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## Financial planners shift towards life insurance

23 February 2009

Financial planners are moving into risk advice as investors become nervous about economic conditions, according to a survey by independent research agency Investment Trends.

The survey of more than 1300 advisers found financial planners earned an average of 26% of their practice revenue from risk products such as life insurance last year – a 30% increase from 2007.

Investment Trends Principal Mark Johnston says with funds under advice and inflows down, risk is now an increasingly important part of advisers' business.

"This increased focus on clients' life insurance needs can be seen as at least one silver lining to all the volatility, given the often-cited insurance gap across the Australian population," he said.

Mr Johnston says while the proportion of revenue derived from risk has risen, there is still scope for growth. Last year planners advising on risk wrote an average of \$68,000 in premiums, while 44% wrote less than \$25,000.

Financial planners say the highest rated providers in overall service are Zurich, Axa and AIG.

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