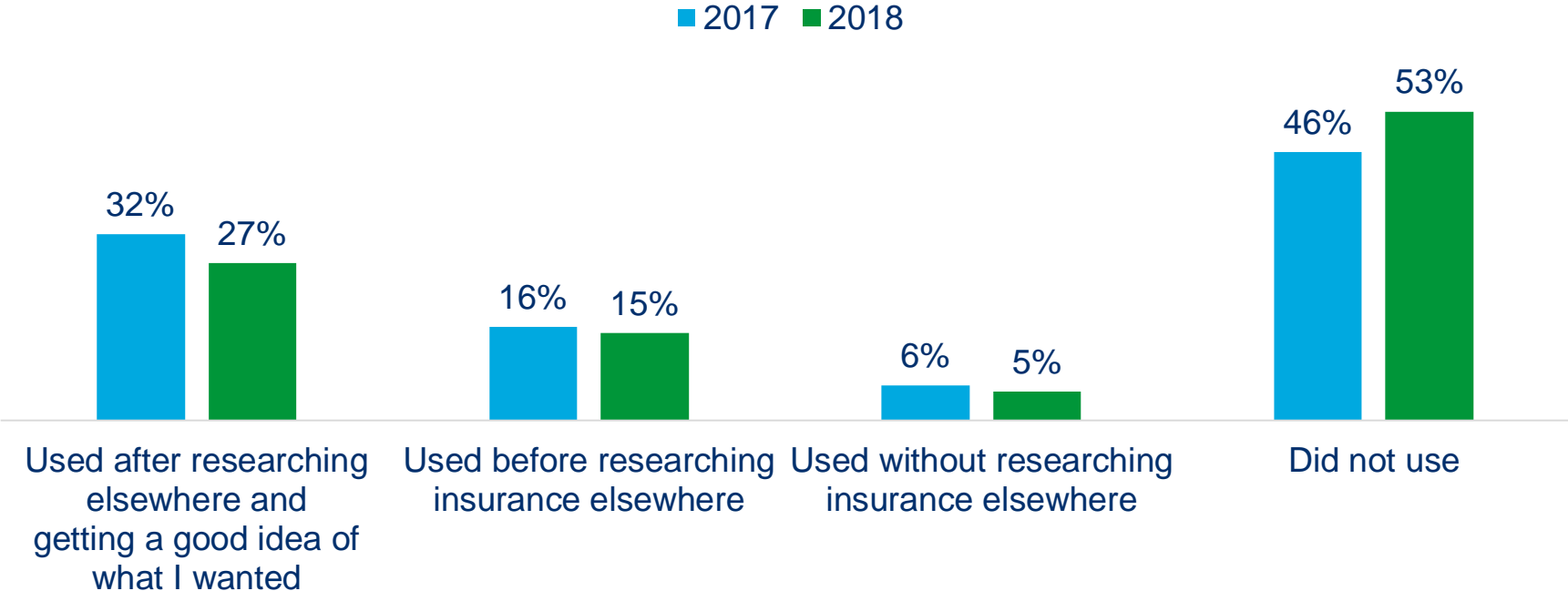


Online Usage for Life Insurance by Generation

- Visited the website of a life insurance company
- Sought information about life insurance online
- Purchased/attempted to purchase life insurance online

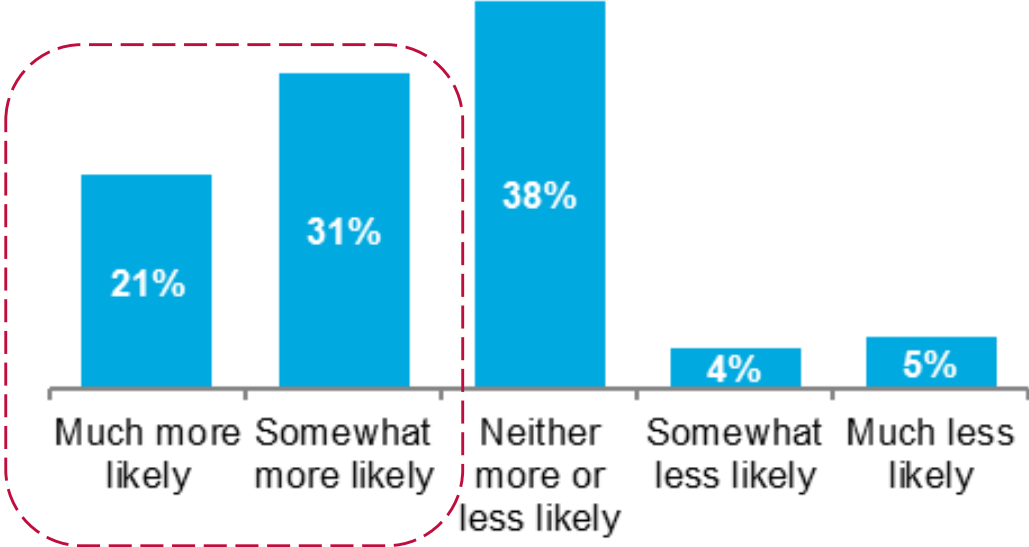


Use of Comparison Quote Websites

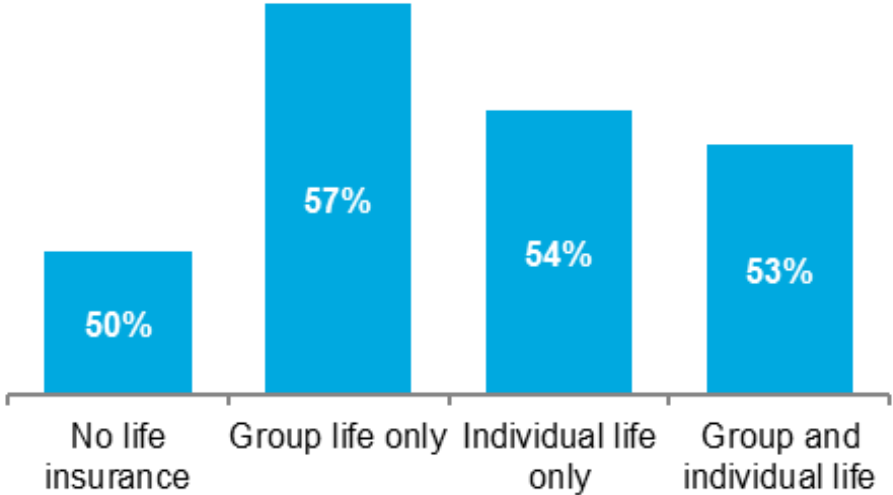


Likelihood to Buy - Simplified Underwriting (SUW)

52% are more likely to buy via SUW, than via traditional UW.



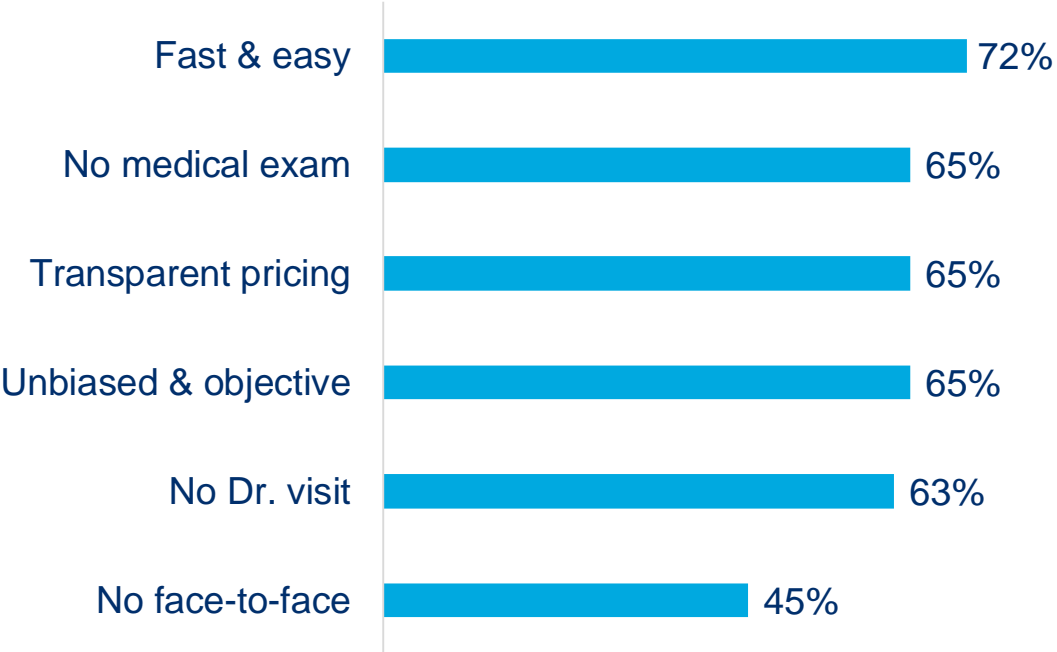
Likelihood to Buy via SUW by Life Ins. Ownership



SUW is most appealing to those who own group coverage.



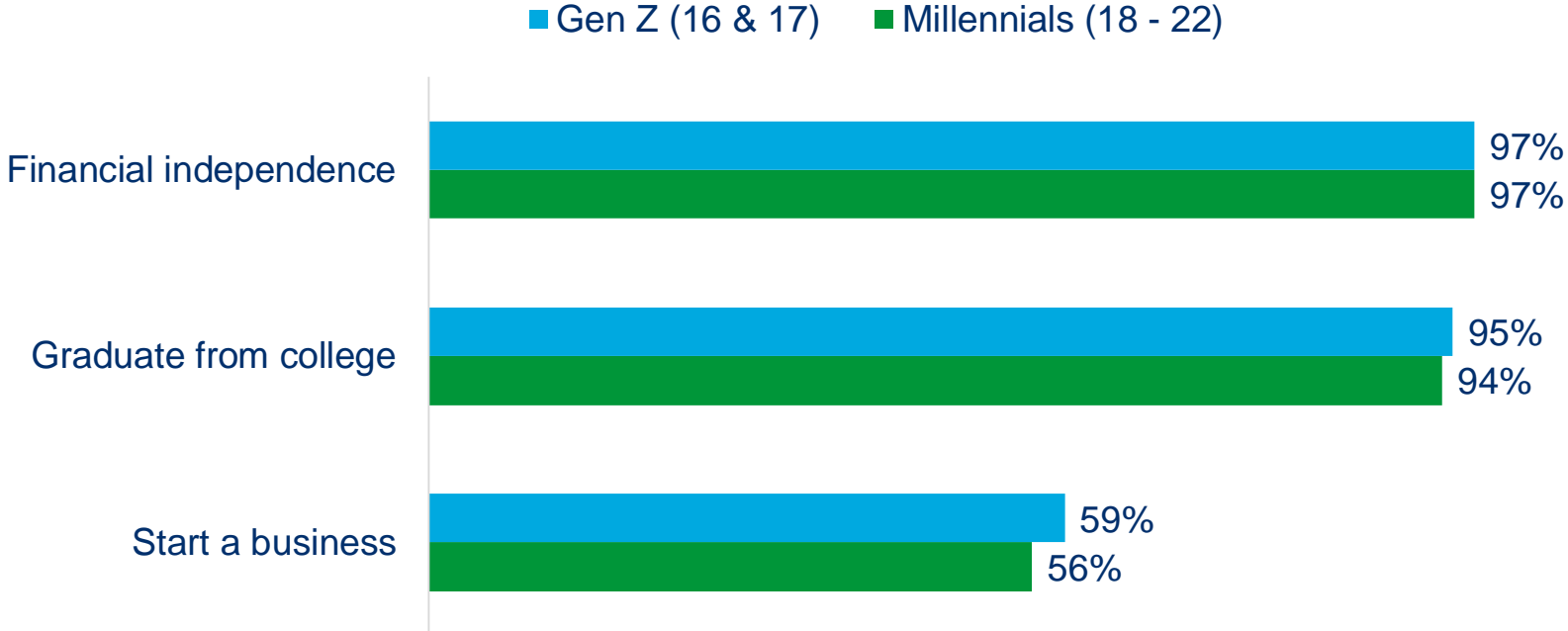
Consumer Appeal of Simplified Underwriting



Most appealing benefit of SUW = fast and easy process.



Top Financial Goals

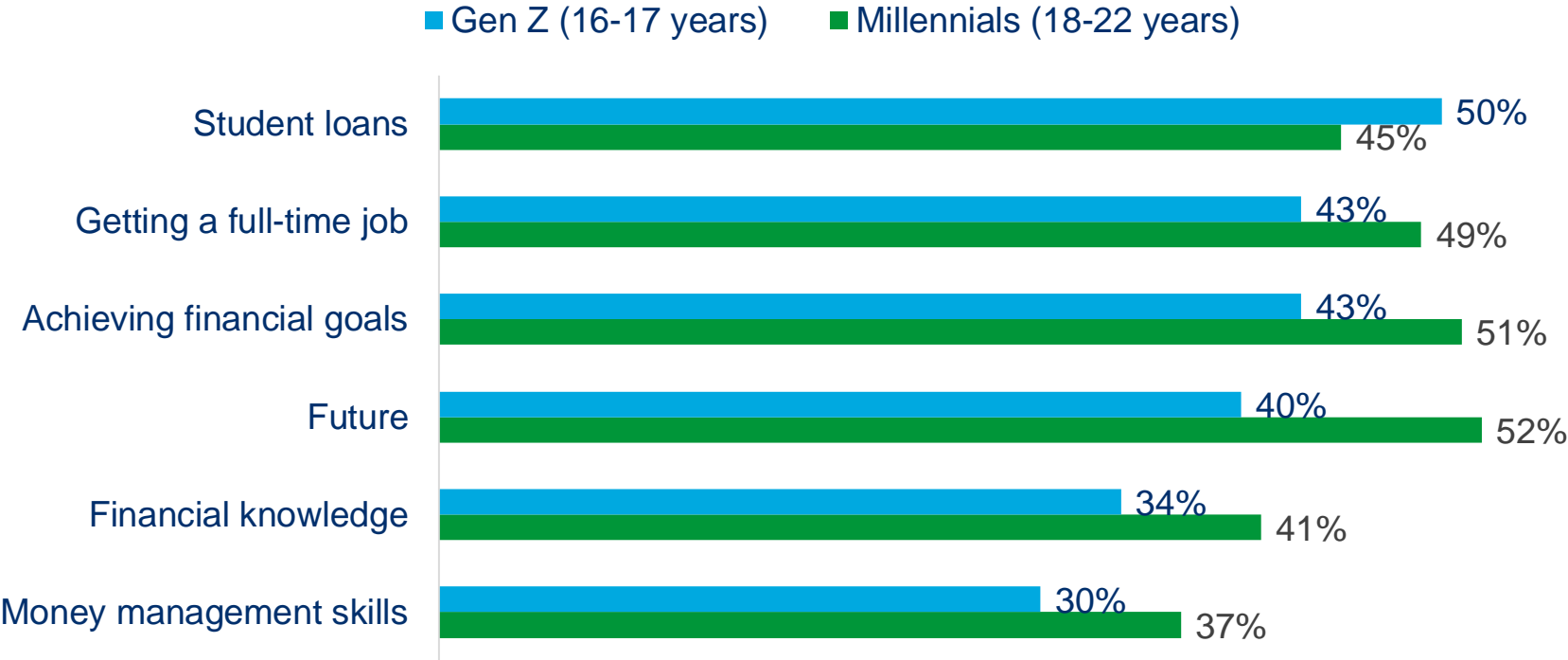


Gen Z Financial Goals

Voice of Gen Z

- “I want to major in Industrial Design to be able to create my own inventions.”
- “I want to make a business and work on my own because I don’t like following rules....When I feel I am ready, I will create a business of my own.”

Top Financial Concerns



Young Consumer Financial Concerns

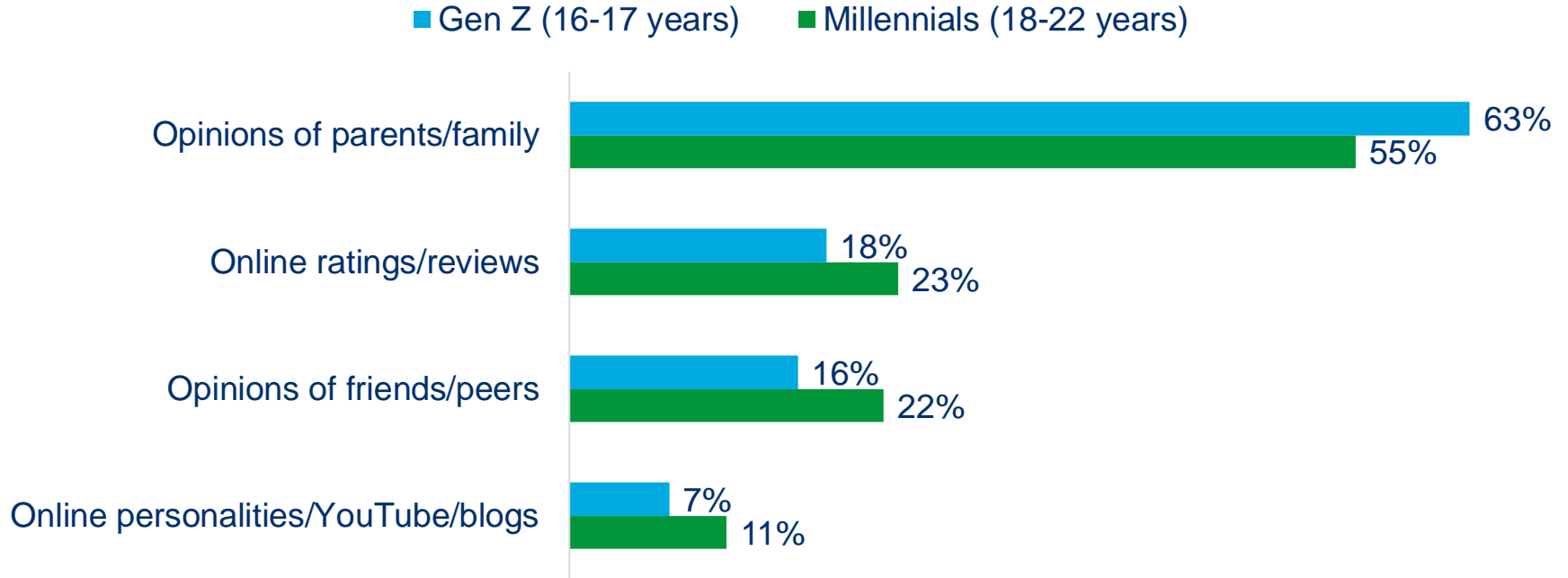
Voice of Millennials

- Start learning about finances before college. It will help you...especially with student loans.
- Learn how to budget, keep on track, pay off loans early, and you can be financially independent sooner.”

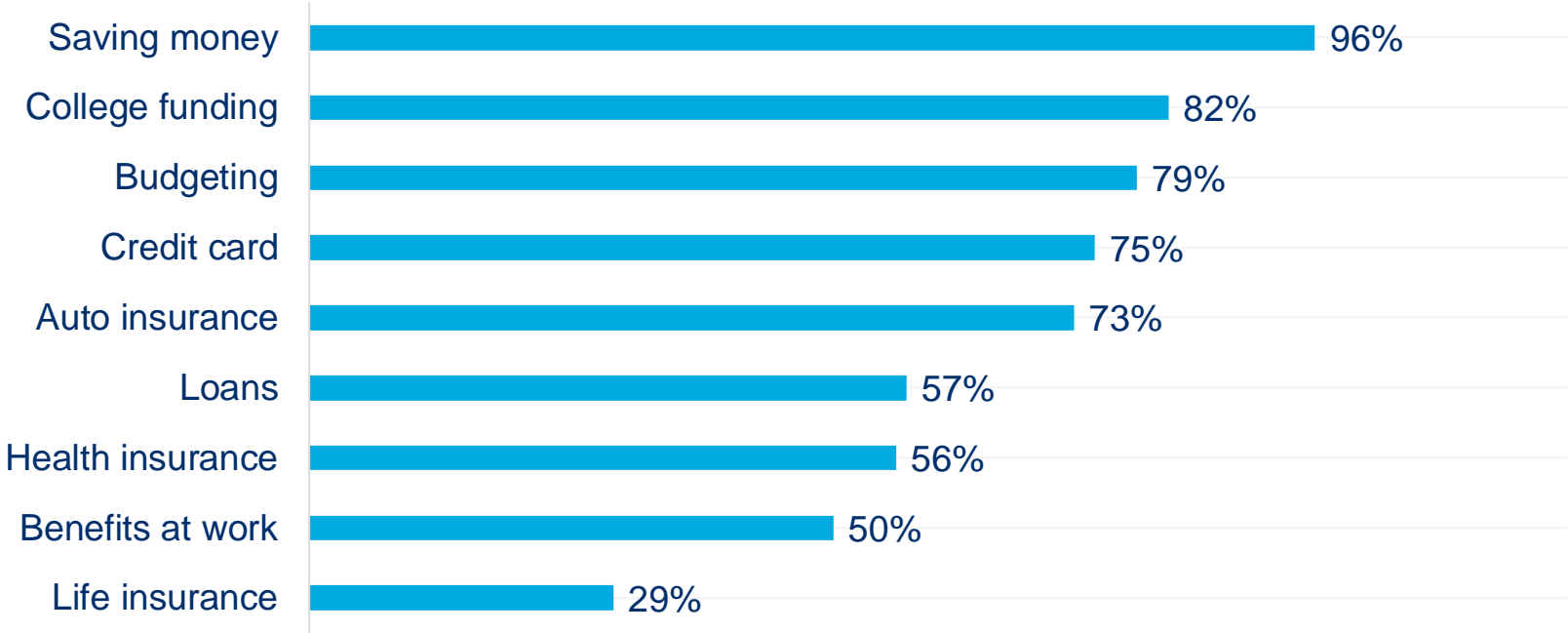
Voice of Gen Z

- The way you budget your money determines the lifestyle you'll have.

Financial Decision Influencers



Topics Gen Z Discuss With Parent



Topics Gen Z Discuss With Parent

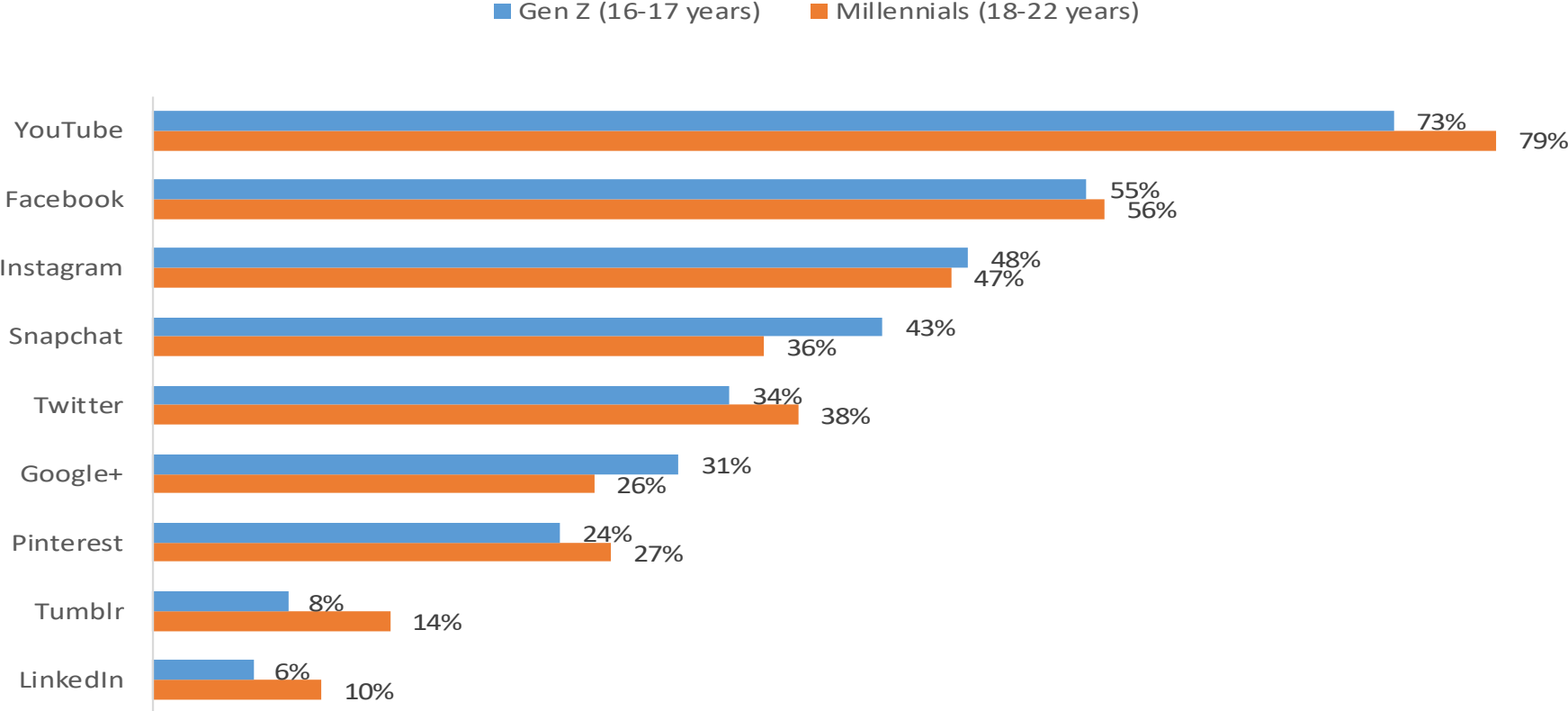
Voice of Millennials

- It is vital for parents to talk about finances... teach kids how to save and spend money, even their allowance and birthday money.

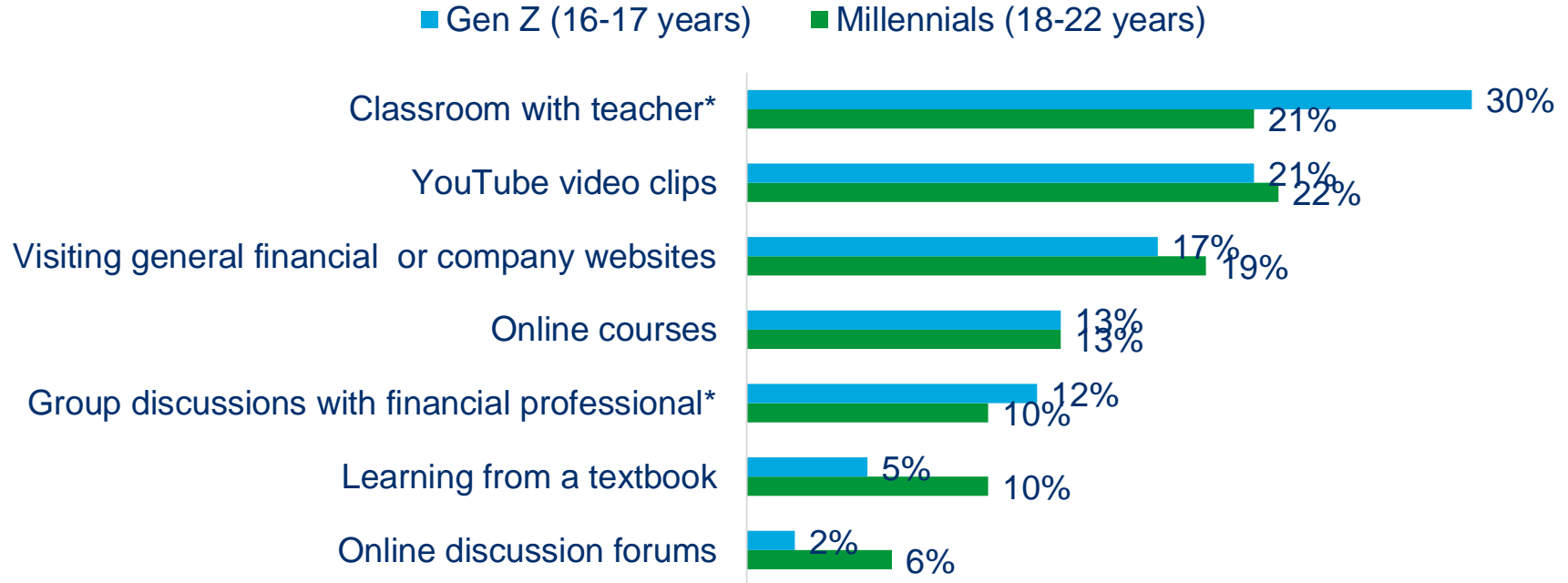
Voice of Gen Z

- I found a personal finance course helpful in choosing a career, finding its base salary and trying to plan a successful lifestyle. It was a great way to see how well you can budget and plan for the future.

Social Media Used for Reviews



Financial Learning Preferences



* Face-to-face or virtual settings

Financial Learning Preferences

Voice of Gen Z

- Everyone uses phones and apps, so the focus should be on using technology.
- Give examples of good apps to use for managing expenses, bank apps for mobile deposits, electronic bill payments, transferring money.



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