“Consumers want life insurance but only at the right price and as long as it’s easy to access. New technologies and channels can be utilised to re-engage the public, by offering access to affordable products, greater interaction between companies and their customers and, crucially, expert advice.”

– Sarah Hitchcock, Senior Analyst – Financial Services

This report looks at the following areas:

- Less than a third of UK adults have some form of life protection
- Half of all adults think it’s too dear for those with a medical condition
- Many consumers are confused by the range of policy types and variations

The term assurance market is currently facing a number of challenges, the most important of which is how to raise the product’s appeal and, in turn, boost take-up. Vast swathes of the UK population remain underinsured or have no life cover at all, while new sales of term assurance have experienced two years of consecutive falls. Mintel’s report looks at whether the industry can turn around its fortunes in the short to medium term, and what it needs to do to achieve market sustainability and, ultimately, growth.
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Less than a third of UK adults have some form of life protection
  The facts
  The implications

Half of all adults think it’s too dear for those with a medical condition
  The facts
  The implications

Many consumers are confused by the range of policy types and variations
  The facts
  The implications

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...but the performance of the two main sectors varies considerably
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RDR is largely responsible for the sharp decline in bancassurance sales
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Declining death rate has a positive impact on claim costs

Life insurers must adapt to an ageing target audience...

...and to changing tenure trends

More people are buying and selling their homes, but transaction levels are still well below their pre-crisis peak

First-time buyer loans up 16% in 2014

Average sum insured increases to around £133,000

The Mortgage Market Review (MMR)

Solvency II Directive

Mergers and acquisitions reshape the top five

Product development focuses on simplification

Increase in advertising activity

The industry has seen some notable M&A activity recently

Legal & General remains the largest life insurer, but Aviva is closing the gap

Companies and Products

Legal & General

Market position

Recent financial performance

Recent activity

Corporate strategy

Aviva

Market position

Recent financial performance

Recent activity

Corporate strategy

Friends Life

Market position

Recent financial performance

Recent activity
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32% have an individual life insurance policy
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...but 51% say it’s too expensive for people with pre-existing medical condition

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