“My Bank Sells Insurance—Really?” Why Is This News to Consumers?

Why Do So Many Consumers Have No Idea Their Financial Institution Offers Insurance Solutions?

Most consumers trust their bank or credit union with their money—but ask them if their institution offers insurance products, and you’ll likely get a blank look. The answer is yes—many do. Unfortunately, this valuable benefit often goes unnoticed simply because the message never reaches the consumer.

And this is a missed opportunity with high stakes. At a time when personalization is the expectation, financial institutions are sitting on a goldmine of data they could be using to make insurance solutions not just visible, but valuable.

Let’s unpack why this disconnect exists—and how to fix it.

What’s Missing: Awareness & Timing

Offering protection products won’t work if they’re buried somewhere where consumers can’t find them. The issue is:

- Many FIs “offer” protection products, but consumers never hear about them—or they hear about them at the wrong moment for their needs.
- Blanket marketing campaigns feel generic and irrelevant, so they’re ignored.
- Consumers are open to insurance product conversations—when the timing is right. The challenge is meeting them in those moments.

Think about a young couple opening a joint account before buying a house. Or a parent sending a kid off to college. These are key life moments for introducing protection products, but most institutions aren’t aware of the data-based demographics pointing to them.

The following report from 2024 shows how often FIs had successfully reached out to consumers about insurance in the previous 12 months:

- 48% of consumers said they had not received any information.
- 40% of millennials said they had not received any information.
- 29.8% of Gen Z said they had not received any information.
- 49.6% of Gen X said they had not received any information.
- 60.3% of baby boomers/seniors said they had not received any information.

Why Data-Based Targeting Is a Game Changer

The good news:

You already have a lot of data. Just make sure to include data specific to insurance and the propensity of certain consumers to buy it. Find a partner who can build data models for you and target omnichannel campaigns to those most likely to buy.

- Understanding not just who to reach—but when and how.
- Providing a timely solution from a trusted source—not a blanket offer.

It boils down to convenience and relevance.

When you use consumer data the right way, you become relevant. It feels like help, not a sales pitch. And unlike fintechs that must acquire this insight, you already have it—along with trust.

What Kind of Insurance Solutions Should You Promote?

Having a wide range of products helps you to offer the right type of insurance product to the right consumer at the right time, without overwhelming them.

Accident & Illness Suite

Acts as a much-needed supplement to other insurance, to cover out of pocket expenses, with guaranteed acceptance.

- Hospital Accident Insurance
- Recuperative Care Plan
- Accident Expense Coverage
- Critical Illness & Injury Insurance

Life Insurance and AD&D Suite

Offers various levels of coverage to meet every consumer's need based on age and medical conditions.

- Whole Life Insurance
- Term Life Insurance
- Accidental Death & Dismemberment (AD&D)

Property & Casualty Suite

Delivers a wide range of coverage and options for auto, home, and appliance.

- Home Warranty Plan
- Auto & Homeowners Insurance
- Personal Cyber Insurance

Offering options from multiple carriers increases flexibility, improves targeting, and ensures better product-market fit—without overwhelming the consumer.

What's In It for Your Institution?

Adding protection products isn't just a consumer win—it's a strategic win.

- Higher Engagement: Younger consumers want insurance and expect convenience.
- Non-Interest Income: Insurance brings in sustainable income without balance sheet risk.
- Loyalty and Retention: When you help protect what matters with long-term products, consumers stick around because everything is in one place.
- Competitive Advantage: If you're not offering insurance, a fintech or direct-to-consumer brand will.

Insurance drives stickiness.

A consumer with a savings account and insurance is more likely to stay loyal than one with just a checking account. It's about embedding value into the relationship starting with valuable long-term products, then building.

And you don't need to reinvent your business model—just activate the one you have.

Your Advantage, Your Move

Many financial institutions offer insurance solutions in some form. But if it's buried in a brochure or a forgotten corner of a website, it's pointless.

Here's what to do next:

- Showcase Insurance: Make "Protect" part of your website's navigation bar, along with key items like "Save", "Borrow", "Invest". List your protection products in an easy drop-down menu visible from the home page.

- Personalized Marketing: Data-driven targeting through email, direct mail, digital, and embedded interactions ensures your message lands.
- Make It Easy: Partner with a provider that makes enrollment seamless and brings multiple carriers to the table, while promoting your brand exclusively.

You're trusted and embedded in the financial lives of your customers or members.

That's a powerful edge.

Let's use it.