



2024

# Profile of an **IP customer**

**Evolving** the profile

In collaboration with **iptf**





As the landscape of Income Protection continues to shift, so too does the profile of the modern IP customer

**Jacqui Durbin**

Global Head of Product | Sourcing



## Evolving the profile of an IP customer

Building on last year's insights, this report delves deeper into the evolving dynamics of IP sales, incorporating fresh data from 2024 and broadening the scope to include policies sold as part of multi-benefit solutions.

This year, our analysis is more comprehensive than ever, drawing on over 50,000 applications to uncover emerging trends, demographic shifts, and the growing importance of financial resilience.

By examining new purchasing patterns, changing customer preferences, and the increasing role of multi-benefit policies, we aim to provide a clearer picture of who is buying IP, why they are doing so, and how product offerings are adapting to meet these evolving needs.

With economic pressures, employment patterns, and policy structures continuing to evolve, this report offers data-driven, actionable insights for the industry.

The question is no longer just about who is buying IP, but how well the industry is responding to the diverse and emerging needs of today's customers.

We hope you find these insights valuable and thought-provoking, and that they spark meaningful discussions on how we can continue to evolve and expand IP coverage.

**Enjoy the read!**



From smarter tech to more open client conversations, there's a real energy behind the changes we're seeing.

**Vicky Churcher**  
Executive Director | IPTF



## Fresh insights

The income protection market has been quietly evolving, and fast.

From smarter tech to more open client conversations, there's a real energy behind the changes we're seeing.

At the Income Protection Task Force (IPTF), we've been delighted to team up once again with our friends at Iress to bring you this updated market snapshot, building on the report we shared back in January.

Whether you're advising clients every day or shaping strategy behind the scenes, we hope this update offers some fresh insight, sparks new ideas, and helps keep income protection firmly on the agenda.



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## Acknowledgements

Recognising the contributors and industry experts who helped shape this report

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# Evolving Market

Examining the continued rise in IP sales and the factors driving market growth





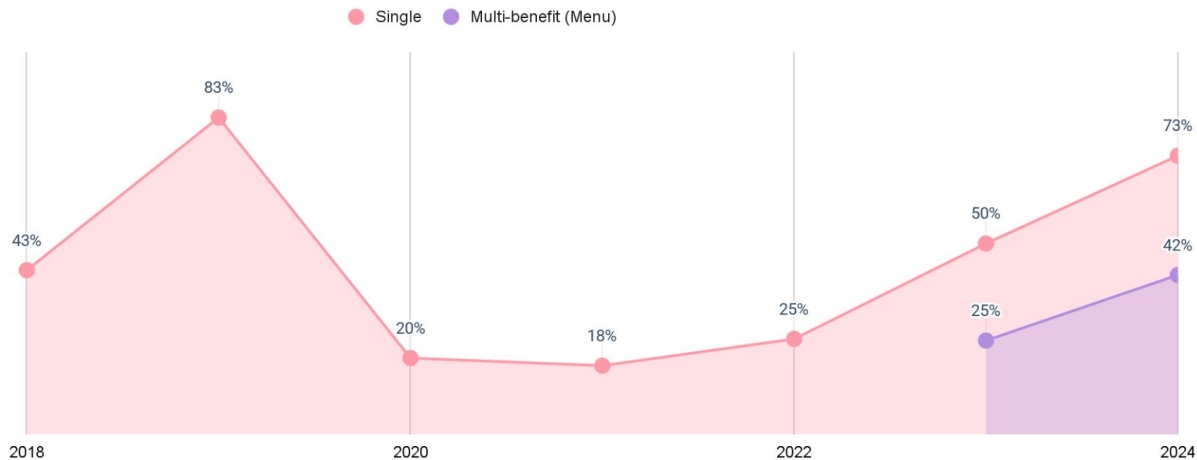
## Applications continued to **increase** in 2024



We saw a **73%** increase in applications for single IP products since 2017 (that's a **16%** increase on 2023 numbers)

And a **42%** increase for menu products that included IP on 2022 (when we started recording activity)

% increase if applications since 2017 (Single) and 2022 (Menu)





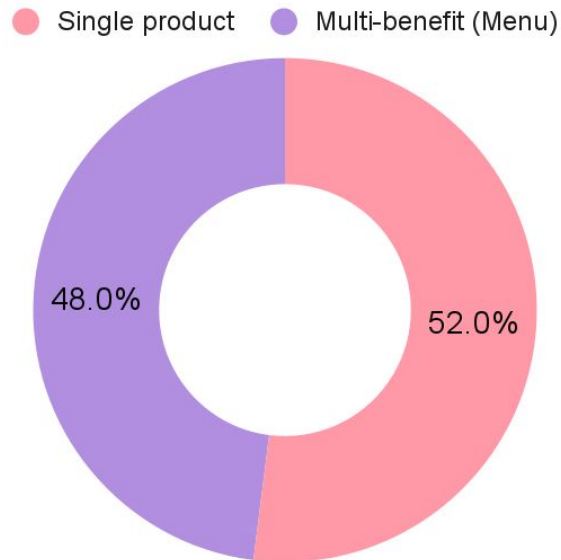
## Multi-benefit products play a **significant** role in Income Protection sales



### The impact of consumer duty

With **48%** of IP applications made as part of a multi-benefit (menu plan) application, does this signify a shift towards more holistic protection conversations?

% split of applications in 2024





## Income Protection was included in **32%** of all multi-benefit (menu plan) applications in 2024



**17.9%** of all individual benefits sold as part of a multi-benefit policy (menu plan) were Income Protection

### Top 10 Multi-benefit application combinations that included IP

Income Protection Own Life, Mortgage Protection

Income Protection Own Life, Income Protection Own Life, Mortgage Protection

Income Protection Own Life, Term Assurance

Income Protection Own Life, Mortgage Protection, Term Assurance

Income Protection Own Life, Income Protection Own Life, Mortgage Protection, Term Assurance, Term Assurance

Income Protection Own Life, Term Assurance, Term Assurance

Income Protection Own Life

Income Protection Own Life, Income Protection Own Life

Income Protection Own Life, Income Protection Own Life, Term Assurance

Income Protection Own Life, Income Protection Own Life, Term Assurance, Term Assurance





The growing adoption of Menu Plans highlights an increased engagement with protection advisers and suggests improved quality of advice, ultimately leading to better client outcomes.

**Scott Aitken**

Mortgage and Protection Adviser | Aitken Financial Services | IPTF 7 Adviser

## The rise of menu plans

It's encouraging to see a rise in Income Protection applications in 2024, particularly Menu Plan applications, which increased by 42% compared to 2023. This indicates more clients are receiving holistic protection advice, reflecting advisers' commitment to enhancing clients' financial resilience.

Notably, 48% of all Income Protection policies are now sold within a Menu Plan, highlighting the improved quality of protection conversations. Data also supports the view that multi-benefit plans promote comprehensive protection discussions, addressing multiple risks clients may face.

Clients choosing Menu Plans are more likely to opt for comprehensive Income Protection [extending into retirement](#), although the [average cover amount](#) tends to be lower. This may reflect clients supplementing their Income Protection with additional benefits such as Critical Illness or Family Income Benefit—options typically unavailable in standalone applications.

Overall, the growing adoption of Menu Plans highlights an increased engagement with protection advisers and suggests improved quality of advice, ultimately leading to better client outcomes.

# Customer Profile

A deep dive into who is buying IP, their preferences,  
and how their needs are evolving





## Scope of this report

This report focuses exclusively on **Personal Income Protection (IP) policies**, covering both full-term and short-term options sold as individual products or as part of a multi-benefit (menu plan). Within the short-term analysis, we also examine accident-only products.

The insights presented are based on New Business clicks (Applications) for IP via Iress, offering a data-driven view of market trends, adoption rates, and opportunities for growth in the IP space.

Year on year, Iress has observed consistent growth in IP applications—driven by both increasing market demand and Iress's own expansion.

### Out of Scope

This analysis does not cover **ASU (Accident, Sickness and Unemployment) policies**, which can be used to provide alternative cover in the short term





## Scope of this report

Policy Type	Coverage	Benefit period	Underwriting
Full Term	Illness + Injury	Until return to work or retirement	Full medical underwriting, detailed health checks
Short Term	Illness + Injury	12-60 months	Often medically underwritten, with some simplified options
Accident Only	Accident Injury Only	12-60 months	No medical underwriting required

### Out of Scope

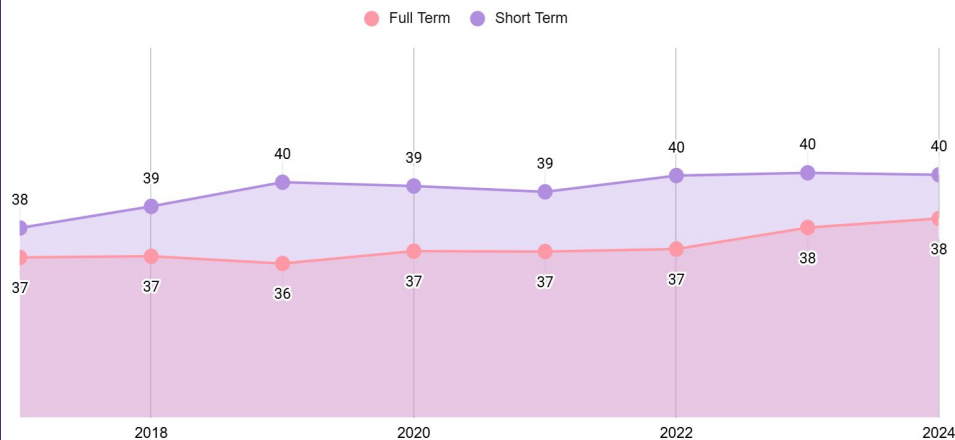
This analysis does not cover **ASU (Accident, Sickness and Unemployment) policies**, which can be used to provide alternative cover in the short term



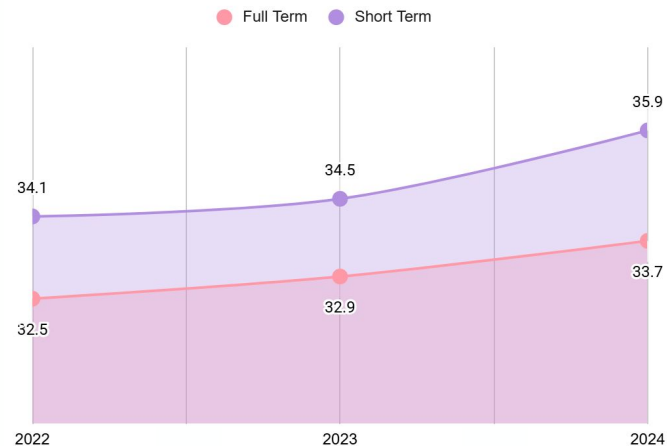


## People who buy Income Protection via multi-benefit (menu plan) tend to be **4 years younger** on average

Individual product - average age overall is 39 (same as in 2023)



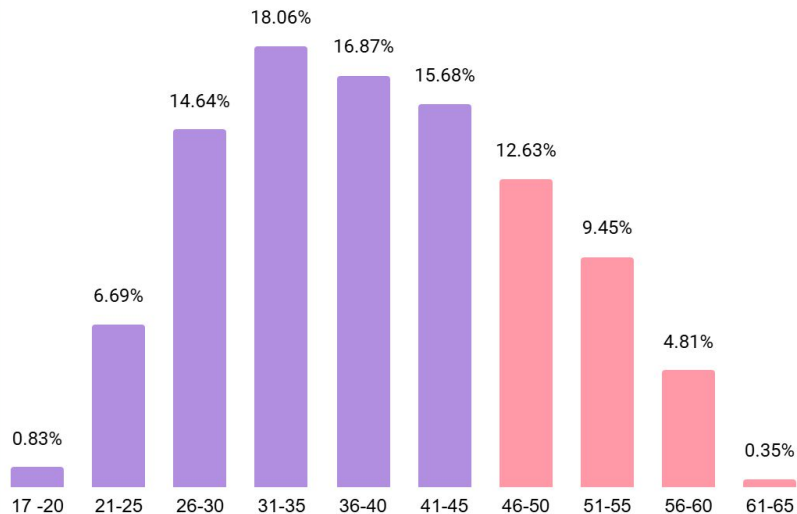
Multi-benefit (Menu) - average age overall is 35



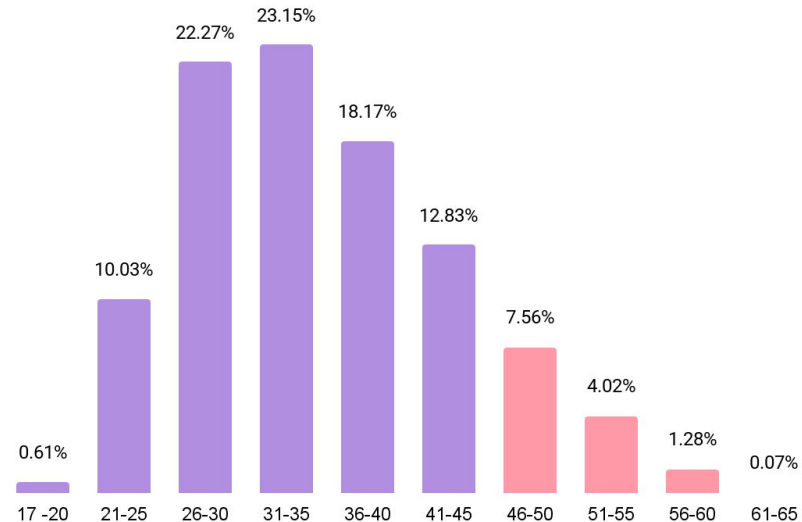


## Gen Z & Millennials are still the most likely age group to buy Income Protection

Individual product - 73% 45 or younger



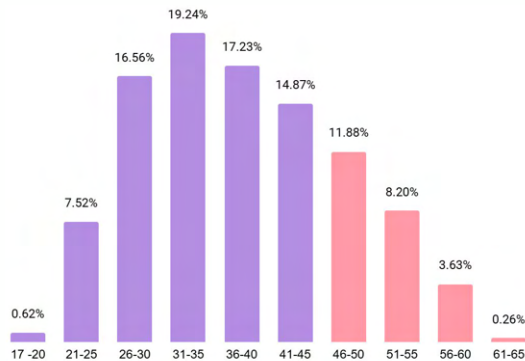
Multi-benefit (Menu) - 87% 45 or younger





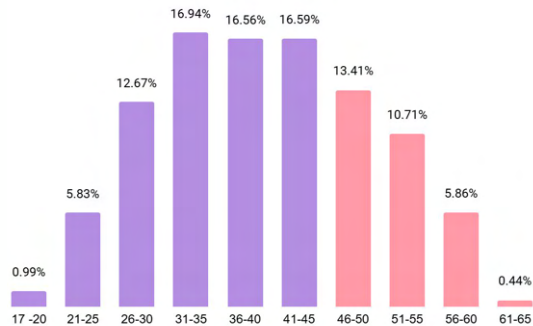
For products sold individually, the number of applications from people under 45 was consistent with 2023, except for Accident Only which saw an **8% increase**

## Full Term



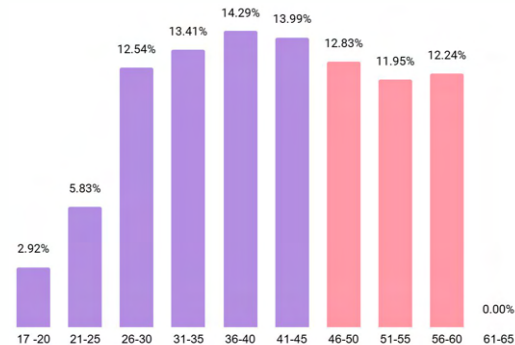
**76%** of applications were for people 45 or younger  
(77% in 2023)

## Short Term



**70%** of applications were for people 45 or younger  
(69% in 2023)

## Accident Only



**63%** of applications were for people 45 or younger  
(55% in 2023)

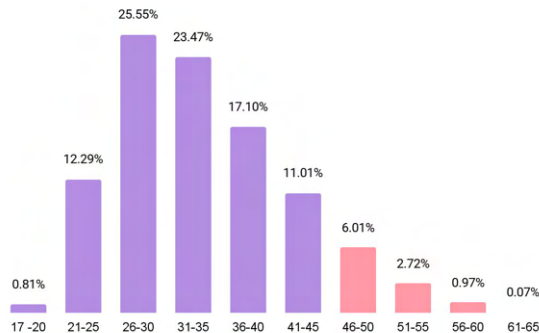


## For Income Protection sold via multi-benefit (menu plan), **87%** of applications were from people under 45



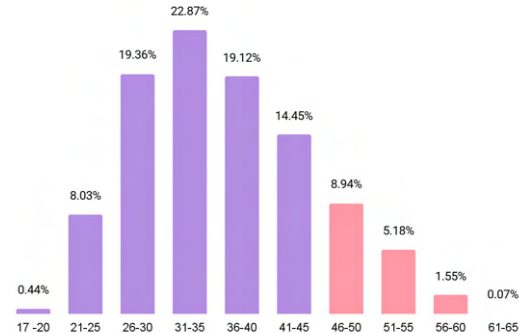
Do advisers find it easier to position Income Protection as part of a broader protection strategy with younger client's?

### Full Term



**90%** of applications were for people 45 or younger

### Short Term



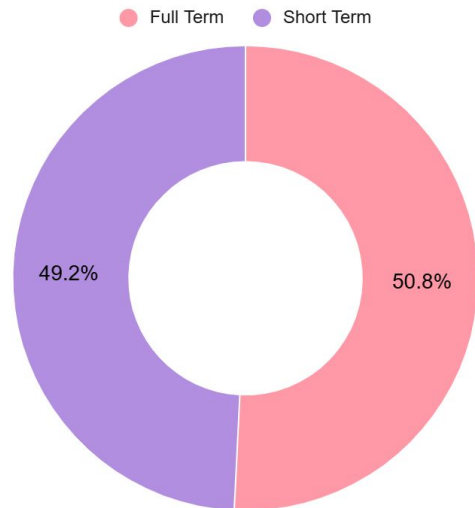
**84%** of applications were for people 45 or younger



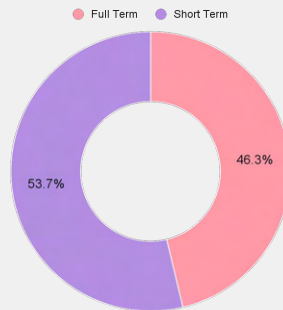


## For individual Income Protection policies, **Full Term** applications became more popular in 2024

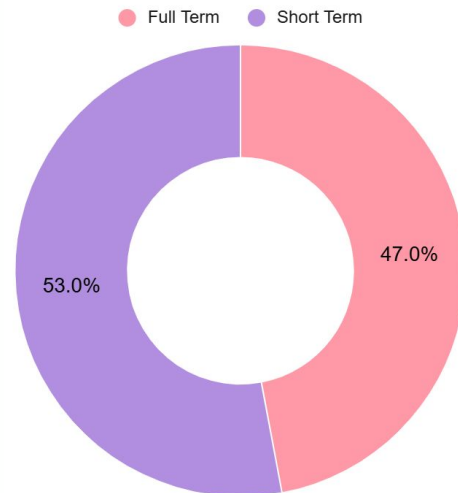
Individual product



2023 insights



Multi-benefit (Menu)



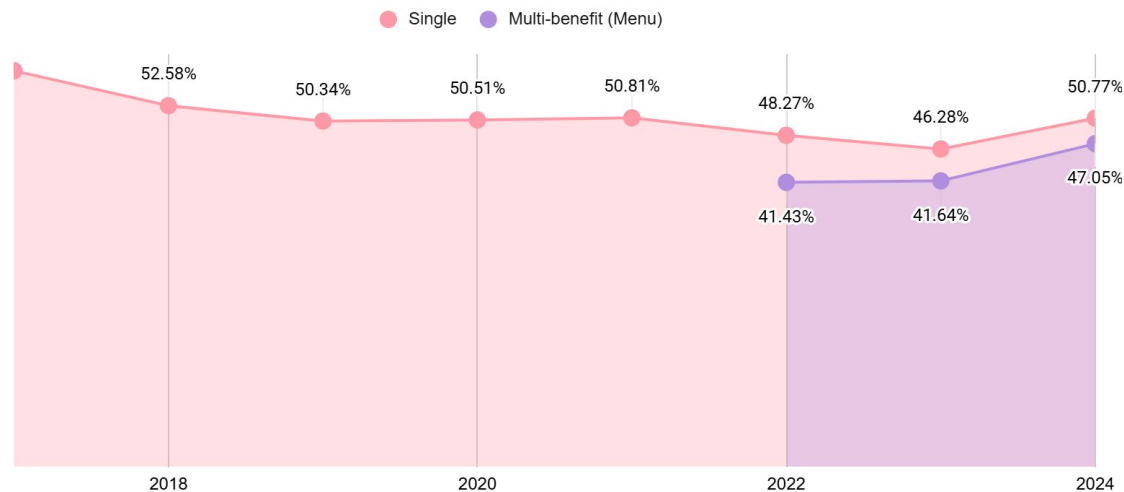


## 2024 saw an **increase** in people choosing Full Term policies



Single policies saw an increase of almost **5%** and multi-benefit (Menu) policies saw an increase of almost **6%** on last year

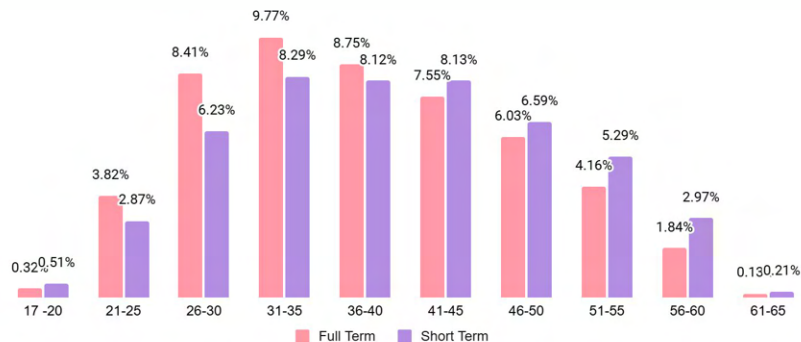
Increase in people choosing Full Term policies in 2024





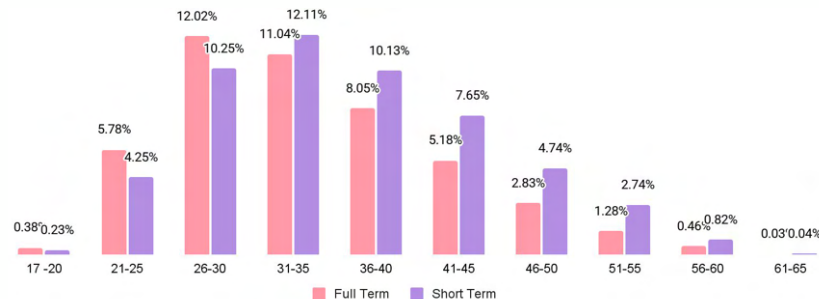
## Younger age groups are still more likely to go for Full Term policies

### Individual product



**76%** of Full Term applications were for people 45 or younger

### Multi-benefit (Menu)



**90%** of Full Term applications were for people 45 or younger



For Short Term / Accident Only policies, the majority of cover sold was for **2 years**



According to provider statistics for 2023  
the average length of an IP claim varies



5 years 10 months

[\(View\)](#)



6 years 9 months

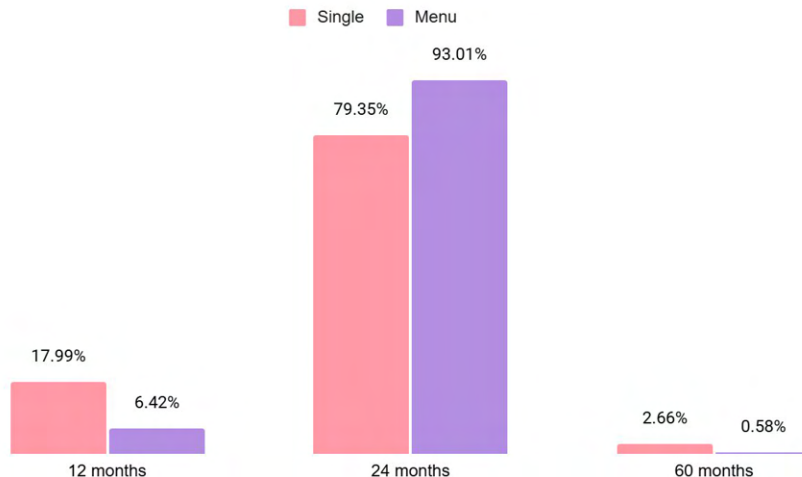
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1 year 6 months

[\(View\)](#)

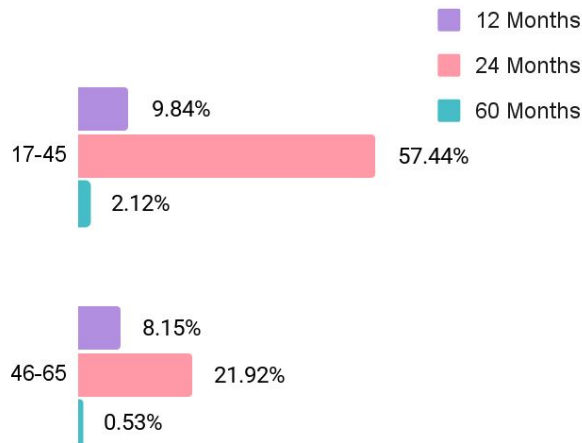
Is this a sufficient length of cover?





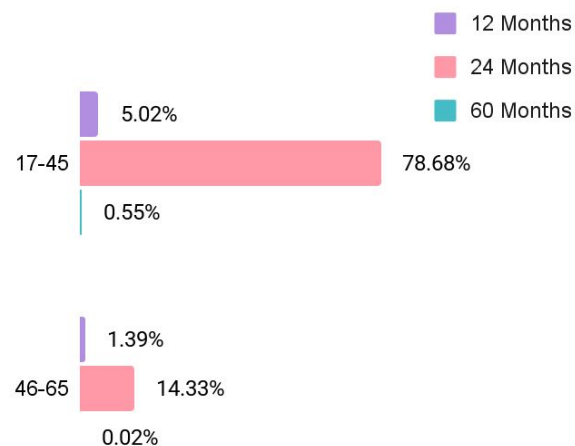
## For Short Term / Accident Only policies, the majority of cover sold was for **2 years**

### Individual product



**69%** of Short Term applications were for people 45 or younger

### Multi-benefit (Menu)



**84%** of Short Term applications were for people 45 or younger



These figures can't help but provoke questions about the current structure of IP policies, specifically the range of benefit periods available.

**Cameron Erskine**

SeventySeven Wealth Management | IPTF 7 Adviser

## Do the benefit periods offered support **customer needs**?

It's promising to see an increase in the number of clients choosing full-term Income Protection (IP) policies when compared to 2023.

The positive trend suggests that advisers are becoming more proactive in demonstrating the value that these policies can provide to clients, despite a higher cost when compared to limited benefit period plans.

Claims data from LV=, Aviva, and The Exeter shows that the average claim period for an IP policy can vary, from 1 year and 6 months to 6 years and 9 months.

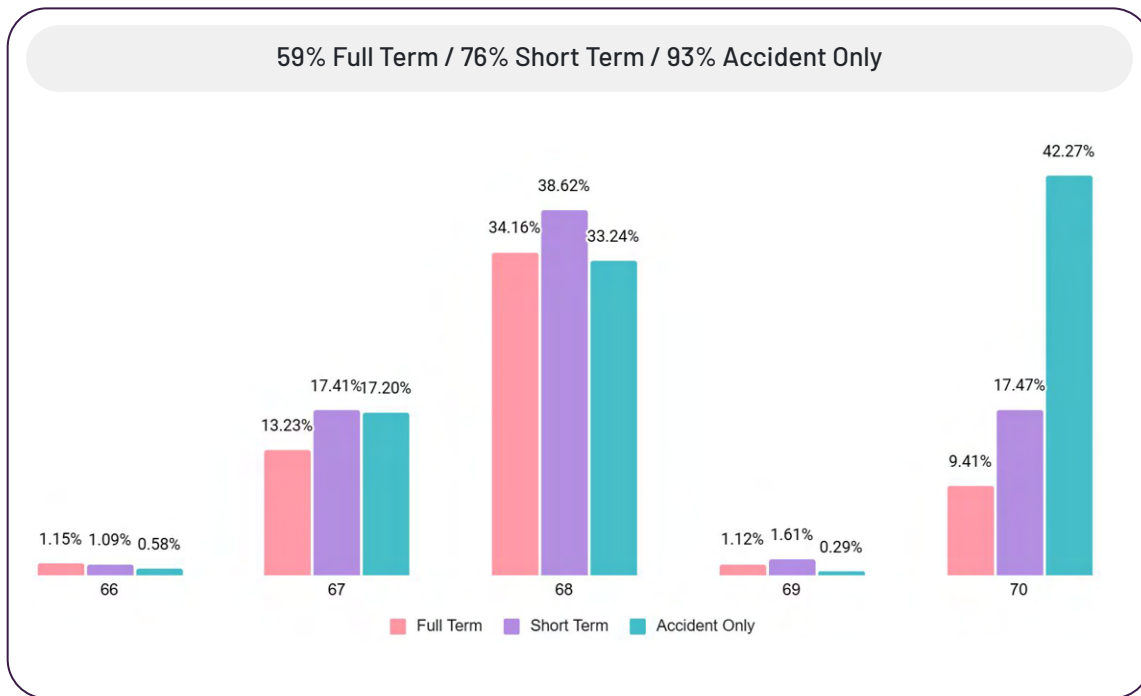
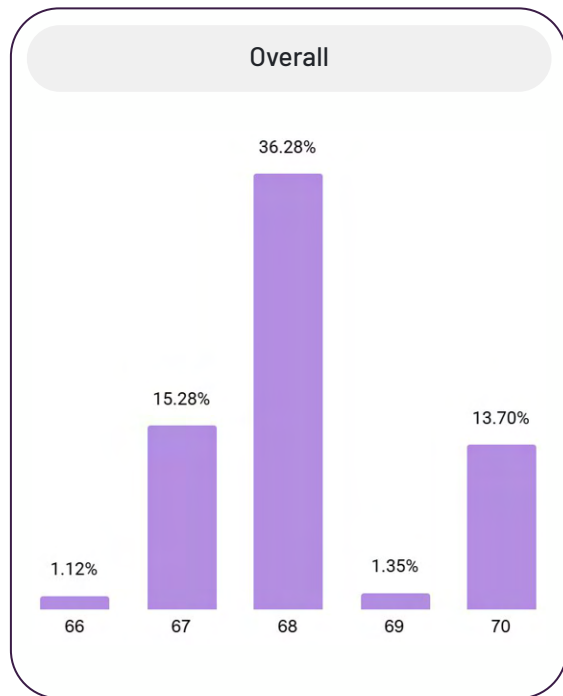
This represents a broad spectrum of payouts and doesn't identify a unanimous trend across the industry.

While full-term policies can provide the most potential value to clients, it's difficult to know if a client would be likely to ever benefit from a long-term payout.

These figures can't help but provoke questions about the current structure of IP policies, specifically the range of benefit periods available.

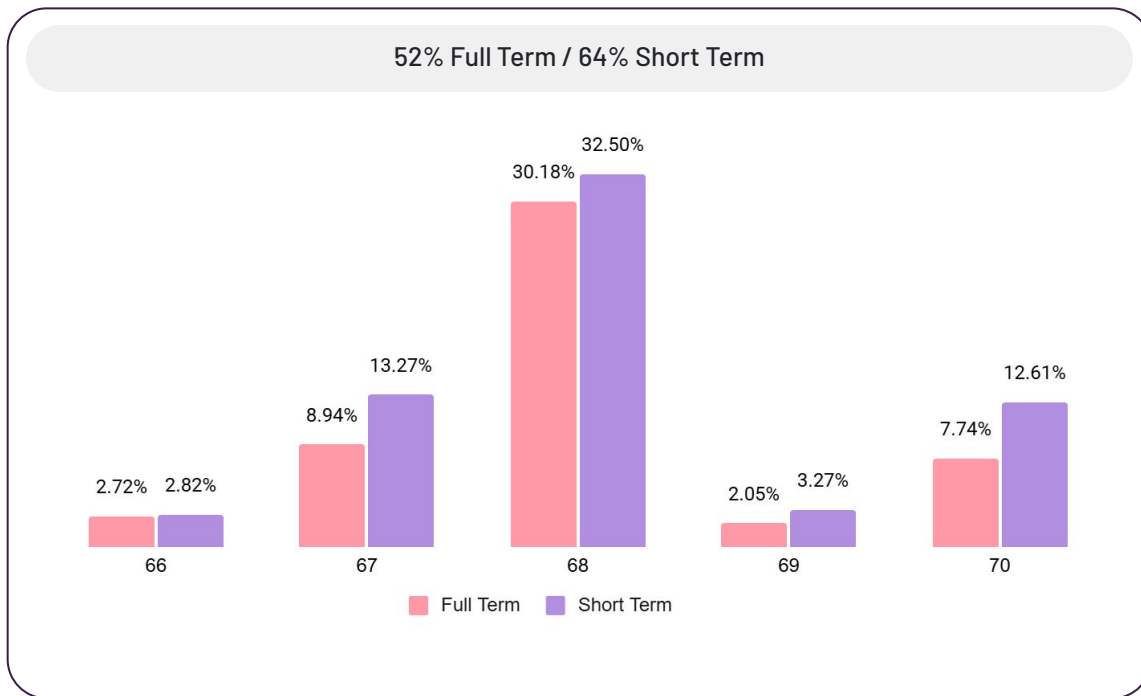
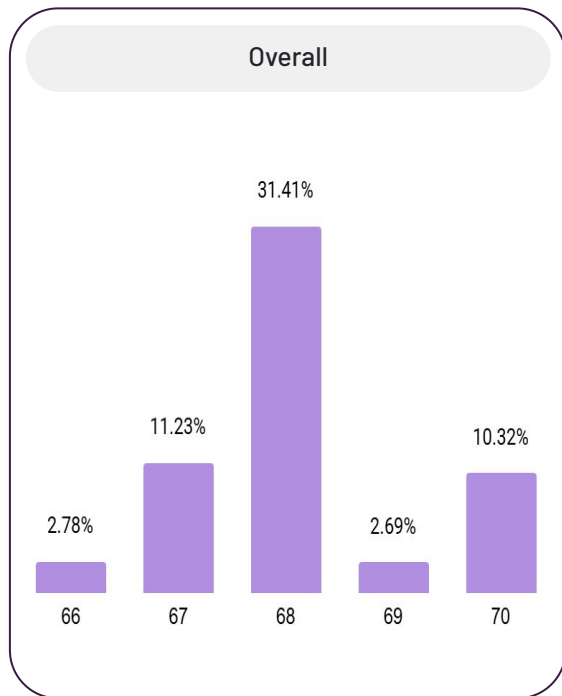


## In 2024, almost **68%** of individual policies bought went into retirement





In 2024, just over **58%** of multi-benefit (menu plan) policies bought went into retirement



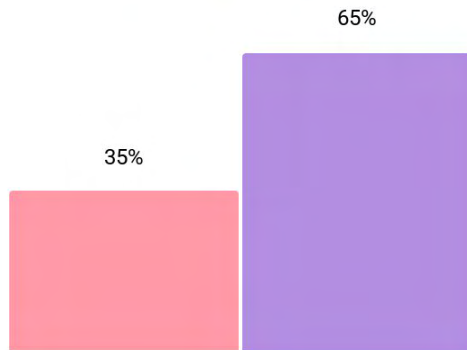




In 2024, **65%** of individual policies bought were for a specific amount (not Maximum benefit)

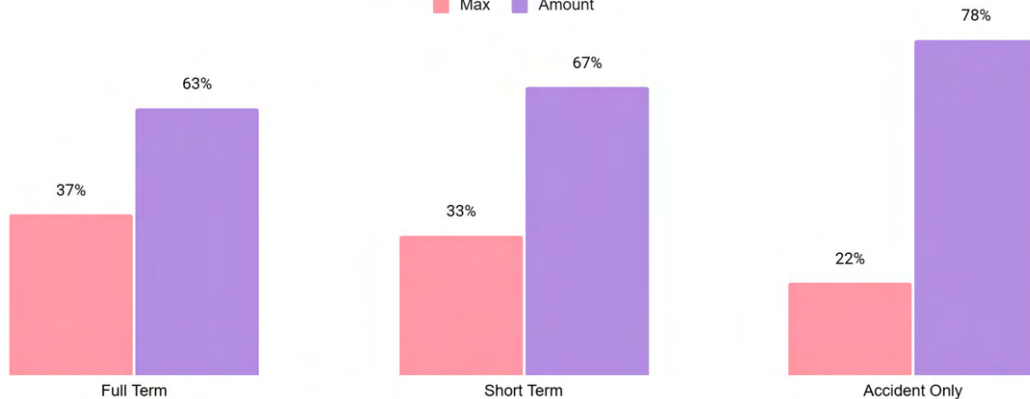
### Overall

Max Amount



### The % of policies sold for specific amounts hasn't really changed since 2023

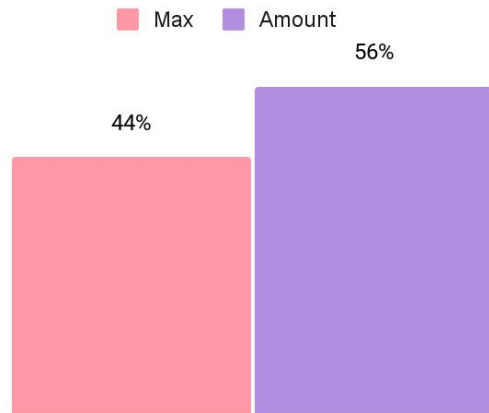
Max Amount



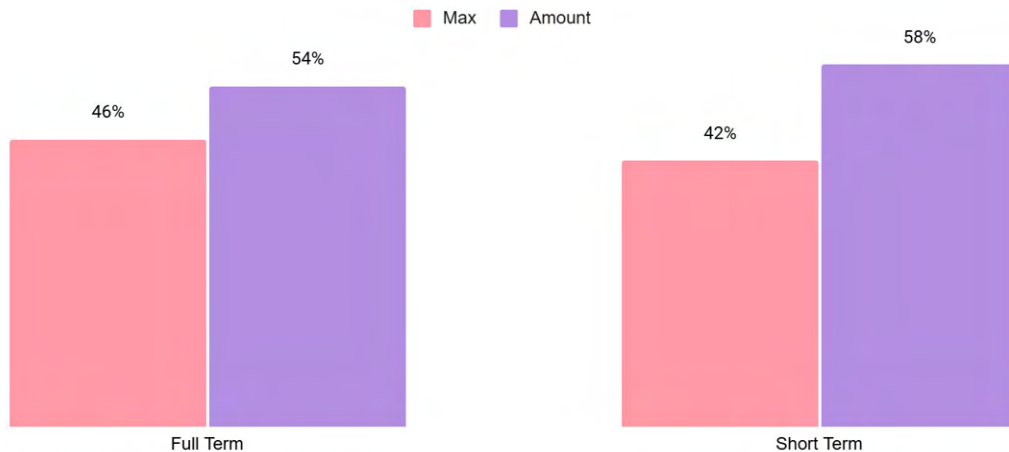


In 2024, **56%** of multi-benefit (menu plan) policies bought were for a specific amount (not Maximum benefit)

## Overall



## People are more likely to buy maximum benefit policies as part of a menu plan



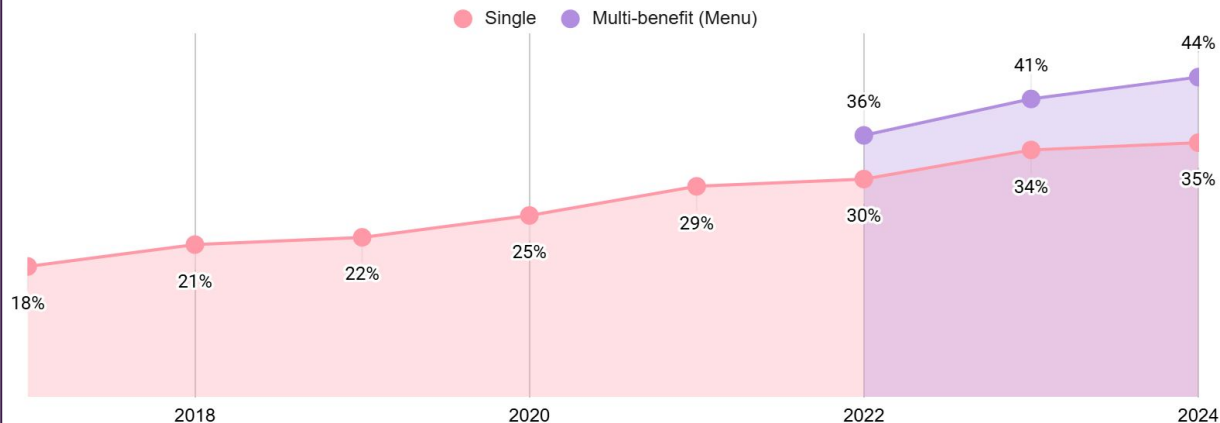


## The % of people choosing maximum benefit policies continues to **increase**



The demand for maximum cover is rising **quicker** for IP bought as part of a multi-benefit (menu plan)

Increase in people choosing maximum benefit policies in 2024





## Multi-benefit (menu plan) policies tend to have **lower** average benefits than single policies

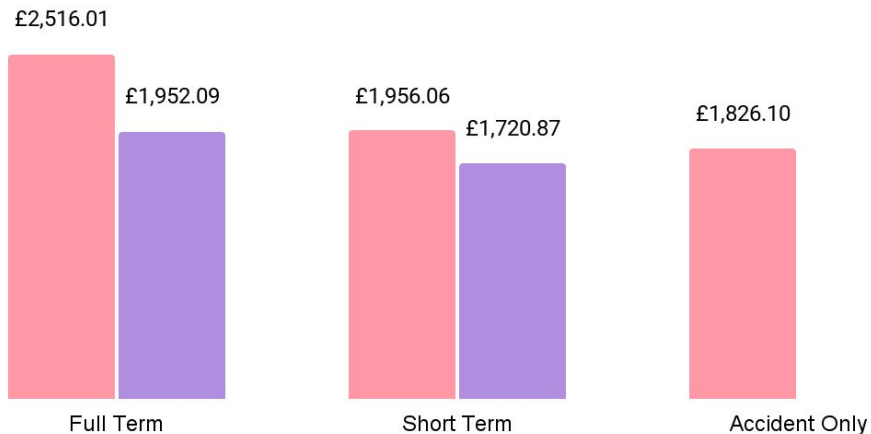
### Overall

Single Multi-benefit (Menu)



### Average monthly benefit amounts have increased since 2023

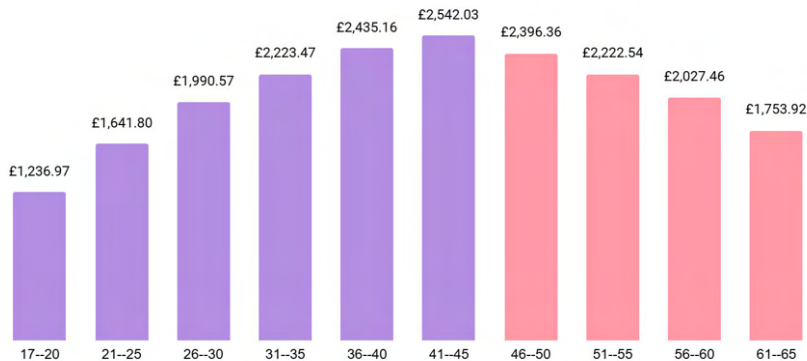
Single Multi-benefit (Menu)





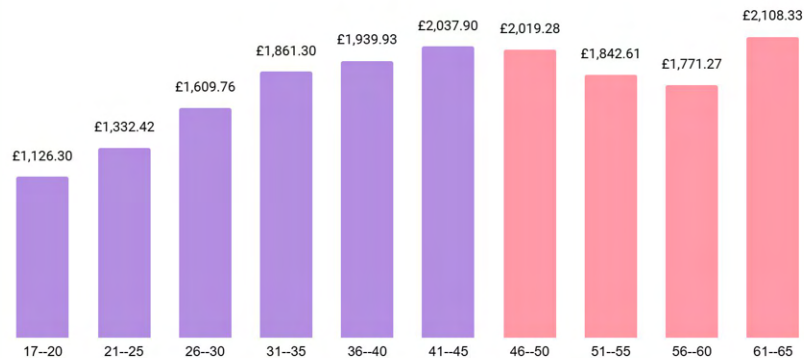
## Multi-benefit (menu plan) policies tend to have **lower** average benefits than single policies

Individual product



**41-45** age group has the highest average monthly benefit

Multi-benefit (Menu)



**61-65** age group has the highest average monthly benefit



On average, experts estimate that UK households spend **£625 per week (£2,700 a month)** - [NimbleFins](#) (March 2025)



For individual policies, the average monthly benefit has gone up by **£124** from last year, and for Multi-benefit (Menu plans) policies its gone up by **£131**

Average monthly benefit amounts have increased since 2023





Individual policies are more likely to be sold on a **level** basis, while multi-benefit (menu plan) policies are more likely to be sold on an **increasing** basis



Are younger consumers (with multi-benefit IP plans) choosing lower initial benefit amounts with RPI-linked increases, to balance **affordability** today with future **financial security**?

#### Individual product

55.71%



Level

44.12%



Increasing (RPI)

#### Multi-benefit (Menu)

45.70%



Level

54.25%



Increasing (RPI)

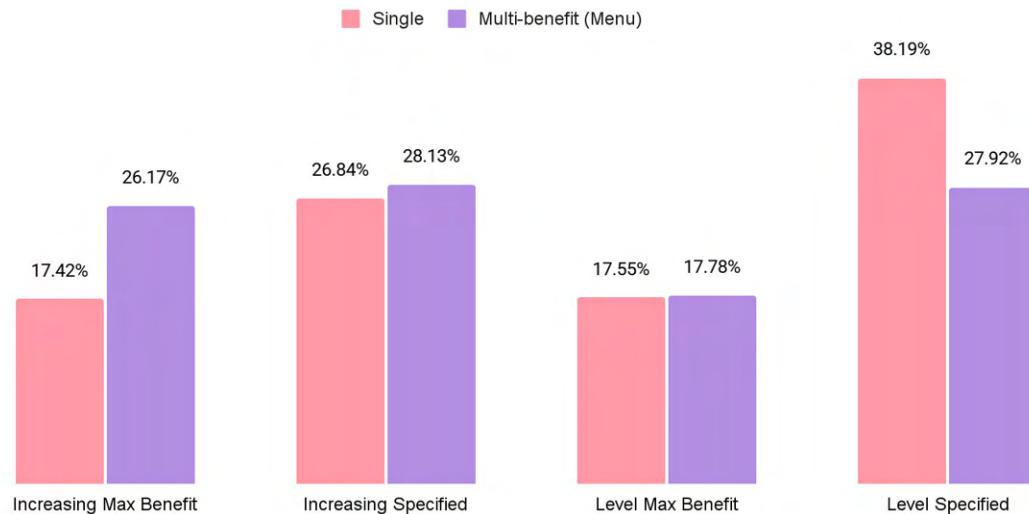


Individual policies are more likely to be sold on a **level** basis, while multi-benefit (menu plan) policies are more likely to be sold on an **increasing** basis



While buying IP on a maximum basis can provide strong initial protection, can RPI-linked increases lead to over-insurance, **higher premiums**, and **payout reductions** if earnings don't rise at the same rate?

Over a quarter of Multi-benefit (Menu) policies were sold on an increasing Max basis





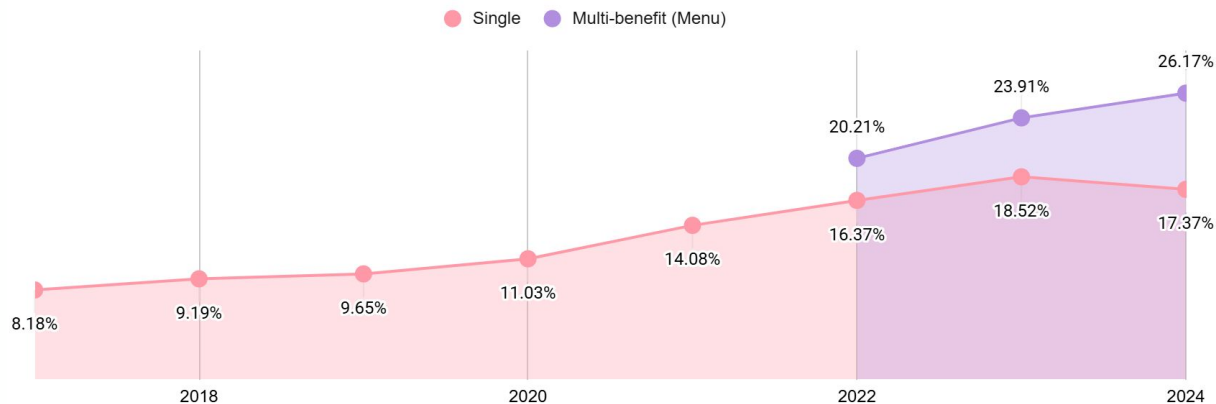


## Over a **quarter** of Multi-benefit (Menu) policies were sold on an **increasing Max** basis in 2024



While buying IP on a maximum basis can provide strong initial protection, can RPI-linked increases lead to over-insurance, **higher premiums**, and **payout reductions** if earnings don't rise at the same rate?

% of policies being sold on an increasing Max basis





Indexation is the easiest way for us to ensure a customer's cover keeps up with inflation.

### Rhys Schofield

Protection Adviser | Peak Mortgages and Protection | IPTF  
7 Adviser

## Importance of indexation

Anyone in the UK will tell you that those £'s just don't go as far anymore which hits home just how important indexation is.

Most policies are written with a fixed rather than max benefit amount yet only the minority of policies are index linked.

We all know that policy set up a few years ago will not stretch as far these days. Just look at energy bills as an example.

That tells me that it's us as advisers that probably need to start with indexation selected as an option and only remove it as required.

Indexation is the easiest way for us to ensure a customer's cover keeps up with inflation.



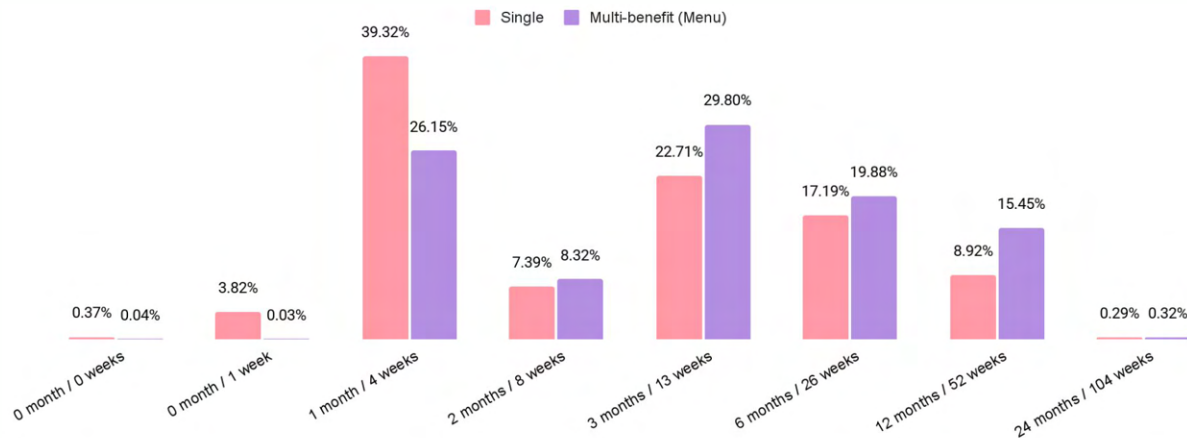
Individual policies are more likely to be sold with a **1 month** deferred period, while multi-benefit (menu plan) policies are more likely to be sold with a **3 month** deferred period



According to the latest [Reaching Resilience report](#) from LV=

**42%** of UK households would **only** be able to survive up to **3 months** without income

Multi-benefit (Menu plan) policies are more likely to have a longer deferred period





As an industry, we may need to reconsider the structure of Income Protection deferred periods to better meet the financial needs of today's customers.

**Kevin Mugisha**

Financial Consultant | Vantage Wealth Management Ltd |  
IPTF 7 Adviser

## Are deferred periods fit for purpose?

With 42% of UK households only able to survive up to 3 months without an income and most multi-benefit plans being sold on a 3-month deferred period, the possible financial vulnerability is clear.

The rise in cost of living has significantly impacted households' budgets, reducing customer affordability has led me to ask the question 'are deferred periods fit for purpose for today's customer?'

As an industry, we may need to reconsider the structure of Income Protection deferred periods to better meet the financial needs of today's customers.

Under Consumer Duty, we have a responsibility to avoid foreseeable harm for the consumer. This includes adapting products to the current market.

Income Protection policies are designed to offer clients security and reassurance; however these extended deferred periods may have the opposite effect, leaving customers more vulnerable.

Statistics in this report highlight opportunities for us to make a change.



## In 2024, **medical professionals** and **administrators** were the most common applicants



Medical professionals see first hand people being off work due to injury and illness, the recovery time and how it can impact on finances, plus the waiting lists can mean income is affected well before the client hits the NHS

### Individual - 19% of applications

Doctor - Health	2.65%
Manager - admin only	2.54%
Administrator - office	2.21%
Project Manager/Programme Manager	1.97%
Nurse	1.84%
Teacher	1.82%
Airline Pilots	1.66%
Driver - HGV	1.51%
Builder	1.36%
Accountant	1.32%

### Multi-benefit - 26% of applications

Administrator - office	3.77%
Manager - admin only	3.31%
Teacher	3.14%
Project Manager/Programme Manager	2.88%
Doctor - Health	2.59%
Manager - other	2.48%
Nurse	2.14%
Accountant	1.92%
Civil Servant	1.88%
Administration Manager	1.59%



For individual policies, **medical professionals** and **administrators** were the most common applicants

	Full Term	Short Term	Accident Only	Overall
17–20	Administrator - office	Carpenter & Joiner	Bricklayer	Bricklayer
21–25	Doctor - Health	Administrator - office	Medical Practitioner	Doctor - Health
26–30	Doctor - Health	Driver - HGV	Hairdresser - Salon	Doctor - Health
31–35	Airline Pilots	Project Manager/Programme Manager	Landscape Gardener	Manager - admin only
36–40	Doctor - Health	Manager - admin only	Maintenance Manager	Manager - admin only
41–45	Doctor - Health	Project Manager/Programme Manager	Care Assistant	Doctor - Health
46–50	Manager - admin only	Nurse	Car Delivery Driver	Manager - admin only
51–55	Project Manager/Programme Manager	Driver - HGV	Driver - HGV	Driver - HGV
56–60	Administrator - office	Care Assistant	Nurse	Nurse
61–65	Financial Adviser	Administrator - office	-----	Administrator - office



### Do we practice what we preach?

Financial Adviser made it onto the list (Full Term)



## For multi-benefit policies, **administrators** were the most common applicants

	Full Term	Short Term	Overall
17–20	Administrator - office	Care Assistant	Administrator - office
21–25	Administrator - office	Administrator - office	Administrator - office
26–30	Administrator - office	Administrator - office	Administrator - office
31–35	Doctor - Health	Teacher	Manager - admin only
36–40	Doctor - Health	Manager - admin only	Manager - admin only
41–45	Doctor - Health	Manager - admin only	Manager - admin only
46–50	Administrator - office	Manager - admin only	Manager - admin only
51–55	Administrator - office	Administrator - office	Administrator - office
56–60	Project Manager/Programme Manager	Manager - Other	Project Manager/Programme Manager
61–65	Financial Adviser	-----	Administrator - office



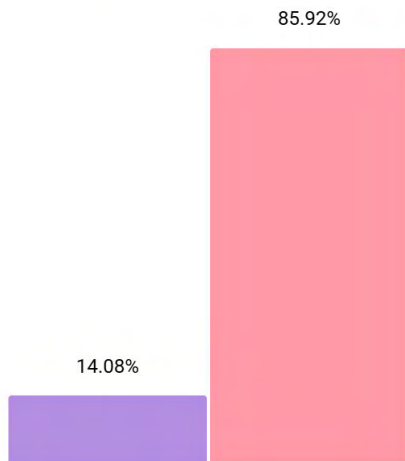
### Why are so many administrators buying IP?



## No change in 2024 to the % of applications for smokers

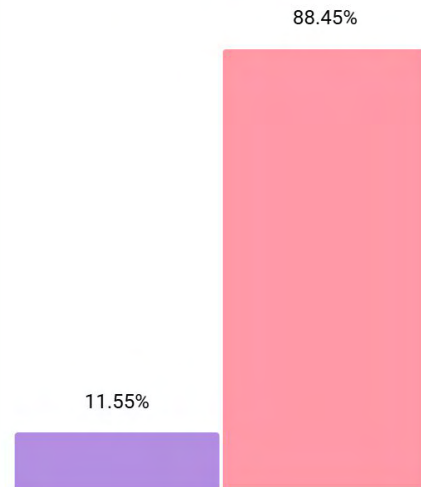
Individual product

Yes No



Multi-benefit (Menu)

Yes No







In 2024, we saw a slight **decrease** in women buying individual IP (down from 38.51% in 2023)

## Overall

Male Female

64.14%

35.86%

## Women are more likely to buy Full Term products

Male Female

61.68%

38.32%

Full Term

66.48%

33.52%

Short Term

74.34%

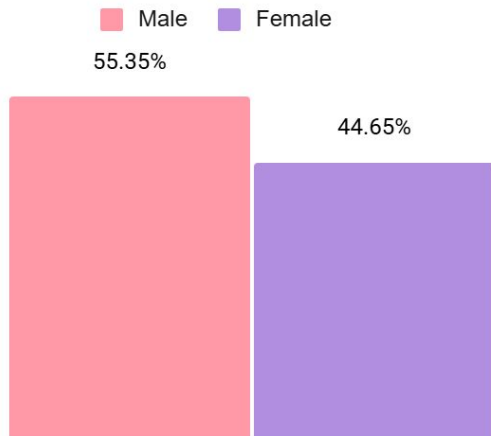
25.66%

Accident Only

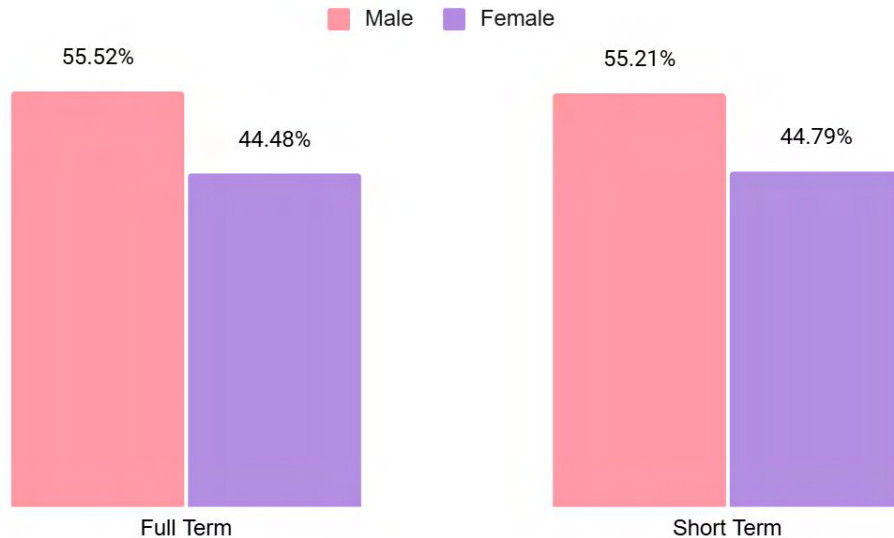


## Women are more **likely** to buy IP as part of a multi-benefit product

### Overall



### Is the increased % of Women buying IP as part of a multi-benefit policy linked to job role?

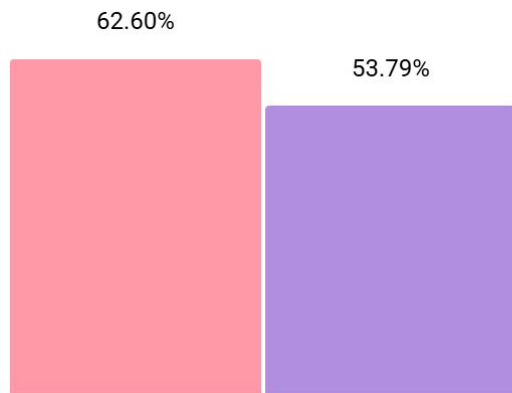




In 2024, over half of BMI disclosed was in the **overweight** or **above** category

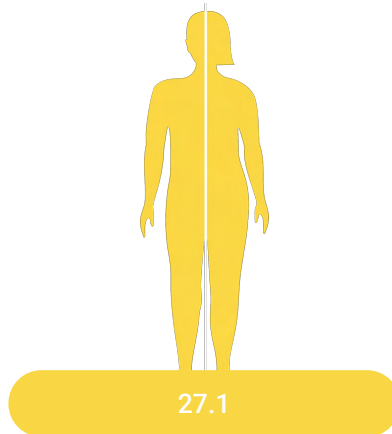
### Overweight or above (split)

Single Multi-benefit (Menu)



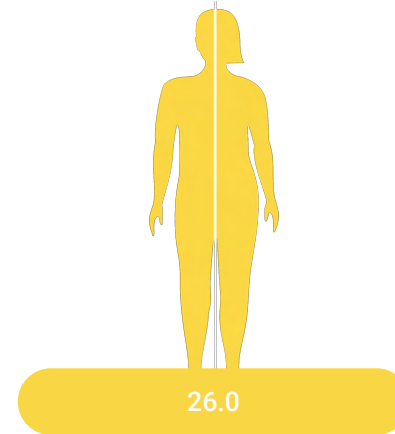
### Individual product - average BMI

Overweight 25-29.9



### Multi-benefit (Menu) - average BMI

Overweight 25-29.9



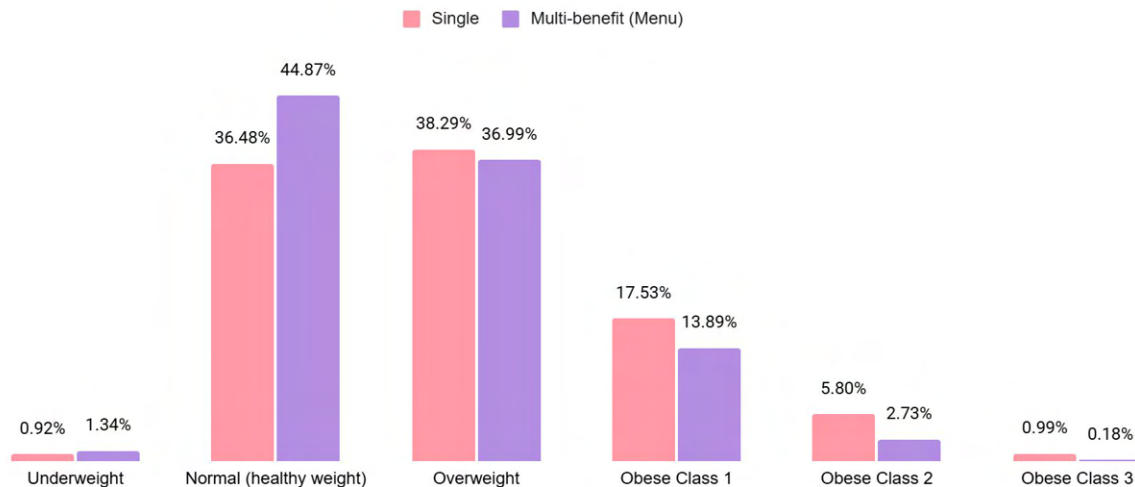


In 2024, over half of BMI disclosed was in the **overweight** or **above** category



According to the latest [Parliament report](#), **28%** of adults in England were obese and a further **36%** are overweight (**64%** in total)

People who buy multi-benefit policies are more likely to be a healthy weight



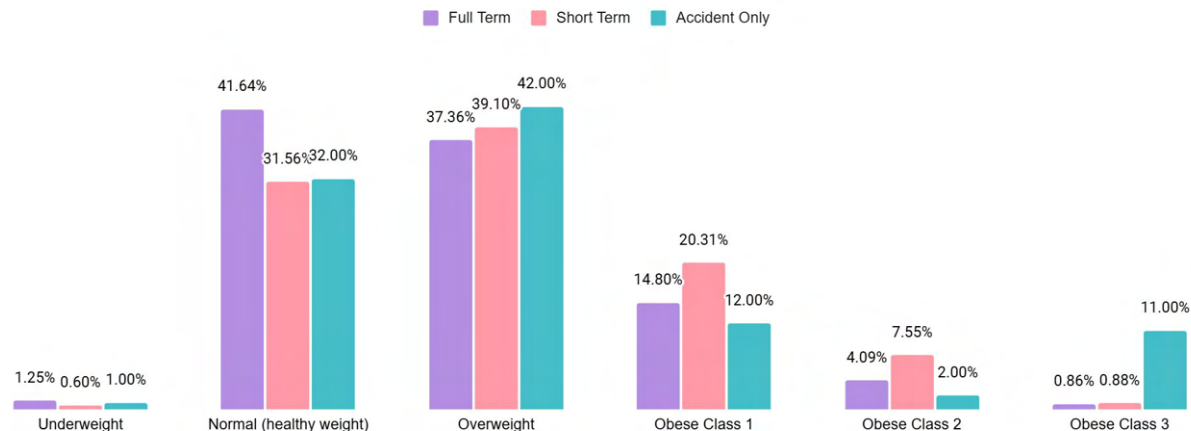


In 2024, BMI was entered on just over **30%** of individual IP applications



**67%** of BMI disclosed for Accident Only IP was overweight or above - that is a **10% drop** on 2023 (when it was 77%)

Overall BMI is higher for Short Term / Accident Only (Individual) products



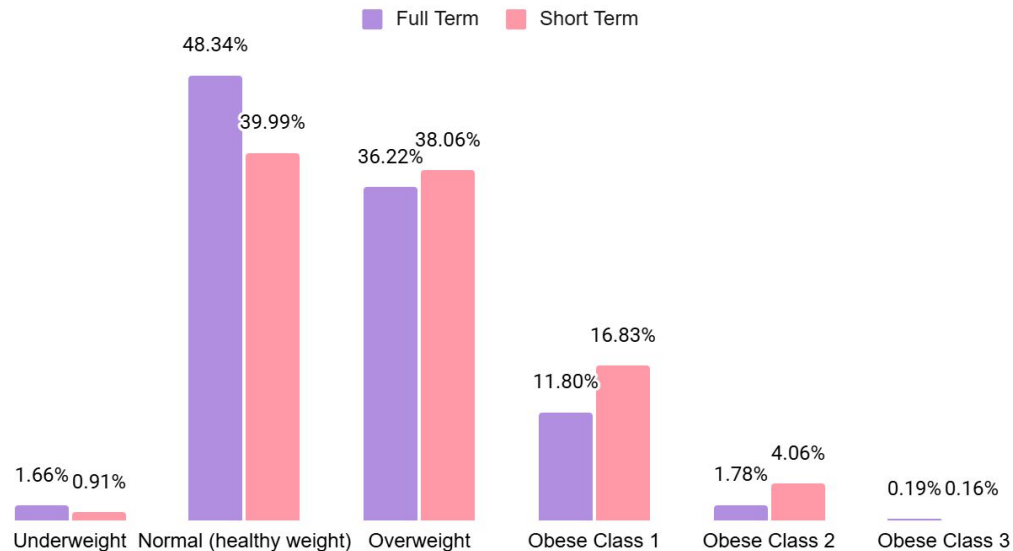


In 2024, BMI was entered on over **40%** of individual Multi-benefit (Menu) IP applications



People buying IP as part of a multi-benefit (Menu) policy tend to have **lower** BMI

Overall BMI is higher for Short Term (Multi-benefit) products



# Expanding The Reach

Unlocking opportunities for IP growth and wider consumer adoption and supporting the industry to evolve with changing market demands





Buyers are not just protecting income, they're engaging in broader financial planning, with Multi-benefit (Menu) plans emerging as a key vehicle for holistic cover.

**Warren O'Connell**

Head of Business Development | Iress



## The evolving face of income protection

The 2024 data marks a clear evolution in the Income Protection landscape. With over 50,000 applications analysed, this year's report paints a picture of a younger, more informed and increasingly proactive customer base. Buyers are not just protecting income, they're engaging in broader financial planning, with multi-benefit (menu) plans emerging as a key vehicle for holistic cover.

Full-term IP policies are seeing a notable resurgence, alongside a rise in maximum benefit selections and inflation-linked escalation. These choices suggest that consumers, often advised by more protection-savvy professionals, are looking for longer-lasting, future-proofed solutions.

The average monthly benefit has increased year-on-year, reflecting rising consumer awareness of real-world living costs and the value of sustainable protection.

Menu plans, in particular, are shaping the new face of IP. Not only are they more popular among younger applicants, but they also correlate with different buying behaviours: longer deferred periods, more cost-effective structuring, and a higher likelihood of including IP alongside life and mortgage cover.

This approach reinforces the shift away from siloed products towards integrated financial planning.





While progress is clear, so too is the potential. With only a fraction of UK adults currently protected by IP, our work is far from done.

**Jo Miller**  
Managing Director | IPTF



## The market is evolving rapidly

As this report shows, the shape and sentiment of the Income Protection (IP) market are evolving rapidly, driven by more informed consumers, better data, and increasingly holistic adviser conversations.

It's encouraging to see a rise in younger, more diverse applicants and a broader adoption of multi-benefit solutions, signalling a shift in how people are thinking about financial resilience.

Yet while progress is clear, so too is the potential. With only a fraction of UK adults currently protected by IP, our work is far from done.

At IPTF, we believe real impact comes from not just sharing insights but turning them into action, through better conversations, inclusive strategies, and more responsive product design.

Thank you to Iress and all our contributors for helping drive this conversation forward.

Let's keep challenging assumptions, expanding reach, and ultimately making Income Protection a core part of every protection plan.



Despite this progress, the protection gap remains significant.

Only 7% of the UK population currently holds IP, even though 53% acknowledge its value.

**Jacqui Durbin**

Global Head of Product | Sourcing



## Encouraging growth, but more work to do

Despite this encouraging growth, the protection gap remains significant. According to the [AMI Viewpoint Report 2024](#) only 7% of UK adults currently hold an IP policy, despite 53% acknowledging its importance.

This disconnect underscores a key industry challenge: bridging the gap between awareness and action. Gender and occupational disparities also persist, with some roles and demographics consistently underrepresented in policy uptake.

Opportunities lie in making IP more accessible, relatable, and central to financial wellbeing conversations.

Targeting underserved sectors, such as freelancers, gig workers, and women in lower-to-middle income brackets, will also be crucial.

As the profile of the IP customer continues to evolve, so must the industry's approach. The data shows momentum, but also unmet need.

By shifting gears to meet customers where they are, the industry has the opportunity to reframe IP not just as a safety net, but as a foundation of financial resilience.



As we look to the future of Income Protection, your insights can help shape the conversation and drive meaningful change

**Vicky Churcher**  
Executive Director | IPTF



## We'd love your thoughts!

As we continue to expand the reach of Income Protection, we want to hear from you. Your insights can help shape the conversation and drive meaningful change in this undersold and underserved area.

Did any of the data surprise you?



Has this report changed how you think about IP or how you position it with clients?



What additional insights would help identify opportunities for growth in IP?



What do you see as the biggest barrier to wider adoption of IP, and how might the industry address this?



How do we ensure that growth continues and expands to include underserved consumers?



What role can advisers and firms play in bringing IP into the wider protection conversation?

### #LetstalkIP and #KeepTheConversationGoing

Your thoughts matter in shaping the future of Income Protection!

# Acknowledgements

Recognising the contributors and industry experts who helped shape this report





## Collaborating for better insights

We would like to extend our heartfelt gratitude to all individuals and organisations who contributed to this report



**Cameron Erskine**

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## Bringing the data to life



A special thanks to **Jane Irwin, Protection Product Lead**, whose work in shaping the data into meaningful insights, creating key takeaways, and ensuring the findings were both impactful and accessible was instrumental in bringing this report together.



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And a huge thank you to our **Marketing Team** for bringing this report to life:

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**Lucy Hill, Marketing Manager**, for her invaluable support in organising, coordinating, and ensuring this report reaches the right audience.



# Thank you

Evolving the profile of an IP customer

If you have any questions or would like to explore other data insight opportunities with Iress please contact your Account Manager or email us at [sourcing@iress.com](mailto:sourcing@iress.com)

In collaboration with **iptf**

#keeptheconversationgoing #LetsTalkIP

