

Friends Provident International survey reveals that brand preference and price are key considerations when buying life insurance in the UAE

- Friends Provident International (FPI) releases protection survey results for the fourth consecutive year

Date: August 2018

FPI's fourth annual protection survey results show that brand reputation and price have the greatest influence on people's decision to buy life and critical illness insurance in the UAE. These factors were considered more important than others, such as adviser recommendation, claim payment history and portability; which enables continuity of insurance coverage when relocating to another country.

The survey, conducted in collaboration with market research and data analytics firm YouGov, polled more than 1,000 respondents. 40% of respondents said brand reputation of the insurer was the most important factor behind their decision to purchase life insurance, while another 30% cited affordability as their key consideration. Only 7% of respondents said that adviser recommendation was the most important factor in choosing insurance.

The survey also showed that just under half (49%) of respondents have life cover and overall just 24% have cover against serious illness. Of the male respondents 28% claimed to have critical illness insurance (up from 25% in 2017) and only 19% of females (down from 24% last year) said they had this cover.

Of the 51% of respondents who said they did not have life cover, 36% said it was too expensive while 30% of respondents without cover were not familiar with the concept of life insurance. Another 39% said they were not familiar with critical illness insurance.

Chris Divito, Managing Director, Middle East and Africa at FPI said:

“Understanding the need for life and critical illness insurance, and selecting the right policy is crucial. I urge people to speak with a financial adviser, who will be able to help them to determine whether they need cover and the amount of cover they need. As the survey shows, there is a worrying lack of understanding around life and critical illness insurance and therefore people are likely to base their decisions on factors such as brand reputation of the insurer and price. While it is important to consider these aspects, a financial adviser is best placed to review a range of plans from different providers, and to help people choose a plan that is appropriate for their individual circumstances; and not just based on price and brand.”

Term insurance plans provide a payout in the event of death or serious illness of the policy holder before the plan's expiry date.

Such plans can provide a much-needed lifeline for a family if a breadwinner should die or become seriously ill and can be used as protection for a mortgage or loan, or to protect a business in the event an important employee passes away or becomes seriously ill.

Chris Divito commented:

“The importance of life and critical illness insurance cannot be over-stated – especially if people have family or loved ones who rely on them financially. In addition to providing your family with funds to cover everyday expenses, insurance can cover outstanding debts like a mortgage or credit cards that would need to be paid off if you become seriously ill or if you die.

As the survey suggests, the common misconception is that life insurance is expensive, which is probably why so many people in the UAE delay taking out a policy. What people don't realise is that there are various options that work for every budget and financial situation. Financial advisers can work with you to determine how much cover your family would need to replace your lost income. For example, a 34-year-old, non-smoking male living in the UAE could secure life cover of USD250,000 for a plan term of 20 years, for a premium of just USD30.53 per month, on standard terms.

A protection policy will ensure your children can continue their education and your family can lead the life you would have provided, even if you are not around to enjoy it with them.”

Ends

2018 research conducted by YouGov between 16 and 22 July 2018. Results based on information gathered from 1003 UAE-based respondents.

2017 research conducted by YouGov between 23 and 30 August 2017. Results based on information gathered from 1006 UAE-based respondents.

Journalists requiring further information should contact:

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Notes to Editors

About Friends Provident International

Friends Provident International (FPI) provides life assurance, pensions and investment products in Asia, the Middle East, the United Kingdom – and other selected markets – and is part of the Aviva Group.

We have over 35 years' international experience, offices in Hong Kong, Singapore, the United Arab Emirates and the Isle of Man, and more than 500 staff worldwide.

See www.fpinternational.com for further information on Friends Provident International.

About Aviva

- Aviva provides life insurance, general insurance, health insurance and asset management to 34* million customers, across 16 markets worldwide
 - In the UK we are the leading insurer serving one in every four households and have strong businesses in selected markets in Europe, Asia and Canada. Our shares are listed on the London Stock Exchange and we are a member of the FTSE100 index.
 - Aviva's asset management business, Aviva Investors, provides asset management services to both Aviva and external clients, and currently manages over £245 billion in assets.
 - Aviva helps people save for the future and manage the risks of everyday life; we paid out £24.6 billion in benefits and claims in 2014.
 - By serving our customers well, we are building a business which is strong and sustainable, which our people are proud to work for, and which makes a positive contribution to society.
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 - Follow us on twitter: www.twitter.com/avivapl/
- * Before the deduction of Aviva and Friends Life overlapping customers.

IMPORTANT INFORMATION

Friends Provident International is a trading name of Friends Provident International Limited and Aviva Group PLC (for business conducted outside the United Kingdom).

Friends Provident International Limited

Registered and Head Office: Royal Court, Castletown, Isle of Man, British Isles, IM9 1RA.

Incorporated company limited by shares. Registered in the Isle of Man, number 11494.

Authorised by the Isle of Man Insurance and Pensions Authority.

Provider of life assurance and investment products.

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Authorised by the Office of the Commissioner of Insurance to conduct long-term insurance business in Hong Kong.

Registered in the United Arab Emirates as an Insurance Company (Registration No. 76).

Registered with the Ministry of Economy as a foreign company (Registration No. 2013): Registration date 18 April 2007.

Authorised by the United Arab Emirates Insurance Authority to conduct life assurance and funds accumulation operations.

Registered in Singapore No. F06835G.

Licensed by the Monetary Authority of Singapore to conduct life insurance business in Singapore.

Friends Provident International is a registered trade mark of the Aviva Group.

