

# BEYOND LIFE

## THE EXPERIENCE OF LIVING

GLOBAL CONSUMER STUDY 2019 - 2020

# CONTENTS

- 05 **FOREWORD**
- 07 **ABOUT THIS STUDY**
- 08 **CONSUMER VIEW OF THE LIFE INSURANCE MARKET**
- 14 **THEME ONE:** TAKING THE PULSE OF CONSUMER HEALTH
- 22 **THEME TWO:** PREVENTION IS BETTER THAN CURE
- 26 **THEME THREE:** IN THE MOOD FOR AI
- 32 **CONCLUSION**



# THIS STUDY IS ABOUT PEOPLE ...



## FOREWORD

In this, the sixth ReMark Global Consumer Study, we examine the latest consumer attitudes and behavioural trends in the insurance industry, with a focus this year on fast-emerging fields such as Genetic Testing, Artificial Intelligence, and the burgeoning desire for wellness solutions – developments that are attracting attention from both consumers and industry alike.

The survey paints a picture of an educated, responsible and health-conscious consumer, open to technological advances that work for them. Unsurprisingly, this tech-savvy consumer expects more: more guidance, more relevance, more speed. And less hassle.

Given the infrequency of the life insurance purchase, these are expectations set by the shopping experience enjoyed in other sectors. The internet offers greater transparency on price, empowering consumers to shop around, and rapid delivery from online retail giants is the new normal. Keeping up to speed with such developments in other areas of commerce – and incorporating them into the life insurance purchase journey – is essential.

It is clear that the life insurance market is ripe for disruption. With technology dismantling most of the barriers to entry, established insurers are finding themselves forced to share the marketplace with new providers who have little or no experience of the sector.

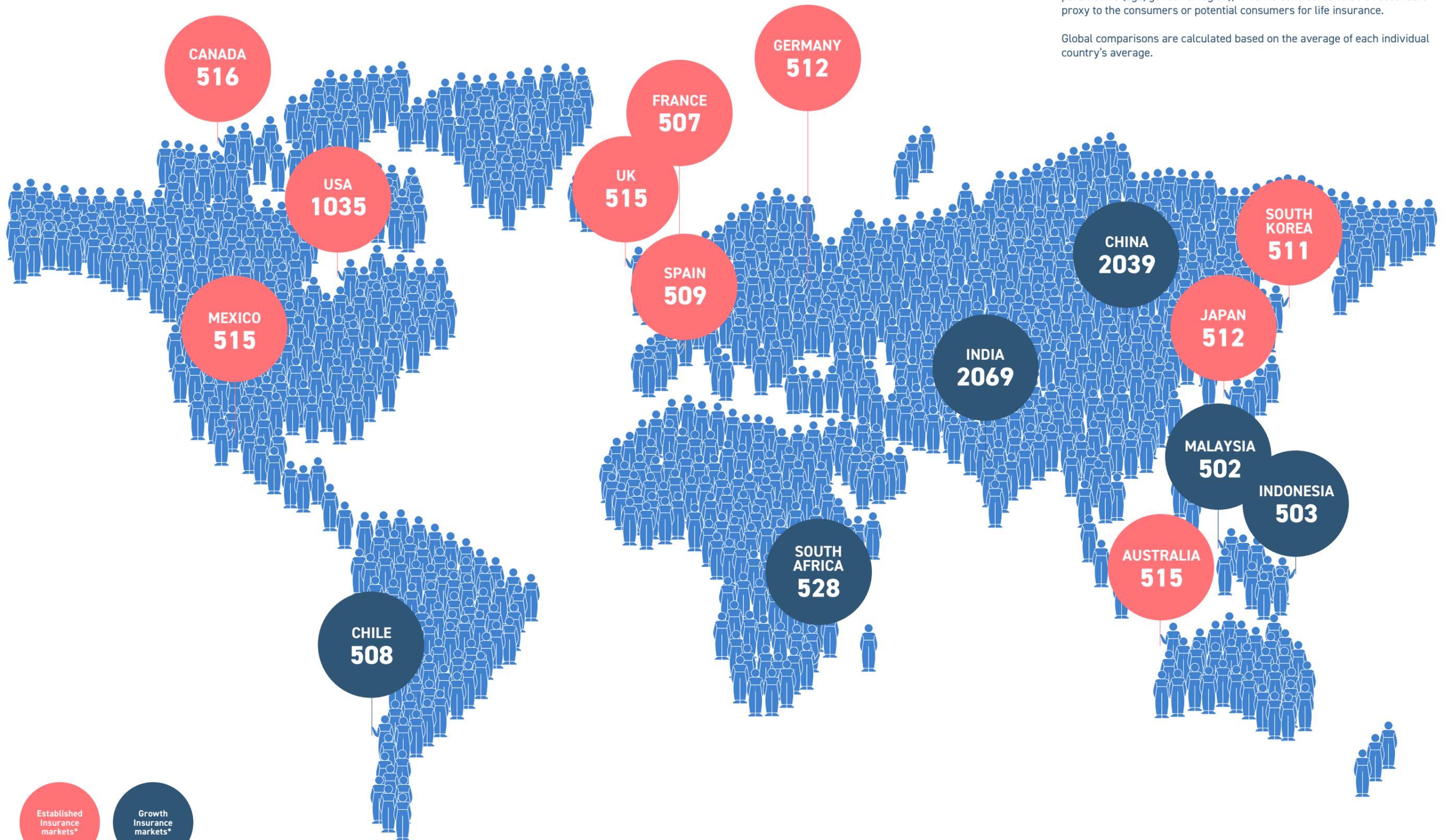
As well as a wave of InsurTech start-ups targeting specific niches, trusted non-insurance brands are also eyeing the insurance space – with brilliant customer experience, novel propositions and a deep well of brand affinity to compensate for a lack of experience.

Yet, while the survey highlights this disruptive potential – with customers reporting a keen interest in and openness to InsurTech advantages in product flexibility, pricing and user experience – it should be noted that the vast majority of customers surveyed would not feel comfortable purchasing from a company not associated with life insurance.

In that context, the insurance industry has a great opportunity to align its purpose with the customer's. Whether offering an automated service or retaining the personal touch, understanding consumer preferences and expectations is crucial to a compelling consumer journey. Creating the best consumer experience is the name of the game.

**Na Jia**  
ReMark CEO

# ... A LOT OF PEOPLE



### ABOUT THIS STUDY

This study is based on a quantitative and qualitative online survey conducted by Dynata and in-house data analysis from 11,796 consumers in 16 key life markets around the world. Fieldwork was conducted in June 2019. The sample and methodology comply with best practice for each market based on a nationally representative set of demographic parameters (age, gender & region), which is considered to be a reasonable proxy to the consumers or potential consumers for life insurance.

Global comparisons are calculated based on the average of each individual country's average.

Established  
Insurance  
markets\*

Growth  
Insurance  
markets\*

\*The breakdown is made according to OECD latest available figures on Insurance spending per GDP and ReMark market analysis. <https://data.oecd.org/insurance/insurance-spending.htm>

# CONSUMER VIEW OF THE LIFE INSURANCE MARKET

Life insurance products have an important role to play in supporting consumers' dreams and aspirations as well as in mitigating their worst nightmares. However, with so many competing demands on consumers' hard-earned cash, insurers face the perennial challenge of convincing a sceptical public of the need for cover.

## The mystery of the protection gap

When asked whether they have any insurance covering life, accident, death, illness or disability, 69% of respondents answered Yes. On closer inspection, the effect of employment and education on the insurance penetration rate becomes clear.

Of those respondents currently in employment, the average insurance penetration rate is 81%, compared to 61% of those who are retired. This is consistent with the diminishing need for life insurance as consumers reach a stage in life when financial responsibilities reduce – and the cost of cover for seniors increases significantly as age rises.

Education levels show a similar correlation. Amongst those respondents claiming to have an undergraduate or postgraduate degree or a professional qualification, insurance penetration is 75% – the corresponding penetration rate for those with a lower educational level is just 57%. This difference points to the value of financial literacy – those with a certain level of education, and the income that generally attaches to it, are more likely to understand the power of protection and have the ability to pay for it.

Interesting differences also emerge in the profiles of respondents between the established markets and the growth markets. Just 50% of respondents in established markets reported being in either full-time employment or self-employment, with 18% either retired or semi-retired. Corresponding figures for the growth market were 72% employed and only 5% retired.

The numbers diverge again when considering education level: 67% of established market respondents claimed to be educated to undergraduate or postgraduate degree level or have a professional qualification, compared to 77% of growth market respondents. This indicates that, while the survey sample was stratified to represent the age and gender structure of the underlying populations, it is likely that there remains a marked economic bias in the growth market samples.

Consistent throughout all markets, employer-sponsored cover remains an important source of protection, with 43% of respondents saying that they had cover arranged through their, or their partner's, employer. Whether from established or growth markets, 60.5% of the respondents (Fig 1) who had employer-sponsored cover thought that the benefit provided was sufficient.



Q: Are there any in this list which are provided by your/your partner's employer (and paid for entirely by the employer)?/Q: Do you think the life cover/insurance provided by your/your partner's employer is sufficient for your needs?

FIG 1: Employer-sponsored Insurance and perceptions of adequacy

India stands out amongst all the markets with 73% of respondents claiming to receive insurance coverage from their employers. Upon closer examination, it is apparent that the Indian survey sample is dominated by respondents of high educational achievement. 87% of Indian respondents described themselves as having an undergraduate, postgraduate degree or a professional qualification. This clearly represents an education level bias for Indian respondents, compared to the Indian national average. The response data from India in this report should therefore be more accurately read as "Educated India" consumers.

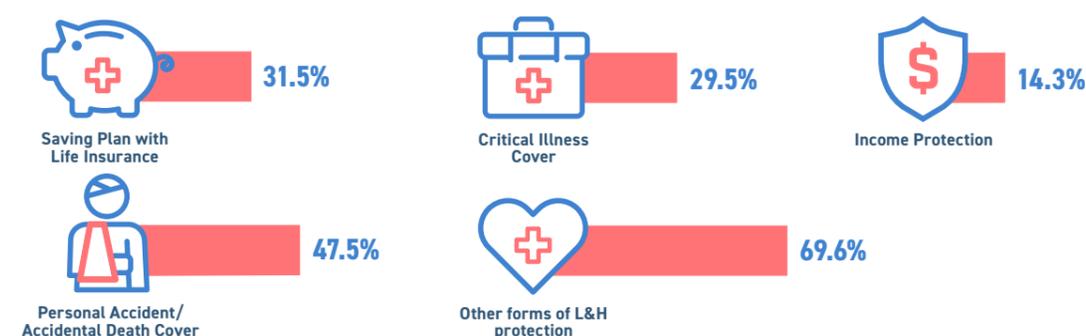
Moreover, with recent growth in the Indian insurance industry primarily driven by government sponsored mass schemes, it is of little wonder that insurance product ownership amongst Indian respondents is very high – albeit that, by any objective measure, the level of benefits provided may not be truly adequate.

## The product landscape is mixed

The product mix will be influenced by a range of factors that will not apply uniformly to all of the countries covered in this survey. These will include, amongst other things, the strictures of insurance regulation and fiscal policy – whether, for example, products confer any tax advantage.

Clearly the mix of products will be dependent upon the range and nature of the products on offer and, indeed, upon the competition from other sectors of the retail financial industry. In a number of the established markets – of which the UK is a prime example – the savings market has been surrendered, almost in its entirety, to the fund management industry whereas, in many growth markets, life insurance is still one of the few avenues for individuals to access non-deposit savings.

By comparison, take-up of income protection remains low. Only 14% of respondents reported having this cover (Fig 2), despite the fact few would be able to face the prospect of long-term sickness or injury without serious detriment to their financial wellbeing. But, while the need and potential demand are clear, supply-side issues may still be a barrier to progress. Designing products that are both profitable and consistent with customer needs and expectations has proved to be an enduring challenge. In addition, salespeople have been wary of selling the product because of the more stringent underwriting standards and the potential for dispute over claims – either of which might put client relationships at risk.



Q: Which of the following insurance products do you have? (Please select all that apply)

FIG 2: Insurance product ownership

### Established Market

Country	Saving Plan with Life Insurance	Critical Illness Cover	Income Protection	Personal Accident/Accidental Death Cover	Other forms of L&H protection
Australia	19.2%	21.7%	35.9%	42.9%	68.2%
Canada	12.6%	25.6%	10.7%	37.4%	83.4%
France	24.8%	17.1%	14.5%	48.7%	67.0%
Germany	48.5%	5.3%	8.0%	66.4%	29.1%
Japan	19.8%	25.7%	6.4%	33.9%	84.6%
South Korea	36.0%	63.3%	11.3%	45.9%	64.7%
Spain	31.0%	13.5%	14.5%	54.3%	68.3%
UK	16.8%	27.7%	14.9%	28.7%	82.7%
USA	13.5%	14.6%	6.5%	30.9%	82.8%

### Growth Market

Country	Saving Plan with Life Insurance	Critical Illness Cover	Income Protection	Personal Accident/Accidental Death Cover	Other forms of L&H protection
Chile	27.8%	32.3%	41.6%	37.1%	66.8%
China	31.4%	65.7%	8.5%	61.4%	67.3%
India	52.0%	29.0%	17.0%	42.0%	86.2%
Indonesia	48.8%	19.6%	10.1%	50.4%	65.1%
Malaysia	45.9%	39.1%	12.9%	63.2%	60.4%
Mexico	27.8%	26.9%	7.3%	43.6%	67.8%
South Africa	26.9%	29.8%	21.7%	57.4%	75.5%

## Trust needs real people

Consistent with the results of our previous surveys, the online world is not the first source of information when it comes to research of life insurance products. Consumers in nearly all countries continue to place greatest trust in advice from families, friends and financial advisers. This reliance upon family and friends decreases with the age of the respondents. Approximately 50% of those surveyed under the age of 38 cite this as their primary source of information, while the corresponding proportion of the over 65s falls to 30% (Fig 3).



Q: Which of the following sources would you trust most to research about life insurance?

FIG 3: Most trusted information channel

Age Band	Family & Friends	Financial Advisor	Direct	Social Media	Magazine & Newspapers	Search Engine	Internet Comparison Website
18-22 (Gen Z)	52.5%	17.9%	8.2%	8.9%	2.8%	5.5%	4.1%
23-38 (Millennials)	47.2%	19.9%	8.8%	7.1%	3.7%	8.3%	5.0%
39-54 (Gen X)	39.5%	22.0%	10.7%	4.5%	3.8%	9.3%	10.2%
55-73 (Boomers)	31.7%	26.5%	16.5%	1.7%	3.8%	9.2%	10.7%
74+ (Silent generation)	25.0%	23.7%	21.3%	2.1%	2.1%	9.6%	16.2%
<b>Average</b>	<b>42.1%</b>	<b>21.7%</b>	<b>11.0%</b>	<b>5.4%</b>	<b>3.6%</b>	<b>8.5%</b>	<b>7.7%</b>

Of those identifying a trusted source outside the circle of family, friends and financial advisers, we observe some variance amongst different markets. Internet comparison websites rank within the top three sources in Germany, Spain, South Korea and Chile. Elsewhere, the other most favoured source of information to have popular support is the insurer's website.

So, despite the prevalence of social media in our daily lives, these channels have yet to play a significant role for any generation in the gathering of trusted information.

When it comes to purchase channel preference, independent financial advisers enjoy the greatest trust in 12 of the 16 markets surveyed (Fig 4). The exceptions are France and Japan, whose respondents appear to

favour direct purchase by mail or in person at a branch of a bank or insurance company, and Malaysia and South Korea where bank/insurance company agents received the greatest number of nominations.

In the majority of countries, completion either online or via a comparison website receives relatively modest acceptance. The respondents who place the greatest trust in these avenues for the purchase of insurance are those from Australia, Germany, Japan, South Korea and UK. Japan is notable in that, whilst 20% of its respondents nominated comparison websites as the most trusted channel for completion – the largest proportion in any of the markets surveyed – just 12% thought these sites to be the most trusted source of information.

Country	An independent, professional financial advisor	A professional financial advisor associated with an insurance company/bank/building society	Directly in-person with the insurance company/bank/building society	Directly online with the insurance company/bank/building society	Via an internet comparison website (e.g. Compare the Market, Go Compare)	Over the telephone	Over social media
Australia	29.0%	7.4%	25.8%	15.5%	13.3%	7.8%	1.2%
Canada	39.1%	13.1%	26.6%	9.0%	5.9%	5.7%	0.6%
Chile	42.1%	23.2%	15.3%	3.0%	11.3%	3.0%	2.2%
China	32.2%	18.5%	29.0%	8.4%	7.0%	2.7%	2.1%
France	30.6%	13.7%	32.8%	6.2%	10.1%	5.4%	1.2%
Germany	33.6%	14.2%	22.1%	10.1%	16.0%	3.2%	0.8%
India	38.2%	24.1%	18.4%	10.0%	7.4%	1.2%	0.8%
Indonesia	34.8%	15.5%	33.4%	4.2%	6.0%	3.2%	3.0%
Japan	13.9%	18.0%	30.1%	9.1%	20.0%	7.5%	1.4%
Malaysia	28.0%	31.0%	28.8%	5.4%	4.6%	0.8%	1.4%
Mexico	38.9%	33.1%	14.2%	3.5%	5.1%	3.3%	1.9%
South Africa	35.9%	21.9%	23.8%	7.6%	7.6%	3.0%	0.2%
South Korea	20.6%	25.9%	21.4%	8.1%	17.9%	2.9%	3.1%
Spain	47.0%	18.1%	13.5%	5.2%	10.3%	4.4%	1.6%
UK	30.7%	8.7%	26.2%	15.6%	12.6%	4.7%	1.6%
USA	35.8%	15.1%	28.2%	9.7%	5.3%	4.7%	1.2%
<b>Average</b>	<b>33.2%</b>	<b>18.8%</b>	<b>24.4%</b>	<b>8.2%</b>	<b>10.0%</b>	<b>4.0%</b>	<b>1.5%</b>

Q: Which of the following would you trust most when purchasing life insurance?

FIG 4: Most trusted purchase channel

## Calling for a faster, easier purchase experience

Price remains the no.1 factor when buying life insurance, with 46% of respondents saying this is the most important feature when making a decision. Convenience is also valued, with 26% looking for a hassle-free process, whilst 7% are primarily concerned with the speed of the acceptance process.

There are interesting generational differences to note. For the 18-22 (Gen Z) age band, a hassle-free process comes out as being equally important to price, with speed of completion valued more highly by this group than by older respondents. However, with each successive age group, price assumes ever greater importance at the expense of process or speed of completion. Amongst the over 55s, competitive pricing is rated to be the most important factor by

55% of respondents whilst just 20% are primarily concerned with the ease of the process.

Brand reputation also features highly, with 19% of respondents rating this as the most important factor. However, Chinese respondents stand out as being the most brand-conscious with over 50% rating this to be of primary importance.

Although speed of completion was a principal concern for only a minority, respondents nonetheless expect the acceptance process to be completed quickly (Fig 5). 74% of respondents expect to complete the purchase within 24 hours, with a significant 30% expecting completion in less than an hour. Just 10% would be happy to wait for a week.



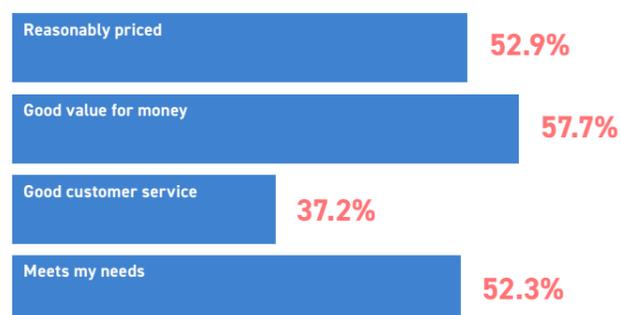
Q: What length of time would be acceptable for an insurance company to complete the purchase process?

FIG 5: Acceptable time for purchase completion

## The route to happiness

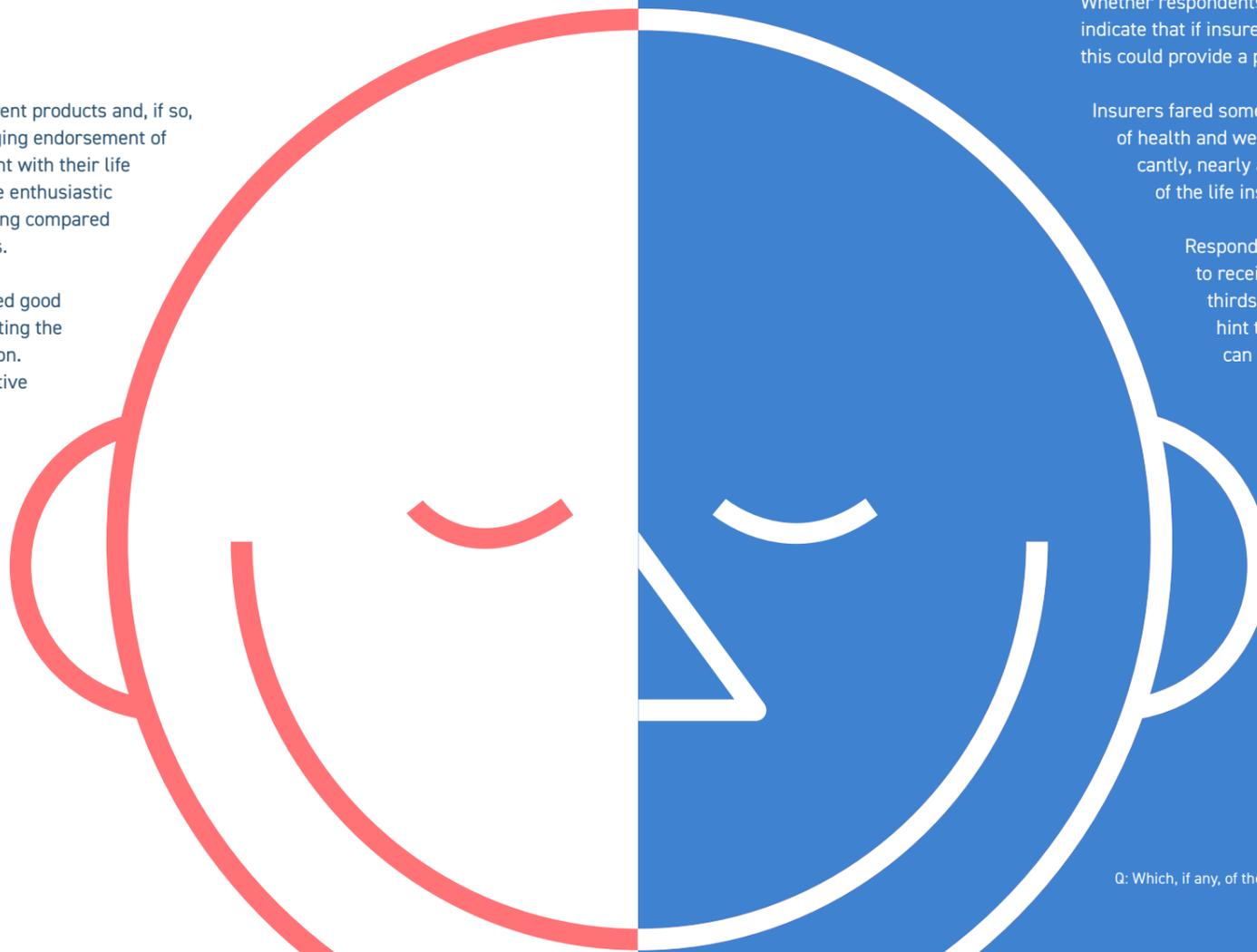
The survey asked respondents whether they are happy with their current products and, if so, which features gave rise to their satisfaction. The response was a ringing endorsement of customer satisfaction with 76% of respondents expressing contentment with their life insurance products. Respondents from the growth markets were more enthusiastic than those from the established markets, with an 84% satisfaction rating compared with a more modest 70% of respondents from the established markets.

And the cause of this contentment? 58% thought their insurance offered good value for money, with 53% saying it was reasonably priced and 52% citing the fact that the product meets their needs as a reason for their satisfaction. Customer service got fewer mentions with 37% flagging this as a positive feature of their customer experience (Fig 6).



Q: If you are happy with any of your current life insurance products, which of the following are the positive features?

FIG 6: Positive features of insurance product



On the other side of the scale, those who are not happy with their existing products were asked to indicate the cause of their dissatisfaction. This proved to be almost a mirror image, with more than half (52%) thinking that their products represented poor value for money, 46% saying cover was too expensive and 33% feeling that it didn't meet their needs, while just 24% put their dissatisfaction down to poor customer service (Fig 7).

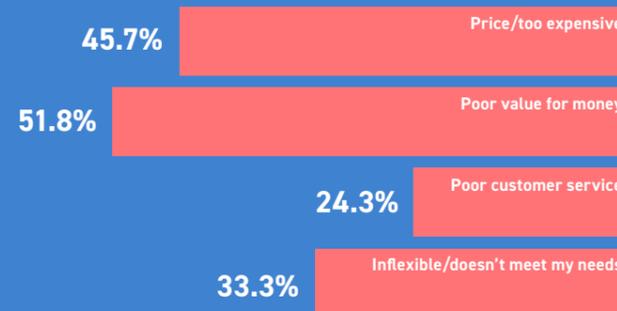
This suggests that, for many people, whether they love or hate their life insurance, the sentiment will often come down to price. That customer service takes a less prominent place in forming customers' perceptions is perhaps a reflection of the fact that insurers, generally, have few interactions with their policyholders during the lifetime of a policy.

## At your service

To gain a better understanding of the level of contact that might be expected by life insurance customers, the study looked at four areas of information, comparing what customers might hope or expect to receive after purchase with the information they actually had received.

The only area where the amount of information received exceeded that which was expected was for new products, with 31% expecting this compared to 40% actually receiving it.

On the other hand, 41% had expectations of being offered discounts and other offers while only 20% actually received them (Fig 8).



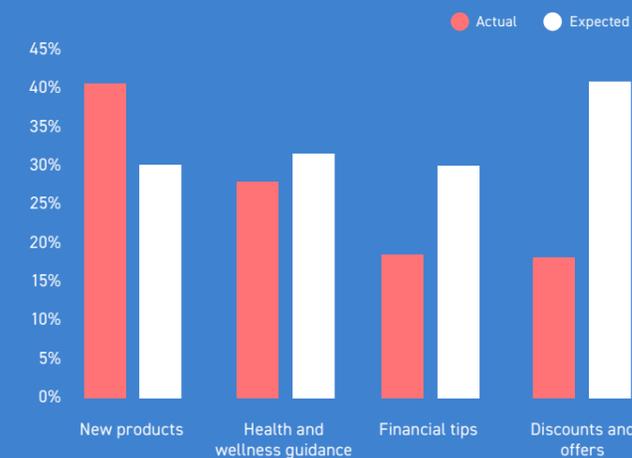
Q: If you are you unhappy with any of your current life insurance (incl accident, death, illness or disability), which of the following give cause for concern?

FIG 7: Negative features of insurance product

Whether respondents are living more in hope than expectation is not clear, but it does indicate that if insurers can forge arrangements with other providers of goods and services this could provide a positive influence on customer relationships.

Insurers fared somewhat better at meeting consumer expectations regarding the provision of health and wellness guidance with experience being very close to expectation. Significantly, nearly a third of consumers consider health and wellness guidance to be part of the life insurance proposition.

Respondents were also asked about the frequency with which they might expect to receive information from their insurers. A large majority (more than two-thirds) suggested that they would welcome contact once a month – another hint to insurers that their customers have a willingness to engage if they can provide relevant services and information.



Q: Which, if any, of the following has your insurer contacted you about since you purchased your policy? (Actual)  
Q: What would you like to hear from your insurer about? (Expected)

FIG 8: Communication received from insurers – actual vs. expected

# THEME 1

# TAKING THE PULSE OF CONSUMER HEALTH

## IMPLICATIONS

- Whilst the majority of respondents have a positive perception of their health, there is widespread recognition that lifestyles can be improved. 30% of respondents use a wearable device (with another third expressing the intention to do so), believing that this will help them to achieve lifestyle improvements.
- Recognising the need for change is one thing – keeping the motivation to make the necessary behavioural changes is quite another. New technologies, particularly advances in fitness tracking devices, provide the means for a mutually beneficial cooperation between life insurers and their customers.
- If customers can be persuaded to share their data, insurers can provide motivation through helpful feedback and rewards for maintaining a healthy lifestyle. In so doing, insurers stand to strengthen customer relationships and reap the rewards of improved mortality risk.

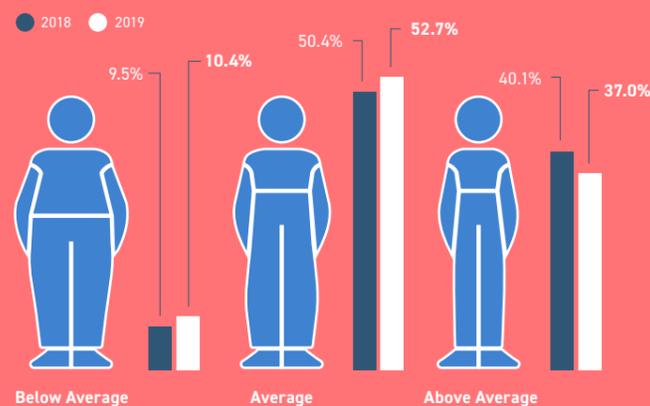
Life insurers share a common interest with their customers, to drive changes in habits that will lead to a healthier lifestyle. By engaging with policyholders to influence and enable positive change, insurers stand to gain twice, from improvements in mortality risk and from stronger customer relationships. Furthermore, responses to the survey suggest that, in pursuing this objective, insurers may well be preaching to the converted.

## Most of us are at least average

When it comes to an assessment of their own general health, respondents demonstrate a consistent positive bias, across all countries, with 89.6% of respondents claiming to be in average or better than average health, leaving just 10.4% prepared to admit to being less healthy than the average (Fig 9).

Whilst one might expect a more even division between those perceiving themselves to be healthier than average and those considering themselves to be in less than average health, this response is remarkably consistent with findings in previous years. This apparent departure from reality is not entirely surprising. It is likely to be a reflection of the fact that most asymptomatic

individuals have no objective measure with which to compare themselves to others. Furthermore, if respondents are free from any specific health problems, they may regard themselves as being in normal or average health, even though they are overweight, smoke or take too little exercise – characteristics that might lead a clinician to say otherwise.

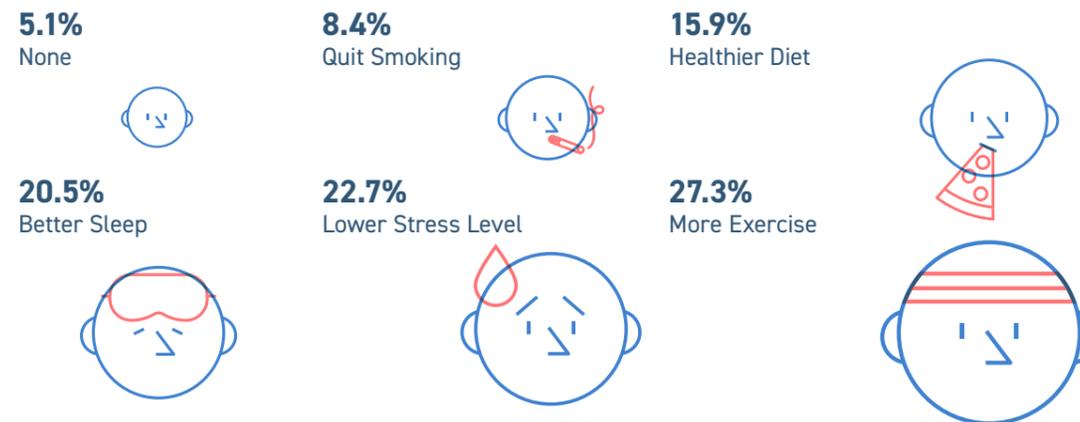


Q: How healthy do you perceive yourself to be in comparison to the average person of your age?

FIG 9: Self-perception of health

## Room for improvement

Despite these very positive perceptions, there is a significant level of recognition amongst respondents that there are aspects of their lifestyle that can be improved. A mere 5% felt that they had no need of any improvement (Fig 10).



Q: Which of the following aspects of your lifestyle would you most like to improve?

FIG 10: Lifestyle improvement wishes

## Working out the exercise statistics

The most commonly cited area in need of improvement is exercise. A comparison with the World Health Organisation's recommendation of 150 minutes of physical activity a week confirms that only a minority of respondents are getting enough exercise (Fig 11).

In an exception that proves the rule, the Japanese – noted for their longevity – appear to be among the least active. At the other end of the spectrum, respondents from India are the most likely to embrace the merits of exercise.



Q: How often do you exercise for more than 20 minutes?

FIG 11: Self-assessment of exercising

Making 10,000 steps a day, widely accepted as a desirable target for activity, proves to be even more of a challenge. Just one in 10 manage to achieve more than 10,000 steps, with 52% saying their step count is lower than 5,000 a day (Fig 12).



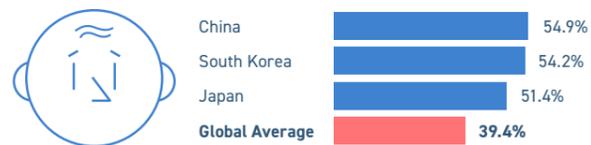
Q: On average, how many steps do you walk per day? (e.g. 10 mins of walking is roughly 1,000 steps)

FIG 12: Average number of steps per day

## Rooting out the causes of stress

Reducing levels of stress is cited as an objective by 23% of respondents (Fig 10). Stress is a highly subjective issue – but whatever the cause, with 39% of respondents claiming to feel stressed or very stressed, stress management is a key contributor to a healthier lifestyle (Fig 13).

### Top 3 Stressed/Very Stressed Countries



### Top 3 Calm/Very Calm Countries



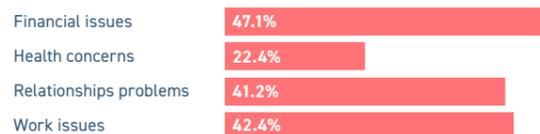
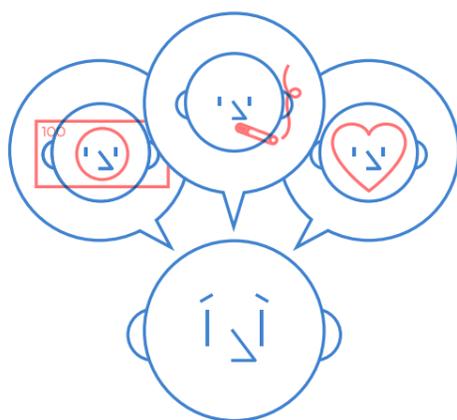
Q: Generally speaking, how stressed do you feel?

FIG 13: Self-assessment of stress level

Of the causes of stress cited in the survey, the proportion of respondents who feel stressed or very stressed is markedly higher in China (55%), South Korea (54%) and Japan (51%) than in relaxed Indonesia, where just 17% consider themselves to be stressed.

Understanding what causes stress is the first step to resolving the problem (Fig 14). Money is the largest cause of stress, cited by 47% of respondents. It is especially stressful for those aged 23-38 (Millennials), the figure rising to 53%. Past that stage, money becomes less of a headache, with only 25% of the over 65s reporting it as a cause of stress.

Work is also regarded as a significant cause of stress, with 42% of respondents flagging up workplace tension. This peaks at around 52% of Millennial respondents, a testing time, when the demands of career progression and extraordinary financial pressures – such as starting a family or buying property – combine to underline the importance of income security and the work that provides it.



Q: When you feel stressed, what are the main causes of this stress?

FIG 14: Cause of stress



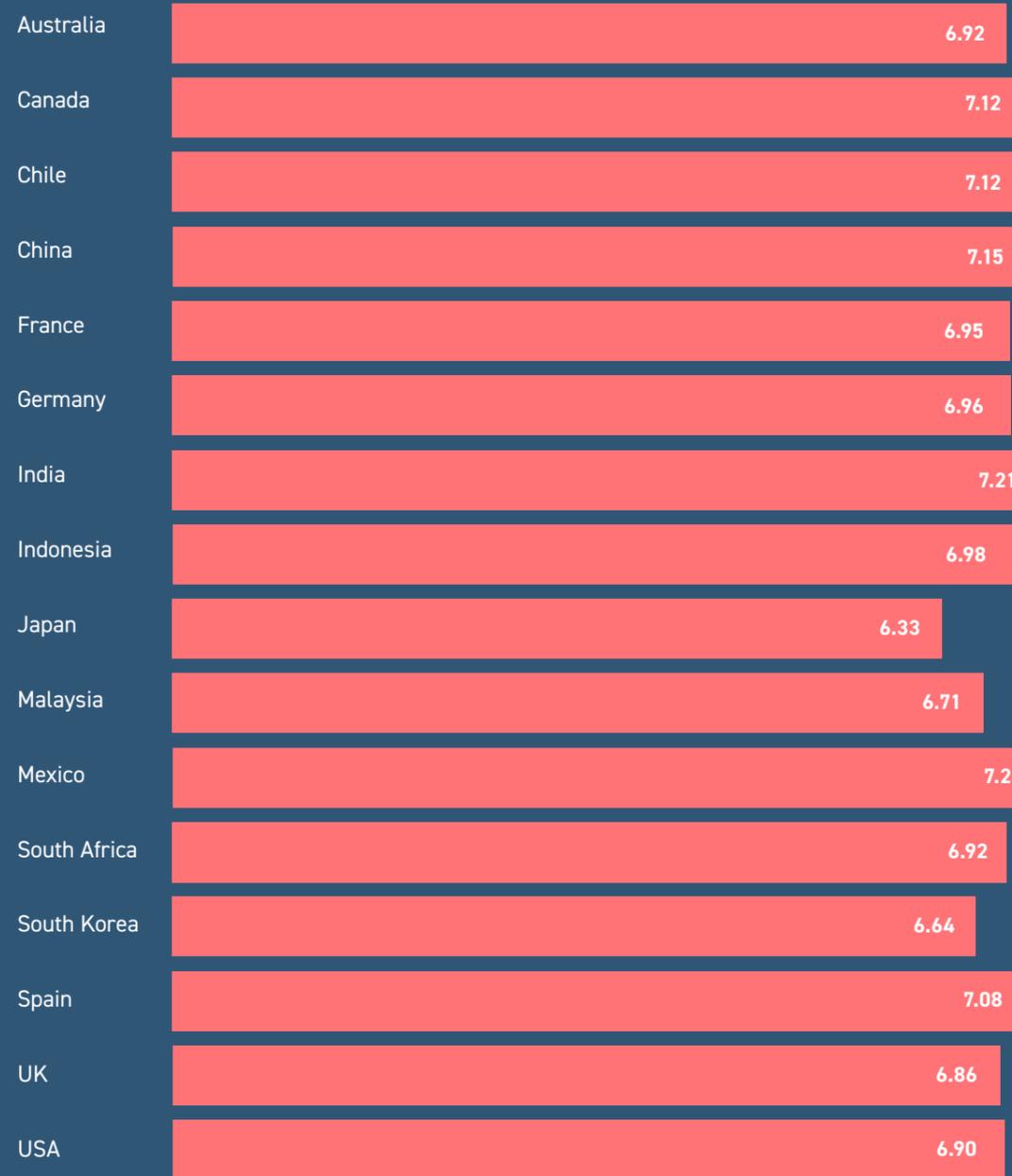
## Dreaming of a good night's sleep

From Leonardo da Vinci to Thomas Edison, there are numerous examples of people who excelled on very little sleep. But US non-profit organisation, the National Sleep Foundation, recommends that adults get between seven and nine hours sleep a night.

Around 60% report getting the recommended hours of sleep (Fig 15). However this appears at odds with recent global research on sleep deprivation in modern society. Further analysis would be required to fully understand the extent of the consumers' self-perception bias on sleeping hours.



Average hours of sleep per night  
Global Average 7.00

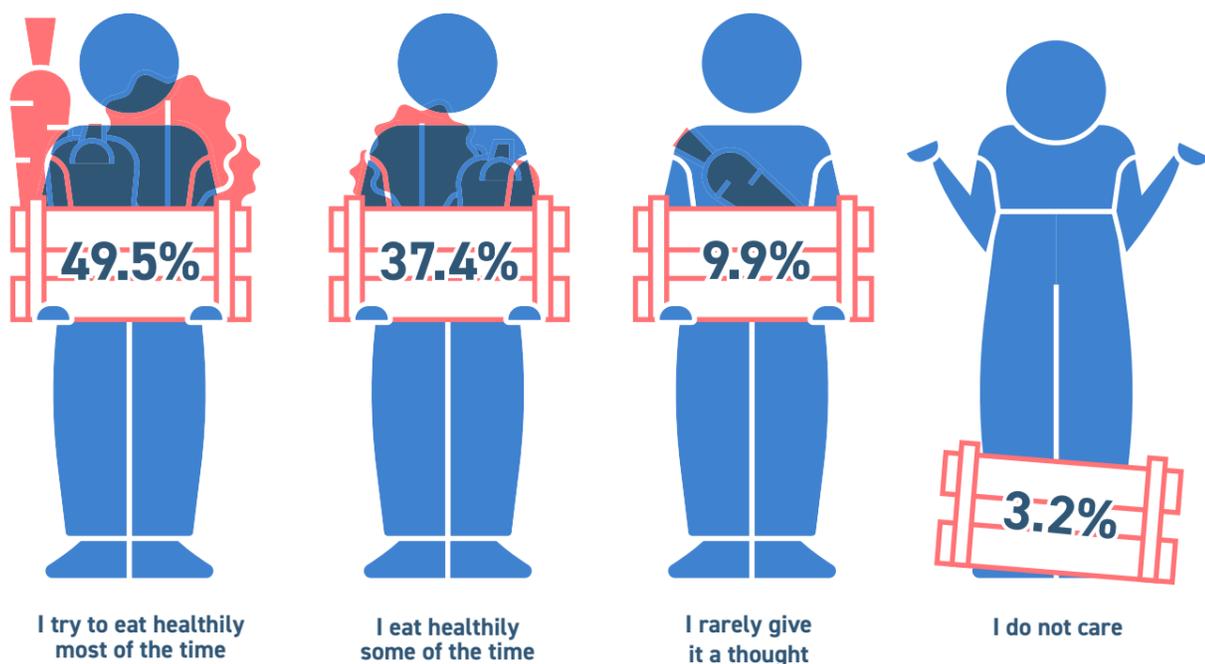


Q: On average how many hours of sleep do you get per night? \*Free entry answer\*

FIG 15: Self-assessment of sleep duration

## You are what you eat

The survey indicates that a majority of respondents understand the link between diet and health. Just 10% claimed that they rarely give thought to their diet – and only 3% showed no interest at all (Fig 16).



Q: How much does health consciousness play a part in your diet?

FIG 16: Health consciousness in dietary choice

## A symbiotic relationship with insurers

The fact that so many respondents understand the benefit of a healthy lifestyle and acknowledge the scope for improvement offers the promise of a symbiotic relationship with insurers. Recognising the merits of lifestyle improvement is one thing. Sustaining the motivation to make the necessary behavioural changes is quite another.

New technologies, particularly advances in fitness tracking devices, provide the means for a mutually beneficial cooperation between life insurers and their customers. If customers can be persuaded to share their data, insurers can provide the guidance and motivation to achieve sustainable improvements. Armed with the data, insurers can calibrate rewards for achievement and provide feedback and support that will serve to strengthen customer relationships. At the same time, insurers stand to reap the rewards of improved mortality risk.



## Watch and learn

Ownership of these devices varies widely from one country to another. The highest penetration, by a comfortable margin, is in India, where 57% of respondents possess a wearable device. At the other end of the spectrum are the Japanese, of whom just 10% reported owning a device (Fig 17). It seems ironic that a country with a reputation for technological innovation should be so far adrift from the trend, but it is consistent with their apparent lack of interest in exercise. The overall percentage of respondents in the 23-38 (Millennials) age band who own a device, a key target segment for insurance, is 40%.

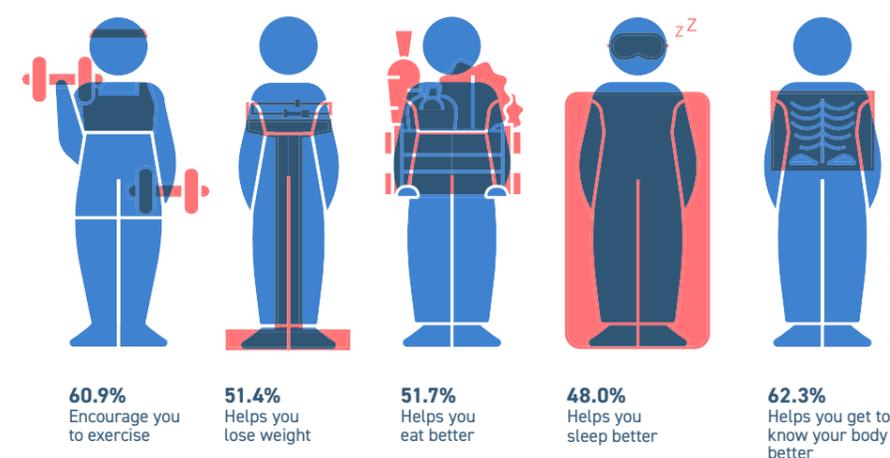


Q: Do you own a wearable device that gives you information on your exercise/food intake/sleeping pattern, etc. (even if you don't currently use it) e.g. a Fitbit, Garmin, or Apple Watch?

FIG 17: 2018/2019 comparison of wearable devices' ownership

Country	Yes		Country	No but I am intending to get one	
	2018	2019		2018	2019
Australia	22.8%	26.4%	Australia	22.8%	22.9%
Canada	18.5%	22.1%	Canada	19.7%	20.9%
Chile	26.2%	30.9%	Chile	32.3%	48.0%
China	41.3%	32.8%	China	36.9%	46.0%
France	19.8%	26.4%	France	29.4%	24.3%
Germany	20.2%	20.3%	Germany	19.5%	25.8%
India	49.0%	57.4%	India	36.7%	31.5%
Indonesia	27.3%	37.2%	Indonesia	41.6%	43.3%
Japan	10.0%	10.4%	Japan	22.3%	13.7%
Malaysia	33.0%	33.7%	Malaysia	37.3%	47.8%
Mexico	25.0%	38.6%	Mexico	43.1%	46.0%
South Africa	25.0%	23.7%	South Africa	33.1%	47.2%
South Korea	15.2%	20.2%	South Korea	41.4%	51.9%
Spain	26.6%	41.3%	Spain	29.0%	32.8%
UK	23.2%	26.6%	UK	21.5%	24.1%
USA	40.0%	32.9%	USA	19.8%	24.7%

Insurers aiming to promote the use of wearable devices will find themselves preaching to the converted. The responses to the survey demonstrate that a sizeable majority of respondents believe that using a device will contribute to improvements in their lifestyle (Fig 18).



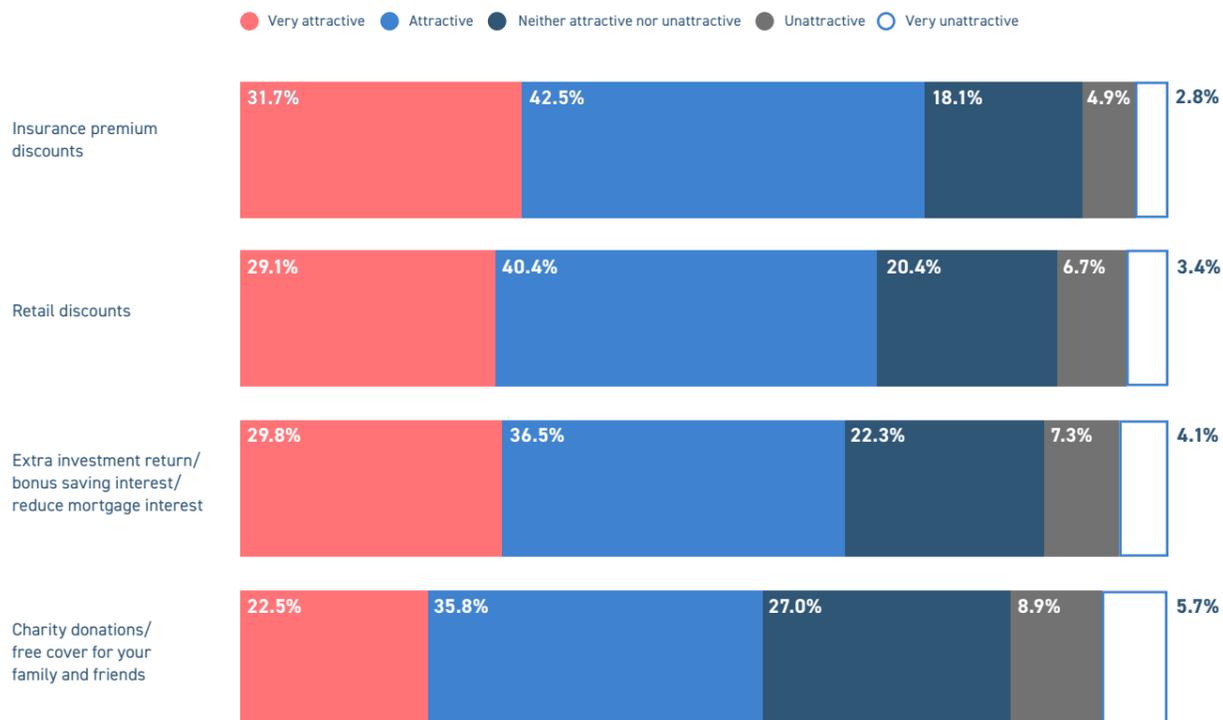
Q: By using a wearable device, which of the following (if any) do you think wearing the device leads to?

FIG 18: Perceived benefits of a wearable device

## Make it rewarding

Streaming data enables insurers to assess risk on a continuous basis. This delivers deeper insights into the individual's lifestyle, paving the way for insurers to reward improvements. Rewards are undoubtedly an essential motivation, not only to encourage consumers to adopt and maintain healthy behaviours but also to encourage them to engage with insurers. These inducements could range from premium discounts to smart watches or targeted retail discounts.

When asked which of a range of rewards they would find most appealing in exchange for undertaking physical activity, the most popular answer was discounts on insurance premiums (Fig 19), with 74% seeing this as being attractive or very attractive.



Q: Please rank the following rewards in order of appeal to you, where 1 is most appealing?

FIG 19: Ranking of rewards

A key question for insurers is whether customers can be persuaded of the benefits of sharing their data. The appeal of premium discounts is by no means universal – suggesting that current inducements to share data from wearable devices are lukewarm at best.

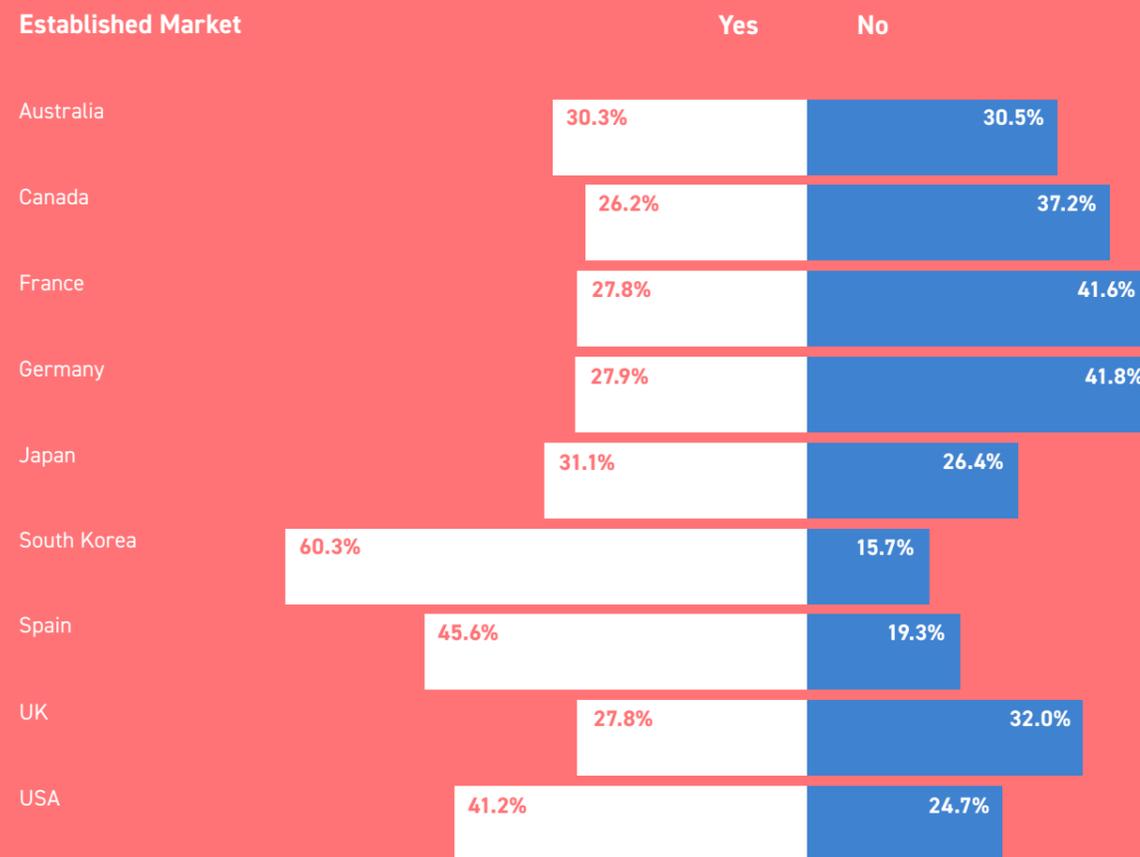
There appears to be limited enthusiasm in most of the established markets for handing over this data. The exception is South Korea, where 60% of respondents are happy to share their data (Fig 20).

Familiarity may be a significant factor in shaping attitudes. Seeing the benefits of improvements to their health could lead consumers to feel more comfortable with the prospect of sharing data. Lack of familiarity may contribute to the greater reluctance amongst the over 55s, 34% of whom said that they would be unwilling to share their data.

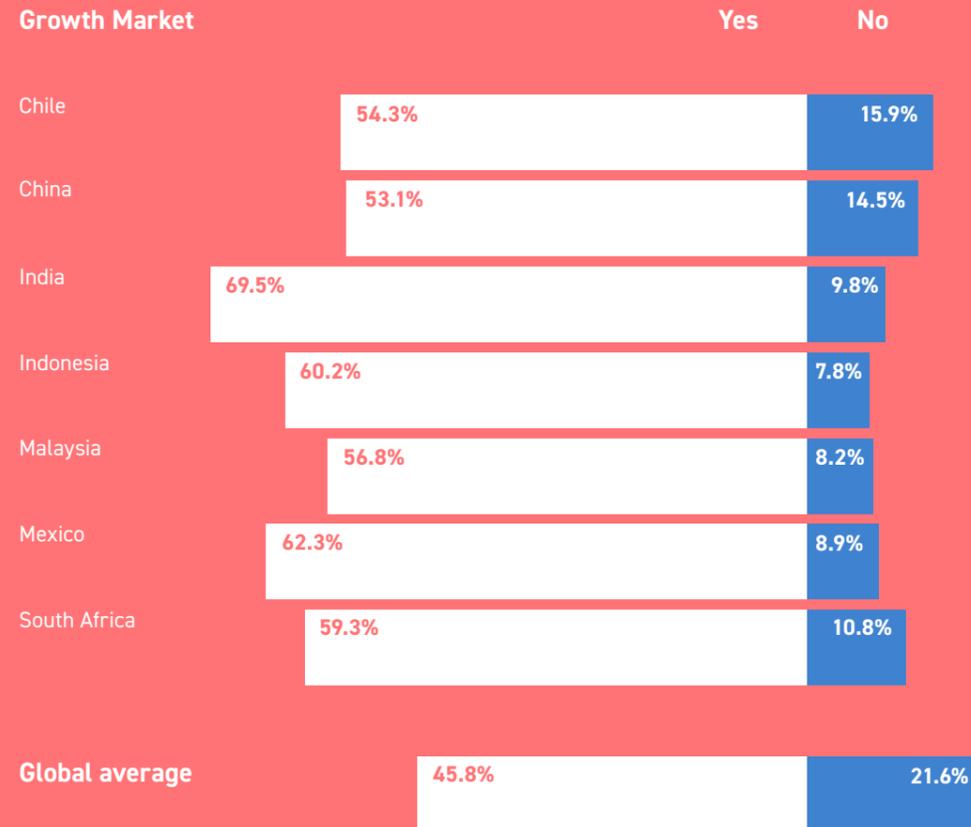
However, a further influence upon the caution of older respondents could be concerns about how their data might be used and doubts that their activity data would provide sufficient evidence to secure a discount.

Doubts aside, in India, where the proposition had the support of 70% of respondents, and in Mexico where 62% of respondents gave a positive response, the idea of sharing data for premium discounts is embraced enthusiastically (Fig 20).

## Established Market



## Growth Market



Q: If an insurer were able to monitor your wearable data (steps, heart rate, sleep) and discount your policy premium frequently based on your activity, would you like to try this feature?

FIG 20: Receptiveness to sharing wearable data in exchange for premium discounts

## THEME 2

# PREVENTION IS BETTER THAN CURE

### IMPLICATIONS

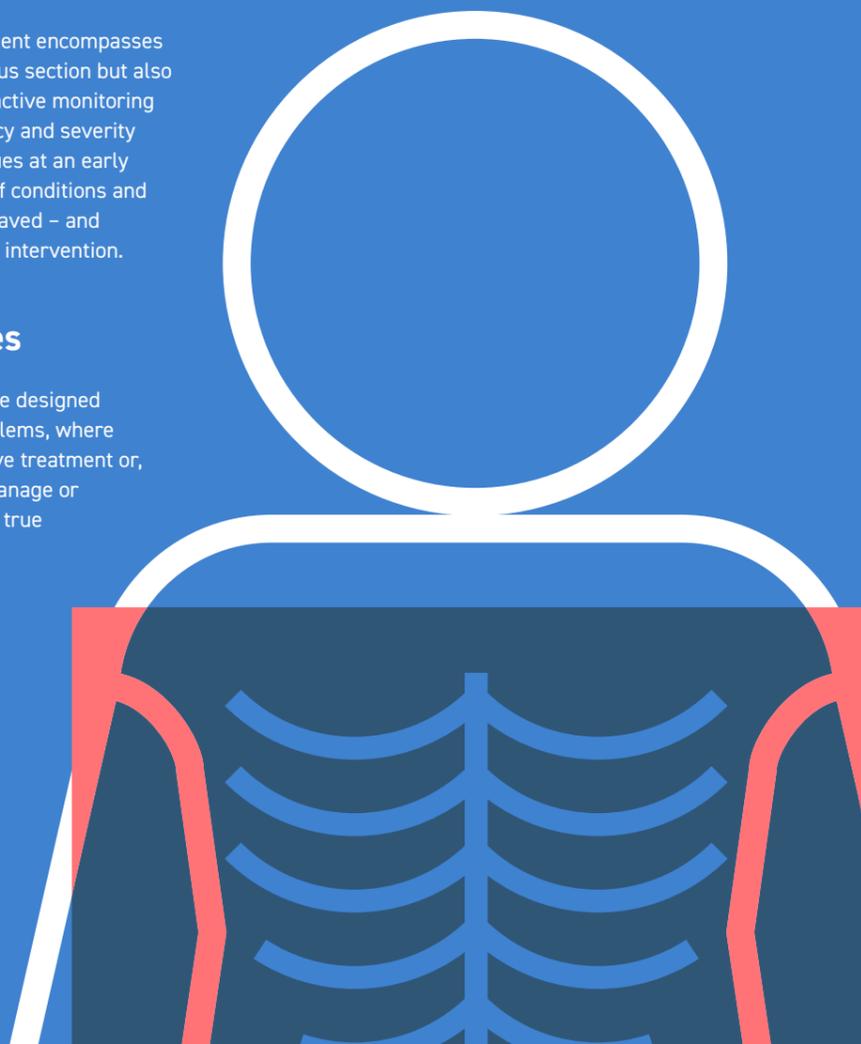
- A proactive approach to health management enables an individual to manage, postpone and even prevent some medical conditions. If insurers can help to facilitate successful health management, they stand to benefit from reduced risk and through building more valued relationships with customers. The challenge for insurers is to establish a role in a field in which they have no natural credibility or expertise.
- Whether willingly or with the coercion of their doctor or employer, 60% of respondents reported having a regular health check. For others, the cost or inconvenience of undergoing regular screening has limited take-up. Technology could present a cost-effective way to overcome these barriers.
- Partnering with medical technology companies that have expertise in the field of health management offers insurers the means to monitor and reward policyholders who take active steps to manage their health.

A truly comprehensive approach to health management encompasses not only the lifestyle choices discussed in the previous section but also regular monitoring to identify latent conditions. Proactive monitoring delivers significant benefits by reducing the frequency and severity of medical crises. By identifying potential health issues at an early stage, it is easier to manage or postpone the onset of conditions and even to prevent them from occurring. Lives can be saved – and money too – by reducing the need for costly hospital intervention.

### Early detection, better outcomes

A few countries have screening programmes that are designed to detect conditions, such as cancers and heart problems, where early detection enables individuals to access effective treatment or, in some cases, to make lifestyle changes that will manage or prevent the condition altogether. This is particularly true of many forms of cancer where outcomes are vastly improved with early intervention.

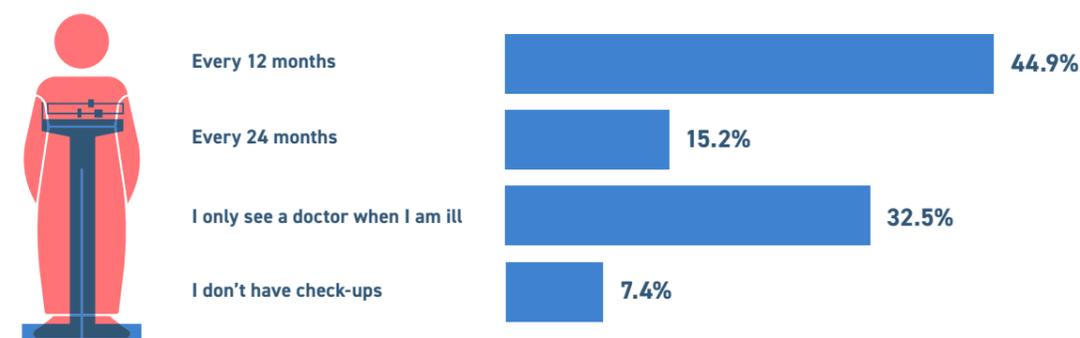
Many countries are seeing a rise in the incidence of Type II diabetes. This has a long asymptomatic period during which it can be detected through blood or urine tests. Diagnosis at this stage makes it easier to prevent complications such as nerve damage, kidney problems and strokes. There is also evidence that, through changes in diet and weight loss, some diabetics can put their condition into remission.



## Checking on health

Clearly, keeping fit is a critical element of a proactive health strategy and in Theme 1 we sought to gain insights into consumers' attitudes to fitness and wellness. But, given the importance of detecting potentially damaging latent conditions, the survey also sought information from respondents about the frequency with which they underwent a medical check-up.

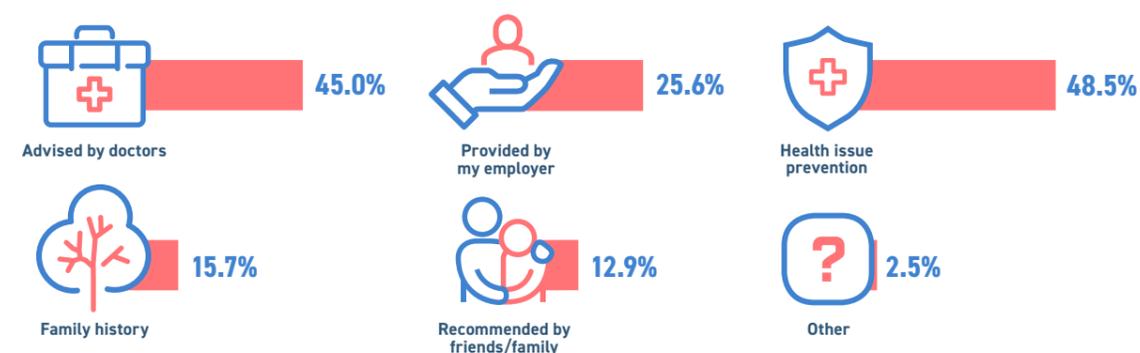
The survey found that 60% of respondents have a full medical check-up or body scan at least once every two years, with just under half (45%) of respondents having a check-up every year (Fig 21). It is encouraging to see that such a high proportion of the respondents seem to have bought into the merits of proactive health management. However, it is also important to understand what drives the respondents to undergo a regular medical check-up. Around 50% cited the prevention of health issues as being a motivator while 45% said that the check-up had been triggered by doctor's advice.



Q: How often do you have a full medical check-up or body scan?

FIG 21: Frequency of full medical check-up

The role of the employer can also have a significant influence. Overall, 26% of respondents reported having a regular check-up because it was provided as a workplace benefit. Amongst Japanese respondents this proportion swelled to 47% (Fig 22).



Q: If 'every 12, 24 months', why do you regularly have a full medical check-up? Please select all that apply

FIG 22: Reasons for having a full medical check-up

Age does influence the likelihood of an individual having a regular health check. At the youngest end of the spectrum, 34% have an annual check-up, compared to 57% of the over 55s. This may be due to national health screening programmes targeting those at greatest risk, which is often, though by no means always, the older generation. Furthermore, the older generation is more likely to have developed conditions that require regular screening.

That so many people willingly, or with the coercion of their doctor or employer, engage with their health is encouraging but it still leaves around a third of respondents who do not see the need. Notably, respondents in certain countries are more likely to leave a visit to the doctor until they are ill. This is the case for 48% of Malaysian respondents, 47% of South African respondents, and 46% of those in the UK. Understanding the reasons for their reluctance can help to overcome these obstacles and encourage them to engage more actively with their health.

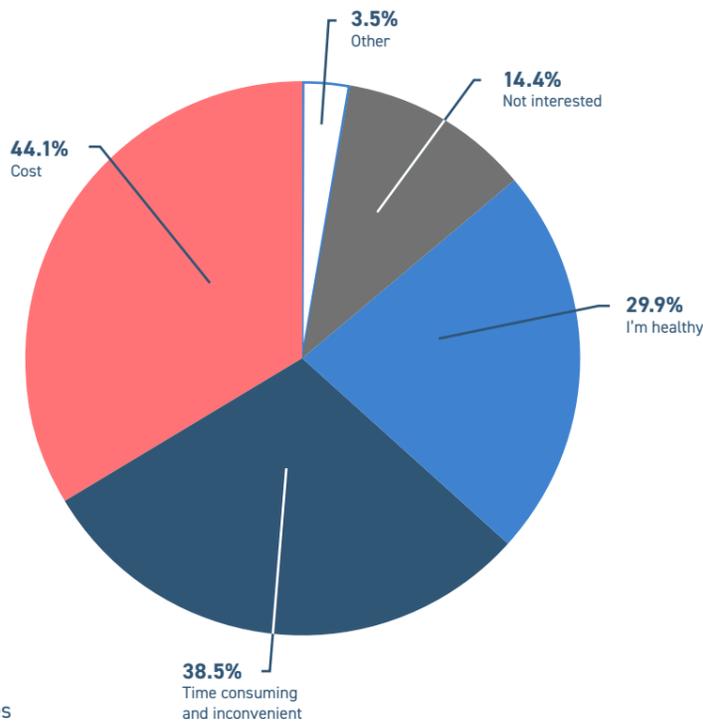
## Technology to the rescue

Amongst those who did not have a regular health check, the biggest barriers were cost, which was cited by 44%, and the time and inconvenience, noted by 39% (Fig 23).

The answer to overcoming these barriers may lie in technology. A number of technology companies are working on systems and equipment to facilitate health management through convenient monitoring and reporting of health data.

Some are designed to track markers and treatment for specific conditions such as those that track blood pressure and heart rate in order to monitor stroke risk or those tracking the metrics associated with Type II diabetes. Other systems in development are designed to capture data relating to a broader family of conditions.

These systems are set to revolutionise the possibilities for active health management.



Q: If 'I don't have check ups' or 'I don't know', what is your biggest concern about having a full medical check-up?

FIG 23: Reasons for not having regular check-ups

## The genetic inheritance

One of the most significant developments to advance the understanding of health risks is the science of genetic technology. Testing of DNA has the capability to determine an individual's predisposition to a variety of diseases, including some forms of cancer, Parkinson's disease and Alzheimer's.

In some cases, a specific genetic mutation will confer a very high degree of certainty that the associated condition will, at some point, develop. In other cases, it will merely indicate a predisposition to a condition, the emergence of which will be highly dependent upon a host of environmental factors.

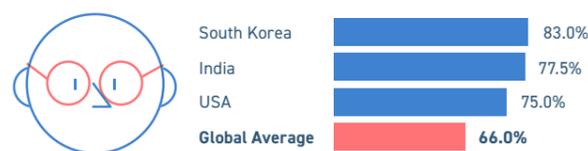
The cost and complexity of such a test have reduced significantly. Today, genetic testing is readily available in the consumer market. It can be conducted in a doctor's clinic or with a testing kit at home, with results generally available in a matter of days.

## Taking the test

Given the critical importance of genetic science upon health management, this study sought to test consumer attitudes to, and understanding of, the fast-developing science.

Awareness of genetic testing is high. Our study found that 66% of respondents had at least some understanding of the subject. This understanding was even higher in some countries – 83% of respondents in South Korea and 78% of those in India (Fig 24).

### Understanding of Genetic Testing – Top 3 Countries



### Understanding of Genetic Testing – Bottom 3 Countries



Q: How much do you know about Genetic Testing?

FIG 24: Understanding of Genetic Testing

However, this awareness has not translated into a high take-up, with just 16% of respondents saying they have had a DNA test. The survey suggests that younger people are more likely to take a test, with 23% of the under 38s compared with just 7% of the over 55s. There are quite marked variations between the responses in different countries. Take-up rates in India and Indonesia are 35% and 25% respectively while, at the other end of the spectrum, the take-up rate in Japan was only 8% and in South Korea only marginally higher at 9% (Fig 25).

This survey suggests that reducing the cost of testing would provide a boost to public interest. 56% of respondents indicated that they would be interested in taking a test if it were affordable. This interest is higher among the younger respondents with nearly two thirds (63%) of Gen Z and Millennials keen to take a test at an affordable price, compared with 36% of the Silent generation (Fig 26).

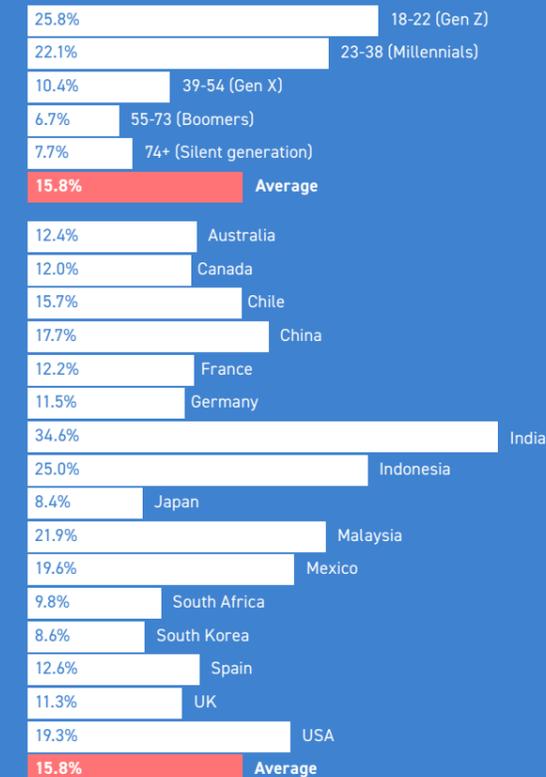
## Insurers in search of a role

The potential to improve consumers' health through a proactive approach to health management is of huge interest to the life insurance sector. It is not only of benefit to policyholders but also to insurers through reduced risk and the greater insight gained through positive engagement in the health of their customers.

The challenge for insurers is to demonstrate that they have a meaningful contribution to make.

Within their own resources, insurers have little credibility or knowledge in the field of preventative health. Furthermore, in the field of genetics, their motives may be viewed with suspicion. Experts in the field of genetics have a mistrust of the industry's competence to quantify, with any degree of accuracy, the impact of genetic mutations upon mortality. The concern is that clumsy attempts to use genetic testing as an underwriting tool will discourage the take up of testing and hinder the development of an area of science that has the potential for huge positive benefits for health management.

As a result, many countries have regulations and codes of practice to limit insurance companies' access to genetic information.



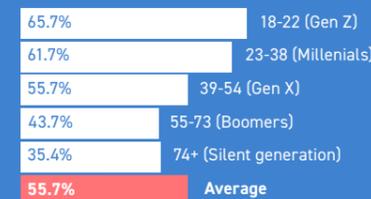
Q: Have you ever undergone a DNA test?

FIG 25: % Taken a DNA test

## Cooperation is the key

Partnering with medical technology companies that are working in the field of health management offers insurers the means to monitor and reward policyholders who take active steps to manage their health.

One such plan offers cover to Type II diabetic patients. By partnering with a company that provides technology to facilitate the management and reporting of relevant health data, the insurer can reward those customers who demonstrate successful management of the condition with a premium adjustment.



Q: If DNA testing were to become more affordable to you, would you be interested in taking a DNA test?

FIG 26: Interest in undergoing a DNA test if it becomes affordable

In another example, the insurer has an arrangement with a genetic testing company to provide customers with an analysis of their genetic makeup along with recommendations to improve health management. The focus is on preventable conditions such as stroke and heart disease and the aim is to guide clients to optimise lifestyle and diet. There is no sharing or transfer of customer data to the insurer, but they benefit from the lowering of risk that this service helps to bring about.

These examples demonstrate that by cooperating with experts in the field of monitoring and reporting, insurers can play a part in a virtuous circle of health management and reward.

# THEME 3 IN THE MOOD FOR AI

## IMPLICATIONS

- Consumers are still cautious about the use of Artificial Intelligence within the insurance sector, although confidence increases in line with exposure to AI devices in the home. Robust governance, customer-focused design and benefits such as faster responses are key to earning consumer support.
- Human interaction remains an essential part of customer service, but consumers are willing to accept a more automated approach in exchange for improvements in functionality.
- The experience and expertise associated with an insurance brand is valued by consumers, with just 12% saying they would purchase from a company with no association with the life insurance sector. But this loyalty could be tested by a new company offering the right price, flexible products and slick customer service.

### Smart new world

Technology is transforming the way people live, work and play as well as their expectations. It is also transforming the life and health insurance sector, with insurers exploring how they can deploy technologies such as Artificial Intelligence (AI) within their operations.

Investment in technology in the insurance sector has increased significantly in the last few years. According to figures from FinTech Global, \$3.18bn was invested worldwide in 2018, almost double the \$1.65bn invested in 2017. For insurers, the benefits of adopting the latest types of technology are clear: faster, data-driven decisions; deeper understanding of risk; and improved customer experiences.

Already, AI is appearing in both back office and customer-facing functions. AI-powered chatbots enable insurers to deliver 24/7 customer service, directing consumers to the relevant information quickly and efficiently.

### Time for transformation

Behind the scenes, robotics and machine learning processes are speeding up administration and enabling insurers to extend the range and type of data that informs underwriting and pricing decisions. Thanks to applications such as text mining and natural language processing, collecting and analysing data from multiple sources, in both structured and unstructured formats, is now possible and is driving much more informed decision-making.

By harnessing the power of AI, an insurer can enhance existing processes or build a new brand or product proposition to target a particular market. For consumers, AI will help to transform their experience of life insurance. As well as more intuitive and slicker application and customer service processes, there is the potential for greater levels of personalisation. By understanding a consumer better, an insurer can delight them with a product or service that suits their individual needs.

As with anything new, there are also risks. Top of these is consumer perception of AI within the insurance arena. If consumers do not feel comfortable engaging with it directly or with knowing that AI is deployed as part of an insurer's underwriting process, its success could be seriously limited.

The way in which insurers deploy AI is key to its success. If badly designed, an insurer risks losing consumers and creating apprehension about the application of this technology. Conversely, if it is implemented in a way that improves the customer experience, these apprehensions are unlikely to materialise. Indeed, when AI is used correctly, it should be invisible to most consumers.



### Shock of the new

Winning consumer trust is a must for insurers looking to roll out transformative technology such as AI. Regulators are watching this space closely and any failings could cause lasting reputational damage, not only for the companies found to be at fault but for the technology, too.

Robust governance is essential. As well as ensuring that AI is used as intended and no bias is inadvertently created that would discriminate against particular groups or individuals, robust governance also demonstrates to both the consumer and the regulator that it is being used fairly and ethically.

### Familiarity breeds content

Exposure to AI will also influence a consumer's confidence in it. As an example, only 23% of Japanese consumers own automated personal assistants such as Siri, Amazon Echo and Bixby, and just 8% claim to have a good understanding of the technology. Conversely, in India, where the availability of cheap technology means that 65% of respondents say they own an AI device, 52% claim to have a good understanding of the technology (Fig 27).

This confidence also extends to the use of AI within the insurance sector. While just 28% of

Consumer familiarity will help to establish trust. As consumers become increasingly familiar with AI it will lead to greater acceptance. This year's study has some good news for insurers already deploying AI applications. It found that most consumers have some understanding of AI, with 23% claiming to have a good understanding and just 17% saying they didn't know anything about it. Younger consumers feel most confident in their understanding, with 28% of the under 35s stating that they had a good understanding of the term AI.

Japanese respondents were comfortable or very comfortable with this concept, this increased to 78% among Indian respondents.

Although familiarity with AI may be part of the reason for these results, perceptions will also be shaped by consumers' attitudes towards their insurance markets. For instance, in Japan, the rigid regulatory framework may make the idea of this type of technological advance seem very alien to consumers, resulting in apprehension.

Country	AI device ownership	Good understanding of AI	Comfortable using AI in insurance
Australia	29.5%	19.6%	23.3%
Canada	30.0%	20.9%	21.9%
Chile	44.9%	16.1%	58.1%
China	48.6%	17.0%	44.5%
France	34.1%	13.4%	27.4%
Germany	31.4%	18.4%	22.5%
India	64.8%	51.8%	77.7%
Indonesia	43.3%	23.7%	49.1%
Japan	23.4%	7.8%	28.3%
Malaysia	35.9%	21.5%	39.8%
Mexico	54.6%	25.2%	68.5%
South Africa	34.8%	34.7%	43.2%
South Korea	38.6%	32.3%	33.9%
Spain	41.3%	15.7%	50.5%
UK	36.1%	19.4%	25.6%
USA	44.1%	27.5%	30.6%
<b>Average</b>	<b>39.7%</b>	<b>22.8%</b>	<b>40.3%</b>

Q: Do you currently own any Artificial Intelligence (AI) devices (robots, automated personal assistants) such as Siri, Amazon Echo or Google Home?

Q: What is your understanding of the term "Artificial Intelligence"?

Q: How comfortable are you/would you be with your Life Insurance company using Artificial Intelligence to interact with you in the application process and to address enquiries?

FIG 27: Ownership, understanding of AI device and comfort level of insurer using AI

## Tipping point

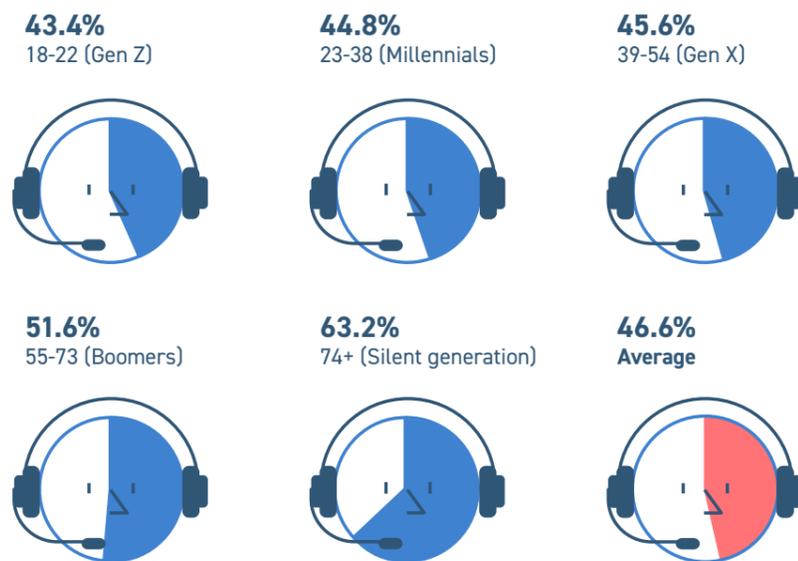
Time will be a key ingredient for insurers looking to implement more AI into their customer service operations. With every technology that is commonplace today, innovators and early adopters help to give others the confidence to follow.

Consumer attitudes to a new technology can often soften once they feel its benefits. For example, when location services were launched on smartphones, they received a muted reception with many consumers turning them off due to suspicions of being tracked. Once they discovered it was key to services such as local weather and news, ride hailing and offers in nearby retail outlets, these suspicions evaporated.

Consumer attitudes to the provision of AI in customer service suggest that there is still some resistance. Almost half (47%) of respondents said they always prefer human interaction, with this figure swelling to 61% in France, 58% in Germany and Canada and 56% in the UK. This figure varied very little across the different age groups, with the only significant change among those aged 55 plus. For them, 57% would always prefer to speak to a person when accessing customer services, compared to 45% of the younger age groups (Fig 28).

Not all countries are so wedded to the human touch though. At the opposite end of the spectrum, only 23% of respondents from Japan, 28% from South Korea and 32% from China say they always prefer human interaction (Fig 28 b).

By Country	% always prefer human interaction
Australia	54.6%
Canada	57.8%
Chile	49.2%
China	31.8%
France	60.6%
Germany	57.6%
India	49.9%
Indonesia	48.1%
Japan	22.7%
Malaysia	44.6%
Mexico	41.9%
South Africa	40.3%
South Korea	28.2%
Spain	49.1%
UK	55.9%
USA	53.6%
<b>Average</b>	<b>46.6%</b>



Q: What is your attitude towards the use of Artificial Intelligence in the provision of customer services?

FIG 28 b: Attitude towards AI - % always prefer human interaction by age group

Q: What is your attitude towards the use of Artificial Intelligence in the provision of customer services?

FIG 28: Attitude towards AI for customer services by country

## Fair exchange

Offering a benefit such as a faster response or 24/7 customer service can help to soften consumers' attitude to AI. Of the two options, speed proved to be the most popular, with 36% of respondents saying they would be happy with AI if it meant they received a faster response.

Round-the-clock customer service is regarded as less of a priority, with just 18% saying this influences their acceptance of AI. Some countries regard it more positively, with 32% of South Korean respondents considering it a fair swap.

The ability to contact a life insurance company at any time of day or night is less important to older consumers. As an example, in South Africa, where 20% of respondents would be interested in AI if it brought 24/7 customer service, just 8% of Boomers and the Silent generation hold this view.

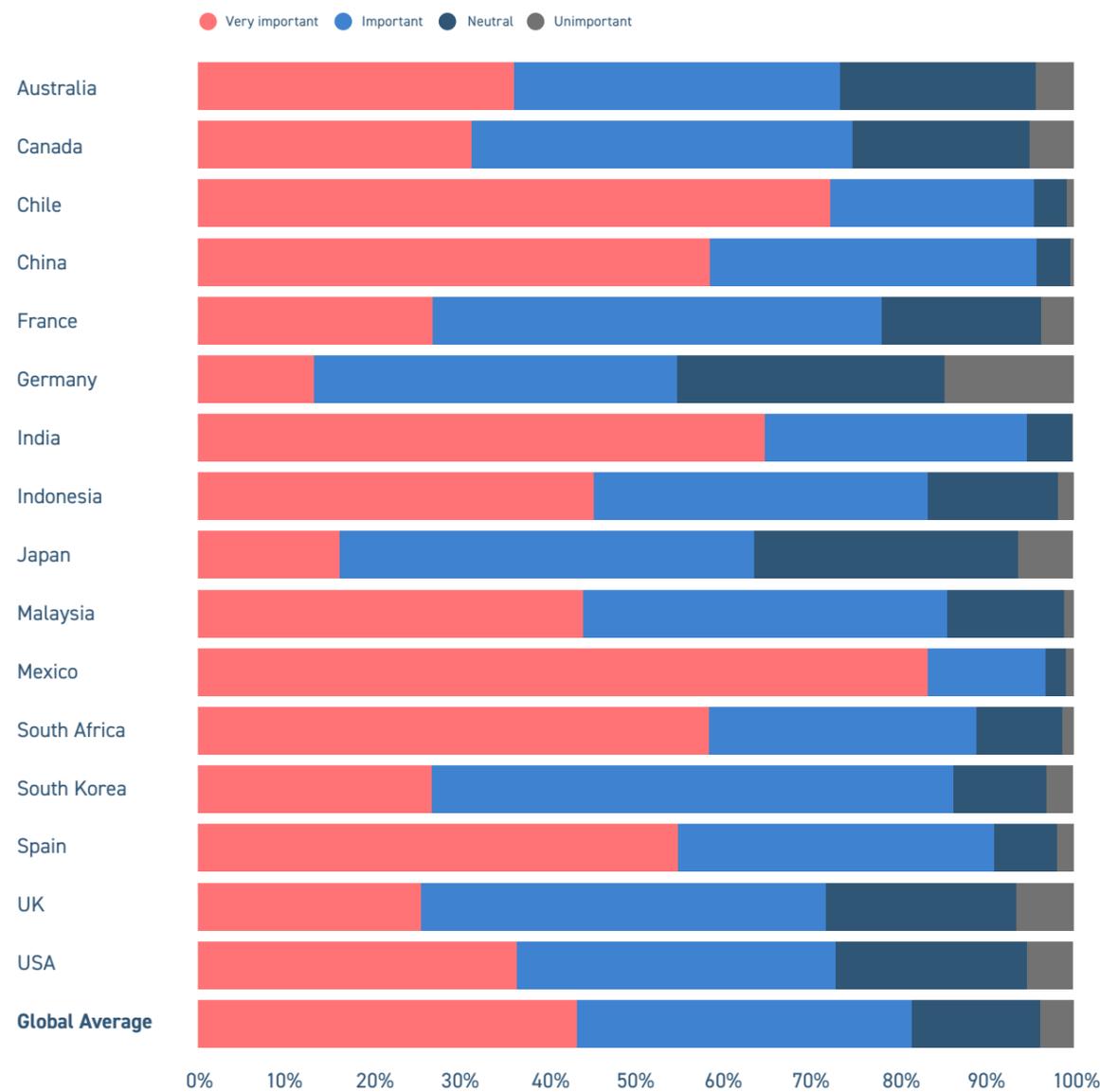
## Time for a shake-up

The life insurance market is ripe for disruption. With technology dismantling most of the barriers to entry, established insurers are finding themselves forced to share the marketplace with new providers who have little or no experience of the sector.

As well as a wave of InsurTech start-ups targeting specific niches or delivering a different type of proposition, trusted non-insurance brands are also eyeing the insurance space, with a view to trading on the trust they have built up with their customer base.

Whether they can translate this brand loyalty into life insurance sales remains to be seen. The sales culture required, plus the problems associated with adjudicating difficult claims, could prove damaging to the reputation of even the most trusted companies.

In this context, the experience and expertise associated with their brand can be a valuable commodity to established insurers. Indeed, when asked how important brand reputation is when buying insurance, 44% of respondents rank it as very important, with a further 38% saying it is important. Just 4% showed no concern for brand reputation (Fig 29).



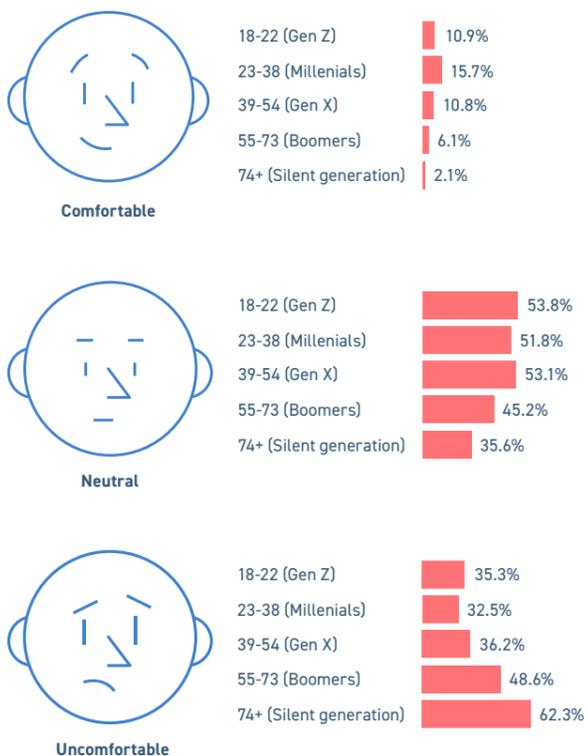
Q: How important is brand reputation for you when purchasing life insurance?

FIG 29: Importance of brand in life insurance purchase

## Loyalty bonus

While brand reputation is important, it is not a given that this trust needs to be established within the insurance sector. Companies with a recognised brand and a loyal customer base have a strong platform from which they are able to expand into new ventures.

However, across the board, just 12% of respondents said that they would be comfortable purchasing life insurance from a company with no association with the sector (Fig 30). There is, however, considerable variance between both countries and age groups.



Country	Comfortable	Neutral	Uncomfortable
Australia	8.0%	45.8%	46.2%
Canada	8.1%	44.8%	47.1%
Chile	7.1%	60.8%	32.1%
China	13.7%	58.8%	27.5%
France	13.0%	48.1%	38.9%
Germany	8.0%	53.9%	38.1%
India	38.9%	40.0%	21.1%
Indonesia	19.3%	53.1%	27.6%
Japan	7.0%	68.0%	25.0%
Malaysia	10.6%	42.6%	46.8%
Mexico	11.5%	52.0%	36.5%
South Africa	5.3%	40.9%	53.8%
South Korea	6.3%	55.4%	38.4%
Spain	10.0%	62.3%	27.7%
UK	8.0%	44.5%	47.6%
USA	10.1%	40.7%	49.2%
<b>Average</b>	<b>11.6%</b>	<b>50.7%</b>	<b>37.7%</b>

Q: How comfortable are you to purchase Life Insurance from a company that has no previous association with the life insurance industry?

FIG 30: Confidence in purchasing life insurance from companies with no established reputation in the life insurance industry

At the top of the scale, 39% of respondents in India said they would be comfortable going outside the sector, while South Africans are the most loyal to the life insurance sector, with just 5% of respondents prepared to buy from an outsider. Similarly, while 13% of the under 55s would have no qualms buying from a company with no track record in the sector, this fell to just 6% amongst the older generations.

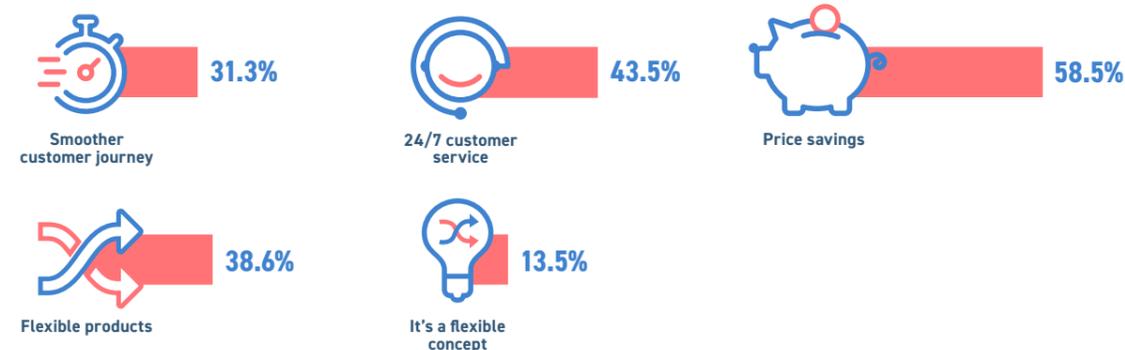
Interestingly, when breaking down the responses of those under 55, Millennials showed a higher level of confidence – 15% compared to the 11% expressed by their immediate younger and older respondents. It may be that inexperience with life insurance products (those under 22) and technology (the 39-54 age band) are driving them to seek a company that is well-established in the life insurance sector.

## Winning features

Brand may be incredibly valuable when attracting business but greater transparency around products and the sales process is also changing the game. Online comparison services and peer reviews mean that other features of a company's proposition can help it win – or lose – custom. The power of these sites is evidenced by the speed at which a company's reputation can

be trashed when a negative social media post goes viral. An earlier section of this report noted the features of the life insurance proposition that are most valued by consumers. These findings are mirrored, to a large extent, when respondents are asked what would motivate them to use an InsurTech company. The most powerful inducement is price

savings, which 59% of respondents say would encourage them to purchase from these relatively untried entrants to the market. However, it is not exclusively price that would attract custom. 24/7 customer service and flexible products would also be an attraction, noted by 44% and 39% of respondents, respectively (Fig 31).



Country	Smoother customer journey	24/7 customer service	Price savings	Flexible products	It's a flexible concept
Australia	22.7%	38.1%	70.9%	35.7%	5.4%
Canada	24.0%	30.8%	71.3%	29.5%	5.0%
Chile	31.5%	51.8%	51.0%	39.4%	29.9%
China	52.6%	54.0%	44.2%	63.7%	32.1%
France	31.4%	37.9%	62.1%	18.5%	10.7%
Germany	11.9%	29.1%	62.9%	37.1%	9.8%
India	55.6%	67.0%	53.6%	45.5%	13.0%
Indonesia	34.6%	54.1%	41.9%	45.1%	12.9%
Japan	16.4%	35.9%	61.1%	31.6%	5.9%
Malaysia	44.6%	48.2%	55.0%	52.0%	13.5%
Mexico	46.0%	48.0%	46.6%	43.9%	28.2%
South Africa	34.8%	46.6%	61.4%	44.3%	8.0%
South Korea	23.3%	40.9%	51.3%	42.1%	10.8%
Spain	28.9%	44.2%	63.5%	34.4%	20.0%
UK	21.6%	36.1%	68.3%	27.4%	4.9%
USA	21.2%	34.1%	70.6%	27.3%	6.3%
<b>Average</b>	<b>31.3%</b>	<b>43.5%</b>	<b>58.5%</b>	<b>38.6%</b>	<b>13.5%</b>

Q: What would motivate you to use an InsurTech company?

FIG 31: Motivation for using an InsurTech company

There are also significant concerns that serve as a barrier to using InsurTech companies. 56% were nervous about the financial security of the company, with 47% also voicing concerns about purchasing from an unproven brand.

Some national attitudes stood out too. In Australia, Canada and the US, price was regarded as the most important feature, with 71% of respondents saying this would be an influence on their decision. Other notable responses include India, where 24/7 customer service is seen as the most important feature, and China, where flexible products are regarded as the key attraction (Fig 31).

# CONCLUSION

## Customers want security ...

Educated, tech savvy consumers are increasingly concerned with doing the very best for themselves – and are looking for trusted providers to support and reward their commitment with products and services which create a broader definition of protection.

By and large, these engaged consumers understand and recognise the need to get active, and welcome the role that technology plays in their quest for a healthier self. Amongst this cohort, activity levels are increasing, diets are changing, and health management is improving the quality of life for those living with chronic conditions.

Consumers are keen to know much more about themselves and are receptive to tech developments that advance their understanding. Such developments – like the growing interest in genomics – should be considered for their potential impact on an individual customer's health management and the industry's product design and risk management, but not at the cost of the customer experience.

## Where there's a will, there's a wearable

Wearables are closely linked with achieving fitness objectives, with a third of users considering them to be an aid to a healthier lifestyle. But recognising the need for behavioural change is one thing. Sustaining the motivation to make those changes is quite another.

New technologies, particularly advances in tracking and monitoring devices, provide the means for a mutually beneficial cooperation between life insurers and their customers. The confluence of a responsible, health-conscious consumer, personal tech and real-time data monitoring make proactive health management a reality, enabling individuals to manage and even prevent a range of medical conditions.

By facilitating, promoting and supporting healthier lifestyles, insurers stand to benefit twice – from improved mortality risk and from stronger customer relationships.

## ... and Insurers in search of a role

For the insurer in search of a role, influence, like trust, is there to be earned by building stronger relationships, partnerships that serve the customer's interest.

5G, IoT, AI – connectivity, capacity, capability and opportunity are burgeoning. The technology that drives it will become ever more complex and largely invisible, indivisible from what we do and how we do it. Baffling to most, its complexity is irrelevant from a consumer perspective. Just make it work.

As ever, information and education count, for both consumers and industry partners. The industry has a responsibility to its customers to ensure that tech developments are applied without undue discrimination. Doubts and fears will persist, but deployed to enhance the consumer experience, AI can be more readily "accepted" unseen and everywhere.

## Working with unicorns – collaboration not capitulation

The insurance industry is ripe for disruption – but it doesn't follow that traditional insurers are ripe for destruction. Creating a frictionless experience and sustainable value is not a lone pursuit. And the fear that established players will be comprehensively rolled over by InsurTech entrants has yet to be realised.

The evidence suggests it's not a binary choice. What we see in practice is partnership and collaboration, insurers and innovators playing to their strengths to develop the best customer experience. Although barriers to entry have been lowered, the bar remains sufficiently high that collaboration is a more effective path to success – for both incumbent and challenger, especially in the Life Insurance sector.

## A new language for Life

In short – no corporate body is an island. Such is the complexity of a seamless customer experience – of the insurance ecosystem, of providing sustainable, long-term value – that no one operates in isolation.

Consumer sentiment and contemporary expectations suggest that companies have a stronger than ever role to play in developing society. But the demands are greater too – more is expected, less excepted.

Understanding is key. By learning about, and contributing to, each individual consumer's health development and prioritising the positive factors that could improve their health and aid prevention, insurers can make a real difference to underlying health – changing the industry's image by creating a more personalised, proactive and holistic consumer experience for insurance protection.



# NOTES

## Reimagine Life

ReMark is a world leading InsurTech solution provider. A SCOR Group company, we collaborate in an ecosystem of expertise to simplify complexity and deliver the best customer experience.

We combine 35 years insurance know-how with enabling technology in marketing, underwriting, administration and customer engagement to create innovative solutions designed to help customers unlock the preciousness of healthier lives. We mix industry knowledge, real-time data analytics and unique insights & applications to transform protection propositions, helping insurers and consumers succeed in tomorrow's world in a purposeful, inclusive and sustainable way.





[www.remarkgroup.com](http://www.remarkgroup.com)

© ReMark International. All rights reserved.