

Survey reveals 62% of Brokers believe the death or serious illness of a friend is the principal driving force behind financial protection policy purchases

Experts say real life events are the primary motivation behind Serious Illness provision

A recent survey conducted by Protection experts Caledonian Life on Brokers throughout the country, revealed that the majority (62%) of respondents believe that the personal impact on their clients of a friend or family member falling ill or dying was in turn, the main reason for them taking out Specified Serious Illness Cover.¹

Joe Charles Marketing Manager with Caledonian Life went on to say “The Brokers who participated in this survey believe that from experience in advising thousands of clients in financial matters all over Ireland, emotion and basic human nature will always prevail as the dominant motivation in driving personal financial decision making.

In this case it would appear that witnessing the effect, personally and financially, of a serious illness on a friend or loved one, is the trigger that gets people thinking about, and in turn, purchasing Specified Serious Illness Cover. No doubt many people will be very surprised that an area that they may find somewhat distant and unfamiliar, is so driven by raw human emotions and psychology.”

Key life events would appear to be the main triggers behind the decision to put Life or Specified Serious Illness cover in place. The birth of a child was seen by Brokers to be the second key reason (17%), as to why people put Specified Serious Illness Cover in place.

Joe commented “With Ireland currently experiencing a baby boom, it will be instructive to see if this figure increases in future surveys on customer motivations.”

Other findings from the survey include:

- Buying a first home was cited by 13% of respondents as the main reason for putting cover in place.
- Marriage was cited as a driver in taking out cover by only 3% of Brokers.

He added, “Interestingly, the survey also clearly indicates that Brokers’ experience demonstrates that clients go for the level of product features, such as the number of illnesses covered, over price, with 50% saying the former is the main deciding factor, and just 38% saying the same for price.”

The Protection experts say that bearing in mind these emotive drivers for customers in deciding it’s time to put cover in place, it’s also vital to approach this area in a pragmatic and logical fashion, by deciding on the correct level of cover required to suit your circumstances.

¹ Specified Serious Illness Cover pays a guaranteed lump sum if a policy holder is diagnosed as suffering from one of the Specified Serious Illnesses covered, during the term of the policy.

Joe Charles concluded, "It is important for people to have enough cover in place to meet their own and their family's personal requirements. This is to ensure that if they are unable to work and are recuperating from an illness, they can continue to meet their family's financial needs such as ongoing household bills, school fees, motor expenses and other living costs.

As such, if someone has a young family, they will more than likely need to have more cover in place than a couple who are nearing retirement and whose children are now financially independent. Your local Broker will be delighted to help you find the best product to meet your individual needs."

Note to the Editor:**Caledonian Life**

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