

# SPEAKING MILLENNIAL



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## CONNECTING WITH THE NEXT GENERATION OF CLIENTS

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There are 53 million Millennials and Gen-Zers (ages 18 to 42) in the U.S. today who need, or need more, life insurance.<sup>1</sup> And as LIMRA puts it, it's imperative that life insurers adapt and reach them — but how?

Transamerica is looking at ways to serve this crucial market, which is why we collaborated with Erin Lowry, author of the four-part *Broke Millennial* series and trusted financial translator to Millennials and Gen-Zers around the country.

Erin's been featured in *The New York Times*, *Wall Street Journal*, on CBS *Sunday Morning*, and on *CNBC*.

The pages that follow are filled with her insight and wisdom, geared specifically to help agents connect with this burgeoning market segment.



**Erin Lowry**

Author, *Broke Millennial* Series, Personal Finance Expert



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<sup>1</sup>"2023 LIMRA Barometer Study," LIMRA, 2023

# 1. WHAT THEY DON'T KNOW MAY THRILL THEM

A generation faced with unique financial challenges, many Millennials juggle a “where should my money go?” conundrum. Paying off student loans? Socking away for retirement? Buying a home to build equity? Life insurance isn’t likely at the top of the list — but that doesn’t make it any less important. Thirty-eight percent of surveyed Millennials believe a 20-year, **\$250,000** term policy for a healthy 30-year-old costs **\$1,000** or more per year. In reality, such a policy costs under **\$200** per year.<sup>1</sup>

**“There are often missed opportunities to bring warmth into the conversation,” says Lowry. “If someone in your life depends on you — and it doesn’t have to be the typical spouse or child — you need life insurance.”**

Having recently purchased a policy, Lowry was pleasantly surprised at how simple the process was.

“I think many Millennials postpone life insurance because they believe it’s more expensive than it truly is. They need to know that waiting will only result in higher premiums.”

Lowry suggests leading the conversation with cost savings and peace of mind.

## THE RIGHT QUESTIONS

Instead of relying on the typical “what will happen when you die?” tactic, try asking, **“Did you know the younger you are, the less expensive life insurance is?”**

Make it clear they could save thousands of dollars over the life of their policy by starting young.



<sup>1</sup>“2023 LIMRA Barometer Study,” LIMRA, 2023

## 2. SAY IT LIKE THIS ...



We all know why people buy life insurance, but dwelling on the death part may not get much traction with younger generations. Education is key: Remind them of the full potential of life insurance — protecting what you’ve earned, growth potential, cash value, etc.

**“I think a good messaging plan comes down to two parts: (A), the younger you are the better your rates — and making sure they really understand how much they could save over the life of their policy, and (B), co-signed student loans.”**

Lowry elaborates, stating today’s early-to-mid 30s are the mid-20s of the last generation. They arrive at milestones later in life, but if they procrastinate getting life insurance, it will only cost them more.

“Position it like this: ‘Hey, you’re going to end up a millionaire one day and that’s going to be great, but if something happens along the way, make sure your loved ones get what you worked so hard to build.’”

Regarding student loans, many private lenders still don’t discharge debt upon your passing.

“If your mom, dad, grandparent, or whoever co-signed your loan and you pass away, that debt falls on them. It feels good knowing you have at least enough coverage to offset that debt.”

# 3. PRIORITIZING SOCIAL SKILLS

For Millennials and Gen-Z, it's no secret that social is where it's at. Lowry recalls shopping for her first policy, and how helpful it was seeing posts in her social feed from various providers sporting different benefits.

**“It was great being served the exact information I needed. Not the traditional, ‘what will happen when you die?’ tactic, but optimistic facts about, say, how affordable and flexible policies can be.”**



79%

**Of Millennials and Gen-Zers seek out financial advice from social media.<sup>1</sup>** For a few ideas on how to connect with them, check out [transamerica.com/social-media-university](https://transamerica.com/social-media-university).

**“When it comes to your social media presence, your approach should be swift, to-the-point, and targeted,” says Lowry.**

“The idea is to capture them before it's too late. Keep it quick. Attention spans are dwindling every day. If you post an article about why it's important to get protected, insert a few bullet points at the top that sum it up. **Give them a reason to care — this is how much it saves people, this is how it can protect your family, here are some additional benefits, etc.**”

“I would have engaged a lot if I saw a social media ad at age 29 that said, ‘Hey, did you know if you wait to the age of 30 to get a life insurance policy, you're going to pay an extra \$3,000 over the life of the policy than if you locked in at 29?’ Insights like that work ... people love a deal.”

<sup>1</sup>“Nearly 80% of Young Adults Get Financial Advice From This Surprising Place,” Forbes Advisor, 2023

# 4. A CONSULTATIVE APPROACH



Lowry says planting the seed of “who depends on you?” can really get the gears turning. This can vary widely, especially across different communities and cultures. It should go beyond the typical framing of protecting one’s spouse and/or children.

**“I think we really need to diversify who we’re targeting. Agents could be missing out on big opportunities.”**

A proper life insurance policy should feel tailor-fit to the client, their timeframe, and their needs.

“All of this should tie back to goal planning and goal setting. Does X policy make sense for your client at this time in their life?”

**Bottom line**

Engage with clients to forecast their vision of financial wellness throughout their life, then show them how the right product(s) can help get them there.



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**SAY IT LIKE THIS**

**“Take the time to speak in a straightforward manner,” adds Lowry. “Cut the jargon and acronyms, use examples that are relatable to Millennials or Gen Z, ask them about their lifestyle, what their wants are, what their goals are.”**



# 5. TURNING EDUCATION INTO RESULTS

“As I touched on before, prioritizing where money goes is big for Millennials,” says Lowry. “One way into the conversation could be helping these clients conceptualize what they are worth. Maybe not right now, but 20, 30, or 40 years down the road. There’s possibility there, aspirations to tap into. **Why wouldn’t they want to protect what they’ve earned, the life they’ve built with loved ones?”**

Lowry adds that it’s really important to synthesize information into the simplest possible answer.

“What’s really hard about education is truly meeting people where they are, because waiting for a prospect to reach the ‘I need a financial advisor’ stage is often too late. Many people are going to wait five or 10 years longer than they should, because in their head, this is something the older, more mature, more financially stable person does. A healthy financial future involves far more than investing.”

## **“I HAVE IT THROUGH WORK”**

“When I ask friends if they’re protected, a shocking amount tell me they have life insurance through work (and believe that’s sufficient). I ask them what happens when they leave their job, and they rarely have an answer.”

**The key is connecting with them early.** Millennials with health and age on their side can get better rates with an individual policy, and it won’t expire when they change jobs.



## 6. NOT (REALLY) A PRODUCT PITCH

Customers are becoming more savvy about traditional selling tactics, upselling, and how agents make their money in general.

“I think there’s a clever way to upsell that doesn’t smell like a sales pitch a mile away. **Build it around the ‘why.’** What do they want their future to look like? Are they aware of the accumulation potential of certain products? Are they aware of the tax advantages? There are many ways in.”

For growth-oriented products, Lowry has some advice as well.

“Anything that sounds too good to be true, especially right now, makes people nervous. What’s needed for this segment is clear language about how IULs work. Sounds simple, but giving Millennial clients a clear understanding, demystifying the particulars, can make a product that was previously out of consideration a top contender.”





## SOLUTIONS FOR EVERY STAGE OF LIFE

From Gen Z to the Silent Generation, Transamerica offers the products, resources, and guidance to keep customers protected at every life stage. Creating opportunities to help your clients live their best lives is at the heart of what we do, and as their needs evolve, we're here to help pave the way forward.



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