Safeguarding Emerging Asia's Middle Class From Emerging Risks



# **About Peak Re**

Peak Reinsurance Company Limited ("Peak Re" or the "Company") is a Hong Kong-based global reinsurance company. Since commencing its operations in 2012, the Company has grown steadily to rank 27th among global reinsurance groups in terms of net reinsurance premiums written\*. The Company reported a net profit after tax of USD160 million against reinsurance revenue of USD750 million in the first half of 2023 (six months ended 30 June 2023). With a total equity of USD1,260 million as of 30 June 2023, Peak Re enjoys an "A-" rating by AM Best.

Peak Re is authorised by the Insurance Authority of Hong Kong under the Insurance Ordinance (Cap. 41). The Company offers both Property & Casualty ("P&C") and Life & Health ("L&H") reinsurance. It strives to provide clients around the globe with innovative and tailored reinsurance, risk management and capital management solutions.

Fosun International Limited (00656.HK) and Prudential Financial, Inc. hold approximately 87% and 13% of Peak Re via Peak Reinsurance Holdings Limited, respectively.

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# Foreword

A lot has happened since we last surveyed emerging Asia's middle class in 2022. For instance, all markets in the region have exited from previous pandemic lockdowns. Economic growth has largely rebounded, albeit at different speeds. The earlier shocks from sharply higher energy and food prices have receded, but monetary tightening remains a key constraint, alongside continuing geopolitical tensions. I would also add that the impacts of climate change are becoming more apparent, impacting governments, societies and our industry alike.

Amid these various challenges, emerging Asia's consumers have demonstrated strong resilience and continue to drive the region's economic growth. Indeed, according to IMF estimates, over half of global growth in the next few years is likely to come from Asia. Rising incomes and asset ownership are fundamental drivers for insurance demand. Yet, in order to tap into these opportunities, it is necessary to have a clear understanding of this consumer segment in terms of their attitudes, behaviours and preferences.

In this second edition of the emerging Asia's middle-class consumer survey, we delve into key topics including healthcare needs beyond medical costs, the changing attitudes and demands towards mental wellbeing and the consumer experiences with cybersecurity and cybercrimes. We surveyed 5,500 consumers across five emerging markets in the region, including India, Indonesia, Malaysia, Thailand, and the Philippines.

I hope this study can provide a rich data source on these emerging topics and foster quality dialogue about the upcoming trends and needs in emerging Asia. By sharing ideas, we can collectively better serve this segment and contribute to the closing of protection gaps.

I trust you will find this data compilation as thought-provoking as I did, and please get in touch with your Peak Re contact if you have any questions, feedback or suggestions.



Franz-Josef Hahn CEO, Peak Re

### Background, objective and methodology



In October 2022, Peak Re accomplished a successful launch of the **"emerging Asia's rising middle class"** report, aiming to establish Peak Re as a prominent authority on the Asian middle-class consumer landscape.

## Research Coverage

- Usage, behavior and attitude towards health and health insurance, including critical illness insurance
- 2 Perception towards mental health issues and cybersecurity issues
- Benchmarking with 2022 on key parameters to understand key trends

### Methodology

Online surveys via online access panels

## Target Group



Middle-class consumers aged **25-50** years old

The middle-class was defined for this study as any household with an income between 2/3 and 3x the local median household income\*

### **Fieldwork**

30 August to 6 September, 2023





In 2023, Peak Re aims to sustain the dialogue on the emerging Asia's middle class with a specific emphasis on a number of key topics such as health insurance, mental health and cybersecurity issues.

\*For India the upper limit was put at 4x median income to avoid excluding too many consumers.

\*Total sample is unweighted. The total figure indicated in this report is a simple average of markets. | Due to rounding, not all numbers may add up to 100%.

# 03 ASIA'S EMERGING MIDDLE CLASS: 1 YEAR LATER

# Emerging Asia's middle-class remains optimistic about seeing themselves and their children move upward.

Expectations of oneself improved most in Malaysia.



Expectations towards children's success (%)



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EJ2. In the next 5 years, do you see yourself remaining in that same group or moving upwards/downwards within the socio-economic hierarchy? | Base: All respondents EJ4. Do you think your children will be more successful, less successful or as successful are you are? | Base: Those coded 1/2/3/4 in S5 (n=5,515)

### Post pandemic, over 50% returned to their place of work in all markets except the Philippines.

However, hybrid and work from home working patterns are still sizable.

#### Work situation in the past 6 months (%)





### A rise in all activities as emerging Asia's consumers rediscover hobbies post pandemic.

While it's no surprise that outdoor pursuits have increased with more social freedom post-COVID, digital entertainment and online interests have also seen a slight increase.

#### Changes in leisure activities engaged in 2022 vs. 2023 (%)

			_						۲		
	Total	Malaysia	Indone	Indonesia		Thailand		Philippines		India	
Malls	74 ▲9 p	ots 78	▲14 pts 74	▲14 pts	65	▲5 pts	81	▲3 pts	72	▲8 pts	
Fast food restaurants	71 ▲9 p	ots 74	▲9 pts 76	▲11 pts	49	▲5 pts	81	▲7 pts	72	▲10 pts	
Watching TV	70 ▲2 p	ots 71	▲6 pts 71	▲1pt	62	▲6 pts	70	▲2 pts	75	▲4 pts	
Browsing social media	69 <b>▲</b> 7 p	ts 75	▲15 pts 77	▲2 pts	60	▲2 pts	70	▲3 pts	66	▲9 pts	
Coffeeshops, cafes	64 13	ots 69	▲18 pts 72	▲13 pts	53	▲7 pts	68	▲14 pts	59	▲12 pts	
Web browsing	61 ▲5 p	ots 65	▲7 pts 64	▲6 pts	55	▲2 pts	58	▲1pt	61	▲7 pts	
Domestic travel	60 12	ots 61	▲16 pts 73	▲18 pts	39	▲11 pts	55	▲16 pts	70	▲6 pts	
Cinema	56 17	ots 51	▲18 pts 69	▲31 pts	34	▲7 pts	51	▲24 pts	69	▲12 pts	
Gaming	52 ▲6 p	ots 42	▲5 pts 65	_	50	▲3 pts	49	▲4 pts	52	▲ 11 pts	
Reading books	44 ▲3 p	ots 44	▲7 pts 48	▲7 pts	29	▼4 pts	41	▲2 pts	53	▲5 pts	
Sports	39 ▲8 p	ots 31	▲9 pts 65	▲4 pts	19	▲5 pts	30	▲6 pts	47	▲14 pts	
Fine dining restaurants	35 ▲6 p	ots 28	- 28	▲6 pts	17	▲4 pts	45	▲13 pts	52	▲11 pts	
Watching sport events	35 ▲10	pts 27	▲10 pts 50	▲11 pts	18	▲5 pts	27	▲7 pts	48	▲18 pts	
Taking part in sports activities	27 ▲7 p	ts 26	▲9 pts 39	▲6 pts	15	<b>▲</b> 1pt	23	▲8 pts	33	▲13 pts	
Overseas travel	27 ▲11 p	ots 27	▲15 pts 34	▲14 pts	17	▲8 pts	20	▲9 pts	34	▲12 pts	
Theater	23 ▲6 p	ots 13	▲2 pts   13	▲2 pts	8	▲3 pts	17	▲8 pts	52	▲15 pts	
Visiting bars	23 ▲7 p	its 14	▲3 pts 18	▲6 pts	20	▲7 pts	19	▲7 pts	38	▲11 pts	
Hiking	15 ▲4 ¢	ots 18	▼4 pts 12	▲2 pts	9	▲1pt	19	▲6 pts	16	▲5 pts	

Note: ▲/ ▼indicate positive / negative change over 2022

EG1. Which of the following social and leisure activities have you engaged in during the past 6 months? | Base: All respondents

## Online shopping is here to stay.

Consumers have retained the habit of buying things online. It continues to increase in most markets, especially in Indonesia.

#### (• Total Malaysia Thailand Philippines Indonesia Not shopped in 6 months Less than once per month Once per month Several times per month Every week Every day

### Online shopping frequency in 2022 vs. 2023 (%)

EG4. How often did you do online shopping in the past 6 months? Base: All respondents

Higher frequency of online shopping

India

# 04 OPPORTUNITIES FOR 2023 AND BEYOND

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Our study among emerging Asia's middle-class in the areas of improving health diagnostics, mental health, and cybersecurity revealed three key opportunities for mitigating risks.



## Opportunity for coverage of second medical opinion for the emerging Asian consumer.

Top needs when it comes to serious disease diagnosis



70%

had problems with medical diagnoses or treatments in the last 2 years Because of their past experiences with diagnosis or treatment issues, emerging Asian consumers have a high interest in obtaining second medical opinions covered by health insurance.

Assuming you had a serious medical diagnosis and health insurance that covered second medical opinions as a benefit, how open would you be to utilizing this option? If you had to look for a second medical opinion service for an ailment that you or your family members have, which of these would you put most trust in?

# 

39% rated 10 out of 10 in terms of openness 39% rated 8-9 out of 10 in terms of openness

# 00000000000



Many in emerging Asia struggle with mental health. They are concerned with high treatment costs and there is uncertainty about mental health treatment being covered in insurance policies.



of emerging Asians said they have experienced mental health symptoms or have been diagnosed in past 2 years.



Out of those who have not taken active steps to manage their symptoms



Only around half in emerging Asia indicated that mental health-related expenses are covered in their insurance plan.

Is medication prescribed for mental health issues covered in your health insurance plan?



# There is high interest in obtaining coverage for financial support and treatment costs for mental health issues.

How interested would you be to obtain insurance coverage for the below issues? (8-10 - Very interested)



How open would you be to obtain a second medical opinion from another qualified doctor if you have been diagnosed with mental illness?



## Cybersecurity is a big issue in emerging Asia.



# Interest in protection against cybercrime is high. Countries with the most cybersecurity problems, e.g. India, are willing to pay the most for protection.

#### Average amount willing to pay for cybersecurity protection

What is the maximum amount you are willing to pay for an annual insurance cover of USD 1,000 for protection against these cybercrimes?



# 4.1 HEALTHCARE AND DIAGNOSTIC ACCURACY

### Physical and mental health are being prioritised in emerging Asia.

Physical health has a slightly higher priority compared to mental health, but other areas (finance, work, career) rank even lower.

## Importance of physical health, mental health Vs other aspects (average out of 10)

#### Whether taken any steps to improve health (%)

Compared to 2022, % of people taking major steps to improve their health increased the most among Thais.



Note: ▲/▼ indicate comparison with 2022 figures (have taken major steps) B1. How important do you consider each of the following aspects to your health and wellbeing? AB6. Which of the following statements best describes you when it comes to maintaining or improving your health? | Base: All respondents

# Emerging middle-class Asians reported making positive changes in their diet, exercise and healthy habits.

Indonesia continues to lead in the number of reported healthy actions taken in the past 3 years. There is an improvement in the number of healthy actions compared to 2022. However, more evidence-based preventions, such as medical check-ups and screening tests remain under-utilised.



Actions done in the past 3 years to improve health (%)

### Average number of healthy actions selected (out of 9 total)



### The second most-cited concern around serious illnesses is finances.

As death and financial concerns are top worries, needs following serious disease diagnosis involve financial planning and access to top specialists for optimal treatment. Getting a second medical opinion is the 4th most often mentioned need in case of serious illnesses.



AB5. What are the main risks or worries about the health issues that you are concerned of? Please select the top 5. | Base: All respondents

A3. Imagine if you were diagnosed with a serious illness like cancer, what would be your most urgent needs? Please select up to 5 that you think are most important to you. Base: All respondents

### Around 70% experienced issues in arranging medical treatment in the past 2 years.

Frequency of facing issues concerning different aspects of healthcare services in the past 2 years (%)



Aside from market differences, those relying mainly on private healthcare tend to face problems less often.



# A majority indicated their health policies include second medical opinion service (except in Malaysia).

There are differences in utilisation rates across markets, between 20%-50%.

Awareness and utilization of second medical opinion service in health insurance (%)

Whether aware that health insurance includes second medical opinion (among those with medical insurance)



Whether utilised before (among total respondents)

		36%
	<b>* *</b> * * * * * * * * * *	21%
>	********	47%
	<b>***</b> *******	25%
>	<b>***</b> *******	34%
	********	49%





A5.1. Are you aware whether your health insurance plan(s) offer(s) this second medical opinion service? | A5.2. Have you ever utilized this second medical opinion service via your health insurance provider? Base: Those coded 1/2 in S12.1 | A5.3. Why have you not utilized this second medical opinion service? | Base: Those coded 2 in A5.1

### Indonesia and India are top markets open to second medical opinions.

Openness is also stronger among those taking major steps to improve health. Locally-based doctors remain most trusted for second opinions, except in Indonesia.

#### Openness towards second medical opinion (%)

Assuming you had a serious medical diagnosis and health insurance that covered second medical opinions as a benefit, how open would you be to utilizing this option?

Those who rated 8-10 out of 10



#### Trust in types of second medical opinion (%)

If you had to look for a second medical opinion service for an ailment you or your family members have, which of these would you put most trust in?



Another local doctor
Doctors (subject experts)

- Doctors (subject experts) from a medical school in own country
- Doctors from Singapore

Doctors from the US

Own choice of doctors from a list of countries with advanced healthcare systems



Those who rated 8-10 out of 10 based on

A5. Assuming you had a serious medical diagnosis and health insurance that covered second medical opinions as a benefit, how open would you be to utilizing this option? A7. If you had look for a second medical opinion service for an ailment you or your family members have, which of these would you put most trust in? | Base: All respondents

# 4.2 MANAGING AND INSURING FOR MENTAL HEALTH

### Work, household finances and managing family needs are the main sources of stress.

Indonesians experience the least amount of stress and they also rate themselves high in terms of mental health. Meanwhile, Indians described facing considerably greater strain, despite similarly positive personal evaluations of mental health.



Self rated stress level (out of 10 - average)

### Depression, anxiety disorders and mood swings are the top issues that emerging middle-class Asians consider to be mental health issues.

Overall, emerging Asia consumers tend to consider broader emotional and psychological states as issues, rather than strict medical definitions of disorders.

### Awareness of mental health issues (%)

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	Total	Malaysia	Indonesia	Thailand	Philippines	India
Depression	57	64	51	45	71	56
Anxiety disorders	51	50	53	49	65	43
Mood swings	49	49	46	43	49	53
Feeling stressful at work/school	40	46	36	29	46	43
Panic attacks	38	46	37	23	52	33
Insomnia	37	35	41	44	41	27
Having suicidal thoughts	35	42	30	29	46	30
Feeling loss of drive / lacking motivation	34	39	36	25	41	30
Bipolar Disorder	29	33	27	28	39	21
Showing aggressiveness to others	29	33	20	24	30	34
Post Traumatic Stress Disorder (PTSD)	28	33	27	21	40	21
Eating disorder	27	26	26	12	37	32
Feeling nervous at work/school	27	28	23	14	29	34
Anti-social Personality Disorder	26	30	27	20	33	21
Obsessive Compulsive Disorder (OCD)	25	28	23	25	29	23
Schizophrenia	23	26	20	24	33	16
Attention Deficit Hyperactivity Disorder (ADHD)	22	23	20	18	27	20
Autism Spectrum Disorder	16	17	12	9	24	18

# Cost of treatment tops concerns around mental health issues, followed by higher risk of suicide/self-harm.

Loss of income, mental issues leading to physical health issues are also top worries.

### Consequences of mental health issues that concern them the most (%)

	Total	Malaysia	Indonesia	Thailand	Philippines	India
High cost of treatment	15	111111111111111111111111111111111111111	13	18	14	14
Higher risk of suicide, self-harm or harming others	14	16	111111111111111111111111111111111111111	10	20	10
Loss of income or unemployment	11	111111111111111111111111111111111111111	111111111111111111111111111111111111111	11	12	6
Mental issues leading to physical health issues	11	10	111111111111111111111111111111111111111	111111111111111111111111111111111111111	10	111111111111111111111111111111111111111
Emotional burden on family members	10	10	9	11	13	8
Losing career prospects, opportunities or trouble advancing education in the long term	8	7	8	9	7	111111111111111111111111111111111111111
Negative impact on personal relationships	7	6	7	7	5	8
Letting family members and/or friends know about my issues	6	5	4	4	7	8
Difficulty in accessing treatment and support	5	4	5	5	4	1111 5
Long treatment period	5	4	5	5	3	8
Social stigma and isolation	4	4	5	4	3	1111 5
Side effects from medication	4	4	5	3	2	7

### 28% to 62% of middle-class Asians report experience with mental health issues.

The figure is highest in India. Majority of them have not sought medical advice.

#### % of people who reported experiencing mental health issues (%)





B3. Which of the following best describes your personal experience with mental health issues in the past 2 years? Base: All respondents

### Majority of those who suffer from mental health issues did take steps to improve their situation.

About half have consulted with mental health professionals. Many have made lifestyle changes themselves, and some sought religious help.

Taken any steps to improve own mental health issues (among those diagnosed and exhibit symptoms - %)



# For those who have not sought any treatment, the primary reasons cited include not feeling that their issues warranted intervention and social concerns.

Reason for not taking any remedies (among those not taken any active steps + those exhibiting symptoms but not been diagnosed - %)



B4.3 What stops you from taking active steps to manage or improve your mental health issues? Base: Those coded 2 in B4 or not taken any active steps to manage mental health (coded 7 in B4.2) n=1,680

### Awareness of whether mental health expenses are covered by insurance vary across markets.

Indians and Indonesians exhibit higher level of awareness of coverage of mental health-related costs.

#### Awareness of whether mental health expenses are covered by own health insurance (among those with health insurance - %)



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B7. Do you know whether your health insurance covers you for mental health expenses in each of these categories? Base: Those coded 1 in S12.1 (i.e. all people with health insurance) n=3,559

# Emerging middle-class Asians are most receptive to benefits that cover financial support (e.g. cost of treatment, loss of income).

Those who are diagnosed with mental health issues showed more interest in coverage for "getting access to specialist treatment" versus those who had never experienced any issues.

#### Interest in obtaining insurance coverage for mental illness (out of 10 - %)

How interested would you be to obtain insurance coverage for the below issues?

Gaining access to Covering the cost of Providing sufficient Covering loss of Providing counselling Providing counselling financial support for income if I am not able specialist treatment treatment services to family services to myself long treatment period to work members 78 79 78 71 Total (• 63 68 34 67 Malavsia 89 88 90 89 84 87 Indonesia 70 25 74 76 77 31 67 72 Thailand 74 20 78 81 80 Philippines 79 79 82 76 76 India Diagnosed with mental issues Diagnosed with mental issues 82 77 Never experienced any issues Never experienced any issues 75 69

How open would you be to obtain a second medical opinion from another qualified doctor if you have been diagnosed with mental illness?

8-10 (out of 10)	TOTAL: 81%	MY: 70%	ID: 89%	TH: 77%	PH: 84%	IN: 82%	
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B9. How interested would you be to obtain insurance coverage for the below issues?

B10. How open would you be to obtain a second medical opinion from another qualified doctor if you have been diagnosed with mental illness? | Base: All respondents

1-3 4-7 8-10 (most interested)

# 4.3 SHIELDING DIGITAL LIVES

### 65% of emerging middle-class Asians have faced cybersecurity issues.

The figure is highest in India, where 78% reported experiencing cybersecurity problems. Hacking, cyberbullying, and phishing scams were cited as the most common types of issues reported.

Incidence of experiencing cybersecurity issues (%)


# A majority believes that using public Wi-Fi, reusing passwords, and accessing bank accounts through phone apps can pose cybersecurity risks.

As a result, surveys show less than 20% of people in the region connect to public Wi-Fi without taking additional security precautions.

Knowledge of behaviour that pose cybersecurity risks (%)



# Changing passwords, opening up claims and cancelling accounts related to incident are some of the top actions emerging middle-class Asians took in response to cybersecurity incidents.

Almost no one did nothing in response to an incident.

Action taken in response to incident (among those who reported - %)



D5.1. You indicated that you experienced certain level of financial loss. Please indicate any actions you took in response to the incident. Base: Those coded 2/3/4 in D5 (Financial loss) n=3,064

## Across different cybersecurity issues, financial loss is one of the top worries.

Biggest worries when it comes to cybersecurity issues (%)



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D3. When it comes to the following cybersecurity issues, what are your biggest worries? Please select up to top 3 choices. Base: All respondents

## Among those who experienced cybersecurity issues, 1/5 reported severe damages.

Damages are reportedly highest in India. In terms of monetary impact, average reported loss is USD 500.

#### ■ No damages ■ Light damages ■ Considerable damages ■ Severe damages (\* ۲ Total Malavsia Thailand Philippines India Indonesia Emotional damage 42 43 27 10 **Financial loss** 29 23 16 18 14 24 14 24 28 Trust in cyber 22 27 23 21 30 32 10 43 10 services Disruption to 36 22 25 37 daily life Personal credit 17 34 25 26 17 18 21 14 ratinas Average amount lost (before recovery -MYR 2,489 (530 USD) IDR 4,216,850 (274 USD) THB 7,646 (211 USD) INR 45,054 (543 USD) PHP 23,643 (416 USD) among those who reported financial damaaes) 40 36 35 35 31 33 30 26 24 22 21 21 22 18 20 15 16 13 13 Amount recovery rate 5 100% Between 50-99% Between 20-50% Less than 20% Nothina

Actual consequence of cybersecurity issues (among those who reported having experienced cybercrimes - %)

D5. You said that you have experienced cybersecurity issues. What were the extent of the consequences of these issues? | D5.3. Approximately how much money did you lose with regards to this incident (before recovery)? | D5.2. How much funds were you able to recover with regards to this incident? | Base: Those coded 2/3/4 in D5 (Financial loss) n=3,064

# Overall, countries with most self-reported cybercrimes, e.g. India, are willing to pay the most for the protection.

Those that had experienced cybersecurity issues in the past were willing to pay more for protection

#### Average amount willing to pay for cybersecurity protection

What is the maximum amount that you are willing to pay to subscribe to an annual insurance cover of USD 1,000 to protect against these cybercrimes?



D9. What is the maximum amount that you are willing to pay to subscribe to an insurance cover for one year to protect against consulting fees? Base: All respondents

# 05 CRITICAL ILLNESS INSURANCE AND THE CUSTOMER JOURNEY

## Awareness of critical illness insurance is reasonably high in the region.

Between 50-75% in the region reported awareness of critical illness insurance. Ownership was lowest in the Philippines.

#### (\* Total Thailand India Malavsia Indonesia Philippines 64 <sup>78</sup> 65 80 73 85 Health insurance, excl. 69 critical illness insurance Accident insurance - 79 67 54 76 Motor insurance 53 78 59 <sup>77</sup> Life insurance (term life) Life insurance with savings / investment component Critical illness insurance Home insurance Travel insurance Disability insurance - 4 Mortgage protection insurance 6 20 4 16 Personal cyber insurance 10 31 6 20 4 17 4 Annuity Any medical insurance ✓ 73 ✓ 77 ✓ 51 ✓ 70 √ 79 × 21 × 17 × 49 **x** 30 x Age 25-39: 75% Age 40-50: 68%

#### Awareness and ownership of various types of insurance (total base) %

Aware Own

# Claims process and ensuring the right benefits were the most important factors when considering critical illness plans

When it comes to choosing health insurance, price is the top consideration for all markets except in Indonesia where ease and speed of claim process is more valued. Reputation is also important.

Considerations when choosing critical illness insurance (top factor - %)

Considerations when choosing health insurance (top factor - %)



A2b. You have selected the below factors as most important when choosing health/medical insurance (excluding critical illness insurance). Please rank by their importance – the most important as 1. Base: Those aware of Health insurance (coded 1 in S12) n=4,373 | A2.1 Below is a list of factors that others may consider when choosing Critical Illness insurance. Please select up to 5 factors that you think are most important to you. | Base: Those aware of Critical Illness insurance (coded 2 in S12) n=3,408

# Among those who purchased a critical illness plan, the primary decision-making factors are finding a product that met all their needs and one that is value-for-money.



Value for

money

64

#### Reason for interest in critical illness (among those who have tried/purchased - %)

C1. Why were you interested to purchase critical illness insurance? | Base: Those who purchased or have tried to purchase critical illness insurance n=2297 C1.1 What made you finally decide to purchase your particular critical illness insurance product? | Base: Those who purchased critical illness insurance n=1950

51

(e.g. multiple pay, streamlined

claims processes)

# Affordability is a key reason for not considering critical illness insurance.

Additionally, some have knowledge gaps and misperceptions about options like public services or existing insurance coverage being sufficient to cover their critical illness treatment costs.

#### Reasons for not considering critical illness insurance (among those aware but have not purchased before - %)

Total	Malaysia	Indonesia	Thailand	Philippines	India	
Won't be able 39 to afford	Won't be able 58	Sufficiently covered other health 39 insurance	Won't be able 42	Won't be able 41	Don't think I'm at high risk 37	
Don't think I'm at high risk 36	Don't think I'm at high risk 31	Don't think I'm at high risk	Free/affordable treatment from 39 public/govt. hospitals	Was not offered / 41 recommended	Don't understand what it covers 35	
Don't understand what it covers 29	Free/affordable treatment from 31 public/govt. hospitals	Don't understand what it covers	Don't think I'm at high risk 38	Don't think I'm at high risk 34	Won't be able to 30 afford	
Free/affordable treatment from 28 public/govt. hospitals	Don't understand what it covers 26	Free/affordable treatment from 28 public/govt. hospitals	Terms & conditions were complicated 22	Don't understand what it covers 30	Was not offered / 30 recommended	
Sufficiently covered other health 25 insurance	Sufficiently covered other health 20 insurance	Won't be able to 26 afford	Don't understand what it covers	Terms & conditions 21 21	Sufficiently covered other health insurance 27	
Was not offered / 22 recommended	Terms & conditions were complicated 20	Busy & will 26	Sufficiently covered other health 20 insurance	Sufficiently covered other health 20 insurance	Terms & conditions 26	

## About 1 in 10 consumers drop out of a critical illness insurance purchase journey

Out of these, 76% took more than 1 action towards the purchase. Most did do at least some initial online research, or spoke with an insurance agent. Far less actually received quotations or went through the underwriting process.



of consumers aware of critical illness insurance say they have tried but failed to purchase the insurance.

#### Potential buyers by number of actions they took

#### Type of actions done during purchase journey



C3. You mentioned that you have tried but did not complete the purchase of critical illness insurance. Which of the following have you done before dropping out?

Please rank by importance. | Base: Those who have tried but did not complete the purchase of critical illness insurance (n=347)

## Complexity and lack of clarity in critical illness policy terms are key pain points

Insurers can make improvements in these areas in the critical illness purchase journey (besides addressing premium costs).

Pain points and issues experienced in the purchase journey (among those who have tried/purchase - %)



C4. What are some of the issues or pain points you have experienced during the purchase process of buying critical illness insurance? Base: Those who have purchased and those have tried but did not complete the purchase of critical illness insurance (n=2297)

# 06 DEMOGRAPHICS

# Survey demographics



S1. Are you...? S2. What is your age? S3. What is your role in your household's financial decisions? S7. What is the highest level of education you achieved? Base: All respondents n= 5579 | Due to rounding, not all numbers may add up to 100%.

## **Survey demographics**

Household income (%)





S4. What is your current monthly household income (before tax)? S5. Which of these best describes your current main occupation or status? Base: All respondents n=5579 | Due to rounding, not all numbers may add up to 100%.

## **Survey demographics**







#### Age of children (%)

	Total	Malaysia	Indonesia	Thailand	Philippines	India
Has children below 12	65	66	71	63	63	63
Has children 12-17	27	25	24	26	26	31
Has children 18+	8	9	5	<b>=</b> 11	<b>—</b> 11	<b>6</b>

S8. Which of the following best describes your family status? S9. How many child(ren) do you have? S9.1. How old are your children?/ [SHOW IF S8=2] How old is your child? Base: All respondents n=5579 | Due to rounding, not all numbers may add up to 100%.

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