

Full Report



2011 Insurance Barometer Study

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2011 INSURANCE BAROMETER STUDY

FULL REPORT



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EXECUTIVE SUMMARY

LIFE and LIMRA initiated this research to better understand the public's opinions, attitudes, and behaviors regarding life and health insurance as well as more general financial planning matters. This is the first study in a series that LIFE and LIMRA intend to conduct annually to track the public's views on financial issues. We surveyed more than 2,000 individuals in February 2011.

Key Findings

- The top two financial concerns among Americans are having enough money for retirement and paying for medical expenses in case of illness or injury. Those with lower incomes and the divorced, separated, and widowed express the most concern.
- Among the insurable risks examined, dying prematurely and leaving family with a financial burden are the risks Americans are least concerned about. They are more concerned about being able to support themselves if they are disabled and cannot work and paying for long-term care services if they cannot take care of themselves.
- Sixty-three percent of those surveyed personally own life insurance. Yet, 70 percent agree that they personally need life insurance and 86 percent believe that most people need life insurance.
- In the past year, 6 percent of adults say they purchased life insurance.
- The top two reasons for owning life insurance are to cover burial and other final expenses and to help replace the income of a wage earner. All income groups, not just the wealthy, see life insurance as a way to transfer wealth or leave an inheritance.
- When buying life insurance, Americans think it is most important that they understand the product, followed by getting the proper amount of coverage, and getting coverage that is guaranteed for life. Getting the best price ranks fourth out of six factors.
- Of those who say they do not have enough life insurance, the top reason is that they feel it is too expensive. Respondents also cite other financial priorities as a significant reason.
- People still prefer to buy life insurance from insurance agents, although other ways of buying are becoming more desirable. The Internet is the second-most preferred method of buying. Younger adults (aged 25–44) and the affluent (those with HHI over \$100,000) are more predisposed than other demographic groups to prefer to buy life insurance via the Internet.
- Forty-four percent of Americans do not feel that insurance agents are trustworthy.
- Americans feel they will be considerably better off, financially, in a year compared to now. If Americans continue to be optimistic, that could present opportunities for the life insurance industry.

- African Americans have more positive attitudes toward life insurance and are more likely to own life insurance compared to Whites or Hispanics. African Americans are also more likely than Whites and Hispanics to own life insurance to pay for a funeral or leave an inheritance.
- Hispanics are less likely to prefer buying life insurance from an insurance agent than African Americans or Whites. Hispanics are also more likely than African Americans or Whites to prefer buying life insurance via the Internet, and to own life insurance to provide funds for a college education and pay for household expenses.
- The Risk Perception Index measured 37.5 for 2011, which is in the bottom quarter of the “average” risk range — 30 percent of adults perceive they have high or very high overall financial risk; 33 percent perceive they have high or very high insurable risk, and 24 percent perceive they have high or very high uninsurable risk.

About the Study

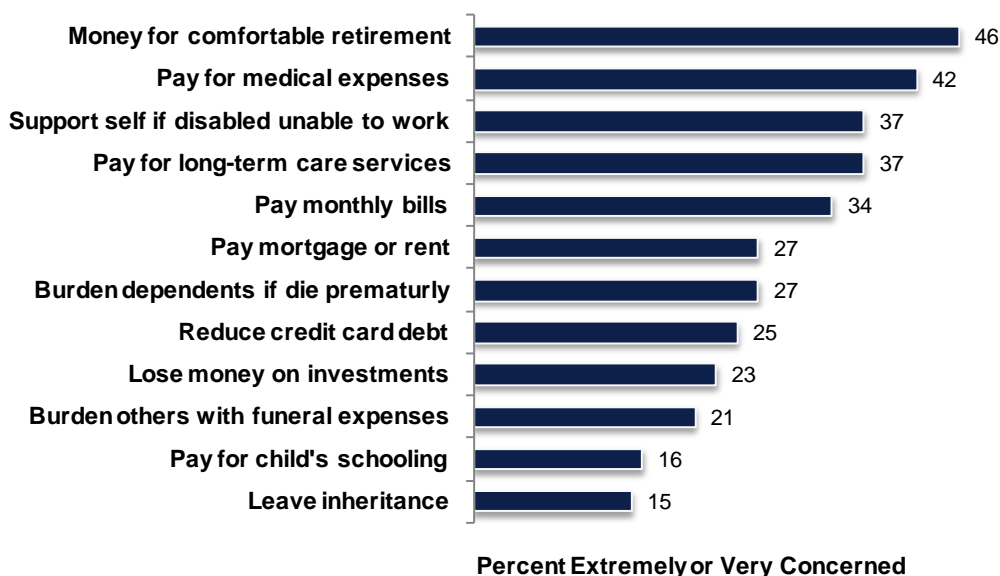
The online survey was fielded from February 3 through February 8, 2011 by Harris Interactive, using the Harris Online Panel with provisions to ensure adequate representation of Hispanic and African-American respondents. The 2,051 respondents were between ages 18 and 75 and shared or were the sole decision maker for financial matters in the household. Hispanic respondents were given the option to complete the survey in Spanish or English. Neither LIMRA nor LIFE was identified as a sponsor of the survey. Harris Interactive was responsible only for data collection. LIFE and LIMRA are responsible for the data analysis and this report. The data was weighted by age, gender, education, race, region and income to be representative of the general population. A propensity score adjustment was added to correct for biases inherent in Internet panels. The margin of error in this study is ± 2 percentage points or less.

FINANCIAL CONCERNS

Top Concerns

People’s greatest financial concerns in 2011 are having enough money for a comfortable retirement, and paying for medical expenses (Figure 1).

Figure 1 —
Amount of Concern for Financial Issues



Sub-Group Differences

People’s financial concerns are significantly impacted by their income and family situation. In general, those with lower incomes express considerably greater concern compared with higher-income earners. People who are widowed, divorced, or separated generally express more concern than those who are married or single (Table 1). Divorced, widowed, and separated individuals are more likely than married couples to rely on a single income, which could be a reason for their heightened concern. Divorced, widowed, and separated individuals also express greater concern than singles, perhaps because they tend to have more dependents and, hence, more financial obligations.

Concern over paying for a child’s schooling or college is influenced by the respondent’s family situation. This issue is not applicable for nearly half of respondents; however, it is a concern for 31 percent of those for who indicated on the survey that it is relevant to them.

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Table 1 —
Financial Concern by Household Situation
Percent Extremely or Very Concerned

	Household Income (\$000)			Marital Status		
	<\$50	\$50–99	\$100+	Married*	DWS	Single
Money for comfortable retirement	<u>51%</u>	44%	39%	45%	<u>55%</u>	40%
Pay for medical expenses	<u>52</u>	38	29	39	<u>54</u>	40
Support self if disabled can't work	<u>48</u>	35	25	34	<u>46</u>	38
Pay for long-term care services	<u>46</u>	36	25	35	<u>47</u>	33
Pay monthly bills	48	29	<u>16</u>	30	<u>47</u>	36
Pay mortgage or rent	39	23	<u>14</u>	25	<u>36</u>	27
Burden dependents if die prematurely	32	29	<u>19</u>	29	29	<u>19</u>
Reduce credit card debt	<u>32</u>	23	20	25	31	24
Lose money on investments	21	24	27	24	22	21
Burden others with funeral expenses	30	19	<u>11</u>	20	<u>30</u>	20
Pay for child's schooling†	39	31	26	33	30	<u>22</u>
Leave an inheritance	<u>19</u>	16	12	15	<u>19</u>	11

* Includes those living with a partner

_ Significant difference

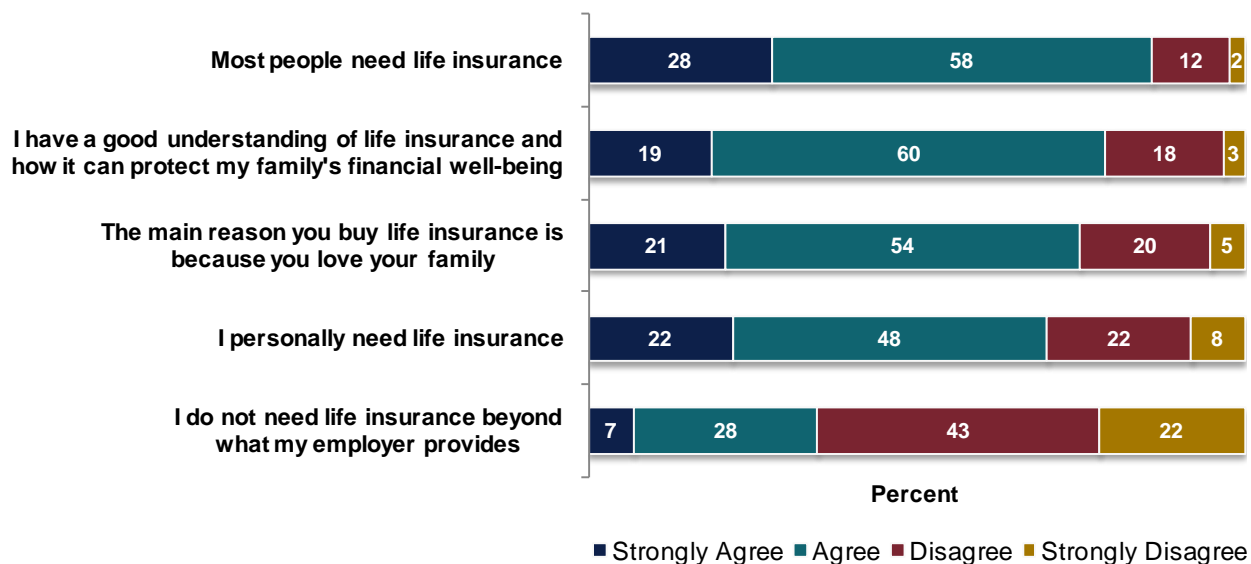
† Only those for whom it is applicable

LIFE INSURANCE

Attitudes

While a vast majority of Americans agree that “most people need life insurance,” not as many feel they need it personally (Figure 2). Those who own life insurance have more positive attitudes about the product, by as much as 20 percentage points than those who do not own life insurance.

Figure 2 —
Attitudes About Life Insurance



Life Insurance Ownership

When asked about the types of life insurance they own, respondent answers track closely to levels obtained through other LIMRA-sponsored ownership studies (Table 2).¹

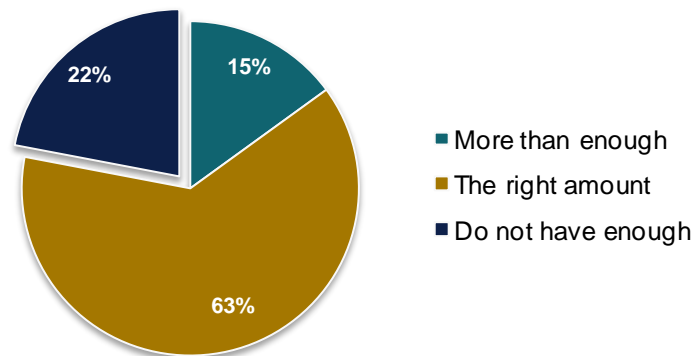
Table 2 —
Type of Life Insurance Owned

Any	63%
Individual only	39
Employer only	31
Both	27
Other	3
	100%

¹ *Person-Level Trends in U. S. Life Insurance Ownership*, LIMRA, 2011.

We also asked those who own life insurance about the adequacy of their coverage. Two in 10 feel they do not have enough coverage (Figure 3). Household income has an impact on how people feel about the adequacy of their coverage. Thirty-one percent of those with household incomes under \$50,000 feel they do not have enough coverage compared with 14 percent of those with household incomes of over \$100,000.

Figure 3 —
Adequacy of Life Insurance Coverage

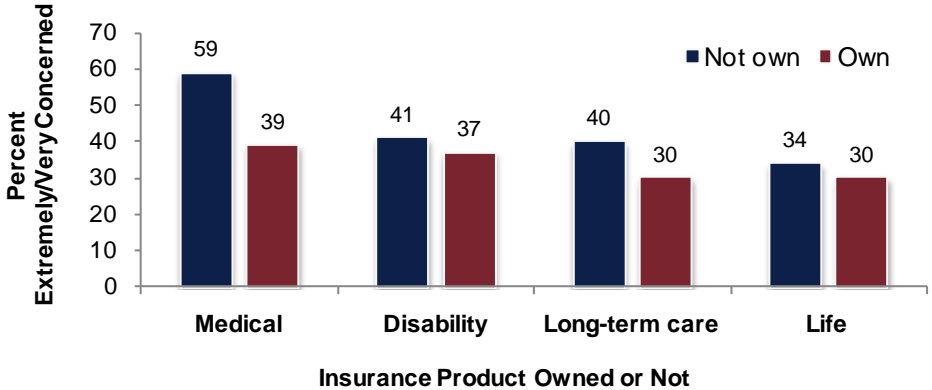


The survey also asked respondents about the adequacy of their partner's life insurance coverage. Nearly three in 10 respondents who are married or living with a partner (28 percent) say they wish their spouse or partner would purchase life insurance, or purchase more life insurance than they already have.

Financial Concern vs. Insurance Ownership

A person's insurance ownership should, in theory, correlate with their concern about insurable financial risks. However, this research found that such close correlations do not always exist. For example, respondents who own disability insurance are still concerned about the financial consequences of becoming disabled. Similarly, those who own life insurance are concerned about dying prematurely and leaving family with a financial burden. However in comparison, those who own medical or long-term care insurance, are much less concerned about the financial risks associated with those products. One possible explanation for these findings is that those with disability or life insurance coverage may feel it is inadequate and so still have concerns (Figure 4).

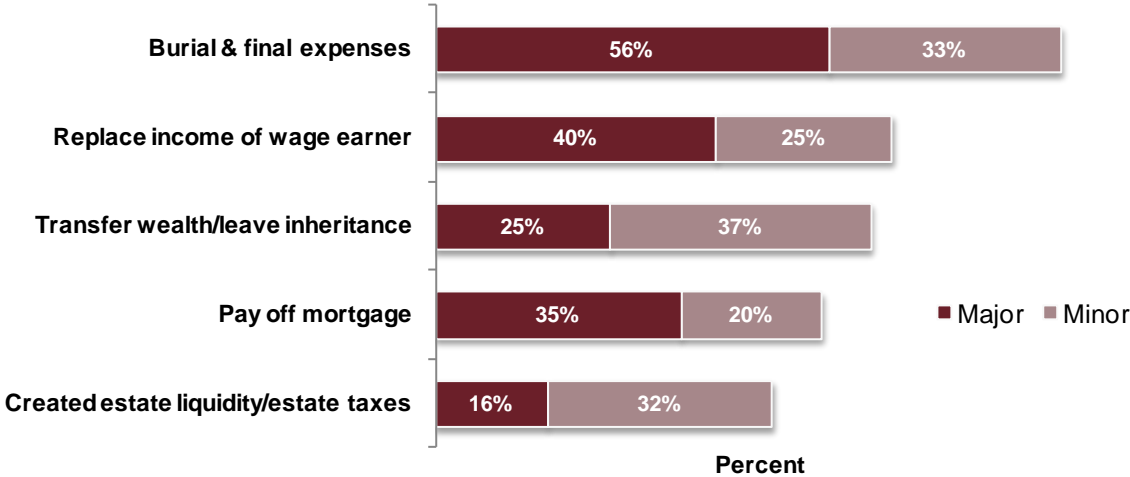
Figure 4 —
Level of Concern by Ownership



Reasons to Own

By a sizable margin, the top reason people own life insurance is to cover burial and other final expenses (Figure 5). Replacing lost wages and paying off a mortgage are also important. Sixty-two percent own life insurance in order to transfer wealth and leave an inheritance (ranking third out of the 13 factors). Interestingly, people across all income levels say this is one of the top reasons for owning life insurance, which suggests that leaving some type of financial legacy is important not just for the affluent.

Figure 5 —
Top Five Reasons to Have Life Insurance Among People Who Own



People’s situation such as age, income, and marital status impact the reasons they have life insurance. For example, women place more importance on having money for funeral expenses than do men (65% vs. 48% say it is a “major reason” to have life insurance) (Table 3). Not surprisingly, the older people are, the more likely they are to own life insurance to pay for funeral expenses. As noted in a later chapter, African Americans are more likely than other racial groups to own life insurance to pay for funeral expenses.

Table 3 —
Reasons for Owning Life Insurance
Percent a “Major Reason”

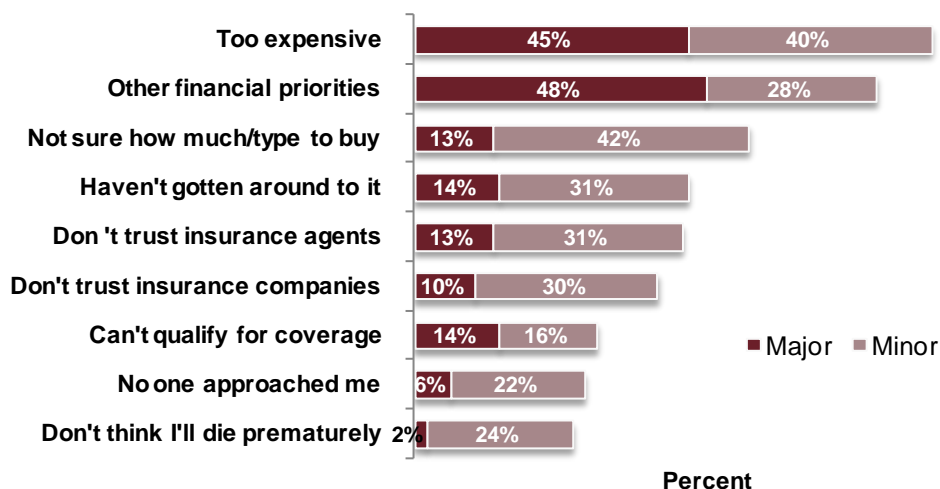
	Age				Household Income			Marital Status		
	<25	25–44	45–64	65+	<\$50	\$50–99	\$100+	Married*	DWS	Single
Burial and funeral expenses	27%	49%	<u>60%</u>	<u>65%</u>	<u>68%</u>	55%	43%	54%	<u>67%</u>	57%
Replace lost wages	23	50	41	<u>11</u>	34	35	<u>59</u>	<u>46</u>	21	24
Pay off mortgage	17	42	36	<u>15</u>	26	34	<u>49</u>	<u>41</u>	20	19
Transfer wealth	25	30	24	<u>20</u>	24	25	<u>29</u>	<u>25</u>	23	30

__Significant difference

Reason Not Own More

Those who own life insurance but believe their coverage is inadequate say their main reason for not having enough is that it is too expensive (Figure 6). Other financial priorities, and not knowing how much or what kind to buy are other top reasons, although most who cite the latter response consider it to be a “minor reason.” It is often suggested that a reason people do not own life insurance is because they do not believe they will die prematurely, yet this reason ranks last.

Figure 6 —
Reasons Those With Not Enough Life Insurance Do Not Own More



What to Look for When Buying

The survey also asked what things people find important when buying life insurance (Table 4). Of six variables, being certain they understand what they are buying is the most important (36%). Ranking next in importance are getting the proper amount of coverage, and getting coverage that is guaranteed for life. Overall, getting the best price ranks fourth out of the six factors queried (only 14% cite this as “most important”).

Women have different opinions than men on what is important — men are more concerned than women about having the right amount of coverage and getting the best price. Conversely, women place greater importance than men on being certain they know what they are buying.

Table 4 —
Important Factors When Buying Life Insurance
Percent Ranked

	Total Sample		Ranked First	
	First	Second	Men	Women
Be certain I understand what I am buying	36%	14%	32%	<u>39%</u>
Getting the proper amount of coverage	22	23	<u>24</u>	19
Getting coverage that is guaranteed for life	17	24	16	18
Getting the best price	14	14	<u>17</u>	11
Getting a fixed price that cannot go up	10	22	9	11
Getting extra features on the policy	1	3	1	1

— Significant difference

PURCHASE ACTIVITY, INTENTIONS, AND PREFERENCES

We asked respondents about their recent purchase activity, propensity to purchase in the next 12 months, and preferences for how to purchase life insurance. Although a significant percent of the population own life insurance, there are not a lot of life insurance transactions in any given year because people typically purchase life insurance only a handful of times in their lifetime.

In the past year:

- Six percent of Americans purchased life insurance.
- Four percent canceled a life insurance policy.
- Two percent borrowed money from a life insurance policy.

The survey asked how likely Americans are to buy, or buy more, life insurance in the next year. Twenty percent say they “definitely” or “probably” will buy life insurance. Considering the low percentage that purchased life insurance in the last year, it is clear that people’s intentions do not align with their future actions. The percentage likely to buy needs to be adjusted downward to more accurately reflect the actual likelihood of people buying. We computed a propensity to buy — the estimated percent of the population likely to buy in the next year — by adjusting the responses.² The propensity to buy life insurance is 9 percent. This can be viewed as an estimate of the percent of the population that will buy life insurance in the next year. Younger individuals have a greater propensity to buy than their older counterparts.

Preferred Ways to Buy

About two thirds of Americans prefer to buy life insurance face-to-face from an insurance or financial professional (Figure 7). This is down considerably from 1996 when 8 in 10 preferred to buy face-to-face.³ Almost 1 in 5 prefer to buy direct from a company via the Internet. Among those preferring to buy face-to-face, most (70%) prefer to buy from a life insurance agent. Those who prefer face-to-face are: those with income under \$50,000 (69%), those over age 65 (82%), and divorced/widowed/separated (72%) (Table 5). Buying via the Internet is of greatest interest to younger adults (ages 25–44), Hispanics, and the affluent (household income over \$100,000). Those with household income over \$100,000 and younger adults (ages 18–44) are more likely than other demographic groups to prefer purchasing life insurance at their or their spouse’s place of work (18%).

² The responses were weighted as follows: definitely will (.6), probably will (.3), not sure (.05), probably not (0), and definitely not (0).

³ *Consumer Preferences for Buying Life Insurance Now and in the Future*. LIMRA, 1996.

Figure 7 —
Purchase Preferences

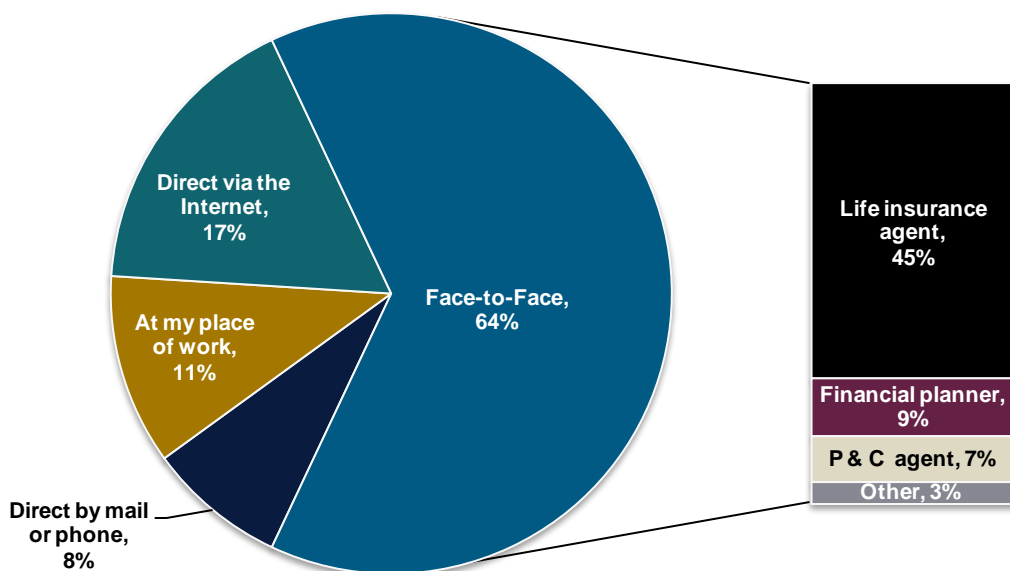


Table 5 —
Purchase Preferences

	Face-to-Face	Internet	Place of work	Direct
Age				
<25	66%	11%	16%	7%
25 – 44	54	<u>23</u>	14	8
45 – 64	67	14	10	9
65+	<u>82</u>	9	<u>2</u>	7
Race				
White	63	16	13	8
Hispanic	61	<u>23</u>	11	4
African American	72	12	<u>3</u>	<u>14</u>
Income				
<\$50,000	<u>69</u>	<u>13</u>	<u>8</u>	10
\$50,000 – \$99,999	62	19	11	8
\$100,000+	52	22	18	9
Marital Status				
Married	64	16	12	8
Divorced, widowed, separated	<u>72</u>	<u>12</u>	<u>7</u>	10
Single	59	21	11	9

— Significant difference

Using the Internet to Buy

Because of increasing interest in purchasing life insurance online, we asked a series of questions about how people prefer to use the Internet to buy life insurance. The preferred method still ultimately involves buying from an insurance agent or other financial professional (Table 6).

Table 6 —
Preferred Way to Buy Life Insurance on the Internet

	Total	Age			
		<25	25–44	45–64	65+
Research life insurance online, but ultimately buy from an insurance agent or other financial professional	59%	65%	61%	59%	48%
Research and complete the purchase entirely online	21	24	29	19	9
Wouldn't use the Internet at all	20	11	10	22	43
	100%	100%	100%	100%	100%

Many more Americans research life insurance online rather than purchase online. Men are more likely than women to use the Internet in the life insurance research and/or buying process (Table 7).

Table 7 —
Life Insurance Activities on the Internet

	Total	Men	Women
Asked of all			
Sought information about life insurance online	38%	44%	31%
Paid my life insurance bill online	19	21	17
Purchased life insurance online	11	15	6
Asked of those who purchased online			
Started process online, then directed to financial professional in person	25%		
Completed and submitted application online	24		
Started process online and completed with company by phone	16		
Started process online and printed application to send to company	15		
Don't remember how I did it	20		
	100%		

OTHER TYPES OF INSURANCE

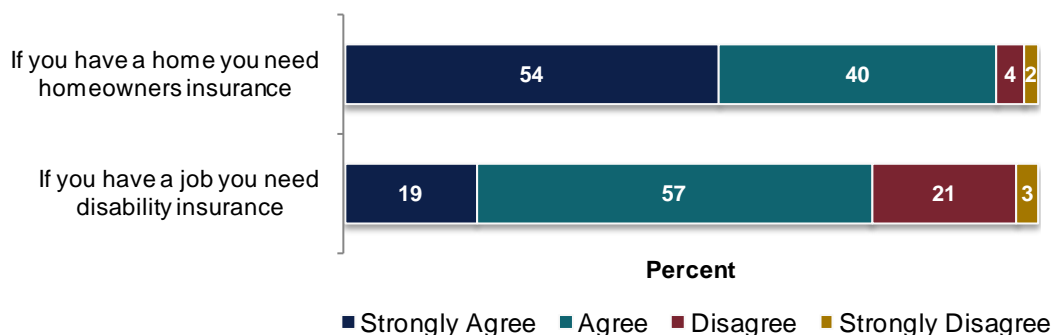
Survey respondents were also asked about their ownership of other types of insurance (Table 8). Americans are more likely to have disability and long-term care insurance coverage through their employers or labor unions rather than purchasing it on their own. As with life insurance, a propensity to buy was computed for disability and long-term care insurance from their responses to how likely they would be to buy in the next year (Table 8).⁴ The percentage saying they are likely to buy needs to be adjusted downward to more accurately reflect actual likelihood of buying.

Table 8 —
Other Types of Insurance Owned

	Disability	Long-term Care	Health/ Medical	Homeowners or renters	Auto
Any	27%	15%	79%	71%	87%
Individual only	15%	32%			
Employer only	76	58			
Both	9	10			
	100%	100%			
Propensity to Buy	6%	6%	15%		

The public feels more strongly about insuring their homes than they do about insuring their ability to earn an income. More than half (54%) “strongly agree” that you need homeowners insurance if you own a home, versus just 1 in 5 (19%) who “strongly agree” that you need disability insurance if you have a job (Figure 8). This suggests that many people do not view their jobs/paychecks as an asset that must be insured.

Figure 8 —
People See Greater Need to Insure Their Homes Than Their Earning Ability



⁴ The responses were weighted as follows: definitely will (.6), probably will (.3), not sure (.05), probably not (0), and definitely not (0).

OPINIONS ABOUT INSURANCE AGENTS

As already indicated, life insurance agents are losing ground as the preferred way to buy life insurance; which may be due to many people seeing them as untrustworthy (Table 9). The public is much more likely to agree that life insurance agents are knowledgeable than to agree they are trustworthy. Women have more positive opinions of insurance agents than do men. Sixty-one percent of women agree or strongly agree that agents are trustworthy compared with 52 percent of men. Women are more inclined than men to say agents are knowledgeable (82% vs. 76%). There are racial differences too. African Americans are more likely than Whites and Hispanics to agree or strongly agree that agents are trustworthy (64%, 55%, and 54%, respectively).

Table 9 —
Attitudes Toward Insurance Agents

	Strongly Disagree	Disagree	Agree	Strongly Agree
Life insurance agents are trustworthy	7%	37%	52%	5%
Life insurance agents are knowledgeable	3	18	72	7

CURRENT FINANCIAL SITUATION

The survey looked at how Americans are doing financially compared with a year ago, as well as what they think things will be like for them a year from now. The Great Recession impacted many people, yet, overall, people are optimistic about the future. The percent of people better off today than they were a year ago is roughly the same as the percent worse off (23% vs. 28%) (Table 10). As of February, people were more optimistic about their financial situation. By a wide margin, more people thought they would be better off a year from now compared with those who thought their situation would be worse (36% vs. 13%). Keep in mind, however, that people's feelings about their financial future are greatly influenced by the condition of the overall economy; and hence, can change quickly as market conditions change.

Age and household income also influence opinions. Those under age 45 are particularly optimistic about the future. Nearly half (45%) think their financial situation will be better a year from now than it is today. Those aged 45 and over see some improvement, but not as much as those who are younger. Those with over \$100,000 of income are more likely than those earning less to think that next year their financial situation will improve. While no one knows when the economic recovery will truly take hold, life insurers stand to benefit from people feeling more confident in the future.

Table 10 —
Your Financial Situation

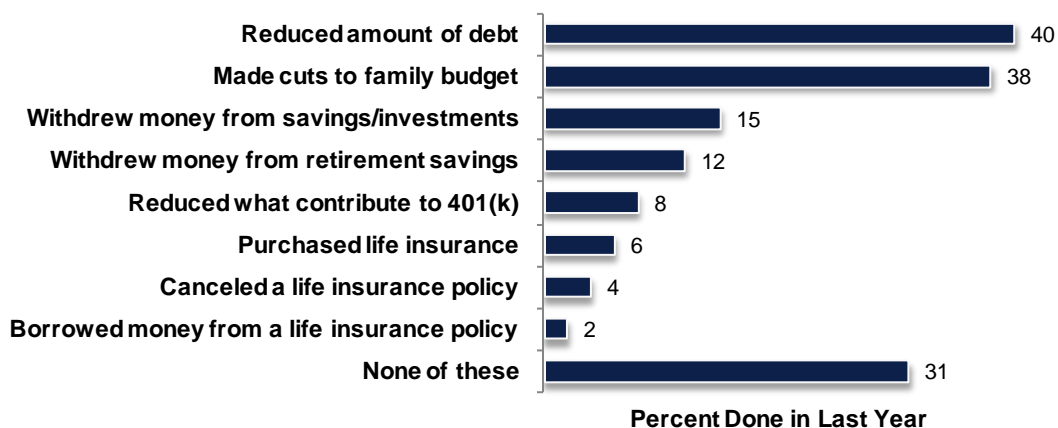
	Compared with a year ago				A year from now			
	Worse	About the same	Better	Not sure	Worse	About the same	Better	Not sure
Total	28%	47%	23%	2%	12%	44%	36%	8%
Age								
<25	17%	46%	<u>31%</u>	6%	8%	36%	<u>49%</u>	7%
25 – 44	22	47	<u>28</u>	3	7	41	<u>45</u>	7
45 – 64	<u>32</u>	46	20	2	<u>15</u>	44	31	10
65+	<u>35</u>	51	14	+	<u>19</u>	55	20	6
Household income								
<\$50,000	<u>42%</u>	42%	15%	1%	<u>17%</u>	41%	32%	<u>10%</u>
\$50,000 – \$99,999	20	52	<u>26</u>	2	11	49	35	5
\$100,000 or over	12	51	<u>34</u>	3	5	42	<u>48</u>	5

+ Less than ½ percent

— Significant difference

In the past year, Americans have made many adjustments in their personal financial lives. Their top actions were to reduce debt (40%), and to make cuts to the family budget (38%) (Figure 9). Despite the economic uncertainty of the past year, 3 in 10 did not make any of the adjustments listed in the survey.

Figure 9 —
Actions Taken in the Last Year to Improve Financial Situation



Men are more likely to have reduced debt, while women are more likely to have made cuts to the family budget in the last year (Table 11).

Table 11 —
Actions Taken in the Last Year by Gender and Age

Percent taking action

	Gender		Age			
	Male	Female	<25	25–44	45–64	65+
Reduced amount of debt I carry	<u>44%</u>	36%	32%	<u>42%</u>	<u>42%</u>	32%
Made cuts to the family budget	33	<u>43</u>	22	<u>42</u>	<u>41</u>	25
Withdrew money from savings/investments	14	15	12	14	13	<u>23</u>
Withdrew money from retirement savings	13	12	0	9	14	<u>21</u>
Reduced the amount of money I contribute to retirement savings such as 401(k)	9	7	1	<u>11</u>	8	1
None of these*	31	31	<u>51</u>	29	29	35

* Included but not listed are actions regarding purchase of, borrowing from, or canceling life insurance

__ Significant difference

ETHNIC GROUP DIFFERENCES

In designing the study, we made an effort to ensure an adequate representation of Hispanics and African Americans in the sample. This section looks at some differences that emerge for these two ethnic groups compared with White respondents. The results show that African Americans are a particularly receptive market for life insurance (Table 12).

African Americans compared with Whites and Hispanics:

- Are more concerned about not burdening others with their funeral expenses and with leaving an inheritance for their heirs, and are more likely to own life insurance for these same reasons.
- Have more positive attitudes about life insurance, including understanding how it protects their family, the need for it, and that you buy it because you love your family.
- When buying life insurance, place more importance on being certain they understand what they are buying and less importance on getting a fixed price that cannot go up.
- Are not as inclined to buy life insurance at their or their spouse's workplace.
- Would use the Internet to research life insurance, but would buy from an insurance agent or other financial professional.

Hispanics compared with African Americans and Whites:

- Are less likely to feel insurance agents are knowledgeable and consequently are less likely to prefer buying from an insurance agent.
- Are more likely to own life insurance to provide funds for a college education.
- Are more likely to prefer to buy life insurance direct from a company via the Internet.

Whites compared with African Americans and Hispanics:

- Are less likely to have purchased life insurance in the past year and are less likely to buy in the next year.
- Are less likely to own life insurance as a means of supplementing their retirement income or covering household expenses such as child care.
- Are less likely to have purchased life insurance online.
- Are less likely to agree that if you have a job you need disability insurance.

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Table 12 — Ethnic Group Differences

	White	Hispanic	African American
Financial Issues (extremely or very concerned)			
Leaving an inheritance for my heirs	13%	16%	<u>21%</u>
Burdening others with my burial/funeral expenses	19	23	<u>32</u>
Attitudes (strongly agree or agree)			
I have a good understanding of life insurance and how it can protect my family	77	79	<u>90</u>
Most people need life insurance	85	82	<u>96</u>
I personally need life insurance	67	70	<u>80</u>
I do not need life insurance beyond what my employer provides	36	38	<u>24</u>
Life insurance agents are knowledgeable	80	<u>71</u>	83
If you have a job you need disability insurance	<u>73</u>	82	82
The main reason you buy life insurance is because you love your family	75	69	<u>81</u>
Life Insurance Ownership			
Own	62	54	<u>76</u>
Purchased in last year	<u>5</u>	11	8
Likely to buy in next year	<u>8</u>	13	13
Reasons Own Life Insurance (major reason)			
Cover burial and other final expenses	56	44	<u>68</u>
Transfer wealth or leave an inheritance	20	29	<u>44</u>
Provide funds for a college education	11	<u>22</u>	17
To supplement retirement income	<u>10</u>	18	20
Pay for household expenses such as child care, transportation, cooking/cleaning	<u>15</u>	28	22
Important Factors When Buying (ranked 1 st)			
Being certain I understand what I'm buying	34	27	<u>46</u>
Getting a fixed price that can never go up	11	13	<u>3</u>
Purchase Preferences			
Direct from company via Internet	16	<u>23</u>	15
At my or my spouse's place of work	13	11	<u>3</u>
If face-to-face:			
A life insurance agent	70	<u>60</u>	77
Auto and homeowner insurance agent	12	20	<u>1</u>
If Bought Online, how would you do it			
Research online, but buy from an insurance agent or other financial professional	56%	60%	<u>69%</u>
Internet Activity (ever did)			
Sought information about insurance online	<u>32</u>	46	58
Paid life insurance bill online	<u>15</u>	25	29
Purchased life insurance online	<u>8</u>	15	22

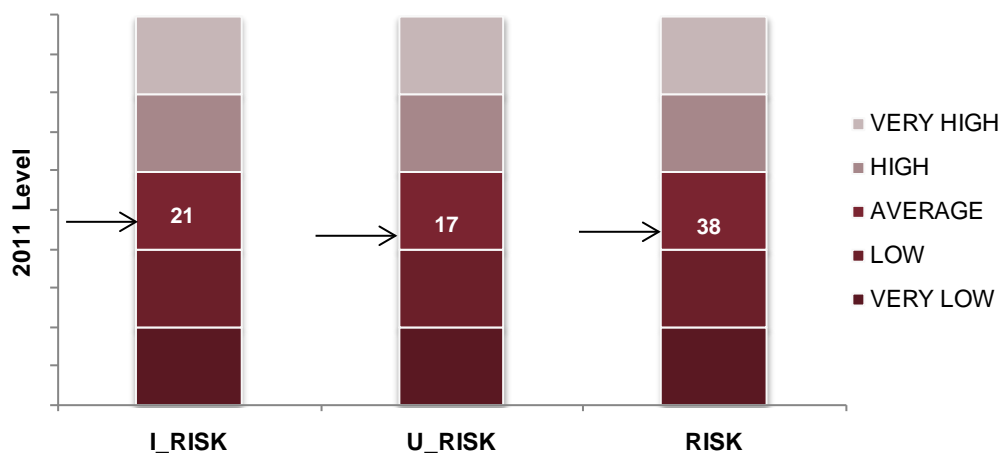
___ Significant difference

RISK PERCEPTION INDEX

One of the key barometers this research will look at over time is people’s perceptions of key financial concerns. We have created a “risk perception index” that examines how concerned people are about the various financial risks they face and whether their level of concern varies depending on the type of risk in question (i.e., risks that can be addressed/alleviated through insurance planning versus those that cannot). An insurable risk, for example, is dying prematurely and leaving dependents in a difficult financial situation. Examples of uninsurable risks include losing money on investments, affording a child’s college education, or being able to pay your mortgage or rent. Concerns about insurable risks are weighted more if one does not have insurance to cover that risk.

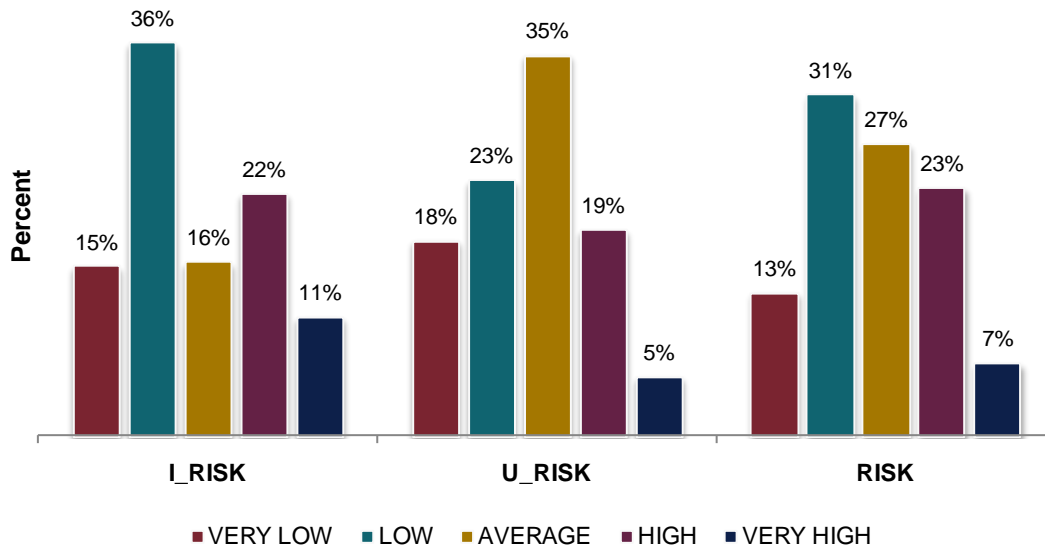
The level of risk perception in 2011 is shown below in Figure 10. We show insurable risk (I_RISK), uninsurable risk (U_RISK), and total risk (RISK) which is simply the sum of insurable and uninsurable risk. The total risk level in 2011 is 37.5. We intend to track this going forward to see how risk perception changes.

Figure 10 —
Level of Financial Risk Perception



The amount of risk experienced is measured by how much concern a person has over the components of the index. For insured risks, we reduce the level of risk if the person has insurance to guard against that risk. The distribution of insured risk shows more people with a low level of risk because they have insurance for some or all of the financial risks (Figure 11). The distribution of uninsured risks shows more people with an average amount of perceived risk because the Great Recession has exacerbated the risks and there are no insurance solutions to help manage these types of financial concerns.

Figure 11 —
Distribution of Financial Risk Perception



In Table 13, we show the level of risk for various demographic groups. Those with the greatest amount of risk include:

- Females
- Ages 35–54
- Less than high school education
- Widowed, divorced, or separated
- Household income under \$50,000

2011 Insurance Barometer Study: Full Report

Table 13 —
Financial Risk Level by Demographics

	I_Risk	U_Risk	Risk
Total	20.6	17.0	37.5
Male	19.6	16.5	36.1
Female	21.6	17.5	39.1
Hispanic	21.0	17.5	38.5
African American	20.5	17.8	38.3
White	20.4	16.7	37.1
< 25 years of age	18.8	14.3	33.1
25 – 34	19.5	17.5	36.9
35 – 44	21.4	18.4	39.9
45 – 54	23.0	17.9	40.9
55 – 64	20.0	15.9	35.9
65 and over	17.1	14.6	31.7
Less than high school	24.7	18.2	43.0
High school grad	21.0	16.4	37.4
College	20.5	17.5	38.0
Post graduate	17.2	16.6	33.8
Single	21.2	16.0	37.2
Married	19.6	17.1	36.6
Widowed, Divorced, Separated	23.7	17.9	41.7
<\$25,000 household income	26.2	18.2	44.4
\$25,000 – 49,999	23.1	18.1	41.2
\$50,000 – 74,999	19.3	16.0	35.3
\$75,000 – 99,999	19.9	17.9	37.9
\$100,000 or over	15.9	15.8	31.8

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