

In January 2023, 52% of consumers reported owning life insurance, an increase from 50% in 2022 but a decrease from 63% in 2011. There are over 100 million uninsured and underinsured Americans who express a need for more life insurance coverage. Financial vulnerability is significant, with 38% of Americans indicating their household would face financial hardship within six months of a wage earner's unexpected death, and 30% would struggle within a month. Among current life insurance owners, 21% feel they lack sufficient coverage. The COVID-19 pandemic has influenced life insurance interest, particularly among younger adults, with 15% of individual life insurance owners stating it prompted their purchase, and one-third of Gen Z adults citing it as a reason for buying life insurance. Ownership rates vary by demographics, with only 45% of Hispanic Americans owning life insurance, compared to nearly 10 percentage points higher for Black and white Americans.

For parents, 59% own life insurance, which is higher than the general population. The primary reason for ownership among parents is to cover burial costs and final expenses (56%). Parents are more likely to seek financial advice, with 50% consulting financial advisors and 28% looking to engage a professional. Knowledge about life insurance is also higher among parents, with 38% feeling very or extremely knowledgeable compared to 27% of all Americans.

Women are less likely to own life insurance than men, with 49% of women compared to 55% of men owning policies. This marks the fifth consecutive year of decline in ownership among women. Only 22% of women feel very knowledgeable about life insurance, while 33% of men report the same. Women primarily cite burial expenses as the main reason for their coverage (64%), while fewer consider it for retirement income (20%). Among uninsured and underinsured women, 43% express a need for more coverage, but only 39% plan to purchase in 2023, often citing other financial priorities and uncertainty about the type or amount needed.

The main reasons for not purchasing life insurance include perceived high costs, with many

Americans overestimating the price, and uncertainty about how much coverage is necessary. Additionally, 23% of consumers view life insurance solely for burial and final expenses, potentially leading to inadequate coverage for income replacement or wealth transfer.

In 2023, consumers indicated a preference for researching and purchasing life insurance online rather than through in-person meetings, although only 24% expect to complete purchases entirely online. Social media is increasingly used for financial product research, with popular platforms including Facebook, YouTube, and Instagram. Millennials and Gen Z are the most active users of social media for financial discussions, with 81% of Gen Z using these platforms for advice and information.