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## Conning expects lower annuity sales in 2016-2017

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By Editorial Staff Thu, Jul 21, 2016

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A new study from Conning, "Life-Annuity Distribution & Marketing Annual: Confronting a Distribution Challenge," analyzes individual life and annuity sales trends by product and channel for five years through 2015 and forecasts product-level sales through 2018.

The latest edition of the annual study also interprets the digital marketing trends of the top insurers in the market, presents advertising and related expense trends, and reviews the Department of Labor's new Fiduciary Rule and its likely impact on insurers.

"The pace of distribution and marketing change in the life-annuity industry is accelerating, and insurers are scrambling to keep up," said Scott Hawkins, a Director, Insurance Research at Conning. "Insurers have been retooling their systems to respond to the digital imperative that has driven consumer marketing and distribution strategy across all industries.

"These efforts are supportive of both traditional agent distribution channels and the potential for greater direct distribution. Now, adding to that complexity, the retirement market also must deal with the significant changes brought about by the Department of Labor's proposed Fiduciary Rule," he added.

"Insurers are actively planning for the impacts of the proposed DOL Fiduciary Rule, which would phase-in through this year and into the next," said Steve Webersen, head of Insurance Research at Conning.

"The greatest disruption will be seen in midsized and large insurers with greater focus on indexed and variable annuities. Our analysis of the potential impact of the Rule industry-wide has caused us to reduce our forecast of individual annuity sales for both 2016 and 2017."

"Life-Annuity Distribution & Marketing Annual: Confronting a Distribution Challenge" is available for purchase from Conning by calling (888) 707-1177 or by visiting [www.conningresearch.com](http://www.conningresearch.com).

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