

Looking to Breathe Life back into Protection



RONAN O'NEILL
Broker Marketing
Zurich Life

The protection market over the last 18 to 24 months has been one of the few shining lights for Brokers — protection sales have held up reasonably well. However, when you look more closely at what is actually being sold, it suggests that we are seeing a trend toward life only protection sales and a move away from important, albeit more expensive, covers such as serious illness.

Of course, life cover is essential for customers, particularly if they have a mortgage, but for many, serious illness protection is equally important. However, as the perceived price gap between life cover and serious illness cover widens, it becomes more difficult to make serious illness sales. What was once almost an automatic choice for customers, serious illness sales have slowed — and in the advice versus price debate, currently, price is winning out.

At Zurich Life, we worked to address the key issue of client affordability and fill the gap between life cover and serious illness cover. We wanted to give you an innovative product solution that would enable you to meet the protection needs of your customers and help overcome the key objection of affordability.

Innovative Cancer Cover – a new offering for your customers

In May we introduced LifeProtect, Zurich Life's new and improved protection suite. The cornerstone to our new offering was the launch of Cancer Cover — a standalone option. As with serious illness plans, Cancer Cover pays a lump sum benefit on diagnosis of a serious illness of specified severity — in this case cancer. Cancer Cover costs substantially less than traditional serious illness plans. It is this substantial cost saving that should generate great interest from customers who recognise the very real need for this type of cover, but who up until now have not been able to afford full serious illness protection.

We focused on cancer because it is the second largest cause of death in Ireland (after heart disease).^{*} In fact, when we investigated Zurich Life's 2011 serious illness claims, the results were truly frightening — cancer accounted for 81% of all female claims and 61% of male claims.^{**}

According to the Irish Cancer Society, 1 in 3 people^{*} will suffer from cancer at some stage in their lifetime and, on average, there are 30,000^{*} new cases diagnosed each year. But of more concern for us is the fact that, despite greater awareness of cancer and positive changes in our lifestyle and diet, the number of new cases is still expected to rise to an average of 40,000 a year by 2020.^{*}

The financial implications of dealing with cancer

While Cancer Cover will not reduce the risk of any clients contracting this disease, a lump sum payout from a protection plan can certainly help alleviate the added financial stress associated with cancer. While we are all too aware of extra costs serious illnesses such as cancer bring, sometimes the message gets lost.

The National Cancer Registry of Ireland recently published a report^{***} into the financial implications of dealing with cancer.

The typical cancer sufferer endured:

- Increased medical costs such as expensive medications
- Actual out of pocket expenses such as increased travel
- Increased utility bills due to extra time spent at home
- Severe reduction in earnings due to patients (and in many instances family members) having to take time off work to deal with the illness.

Protection in the form of Cancer Cover could be a solution for many of your customers; it gives the peace of mind of knowing that they have a financial back-up in place should the worst happen.

Greater benefit flexibility for family protection

Further product enhancement saw the introduction of Life Cover (Monthly Income) — a straightforward way of protecting a family in the event of death. Rather than providing a large lump sum on death, a guaranteed amount is paid each month for the remainder of the policy term, which a family can use to pay for their regular outgoings. A regular income can be a lot easier to manage than a lump sum as families don't need to worry about investing a large amount. It could also make your sales process easier as customers will more readily identify with a monthly amount rather than having to calculate a lump sum that needs to cover everything!

Marketing supports and sales ideas for you

Feedback from Brokers to us over the past year has been consistent: you want support in generating business and sales ideas. As part of the launch of LifeProtect, we have put together a comprehensive marketing pack. A key part of the pack is our *Reliable Route to Protection Sales*, an online interactive toolkit. Available on the Zurich Life Broker Centre, this toolkit will equip you with all the information you will need to maximise protection opportunities you come across. It provides you with information on targeting clients and improving your factfinding, and all the sales tips you'll ever need!



For more information on how you can make LifeProtect work for you, speak to your Zurich Life Broker Consultant.

^{*} Source: Irish Cancer Society, April 2012

^{**} Source: Zurich Life, April 2012

^{***} Source: National Cancer Registry Ireland, 2010

Zurich Life Assurance plc is regulated by the Central Bank of Ireland.