

**Life Insurance Purchased on Perceived Value, Not Cost, J.D. Power Finds**Unique Brand Position, Complete Understanding of Policy Become Key Drivers of Customer Satisfaction

**TROY, Mich.: 15 Nov. 2022** — That adage about a life insurance policy being sold and not bought needs to be updated for the post-pandemic era. In fact, customers are initiating the purchase of life insurance, but the key criteria for choosing which one to buy often involves much more than cost. According to the J.D. Power 2022 U.S. Life Insurance New Business Study,<sup>SM</sup> released today, a customer's perceived value and the view that insurers are making recommendations in the customer's best interest are the key factors influencing life insurance shoppers to choose one brand over another.

"It is noteworthy during this inflationary period when price has become the most important factor in so many consumer purchase decisions that life insurance customers are more concerned with their future and the insurer's ability to make good on their promises than they are about price," said **Robert M. Lajdziak, director, global insurance intelligence at J.D. Power**. "This puts the onus on carriers to differentiate, clearly convey their unique value propositions and make sure prospective customers fully understand all aspects of their policy offerings."

Following are some key findings of the 2022 study:

- **Quote and buy conversion rates increase:** After industry-wide quote rates rose a year ago for the first time in 30 years, quote rates have increased another 9 percentage points this year, while buy rates have increased 13 percentage points as increasing numbers of consumers are seeking life insurance policies.
- **Concern for future spurs life insurance shopping activity:** The biggest single factor prompting consumers to start researching life insurance policies is concern for the future, cited by 57% of life insurance customers as the primary catalyst to seeking out a policy. That percentage is up from 55% in 2021.
- **Overall satisfaction holds steady:** Overall satisfaction with individual life insurance providers remains largely steady at 774 (on a 1,000-point scale), down 2 points year over year. Satisfaction with the shopping process has also remained stable with identical scores year over year despite speed of executing a policy increasing in new buyer satisfaction this year.

The 2022 U.S. Life Insurance New Business Study measures the experiences of shoppers of the largest life insurance companies in the United States. The study measures overall customer satisfaction based on the application process, and surveyed shoppers are able to convey their experiences in the application and quote processes with up to five brands—although only one brand is required.

The study is based on responses from 6,993 consumers who shopped for individual life insurance in the past 12 months and was fielded in July-August 2022.

For more information about the U.S. Life Insurance New Business Study, visit <https://www.jdpower.com/business/insurance/us-life-insurance-new-business-study>.

See the online press release at <http://www.jdpower.com/pr-id/2022169>.

**About J.D. Power**

**J.D. Power** is a global leader in consumer insights, advisory services and data and analytics. A pioneer in the use of big data, artificial intelligence (AI) and algorithmic modeling capabilities to understand consumer behavior, J.D. Power has been delivering incisive industry intelligence on customer interactions with brands and products for more than 50 years. The world's leading businesses across major industries rely on J.D. Power to guide their customer-facing strategies.

J.D. Power has offices in North America, Europe and Asia Pacific. To learn more about the company's business offerings, visit [JDPower.com/business](https://www.jdpower.com/business). The J.D. Power auto shopping tool can be found at [JDPower.com](https://www.jdpower.com).

**Media Relations Contacts**

Geno Effler, J.D. Power; West Coast; 714-621-6224; [media.relations@jdpa.com](mailto:media.relations@jdpa.com)

John Roderick; East Coast; 631-584-2200; [john@jroderick.com](mailto:john@jroderick.com)

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