

One year on: how COVID-19 has impacted consumer views on insurance in Asia Pacific

Findings from 2021 survey – Australia and New Zealand



Since the start of the pandemic, Swiss Re has conducted two consumer surveys in the Asia Pacific (APAC) region, the first in April 2020 and the second in January-February 2021. The results provide valuable insights into how COVID-19 has affected consumer sentiment, the resulting impacts to Life & Health business, and how insurers can better respond to evolving needs. The second iteration was expanded to cover 7 000 respondents across 12 markets, including Australia, New Zealand, China, Hong Kong, India, Indonesia, Japan, Singapore, Thailand, Malaysia, Vietnam and South Korea.

What we discovered this year



Australians and New Zealanders have the most positive outlook of all in the APAC region when considering their financial stability.



Financial impact:



- 1 in 2 respondents in Australia and New Zealand are feeling positive/stable about their financial future, and 1 in 3 feel secure with their current insurance.
- 14% of people in New Zealand and 15% in Australia feel overwhelmed or anxious about their financial future, the lowest percentages in the region.

Australians and New Zealanders are not as concerned about their health as a result of the pandemic, compared to their regional counterparts, but in both markets mental wellbeing topped the list of health concerns as a result of COVID-19.



Health & social impact:

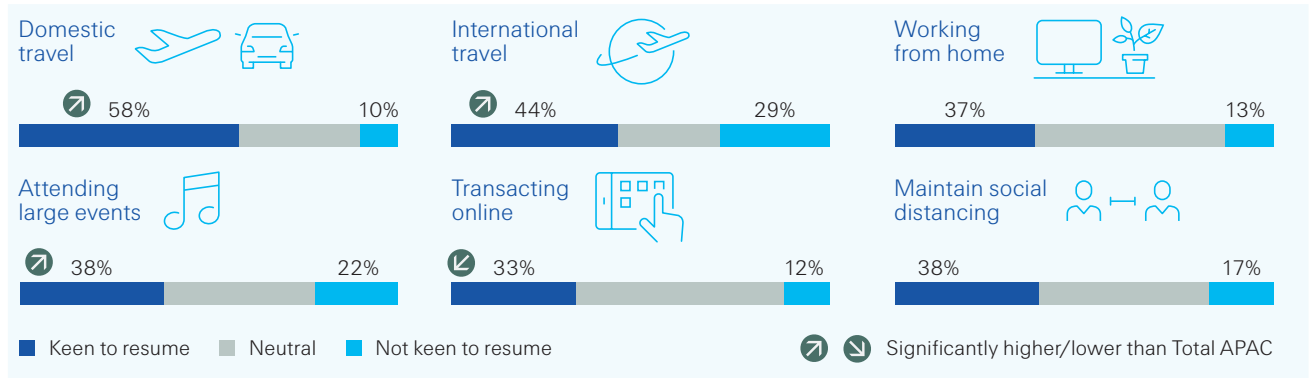


- 1 in 3 New Zealanders expressed an increase in health concerns due to the pandemic, the lowest among all markets in the region.
- 37% of Australians are more concerned about their overall health as a result of COVID-19, the second lowest in the region after New Zealand.

- Similar to all other markets, mental health is the top concern for both Australians (30%) and New Zealanders (29%) during the pandemic.
- Australians are keen to resume social activities (59%), are open to domestic travel (58%), and attending public entertainment activities (38%). This is above the regional averages of 41%, 42%, and 29% respectively.
- At least half of all New Zealanders surveyed are keen to resume both domestic and international travel, and as well as social activities.

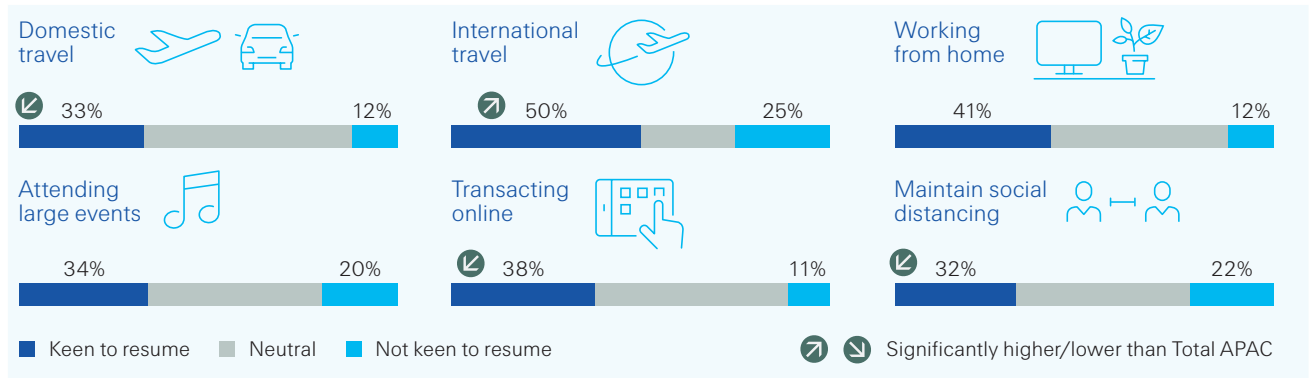
Activities keen to resume/keep

Australia



Activities keen to resume/keep

New Zealand



Price is one of the most important features for Australians and New Zealanders when choosing an insurer.

- As a result of COVID-19, 47% of Australian customers will now look more closely at coverage details. Since 2020, more Australians feel they would invest in comprehensive coverage (up 5% to 23% in 2021) and take on more types of policies (from 13% in 2020 to 19% in 2021).

- The ability to set fixed premiums is the most preferred policy feature in New Zealand (31%), while monetary payout (19%) is the lowest priority. In terms of future service improvement, 45% of New Zealanders have opted for a pause on premium payments and an almost equal share opted for faster claim process.

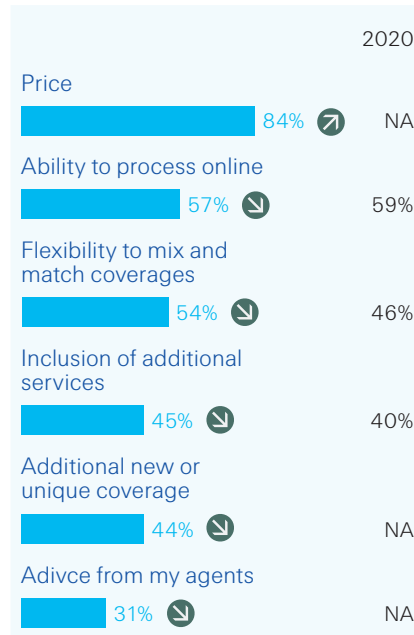
Online is the most popular channel for insurance purchases in Australia and New Zealand. Online channels also show the greatest potential for growth.



■ 49% of New Zealanders and 44% of Australians have bought insurance online in the past six months. As the majority suggested they would stick to their current channel for future purchases, purchasing channels in Australia and New Zealand are unlikely to change significantly due to COVID-19.

■ When it comes to openness to share personal information, only 22% of New Zealanders and 25% of Australians are willing to do so, on par with other developed countries who tend to be less open to sharing than the emerging markets.

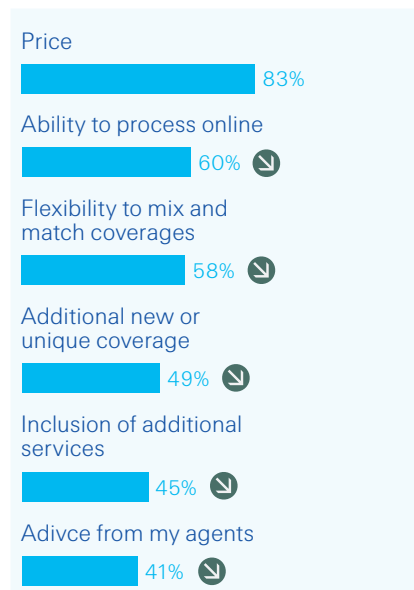
Australia
Important features when choosing insurers



Australia
Most preferred factor



New Zealand
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New Zealand
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↗ ↘ Significantly higher/lower than Total APAC