

# Opportunity Knocks For Disability Income



If you've shied away from selling disability income, now is a good time to reconsider. Marketplace trends point towards new and improved opportunities to make disability income sales a steady and lucrative source of income for the savvy producer. And developments within the DI industry are resulting in better support than ever for garnering these sales.

## Sales to Boomers Are Booming

The single most significant market trend creating expanded DI sales opportunities today is the aging of the baby boomers. As 82 million boomers enter middle age, they also enter their peak earning years and their years of greatest financial obligation. Along with their increased incomes and increased responsibilities comes a keen awareness of the need to insure their earnings.

Within the broad baby boomer category are numerous attractive niche markets. For example, minority groups are growing. As the most highly-educated, most affluent minority, Asians are good prospects for DI. And the U.S. Census Department projects that Hispanics will make up over 20% of the U.S. population by the year 2000, a goldmine of buying power.

## Societal Shifts Create New Needs

Shifts away from the traditional breadwinner/homemaker family configuration are bringing home the need for income protection to new prospects. Two-income couples have twice the need for income protection. The "sandwich generation," which is simultaneously supporting young children and elderly parents, likewise has heavy financial burdens. Single parents and divorcees as well as the

growing ranks of nevermarrieds have no one to fall back on if they lose their ability to earn. With the U.S. savings rate at an all-time low, few people, regardless of occupation or family situation, have enough set aside to sustain them through an extended period of disability. All these circumstances call for disability income insurance.

## Target Occupations Changing and Expanding

New and non-traditional ways of earning income extend the need for disability beyond traditional professional markets, and even change the requirements within established markets such as physicians and business owners. This affects both the need for disability income and the kinds of policies that will meet changing needs.

As employment opportunities shrink, more people are becoming self-employed and in need of individual coverage to replace group coverage an employer might have provided. And as many seek more flexibility in their working life, the ranks of part-time, at-home, and freelance workers swell. These individuals need income protection plans that are compatible with their unpredictable income and earning patterns.

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### **The Move to Multi-life**

In the search for affordability and guarantees of insurability, both the new self-employed and the traditional self-employed, such as physicians and attorneys, are grouping together. The resulting shift towards buying both individual, group, and hybrid income protection plans in group settings is good news for producers: multi-life marketing — selling

multiple policies to many people found in a single setting — is more efficient and profitable than selling policies one at a time. Especially good multi-life opportunities can be cultivated with employer/employee groups and association memberships.

### **Industry Responds to Marketplace**

Marketplace changes call for innovative disability income marketing programs and product designs. Only serious DI carriers are devoting the resources necessary to support your efforts in new arenas. The key to your own success with disability income, then, is working with the dedicated DI carrier who can provide the products your clients will

demand and the services you'll need to meet their demands. Look for a carrier with complete individual and group portfolios, marketing programs and support for basic and advanced sales concepts, and highly-trained underwriters. The right carrier will help you turn DI opportunities into commission dollars.

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