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# life annuity specialist

## The Grisly 'Trigger Event' That Caused Life Insurance Activity to Surge

By Cyril Tuohy February 14, 2020

Insurance agent **Jennifer Plisch** remembers how, on Jan. 30, she made what turned into a big sale.

A North Carolina mother bought whole life insurance policies for each of her six children. The \$50,000 in coverage for each contract was underwritten by **Mutual of Omaha**.

Then the woman purchased two 20-year term life policies, both from **Foresters Financial**, for her and her husband.

What galvanized the 37-year-old caller into action was a bit chilling. On Jan. 26, four days earlier, former professional basketball star Kobe Bryant perished at the age of 41 when his helicopter crashed into the fog-bound hills of Southern California. His 13-year-old daughter also died.

"I freaked out because of **Kobe Bryant** and his daughter dying," Plisch recalled the mother saying.

### The Triggers

Triggers – a birth, a marriage, a new mortgage – are considered key events that get people to think about whether to buy life insurance.

Inheritors of a money windfall were 1.75 times more likely to buy coverage, while people who got married, adopted a child or started a new business are twice as likely to get life insurance as those who didn't, a **Limra** study on purchasing behavior found.

Not all triggers are happy events though.

A person who's laid off was 2.5 times more likely to buy life insurance than one who remained employed, according to Limra researchers. And people who suffered a death in the family were 1.5 times more likely to buy coverage.

"Changes in family, job, and economic situations can affect both the need for and cost of life insurance," **Brian Bayerle**, senior actuary for the **American Council of Life Insurers**, wrote in a November blog post.

January is typically one of the best months for life insurance applications because family get-togethers over Christmas and New Year's encourage people to think about other loved ones, and those who may have passed away, said **Brian Greenberg**, CEO of the online agency **True Blue Life Insurance** in Scottsdale, Ariz.

### **Bryant Eclipses All**

But the death of Bryant pushed activity to a whole new level that surprised him.

The number of applications shot up 17% on Sunday, the day of the crash, rose 29% on Monday, and then surged 50% from Tuesday through Thursday, he said. About 85% of policies sold by True Blue don't require a medical exam and average face amounts range from \$150,000 to \$250,000.

Plisch has observed a similar jump in applications.

"Lead volume seems a lot higher since he died because I've been crazy busy," she said.

**Fabric Insurance Agency**, an online life insurance agency that sells policies issued by **Vantis Life**, reported a 50% increase in applications in the days immediately after Bryant's death, the company said.

The passing of other celebrities didn't have the same effect as the death of Bryant, who was well-known, even outside his sport.

When actor **Luke Perry**, 52, died suddenly of a stroke last March, life application activity rose a bit, Plisch said.

"It's the sudden death of the younger celebrities that are seemingly healthy that create a surge in applications," according to Plisch.

Greenberg said that when **Paul Walker**, another young actor, died suddenly in a car accident at age 40 it was still "nothing like Kobe."

"I've never seen it before" in the 16 years since founding True Blue, he said. "This is pretty unique."

## **No Spike**

Not everyone saw a rise in business however.

Financial advisor **Danny O'Connell**, CEO of **Next Level Insurance Agency** in Addison, Texas, said the Bryant tragedy hasn't led to a flurry of calls for life insurance – though many of his friends now refuse to fly in a helicopter.

Bryant and his daughter were laid to rest in Corona Del Mar on Feb. 7, according to the *Los Angeles Times*. There were seven other people in the helicopter who also died, including the pilot.

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