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## Honorable Mention

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By Editorial Staff    *Wed, Apr 5, 2017*

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*Late-breaking news: MetLife launches its spin-off Brighthouse Financial retail brand, A.M. Best reports on U.S. life/annuity industry's capital losses, Jackson National Life survey shows that a third of investors aren't excited by finance.*

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### **MetLife begins advertising for Brighthouse Financial spinoff**

With the premiere of “Predictability” television [commercials](#), MetLife is kicking off a multi-platform (television, print, out-of-home, social media and [CRM](#)) advertising campaign to introduce its new brand for annuity and life insurance solutions, Brighthouse Financial.

Brighthouse Financial, an operating segment of MetLife that will start life with about 2.8 million insurance policies and annuity contracts in force, began using its new brand for its annuity and life insurance solutions last month. MetLife has initiated the regulatory process for its planned separation from Brighthouse Financial.

“We’re on a mission to help people achieve financial security, and our brand embodies that mission,” said Matt Quale, vice president and head of marketing at Brighthouse Financial, in a release this week.

“Our name combines optimism with stability. Our brand symbol incorporates a house to represent the protection products like annuities and life insurance can offer to a portfolio, with rays of light used to illustrate the confidence that comes from knowing you’ve planned for your future.”

The new commercials blend the Brighthouse Financial logo into “a diverse, yet familiar, set of life’s backdrops” to highlight the importance of predictability in retirement, the release said. The narrator’s language is “clear and calming,” and focuses on “simplicity and transparency,” and uses a “striking teal and green color palette.”

BBH NY was the lead agency on the Brighthouse Financial launch; and developed a fully integrated campaign across television, print, out-of-home, social media and CRM; Citizen, which created the Brighthouse Financial website and designed user experiences; MODCo Media, which developed the multi-channel media plan; MXM, which created content for the

website; Red Peak, which worked on the logo and the visual design system; and cg42, which develop target audience research, brand strategy and positioning.

More than 58% of the 2,772 respondents to Jackson National Life's 2017 Investor Education Survey said they do not feel confident enough to make appropriate investing decisions. That was a slight improvement over last year's results, when 60% said the same, according to a release this week.

## **Life/health industry's net income off 3.1% in 2016**

Even though the U.S. life/health (L/H) industry enjoyed a 22.8% year-over-year increase in pretax net operating income to \$66.2 billion in 2016, a five-year high, its net income was driven down 3.1% year-over-year to \$38.8 billion due to realized capital losses of \$11.2 billion, compared with \$3.3 billion in losses in 2015.

Total income for the L/H industry in 2016 was \$842.2 billion, virtually flat compared with 2015.

That's according to a new Best's Special Report, titled, "A.M. Best First Look- 4Qtr 2016 U.S. Life/Health Financial Results." The data is derived from companies' statutory statements that were received as of March 28, 2017. The results represent approximately 97% of the total U.S. L/H industry's premiums and annuity considerations.

Despite the decline in net income, capital and surplus for the L/H industry reached a record \$378.7 billion as of year-end 2016. A significant improvement in unrealized gains, increased contributed capital and a boost in other surplus gains more than offset the change in asset valuation reserve and the 31% increase in stockholder dividends.

The L/H industry saw continued growth in invested assets, reaching a record \$3.9 trillion as of year-end 2016. The proportion of invested assets allocated to bonds declined slightly with new money allocations increasing exposure to commercial mortgage loans and other invested assets.

In addition, within the fixed income portfolio, interest in private placements, NAIC-2 rated bonds, and structured securities—particularly collateralized loan obligations (CLOs)—continues to increase.

## **Many investors have “no interest” in their finances: Jackson National**

Almost a third of respondents (30%) said they “have no interest in this area,” up from 26 percent last year. Dan Martin, director of digital communications and strategy for Jackson, noted however that 70% of those surveyed expressed interest in financial education.

Survey highlights included:

- 48% chose “honesty” as the most important attribute for an advisor and 26% chose “level of financial and investment knowledge.”
- 28% said “having a financial professional who really ‘gets’ me” would make the biggest difference in their financial outlook.
- 43% of respondents prefer to receive financial/investing education primarily from their advisor, while 31% use web-based resources to obtain the information they need.
- 47% of respondents rate “saving enough money for retirement” as their top financial concern down from 57% in 2016, but still the highest percentage out of all responses.
- 26% of investors said “having easier-to-understand and more transparent investment products and literature from companies to help ‘do-it-yourselfers’ like me” would have the biggest positive impact on their financial outlook.
- Almost 35% of individuals who work with a financial professional expressed a complete lack of interest in taking ownership of their financial/investing education, saying “that’s what my advisor is for.”

The 2017 Jackson Investor Education Survey gauged the opinions of non-retired U.S. investors with more than \$75,000 in investable assets on key topics relating to retirement and investing/financial education, knowledge and confidence. The survey was published by the Center for Financial Insight, Jackson’s online resource designed to raise the level of financial education and confidence in the U.S.

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