



Duck Creek
Technologies

Global Consumer Insurance Insights

2023



This ongoing benchmark annual survey of over 2,000 policyholders provides unique insights into modern consumer engagement preferences and highlights strategic opportunities for insurers

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Executive Summary

Welcome to the 2023 Global Consumer Insurance Insights Survey by Duck Creek Technologies. We are delighted to have you join us for the second year of this benchmark survey, which is aimed at refining the strategies that bring insurers closer to consumers worldwide.

This year we asked more questions from more policyholders across more countries. The survey provides clear insights for carriers, reflecting consumer preferences and awareness of innovation opportunities, purchasing, and communication methods.

It is evident from the results that carriers around the world are pushing the frontiers of the insurance industry forward and responding quickly to consumer demand for more relevant and timely products and services.

However, the survey also indicates that a significant volume of consumers prefer humanized experiences when interacting with their insurance providers. As such, it is so important for insurance providers to continue to explore the ground-breaking and diverse range of communication options that are now available to meet the diverse needs and preferences of their customers.

We encourage you to delve deeply into the survey results, as they reveal major positives for insurance providers and clearly show they are getting it right in many areas. However, it also highlights areas where insurers must reflect and improve further – including bolstering global consumer confidence and trust in insurance.

Three Key Global Findings



93% of consumers are confident that they have the correct coverage, irrespective of which channel they used to purchase the insurance (a new question for 2023's expanded survey)



44% of consumers would prefer to interact with a human (2022: 35%) once a policy is in place. At the same time, however, interest in app/WhatsApp usage for buying and switching insurance also increased year-on-year.



46% of global consumers are unaware of embedded insurance (a new question for 2023's expanded survey). Of those who were aware (37%), almost half said they trust it because of product or retailer quality. Those who do not trust the concept (26%) find it unnecessary and expensive. Those who are unsure (29%) require more information, having had little experience with it.

Executive Summary



Buying Preferences

- 72%** on average buy insurance directly from a provider (2022: 73%)
- 67%** on average feel the insurance provider's website is the easiest/quickest method of buying insurance (2022: 40% preferred to interact through their insurer's website)
- 52%** feel that buying insurance through an app is the most secure method (2022: 13% on average preferred to interact through an app)



Communication Preferences

- 82%** want to hear about new services (2022: 80%)
- 75%** want to hear about other products (2022: 75%)
- 45%** on average didn't hear from their insurer over the course of a year (2022: 34%)



Switching Insurance

- 86%** feel there is a good range of choice available when switching insurance (2022: 85%)
- 92%** rated their switching experience as "positive" overall, and 40% rated it "very good" (2022 92% positive overall, 37% very good)
- 50%** feel that bundled insurance packages provide value for money (a new question for 2023's expanded survey 'switching insurance')



Insurance Innovation

- 43%** find the concept of add-on insurance appealing (2022: 48%)
- 54%** find the concept of insurance on-demand appealing (2022: 55%)
- 62%** are either unaware of embedded insurance or unsure what this is (a new question for 2023's expanded survey)

Five key takeaways per country

EMEA



Denmark

(a new country for 2023's expanded survey)

88% believe there is a good range of choice when it comes to purchasing different types of insurance

62% are happy to switch insurance online

41% find add-on insurance products appealing

58% are interested in insurance on-demand for short-term rentals

49% of those aware of embedded insurance trust the concept



France

(a new country for 2023's expanded survey)

87% believe there is a good range of choice when it comes to purchasing different types of insurance

45% are happy to switch insurance online

50% find add-on insurance products appealing

57% are interested in insurance on-demand for short-term rentals

68% of those aware of embedded insurance trust the concept





Norway

(a new country for 2023's expanded survey)

83% believe there is a good range of choice when it comes to purchasing different types of insurance

65% are happy to switch insurance online

27% find add-on insurance products appealing

51% are interested in insurance on-demand for short-term rentals

43% of those aware of embedded insurance trust the concept



Portugal

77% believe there is a good range of choice when it comes to purchasing different types of insurance (2022: 92%)

49% are happy to switch insurance online (2022: 46%)

36% find add-on insurance products appealing (a new country specific question for 2023's expanded survey)

77% are interested in insurance on-demand for short-term rentals (a new question for 2023's expanded survey)

45% of those aware of embedded insurance trust the concept (a new question for 2023's expanded survey)



Spain

77% believe there is a good range of choice when it comes to purchasing different types of insurance (2022: 83%)

46% are happy to switch insurance online (2022: 34%)

57% find add-on insurance products appealing (a new country specific question for 2023's expanded survey)

73% are interested in insurance on-demand for short-term rentals (a new question for 2023's expanded survey)

67% of those aware of embedded insurance trust the concept (a new question for 2023's expanded survey)



Sweden

(a new country for 2023's expanded survey)

86% believe there is a good range of choice when it comes to purchasing different types of insurance

66% are happy to switch insurance online

34% find add-on insurance products appealing

59% are interested in insurance on-demand for short-term rentals

35% of those aware of embedded insurance trust the concept



UK

87% believe there is a good range of choice when it comes to purchasing different types of insurance (2022: 87%)

73% are happy to switch insurance online (2022: 80%)

31% find add-on insurance products appealing (a new country specific question for 2023's expanded survey)

48% are interested in insurance on-demand for short-term rentals (a new question for 2023's expanded survey)

22% of those aware of embedded insurance trust the concept (a new question for 2023's expanded survey)



North America



Canada

89% believe there is a good range of choice when it comes to purchasing different types of insurance (2022: 79%)

32% are happy to switch insurance online (2022: 52%)

44% find add-on insurance products appealing (a new country specific question for 2023's expanded survey)

46% are interested in insurance on-demand for a specific activity (a new question for 2023's expanded survey)

41% of those aware of embedded insurance trust the concept (a new question for 2023's expanded survey)



USA

90% believe there is a good range of choice when it comes to purchasing different types of insurance (87%)

36% are happy to switch insurance online (2022: 55%)

40% find add-on insurance products appealing (a new country specific question for 2023's expanded survey)

52% are interested in insurance on-demand for short-term rentals (a new question for 2023's expanded survey)

35% of those aware of embedded insurance trust the concept (a new question for 2023's expanded survey)



APAC



Australia

88% believe there is a good range of choice when it comes to purchasing different types of insurance (2022: 86%)

52% are happy to switch insurance online (2022: 59%)

37% find add-on insurance products appealing (a new country specific question for 2023's expanded survey)

52% are interested in insurance on-demand for an event (a new question for 2023's expanded survey)

41% of those aware of embedded insurance trust the concept (a new question for 2023's expanded survey)



India

(a new country for 2023's expanded survey)

87% believe there is a good range of choice when it comes to purchasing different types of insurance

65% are happy to switch insurance online

90% find add-on insurance products appealing

75% are interested in insurance on-demand for a specific activity

82% of those aware of embedded insurance trust the concept



New Zealand

76% believe there is a good range of choice when it comes to purchasing different types of insurance (2022: 79%)

52% are happy to switch insurance online (2022: 60%)

42% find add-on insurance products appealing (a new country specific question for 2023's expanded survey)

57% are interested in insurance on-demand for short-term rentals (a new question for 2023's expanded survey)

32% of those aware of embedded insurance trust the concept (a new question for 2023's expanded survey)



Singapore

(a new country for 2023's expanded survey)

86% believe there is a good range of choice when it comes to purchasing different types of insurance

52% are happy to switch insurance online

57% find add-on insurance products appealing

68% are interested in insurance on-demand for a specific activity

67% of those aware of embedded insurance trust the concept

▶▶▶ Calls to action for insurers



Maximize Accessibility of Insurance Products to Consumers Across Channels



Humanize the Consumer Experience Through Digital Channels



Accelerate Speed to Market with the SaaS Model



Leverage the SaaS Ecosystem to Differentiate Competitively

Executive Summary Commentary

The pandemic and challenging economic environment have caused people to re-evaluate their insurance needs, with many now considering income protection, critical illness cover, and private medical insurance. Interestingly, mobile and gadget insurance and travel insurance are being purchased more frequently, embedded at the point of sale, than other types of insurance.

Despite a decline in interest, younger generations are driving the demand for payment via debit card and digital wallets, such as Apple Pay. Additionally, over half of all consumers feel that mobile apps are the most secure channel for purchasing insurance.

Nearly all consumers feel confident that they have the correct coverage, regardless of how they purchased their insurance. However, those who have purchased

bundled insurance tend to reside in Denmark, Norway, North America, New Zealand, or India, and value its cost-effectiveness.

Add-on insurance and insurance on-demand are popular among consumers, particularly younger consumers in India and Singapore. Meanwhile, 37% of the sample are aware of embedded insurance, with nearly half of those trusting it as a good product. Those who don't trust it cite concerns about its necessity and expense, or simply don't know enough about it to make an informed decision.

The 2023 Duck Creek Technologies Benchmark Survey is a comprehensive study that provides unique insights into customer perceptions and highlights the next opportunities for insurers.

We hope you find this research useful!

About this Research

Total Sample size:

2,095 adults across 13 countries, all of whom held at least one insurance policy. This research was conducted independently by Research in Finance for Duck Creek Technologies.

Gender split:

50/50

Countries covered:

Australia, Canada, Denmark, France, India, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, UK, USA (Figure 1.1).

A seven-minute quantitative online survey was created in English and translated into Danish, French, Norwegian, Portuguese, Spanish and Swedish (each survey contained some region-specific questions).

Age demographics:

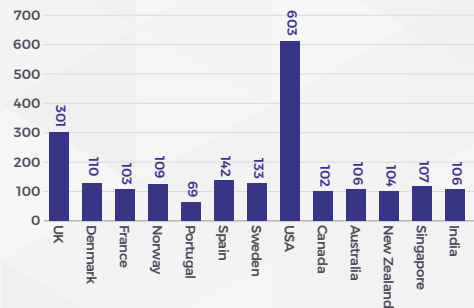
29% of the total sample were over 65 with a relatively even split between other age groups between 26 and 65. Significantly, over 50% of consumers from India and Singapore are between 18 and 35 (Figure 1.2).

Earnings:

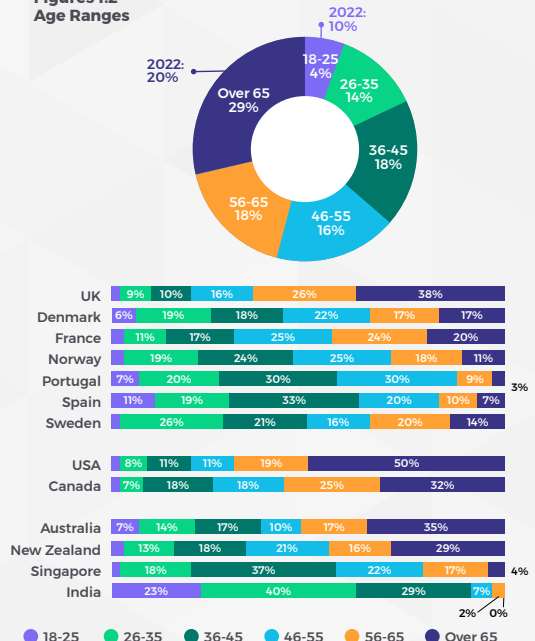
The majority of consumers were either working full-time, part-time, or retired. There was a consistent distribution of

income between £20,000 and £250,000. Average income was lower in Europe compared with North America and APAC (excluding India). The majority of households contained one or two adults, with the exception of Singapore and India, who are likely to hold more.

Figure 1.1
Survey Size by Geography



Figures 1.2
Age Ranges



About the Policyholders Surveyed:

Now in its second year, this international study asked over 2,000 policyholders about their preferences around purchasing habits, knowledge, and awareness of insurance innovation, and receptiveness to new products and communication methods from insurance providers.

The objective is to help insurers to better understand the importance placed by consumers on how they are communicated with, and how they purchase insurance, to allow them to make comparisons across different global audiences to inform their commercial strategies.

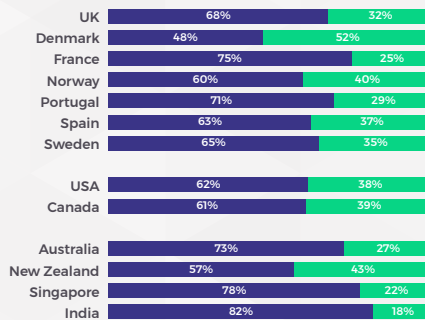
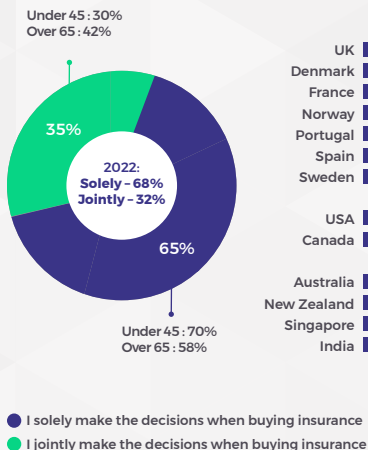
The majority of consumers surveyed (65%) prefer to make insurance decisions on their own. However, in Denmark, there is more of an even split between sole and

joint household decision-making about insurance purchasing (Figure 1.3).

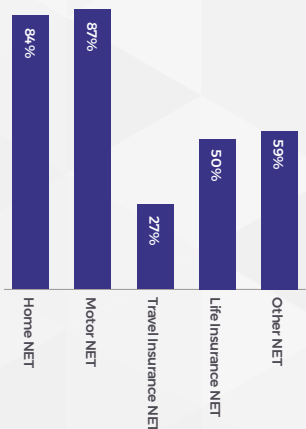
But what kind of insurance are consumers actually buying? Well, globally, it seems that home insurance and motor insurance are the most common (Figure 1.4) with 84% of consumers purchasing home insurance and 87% motor insurance. But that's not all: 50% of respondents also purchase life insurance, and 27% buy travel insurance.

59% of consumers said they have insurance in the "other" category. Interestingly, "other" includes items such as mobile phone and gadget insurance, pet insurance, and income protection insurance. It's clear that consumers want to protect everything that's important to them, not just their homes and cars.

Figures 1.3
Insurance Purchasing Decision Making



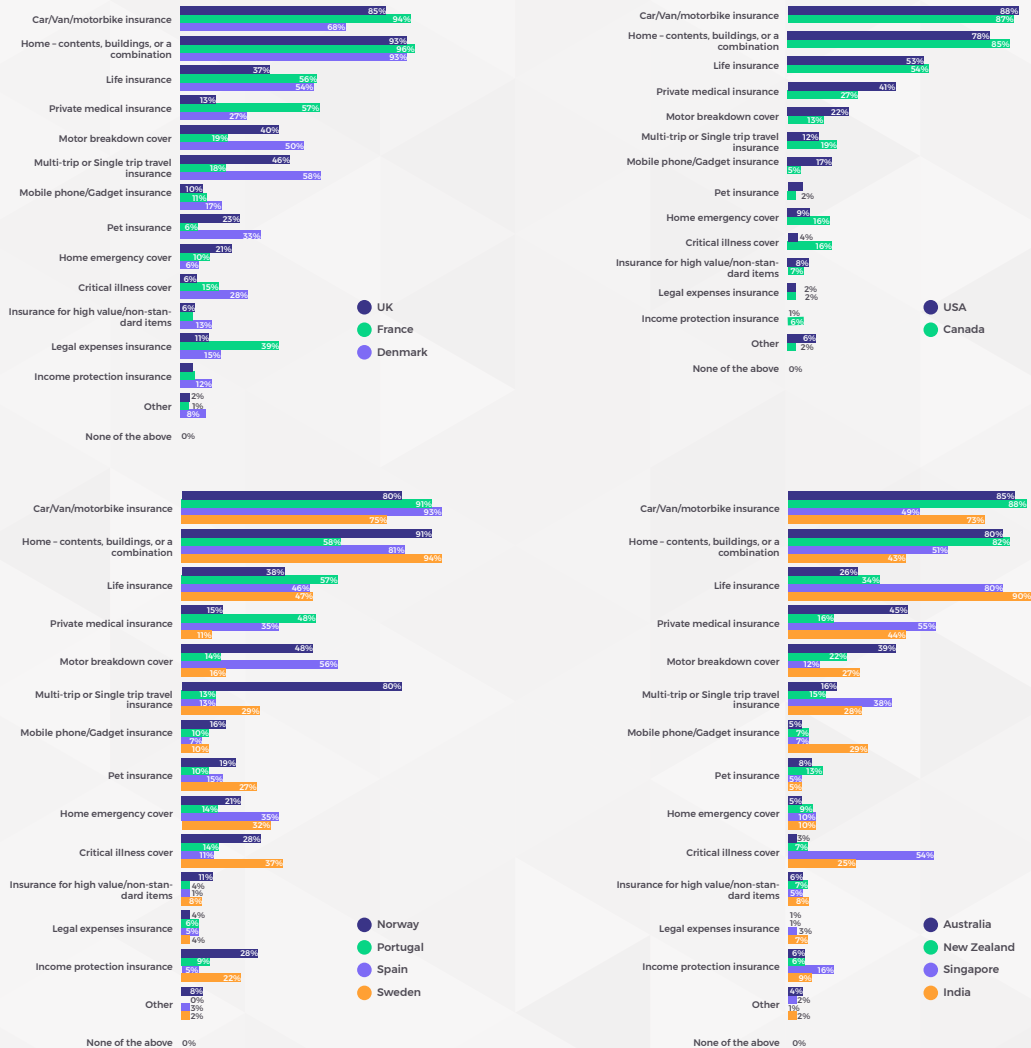
Figures 1.4
Type of Insurance Owned



When it comes to specific countries, there are some interesting differences (Figure 1.5). For example, Danish respondents are less likely to have car insurance, and less than 60% of Portuguese consumers have home insurance. On the other hand, four in five Norwegians purchase travel insurance, and over 40% of US and Australian respondents have private medical cover.

In Singapore, critical illness cover is purchased more than car insurance, and in India, almost 30% of consumers have mobile phone/gadget insurance while 43% have home insurance. It's fascinating to see how different countries prioritize different types of insurance.

Figure 1.5
Insurance Ownership by Type and Region



Buying and Communication Preferences



Buying Preferences

KEY FIGURES

72%
on average buy insurance directly from an insurance provider

52%
feel that buying insurance through an app is the most secure method

67%
on average feel the insurance provider's website is the easiest/quickest method of buying insurance

In the global sample, the majority of consumers said they buy insurance directly from the provider (Figure 2.1).

But how are consumers actually buying insurance? Well, it seems that there are consistent splits between purchasing online and purchasing through individual representatives, with most people preferring to use the insurance provider's website (Figure 2.2). In fact, for most types of insurance, the provider's website is the

Figure 2.1
Ways of Purchasing Insurance

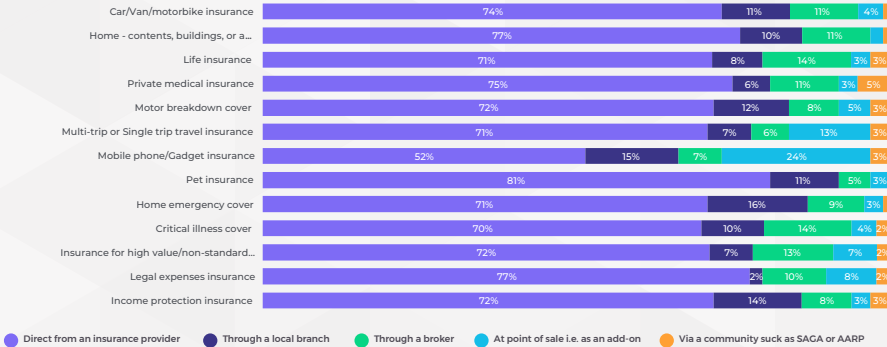
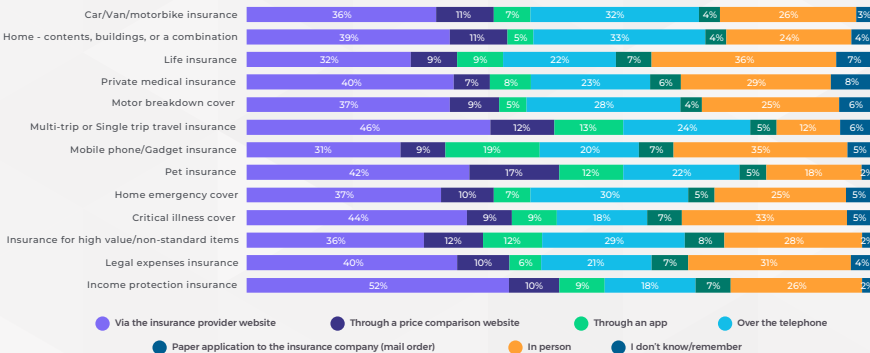


Figure 2.2
Buying Preferences



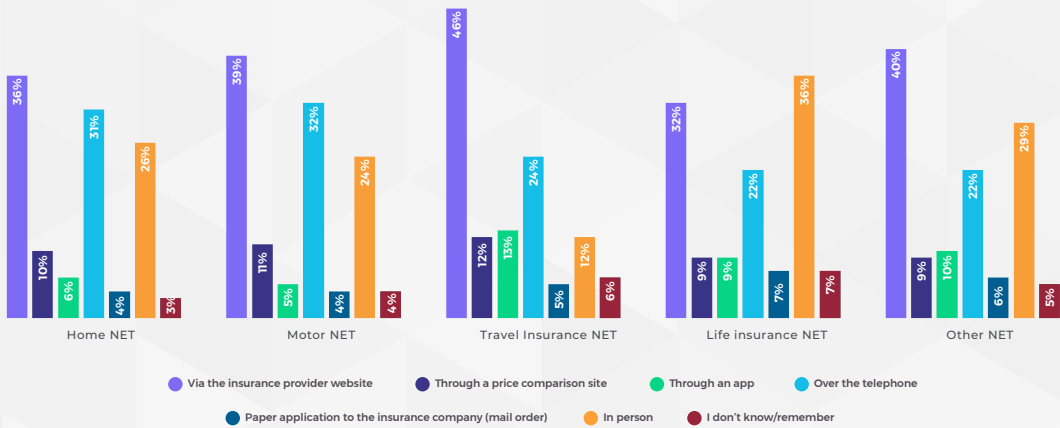
most common method of interaction. However, for life insurance, in-person is the most preferred method of interaction (36%).

Regardless of what channel the consumer used to purchase insurance, the majority of respondents for each chose the channel

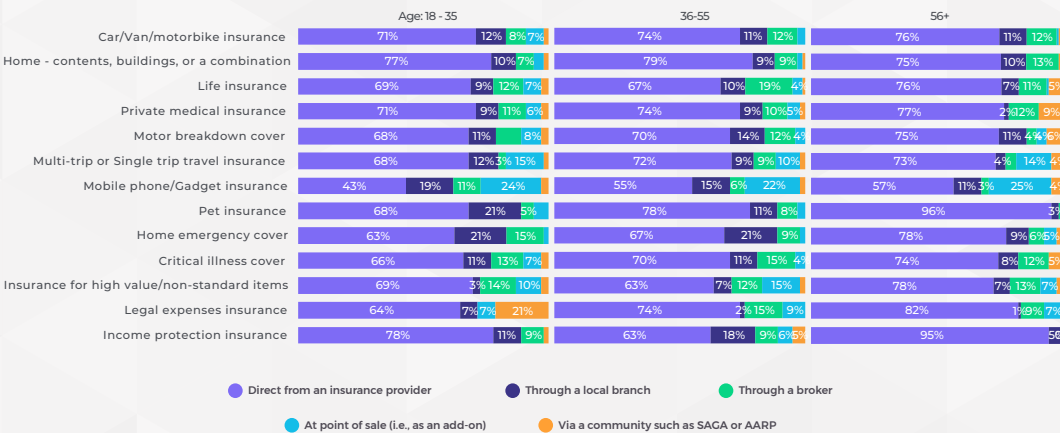
because it was the easiest and quickest.

At the same time, when it comes to mobile phone and gadget insurance, one-quarter of policies are purchased at the point of sale across age groups (Figure 2.4).

Figures 2.3
Methods of Interaction



Figures 2.4
Age Differences



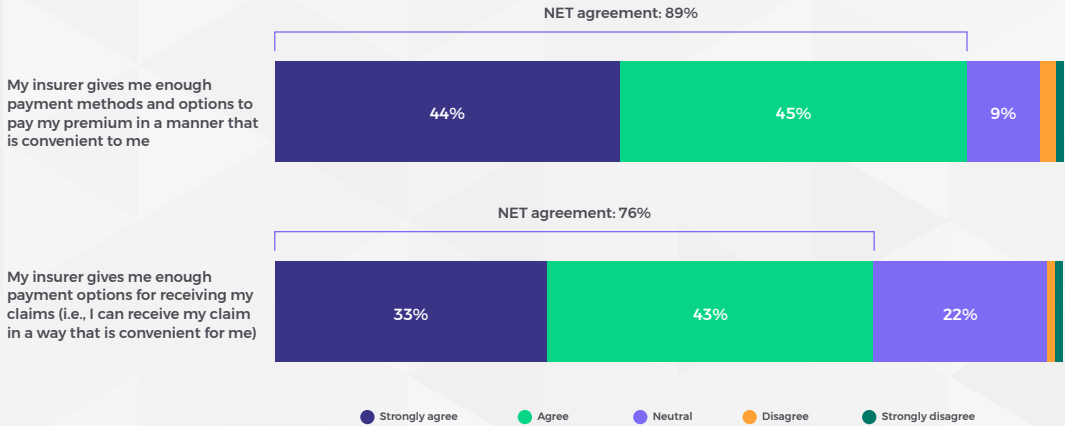
In addition, it seems that most people are satisfied with their premium payment and claim payment options (Figure 2.5). Nine in 10 consumers believe that their insurer gives them enough premium payment options, while three-quarters believe that there are enough methods to receive claim payments. It's great to see that insurance providers are meeting their customers' needs and expectations here.

However, it is worth looking more closely at the minority who were dissatisfied with their premium and claim payment options. While only

3% and 2% respectively disagreed or strongly disagreed that their methods for paying and receiving payments were convenient for them, the common thread was confidence: a third of the dissatisfied respondents in each case were not confident that they had bought the correct level of cover in the first place, compared with 7% who felt this way in the total sample.

Nevertheless, whether consumers prefer to purchase insurance online or in person, it's clear that they feel there are plenty of options out there.

Figures 2.5
Payment Preferences



B7. Thinking about your insurance providers overall, how much do you agree or disagree with the following statements? Base: Total sample (2,095)



Communication Preferences

KEY FIGURES

82%

want to hear about new services

75%

want to hear about other products

45%

on average don't hear from their insurer over a typical claim-free year

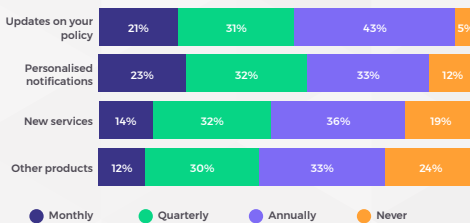
On average a third of policyholders surveyed say that when it comes to communication from their insurance providers, they'd prefer it quarterly. At the same time, on average, one third of consumers preferred annual contact (Figure 2.6).

82% responded that they wanted to hear about new services and 75% wanted to hear about other products at some point during the year.

In terms of types of insurance, two fifths of respondents tend to interact with their home or motor insurance provider once a year, with one-third of consumers saying they never hear from their insurance provider at all in a claim free policy period (Figure 2.7).

All types of communications are regularly transmitted to policyholders via email, followed by post/mail then a phone call. Interestingly, 46% of respondents did not receive regular newsletters (Figure 2.8).

Figure 2.6 Preferred Frequency



Figures 2.7 Frequency by Insurance Type

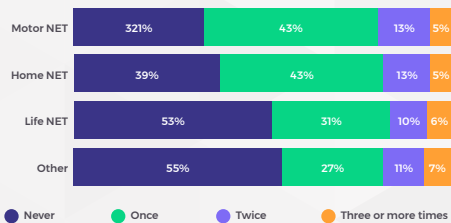
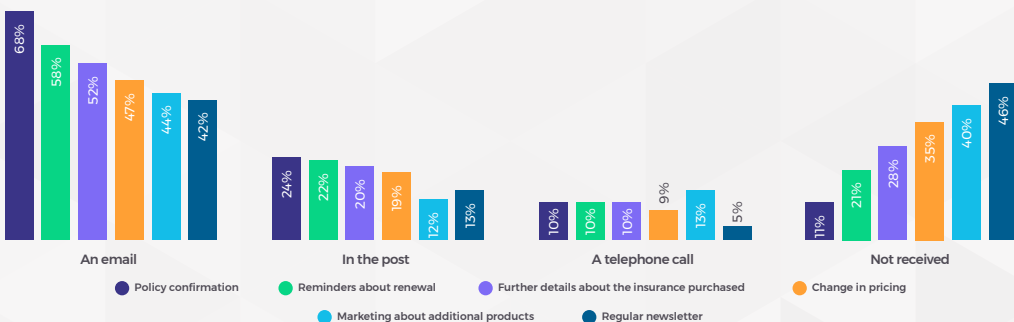


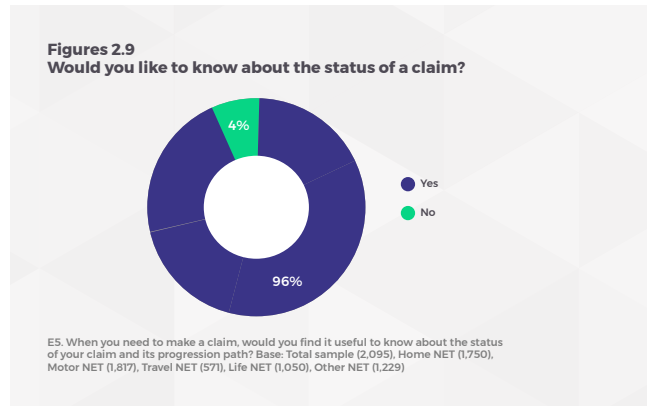
Figure 2.8 Methods of Communication



This trend is consistent across most regions, except for Indian motor insurance purchasers who tend to have more frequent contact with their insurance providers. Interestingly, there is a stronger preference for WhatsApp usage for insurance communication in Singapore (33%), India (24%) and Spain (19%), compared to 3% in France, 7% in the UK, 1% in the US or 1% in Australia.

But overall, when it comes to interacting with their insurance providers, most respondents would prefer to speak to a human, particularly in France where two-thirds of consumers would still prefer to speak to a human post-purchase.

And, unsurprisingly, almost all respondents (96%) across all regions would find it useful to know about the status of a claim and its progression path (**Figure 2.9**)—the same near unanimous result year-on-year. So, while there may be a preference for human interaction, clear and regular updates on claims are highly valued.



Key Takeaways

This survey has detected some interesting shifts in consumer preferences since the inaugural 2022 edition. We have also asked new questions and requested more detail in some areas to gain even deeper insights.

An interesting finding is that after purchasing, when it comes to interacting with their insurance providers, a sizable portion of consumers (44%), say they prefer to speak to a human. In fact, there has been a nine percentage point increase (up from 35%) in preference for human interaction since the 2022 edition of the Global Insurance Consumer Insights Survey.

Technology continues to play a critical role in consumer journeys. The 2022 results showed that consumers were increasingly receptive to purchasing, amending and switching insurance through digital channels. For instance, 52% of respondents who purchased insurance via an app perceive this method to be the most secure, and the results were higher than for those who purchased via websites (39% who purchased through this channel felt it was most secure), price comparison websites (47% who purchased through this channel felt it was most secure) and telephone purchasing (33% who purchased through this channel felt it was most secure).

At the same time, for those who purchased insurance using paper applications, 45% felt this was most secure—the third highest proportion overall—while 43% of those who had purchased in person felt this was the most secure method.

This is a key takeaway that insurers who are developing humanized digital channels should recognize. Overall, consumers rate their perception of the security of purchasing through digital channels highly, but they still feel the security of in-person and paper application purchasing is higher. It is worth noting for insurers the relatively low perceptions of the security of telephone purchasing.

It is also significant for insurers to note that online chatbots are not popular choices for communication at any stage of insurance purchasing. As such, insurance providers need to offer a range of communication options to meet the diverse needs and preferences of their customers.

Another key takeaway from the 2023 survey results is the fact that one quarter of mobile phone and gadget insurance policies are purchased at the point of sale across age groups. In 2022, 23% of consumers said they favored going into a local insurance branch to buy their gadget/mobile phone insurance, which was the biggest preference in that survey. So there is clear evidence of an opportunity for growth here in terms of point-of-sale products for insurers.

Meanwhile in terms of communications, in 2022, 14% of respondents said they had not received a renewal reminder from their insurer after their most recent insurance purchase, rising to 21% in the 2023 survey.

Similarly, in 2022, 32% of consumers on average reported never hearing from their insurance provider on an annual basis (where there was no claim against a policy), and this rose to 45% in the 2023 results.

While this seems at first glance to be a deterioration in communications activities by insurers, in fact it is in line with what consumers say they want. For the 2023 survey, consumers indicated that they don't want much more than this in the traditional marketing sense. Whereas 19% of respondents said they never wanted to hear about new services and 24% said they never want to hear about other products is interesting.

It seems insurers are communicating with a proportion of consumers as often as they want to be communicated with, but need to be much more creative about getting the word out about new products.



Call To Action



Maximize Accessibility of Insurance Products to Consumers Across Channels

The data suggests that insurers continue to place a priority on [optimizing customer experiences](#) while maximizing access to insurance products through digital channels. SaaS-based distribution management systems that integrate secure apps for policyholders will help insurers [scale agency distribution channels](#) to add reach and maximize operational efficiency as consumers journey through online policy research and purchase. Consistency of look and feel between webpage and mobile app interfaces will build the consumer's confidence in the insurer and product.

At the same time, there is strong demand for humanized consumer experiences. It is vitally important, therefore, for insurers to strike the right balance between self-service features and live agent assistance to the online policy shopper. To achieve this, insurers can explore the use of cloud-based digital communication



Humanize the Consumer Experience Through Digital Channels

technology integrated with their core insurance systems. Capabilities such as screen sharing, co-browsing, digital audio/video and chat allow the insurer to provide humanized contextual help that is convenient and helpful to the consumer.

The data also suggests that insurers must continue to be prudent about communicating with policyholders outside of purchase, loss, and renewal events. However, there are now avenues for insurers to stay engaged with their policyholders without becoming intrusive. With the help of data derived from core insurance systems and integrated with artificial intelligence and machine learning models, [insurers can determine both the nature and optimal timing of communications to policyholders](#), such as when a policyholder changes residence and will need a new homeowner's policy.





Switching Insurance

KEY FIGURES

86%
feel there is a good range of choice available

40%
rated their buying experience as "very good"

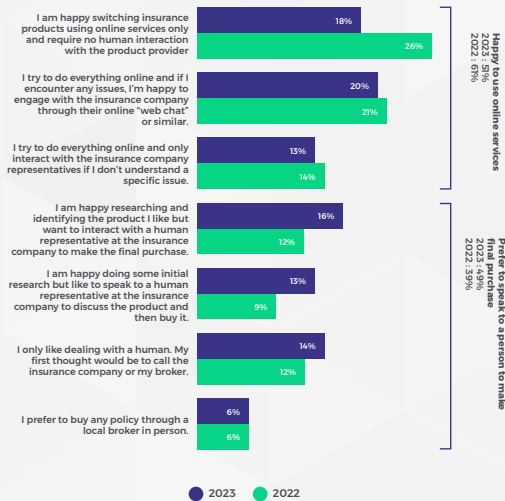
50%
feel that bundled insurance packages provide value for money

The 2023 survey shows an equal split for preference between online and in-person services when it comes to switching insurance globally (Figure 3.1). It's perhaps unsurprising to note that younger groups prefer using online services more than older groups (Figure 3.2).

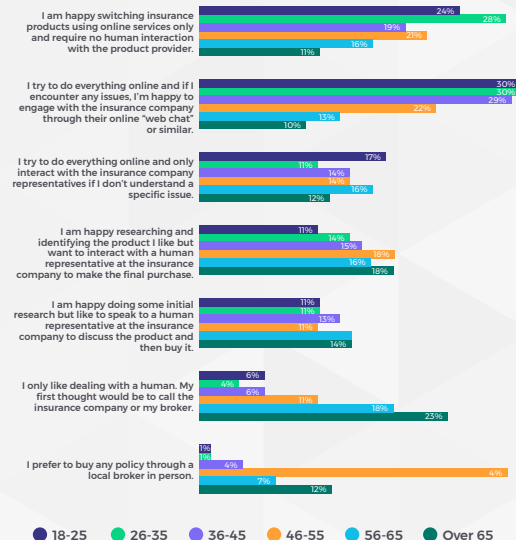
And this preference seems to be consistent across regions, except for France where almost one quarter of consumers only want to deal with a human during this process.



Figures 3.1
Human vs online interaction



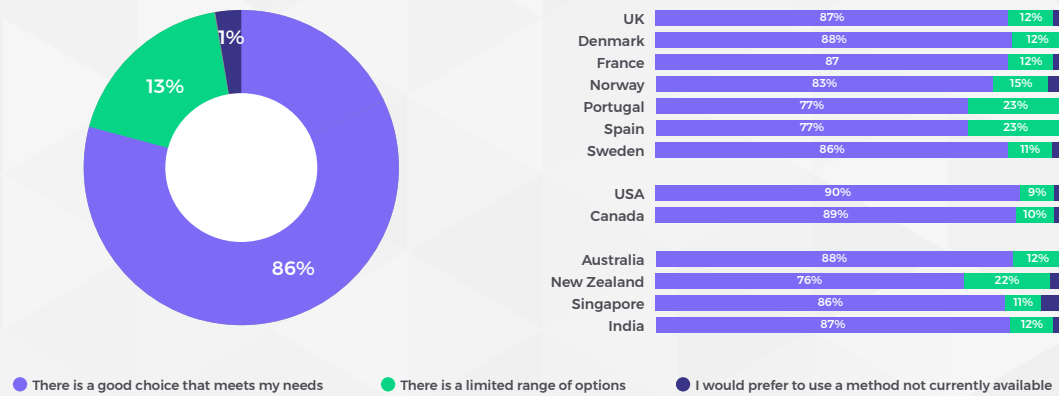
Figures 3.2
Preferences by age



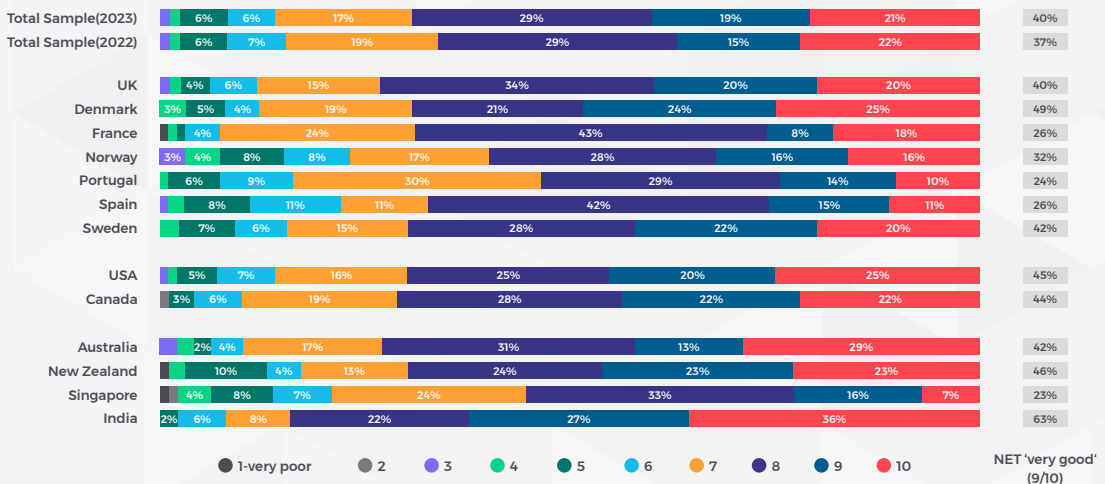
Overall, the majority of respondents (86%) believe that there is a good range of choice when it comes to switching insurance (Figure 3.3), however, there are distinct regional differences. New Zealand, Portugal and Spain had the highest levels of consumers reporting a limited range of options available to them.

Meanwhile, two fifths of respondents rate their overall experience of buying insurance highly, either a 9 or 10 on a scale of 10. Positive sentiment is echoed less in France, Portugal, Spain and Singapore, and is highest in India, Denmark, Sweden and the UK (Figure 3.4).

Figures 3.3
Switching Insurance: Choice available



Figures 3.4
Experience of Buying Insurance





Commentary from consumers who rated their insurance purchasing experience positively included:

"Online selection and purchase was quick and easy."

UK consumer, age over 65

"Using a broker makes it easy – he does all the work and makes recommendations."

USA consumer, age 56 - 65

"It's online, convenient, and easy to navigate and complete any transactions."

USA consumer, age 36 - 45

"I can select the services that work best for me and get advice when I need it but there are no pushy sales reps."

Canadian consumer, age 36 - 45

"Speaking with a human rep assures me and brings comfort."

New Zealand consumer, age 65

"My insurance company is transparent, very helpful explaining policies, and rates are reasonable."

USA consumer, age over 65

"I'm able to do everything with one phone call without having to go back and forth."

Australian consumer, age 56-65



And some of those that rated their experience negatively said:

"Terms are not clear. No one phones you back. Rates increase significantly right after purchasing quoted amount."

Canadian consumer, age 46 - 55

"Unexpected and unexplained large premium increases."

USA consumer, age over 65

"I hate buying insurance and always feel at a disadvantage."

USA consumer, age over 65

"Everything is limited to the Internet and there is no personal contact to solve problems."

Spanish consumer, age 46 - 55

"There are so many hidden conditions they are indicating when we are going to claim something."

Australian consumer, age 26 - 35

"I do not understand the language they use."

Spanish consumer, age 56 - 65

"Customer service is always lacking."

USA consumer, age 56 - 65

"Claims process is long and difficult."

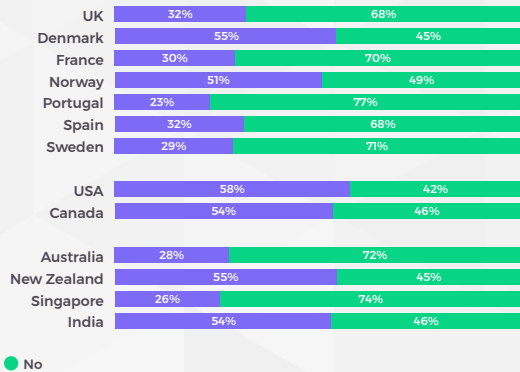
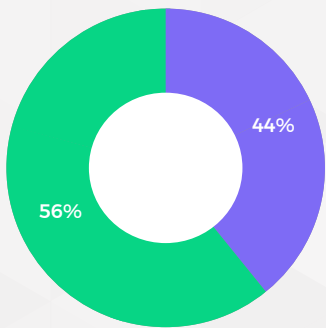
Singapore consumer, age 46 - 55

Packaged insurance and confidence

When it comes to bundled insurance, half of those who have purchased it reference the value obtained for the money (Figure 3.5). And one in five say it was the easiest/most convenient method (Figure 3.6).

Overall, respondents agreed that bundled insurance packages are cost-effective and convenient, and almost all felt confident that they had purchased the correct coverage in a bundled product.

Figures 3.5
Have you purchased bundled insurance packages?



Figures 3.6
Perceptions of bundled insurance



However, comparatively low levels of confidence in whether they had bought the correct coverage were reported by consumers in Portugal, Sweden, and Norway (Figure 3.7).

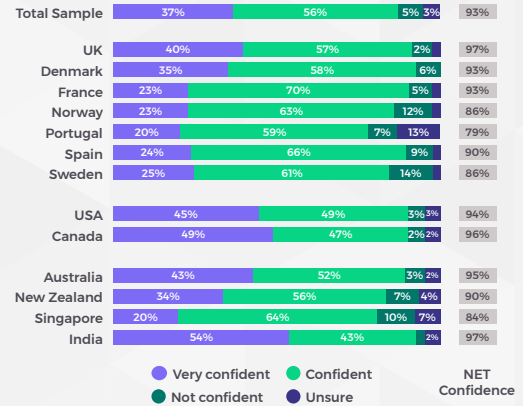
Respondents reported that they derived the most confidence in their bundled insurance when they bought it directly from an insurance provider, followed closely by from a local branch. Respondents reported the least confidence in the coverage purchased when they bought it as an add-on (Figure 3.8).

In total, consumers responded that they'd rather go to an expert to ensure they have the right cover in place, as opposed to buying online and risking over- or under-coverage. Two-thirds of UK respondents are happy to buy online. Consumers in France, USA, and Canada prefer speaking directly to an expert (Figure 3.9).

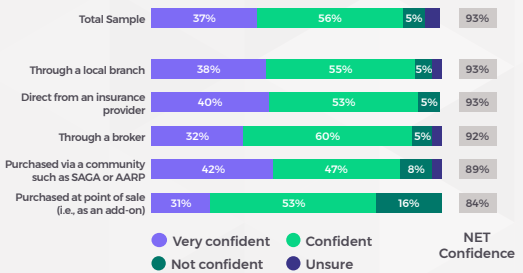
Meanwhile, when making changes to policies, nearly two fifths of respondents prefer to do this over the phone, while 30% prefer making changes through a website. The proportion of consumers expressing a preference for making changes to their policy over the phone has increased slightly year-on-year. (Figure 3.9).



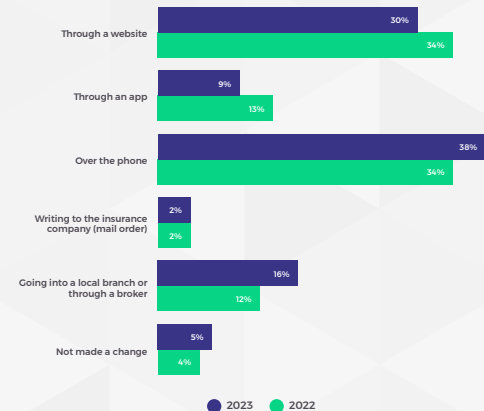
Figures 3.7
Confidence in coverage bought by region



Figures 3.8
Confidence in coverage bought by product type



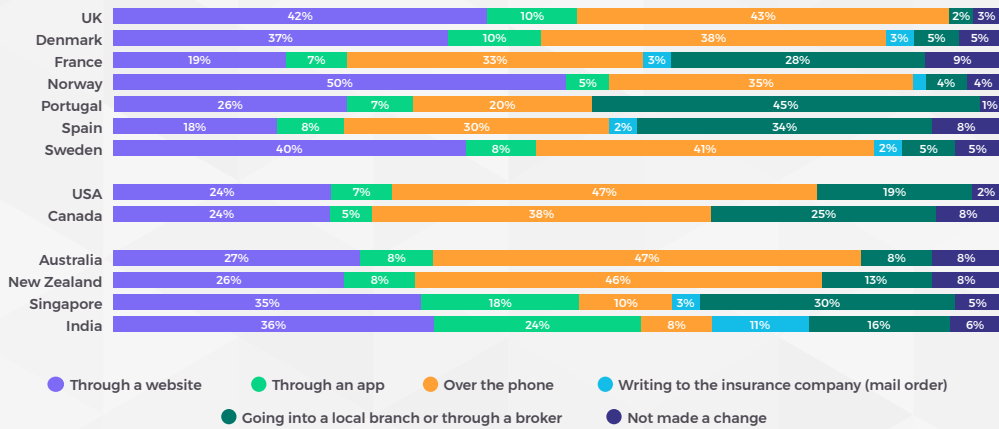
Figures 3.9
Preference for speaking to an expert or online



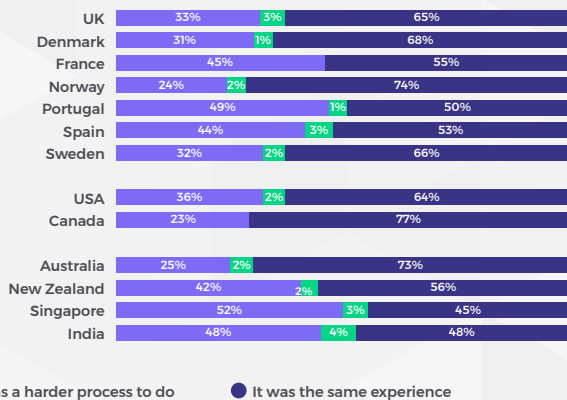
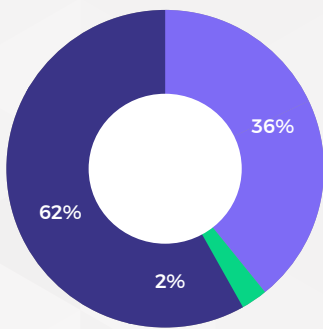
But in Portugal and Spain, using local branches is preferred by the most respondents, 45% and 34% respectively, when making changes, while websites are the most preferred methods in Norway (50%), Singapore (35%), and India (36%) (Figure 3.10). Almost two fifths of those

who have made a change believe that it was a simpler process than first buying the insurance. The majority say it was the same experience (Figure 3.11).

Figures 3.10
Making changes to a policy: regional preferences



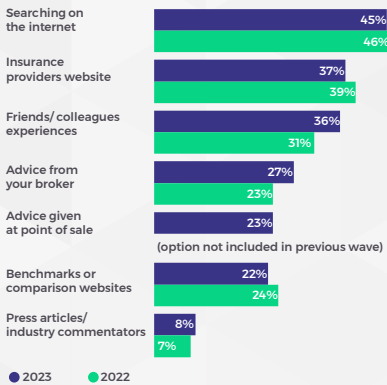
Figures 3.11
When making changes, how did the experience differ?



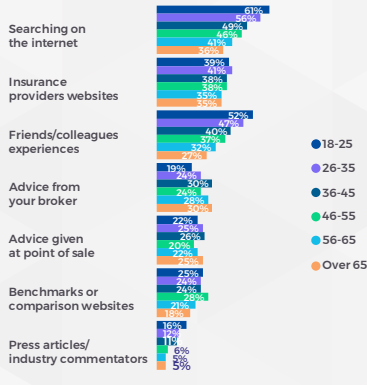
When it comes to deciding on insurance purchases, 45% of consumers use the Internet, while 37% use insurance provider websites and 36% rely on word-of-mouth from friends and family (Figure 3.12). Younger age groups are more likely to

search the Internet and listen to peer experiences compared with older age groups (Figure 3.13). And in Canada, almost half of respondents value advice from their broker (Figure 3.14).

Figures 3.12
Considerations before purchasing insurance

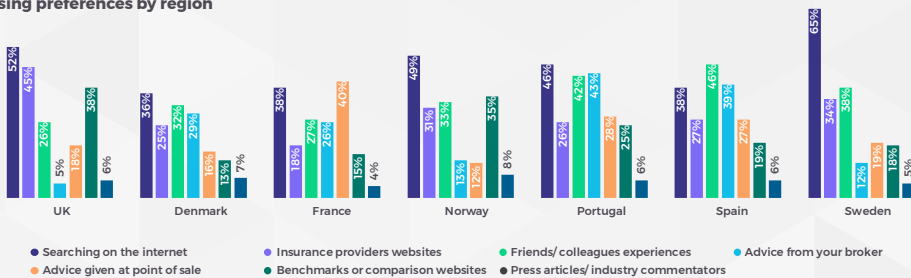


Figures 3.13
Purchasing considerations by age group

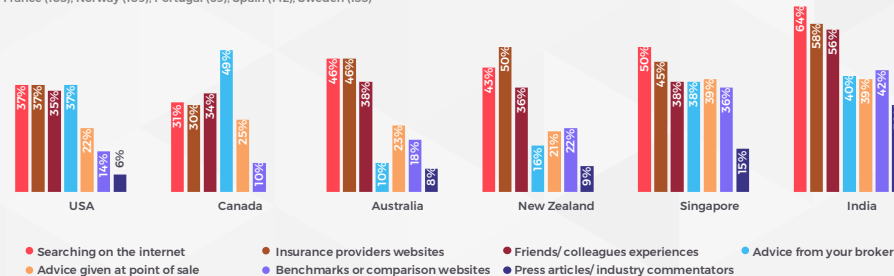


C11. What factors/considerations do you take into account before deciding on your insurance purchases? Base: Total sample (2,095), 18-25 (83), 26-35 (500), 36-45 (343), 46-55 (343), 56-65 (582), Over 65 (604)

Figures 3.14
Purchasing preferences by region



C11. What factors/considerations do you take into account before deciding on your insurance purchases? Base: Total sample (2,095), UK (501), Denmark (110), France (103), Norway (109), Portugal (69), Spain (142), Sweden (133)



C11. What factors/considerations do you take into account before deciding on your insurance purchases? Base: Total sample (2,095), USA (603), Canada (102), Australia (106), New Zealand (104), Singapore (107), India (106)

Key Takeaways

Insurers received high scores on reported consumer buying experiences for the second year in a row—with the number of global consumers giving 10/10 “very good” ratings up from 37% in the last survey to 40% in the 2023 sample.

However, it is worth noting the common themes in the negative feedback from some consumers around clarity and confidence in 2023: there is still work to be done when it comes to transparently communicating policy terms and conditions to consumers.

Similarly, it is interesting to note varying levels of confidence from policyholders in their understanding of the coverage they have bought. A clear takeaway again for insurers here is to help simplify the way they communicate policy wordings and be very transparent about what is or is not included in a certain cover, to help consumers understand more fully what they are purchasing, and to help them appreciate the full value the product offers.

There are interesting regional differences when it comes to consumer preferences for switching insurance and their perceptions of the options available to them, and as such, these are valuable insights for insurers with a global footprint to consider.

Of note too is the number of consumers in New Zealand, Portugal, and Spain who reported feeling there was a limited range of options available to them when it comes to purchasing different types of insurance. There is scope for insurers to dig



deeper and find ways to better meet the needs of consumers, and potentially grow their market share.

In addition, a small number of overall respondents said they want to buy types of insurance that aren’t currently available to them. One consumer from Singapore asked for more Shariah-based insurance that was not widely available, for instance, while another Singaporean consumer asked to purchase insurance through their digital wallet.

While not statistically significant in terms of the overall sample, it is worth insurers noting these areas of demand from their customers as an indicator of future trends. Similarly, while most consumers were happy with their experience of buying insurance, it is worth looking closely at the regions where sentiment was markedly lower—France, Portugal, Spain, and Singapore—and comparing strategies there to those regions where consumer satisfaction is highest.

Perceptions of value

It is interesting to note the partial correlation between those countries with high consumer satisfaction and the high levels of demand for bundled insurance products; Denmark, India, and New Zealand appear on both of these lists for instance. A key takeaway here is the perception of value and simplicity that consumers are reporting from purchasing bundled insurance products.

Yet, overall, less than half of consumers purchased bundled insurance products, a gap that raises food for thought for insurers looking to expand their presence in this corner of the market.

An interlinked key takeaway for insurers is the low level of confidence in coverage bought as an add-on. It's clear that consumers need more information here—insurers need to make add-on insurance terms and conditions easier to understand

and ensure that policyholders fully understand the benefits and limitations of these products—in order to be able to make an informed decision.

It is also possible that policyholders may not see the value in add-on products and may not believe that the additional coverage is worth the extra cost, while some policyholders may not trust insurance companies to act in their best interests, especially when it comes to add-on products.

Again, it is important that insurers tackle these concerns head-on, and clearly address and articulate the benefits of add-on insurance products to consumers so that they can be more confident about what they are buying, particularly given the appeal of add-on product innovation (see the next section, Insurance Innovation, for more on consumer perceptions here).



Call To Action



Accelerate Speed to Market with the SaaS Model

The data points strongly to the consumer's need for choice, both in the variety of, and access to, insurance products.

To satisfy this need for choice and capture market share, insurers have to [accelerate speed to market](#) for new products. Insurers who have embraced the SaaS delivery model will be strongly positioned to offer differentiating products to consumers when they seek to switch products either within the same insurer's portfolio or switch from one insurer to another.

By using design paradigms such as product inheritance and low code software development, insurers can [leverage the SaaS model](#) to offer the same insurance product to the same consumer quickly with minimal required modifications. This is the case even when that consumer moves to a new geography having different regulatory requirements or purchases a new home or vehicle requiring different coverage minimums. These same design



Leverage the SaaS Ecosystem to Differentiate Competitively

paradigms help insurers quickly package different products into unique “bundles” that simplify policy management and payment plans for the consumer.

The SaaS-model also supports a powerful ecosystem of complementary insurance solutions that when integrated with the core insurance platform through APIs, offer differentiating capabilities that give insurers a competitive edge. When it comes to consumer demand for choice in the variety of and access to insurance products, insurers can harness the ecosystem to [deliver a low-friction policy shopping experience](#), and integrate billing with a wide range of payment providers, payment methods, and currencies. Finally, insurers can streamline the claims experience for consumers by offering omni-party digital communication, that maximize adjuster efficiency, and utilize claims analytics to help claims supervisors ultimately lower claims cycle times and costs.





Insurance Innovation

KEY FIGURES

43%

find the concept of add-on insurance appealing

54%

find the concept of insurance on-demand appealing

62%

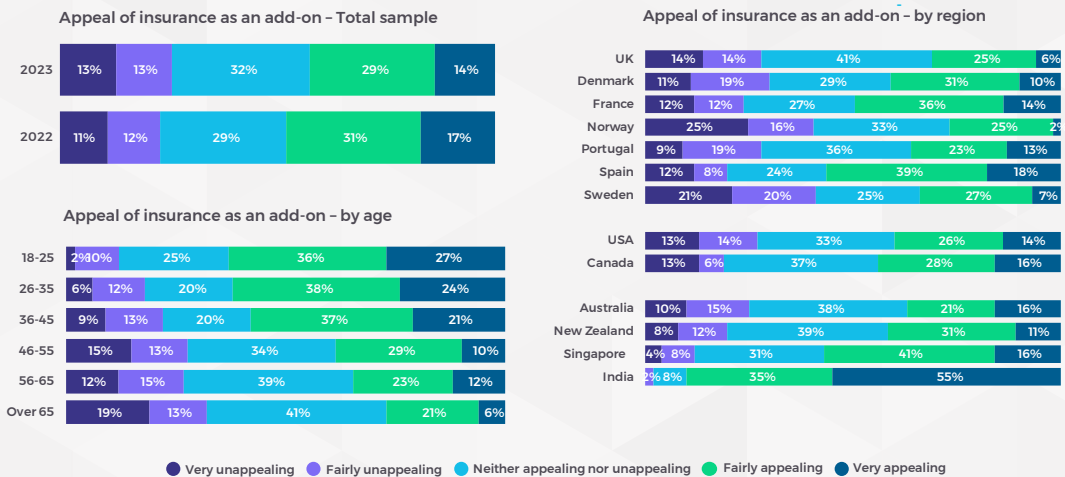
are either unaware of embedded insurance or unsure what it is

For the second year in a row, we asked policyholders about their perceptions of insurance innovation, and once again the results make for fascinating strategic insights for insurers.

Consumers were asked in detail about three different areas of insurance innovation: add-on insurance, insurance on-demand, and embedded insurance.

The concept of add-on products engenders mixed views—43% of the overall sample find the concept appealing, with even higher interest among younger age groups. And the appeal is even stronger in countries like India, Singapore, and Spain. Nevertheless, 26% overall said the concept was unappealing and 32% were undecided either way (Figure 4.1), which also correlates to some extent with the findings of the previous section of this report about confidence in insurance coverage from add-on products.

Figures 4.1
Appeal of add-on insurance



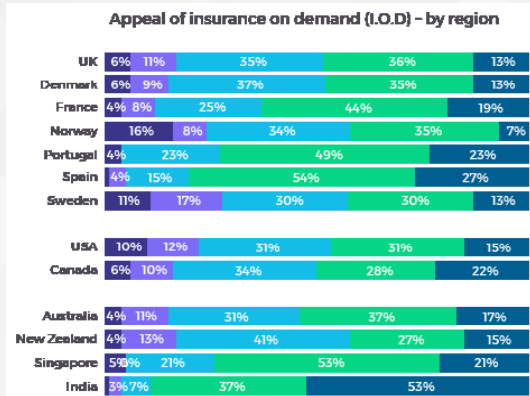
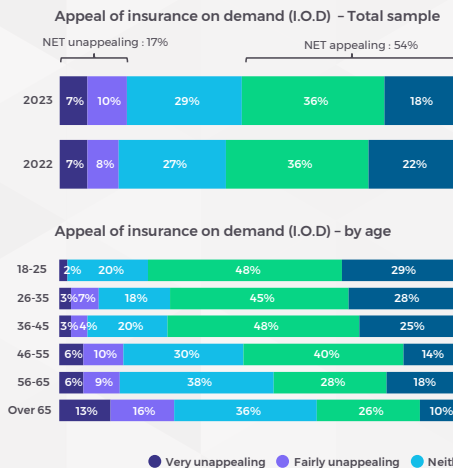
D1. An insurance product may be a requirement or be available as add-on when you purchase a new device or product such as a mobile phone or a new car. How appealing would it be if an insurance provider reached out to you shortly after purchasing the device/product to discuss suitable insurance options? Base: Total sample (2,095), UK (501), Denmark (110), France (103), Norway (109), Portugal (69), Spain (142), Sweden (133), USA (603), Canada (102), Australia (106), New Zealand (104), Singapore (107), India (106) 18-25 (83), 26-35 (300), 36-45 (383), 46-55 (343), 56-65 (332), Over 65 (604)

Meanwhile, over half of consumers said they find insurance on-demand appealing, especially younger age groups, and with the strongest appeal seen in India, Spain, and Singapore (Figure 4.2). Almost half of respondents said they would be interested in on-demand insurance covering specific events, activities, or short-term rentals. Although there was less interest in on-demand insurance for short journeys,

younger age groups showed greater interest in this type of coverage (Figure 4.3).

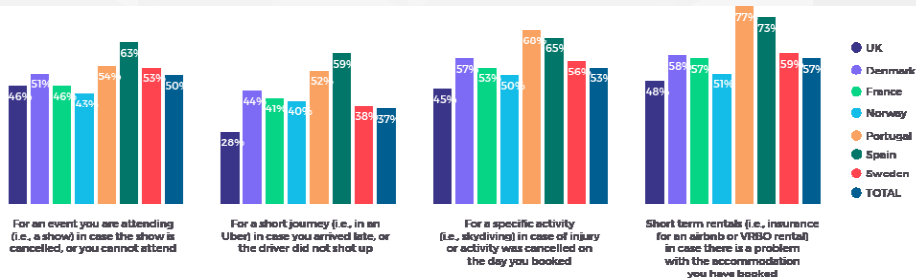
When asked what other places they would like to see insurance on-demand, consumers cite short-term travel cover and vehicle-related insurance most often.

Figures 4.2
Appeal of insurance on demand



D2. 'Insurance on demand' / 'Usage-based insurance' is a new form of insurance product where customers can purchase an insurance cover in minutes and for short-term usage e.g., only paying for car insurance when driving. How appealing is this new form of insurance to you? Base: Total sample (2,095), UK (301), Denmark (110), France (103), Norway (109), Portugal (69), Spain (142), Sweden (133), USA (603), Canada (102), Australia (106), New Zealand (104), Singapore (107), India (106) 18-25 (83), 26-35 (300), 36-45 (383), 46-55 (343), 56-65 (382), Over 65 (604)

Figures 4.3
Appeal of context for insurance on demand



D3. Would you be interested in 'insurance on demand' / 'usage-based insurance' which was paid for at the time, where you are covered...? Base: Total sample (2,095), UK (301), Denmark (110), France (103), Norway (109), Portugal (69), Spain (142), Sweden (133), USA (603), Canada (102), Australia (106), New Zealand (104), Singapore (107), India (106) 18-25 (83), 26-35 (300), 36-45 (383), 46-55 (343), 56-65 (382), Over 65 (604)

Figures 4.6
Insurance on Demand: Commentary

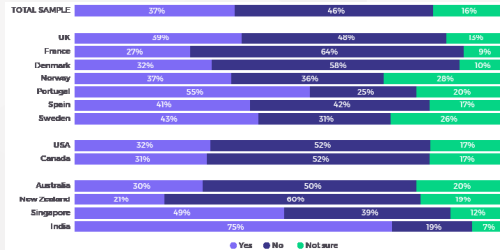
Travel/holiday cover	11%	"For an expensive trip if it's cancelled or I can't go after paying for it."	"...for taking public transportation"	"On cruise ship vacations in case of a pandemic"
		"Flights, both domestic and international"	"Flight cancellations and changes"	"Vacation cancelled due to illness or injury"
Car/vehicle-related insurance	7%	"Motor insurance for a learner driver."	"Classic cars you own but seldom drive or seasonal vehicles."	"For daily driving, I am a low mileage driver and this may allow cost savings."
		"Short term car insurance - for a few days."	"Temporary car insurance to drive someone else's vehicle."	"Driving distance related insurance."
Health/medical insurance	3%	"Missing hospital appointments because of strike action."	"Doctor office visits - if they are a no show make them pay me for their time."	"Health cover for when needing to go see a doctor or specialists."
		"Health cover for when needing to go see a doctor or specialists."	"At work - work injury."	"Accident insurance."
Outdoors/adventure sports	2%	"Extreme sports."	"Sports-related, for example, if you book a riding holiday, insure against injuries and expenses."	"Adventure sports."
		"Trekking, Rock Climbing etc."	"In skiing"	"General rent of sports equipment and sports activities abroad."
Other suggestions	16%	"School trips."	"Electric apparatus, mobiles, trips."	"For special events like concerts."
		"At the supermarket."	"On buying expensive jewellery so the item would be covered immediately."	"Online transaction insurance."
		"When moving properties."	"Attending education providers."	"Online shopping."

D4. What other places would you like to see 'insurance on demand' / 'usage based insurance' offered? Base: Total sample (2,095) - 61% N/A / I don't know / no suggestions made

Meanwhile, on the topic of embedded insurance, the results show that almost half of the total sample are unaware of embedded insurance (Figure 4.4). Only in Portugal and India is awareness greater than 50%. And for those who are aware of embedded insurance, trust varies by country (Figure 4.5). In the UK, for example, only 22% trust the concept, while in Portugal and India, awareness is higher and trust is greater.

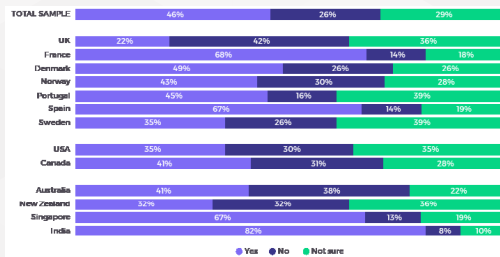
Those who trust embedded insurance say that the top reasons why they did so was because they believed the product was useful or good (20%) or because they felt the seller was secure or trustworthy. The top reasons for those who did not trust the concept were: they find it unnecessary (24%) and they find it too expensive (23%). Those who are unsure require more information (24%), or have had little experience with it (16%).

Figures 4.4
Awareness of embedded insurance



D6. Are you aware of the concept of 'embedded insurance' e.g., buying insurance at the point of purchasing new gadgets or vehicles? Base: Total Sample (2,095) UK/ ROI (301), France (103), Denmark (110), Norway (109), Portugal (69), Spain (142), Sweden (133), USA (603), Canada (102), India (106), Singapore (107), New Zealand (104), Australia (106)

Figures 4.5
Trust in embedded insurance



D7. Do you trust the concept of embedded insurance? Base: Those who answered 'yes' to 'are you aware of the concept of embedded insurance?' (780) UK/ ROI (117), France (28), Denmark (35), Norway (40), Portugal (58), Spain (58), Sweden (57), USA (190), Canada (52), India (79), Singapore (52), New Zealand (22), Australia (32)

Key Takeaways

A key takeaway comparing this year's results with the last benchmark Global Consumer Insurance Insights Survey is a slight erosion in the appeal of some product innovation among policyholders. This may come as a surprise to many insurers!

When it comes to add-on products, the number of consumers who said they found the concept of add-on products appealing decreased year-on-year. In the 2022 survey, 48% of consumers said they would find add-on products appealing. This dropped to 43% in 2023.

The deterioration in appeal may speak to the negative perception of the value of add-ons discussed in the last section. Is it possible that consumers may worry that the insurance company is trying to sell them something they don't need? Or perhaps, that consumers feel the company will deny their claims if they purchase add-on products?

Again, the need to communicate the value proposition and benefits to policyholders concisely and clearly in the face of eroding sentiment towards add-on products is a must for our industry.

Meanwhile, 58% of those surveyed in 2022 said they found insurance on-demand appealing, a sentiment that declined to 54% in this year's survey. It's a minor dip. Nonetheless, it's important to note that over half of respondents are still receptive and positive about the concept.

Of particular interest here are the qualitative takeaways from the survey (**Figure 4.6**) where policyholders gave some commentary and ideas about where they would find insurance on-demand helpful. The breadth of responses here show that consumers really understand the concept and can see how it could apply to other activities and occasions, harnessing insurance more efficiently to make them more resilient and protected when undertaking a wider variety of activities.

Finally, the results around embedded insurance are particularly interesting when it comes to trust. Almost half of those consumers who say they are aware of what the concept is also said they trust the concept, but this trust did not translate in the UK (only 22% said they trust the concept), New Zealand (32%), Sweden and USA (35%).



Embedded insurance is considered by many to be the next frontier for our industry, making insurance more relevant, efficient, and targeted at the point-of-sale, often fronted by major retail brands. The industry has a clear opportunity to provide tangible benefits to policyholders, but there is a strong takeaway here around communication of these benefits, in a similar way to bundled insurance as we saw in the last chapter.

Overall, embedded insurance can provide policyholders with a more convenient, cost-effective, tailored, and accessible insurance coverage. It can simplify the insurance process and make it easier for policyholders to protect themselves against risks associated with the products and services they use.

There is a trust issue that must be addressed and overcome for policyholders to understand why insurance integrated into the purchase of a product or service can make it more convenient for them. Part of this is reducing complexity and making it easier to understand the coverage and its benefits.

Finally, a key benefit is improved accessibility to insurance coverage, especially for those who may not have otherwise sought out insurance. This can be particularly important for underserved or marginalized communities who may face barriers to accessing traditional insurance products.



Call To Action



Maximize Accessibility of Insurance Products to Consumers Across Channels

Consumers in some regions have much higher awareness than elsewhere when it comes to these innovations (add-on insurance, insurance on-demand, and [embedded insurance](#)). Consequently, insurers seeking to offer one or more of the three insurance innovations surveyed in a region showing relatively low awareness overall, would benefit from consumer education programs that focus on the value these innovative offerings deliver. Insurers would also benefit from exploring technologies to support their entry into selected global markets with one or more of these insurance products.

To deploy these products, insurers can [harness innovative technology offered by the SaaS model](#) to support product innovation and deployment flexibility for any of the three insurance offerings explored in this survey. Product inheritance and low-code design paradigm allow rapid addition of add-on coverages to existing policies, products to be designed for diverse on-demand coverages such as events and trips, and embedded insurance products to be offered at online and offline retail points of sale with a single transaction for the consumer.



Leverage the SaaS Ecosystem to Differentiate Competitively

The global scope afforded by the SaaS model means that geographic reach is no longer a physical barrier to deploying any of the three innovative offerings. Data storage, backup, and security protocols can be managed for each region with 24/7 access to the insurance products by consumers.

In all three cases, transactions for policy purchases can take place seamlessly and securely over the cloud. Add-on insurance and on-demand insurance can be purchased online from the comfort of the consumer's home. For [embedded insurance purchases](#) at the retail point of sale, transactions also take place over the cloud, opening up the significant opportunity for insurers to partner with consumer retail vendors around the world.

Calls To Action For Insurers

For insurers, the Global Consumer Insurance Insights Survey reveals important insights into the evolving expectations of consumers in the insurance industry.

Here is a recap of the calls to action for insurers:



Maximize Accessibility of Insurance Products to Consumers Across Channels

Adopt a [SaaS-based distribution management platform](#) to grow distribution channels flexibly, with a focus on maximizing the operational efficiency of agents, and broadening the reach of agents to consumers. Offer intuitive, secure digital apps that allow policyholders to manage policies throughout the lifecycle with minimal friction across consumer devices such as laptops and smartphones.



Accelerate Speed to Market with the SaaS Model

To successfully develop and deploy innovative products such as add-on insurance, on-demand insurance and embedded insurance, insurance providers must be able to operate without the limitations of geographic boundaries. The SaaS development and delivery model allows insurers to [enter new markets more quickly](#) with differentiated products serving a broader range of consumer segments than possible with legacy insurance systems. Design paradigms such as product inheritance and low-code software development allow for product modification and packaging to meet market needs without accumulating technical debt.

Calls To Action For Insurers



Humanize the Consumer Experience Through Digital Channels

Adopt a balanced combination of technology innovations supporting policyholders online with live agent engagement to optimize the consumer experience at various touch points during the policy lifecycle. Digital capabilities such as screen sharing, co-browsing, digital audio/video and chat allow agents to provide contextual help to consumers when they need it, humanizing the engagement and building consumer confidence in the insurance product and the insurer. Utilize data derived from core insurance systems and integrated with artificial intelligence and machine learning models to determine both the nature and optimal timing of communications to policyholders.



Leverage the SaaS Ecosystem to Differentiate Competitively

Harness innovative technologies within the SaaS ecosystem, that when integrated with core insurance platforms through APIs, offer differentiating capabilities and a competitive edge. Tapping into ecosystem solutions empowers insurers to offer significantly broader value to consumers globally. This value includes delivering a low-friction policy shopping experience with digital technologies, backed by billing integration with a wide range of payment providers, payment methods, and currencies. Finally, the SaaS ecosystem improves the claims experience—the time when the promise of insurance truly comes under the spotlight—by offering omni-party digital communication, that maximizes adjuster efficiency, and advanced claims analytics that help claims supervisors by offering lower claims cycle time and costs.

About Duck Creek Technologies

Duck Creek Technologies is a leading provider of core system solutions to the P&C and general insurance industry. By accessing [Duck Creek OnDemand](#), the company's enterprise software-as-a-service solution, insurance carriers are able to navigate uncertainty and capture market opportunities faster than their competitors. Duck Creek's functionally rich solutions are available on a stand-alone basis or as a **full suite**, and all are available via Duck Creek OnDemand. For more information, visit www.duckcreek.com.

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