

Product Target Market

Product Name	General Product Description	Additional Comments (if applicable)
Income Protection	<p>Income replacement insurance which pays out on sickness or injury that meets our definition of incapacity. The policy pays out a regular monthly income until the person covered no longer meets our definition of incapacity, returns to work or the term of the policy ends.</p> <p>There are also three short term options whereby the maximum period the policy will pay out for can be for 1 year, 2 years or 5 years.</p> <p>It is possible to have the cover on a level or increasing basis (by either Retail Price Index or a fixed rate between 2-5%).</p>	<p>Cover which is intended for employed customers.</p> <p>Short term cover is suitable for those who wish to keep the cost of their protection down and are happy that their benefit would not need to last until the end of their term.</p> <p>Increasing Cover is suitable for those who wish to protect against inflation.</p>
Customer type		
Personal	Yes	Our primary target market is customers with regular earnings. People who want to protect themselves against the loss of earnings because of sickness or accident.
Business	Yes	Income protection is also available on our business protection menu but still works as a personal cover.
Demographic Factors		
Age	18 – 70	
Sex	All	
Income/Social Grade	<p>Earning Potential - no dependents but with debt and likely to rent</p> <p>Money Makers – large outstanding mortgages</p> <p>Growth Phase – young family, outstanding mortgages</p> <p>Career Experience – outstanding mortgages</p>	Dependent families – financial commitments and outstanding mortgages
Family Background	Suitable for individuals, couples and families who want to	

	insure themselves against the loss of income because of sickness or injury.	
Literacy capabilities	Literate	
Health Background	Customers in good health.	
Product aim		
Mortgage /Debt/ Loan repayment	This product can be used to continue to meet regular mortgage/debt/loan payments.	Income Protection will help customers maintain regular bills including mortgage and rent. Negative Target Market: product should not be sold to customers seeking to pay off debt completely.
Life Changing Event	This would allow families to maintain a standard of living while earners are unable to work and continue to meet our definition of incapacity.	Where the cover is being used to pay for liabilities which may increase each year in line with inflation for example, cover which rises each year to counteract the effects of inflation help to ensure that these future liabilities can be met.
Customers for whom this product is not considered appropriate		
Those looking for a lump sum pay out	Income protection will only pay a regular monthly income	
Unemployed	You must be employed at the time the cover starts to be able to take out this kind of cover	
Product Complexity		
Low		
Low-Medium		
Medium	This is classified as medium complexity, as customers often have difficulty understanding what the product is intended to achieve.	The definition of incapacity can be difficult for some customers to understand.
Medium to High		
High		
Any impact of charges?	N/A	
Any tax status implications?	The monthly amount is paid free of any taxes.	

Client Objectives and Needs		
Death/TI	No	
Life Changing Event	Yes – unable to work owing to illness or accident	
Unable to work for extended period	Yes	
Time Horizon	Selected Term (1 – 52 years)	
Maturity Date	End date selected	
Distribution Strategy		
Execution Only	No	No – Negative Target Market: product should not be sold on an Execution only basis
Non-Advised Sale	Yes	Model adopted by majority of Remote, Risk Specialists and Mortgage Brokers
Fully Advised Sale	Yes	Model adopted by General Practitioners

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