

2022

**MALAYSIA
CONSUMER
RESEARCH REPORT**

Summary & what you will learn

Summary _

The study aims to understand the perceptions, attitudes, and preferences of the Malaysian population towards insurance.

You will learn _

- ▶ Online consumer behavior trends
- ▶ Overall health perception
- ▶ Insurance - Spending habits
- ▶ Socio-economic determinants of insurance purchases
- ▶ Data privacy concerns



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MALAYSIA MARKET OVERVIEW



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MALAYSIA MARKET OVERVIEW

The Malaysian economy is expected to grow by 5.75% in 2022, according to the IMF, amidst the pandemic-driven uncertainties, geopolitical instabilities, and rising inflation. Driven by this strong economic recovery and growing domestic demand, the increased per capita income is expected to boost the demand for risk-and-savings-type products.

Takaful penetration in Malaysia increased from 16.9% in 2020 to 18.6% in 2021—recording the highest growth in five years, while experts estimate a Compound Annual Growth Rate (CAGR) of more than 8% between 2020 and 2025 for the life insurance market.

Recent research also shows that the general insurance industry will grow at a CAGR of 4.8%, between 2021 and 2026, in terms of direct written

premiums. But at 1.2% (as a percentage of GDP in 2021), the insurance penetration rate continues to be a barrier to overcome.

However, the country is trying to close this protection gap with more digitalization initiatives. Among these initiatives are online motor insurance renewals during movement control orders and Bank Negara Malaysia's plan to launch a Digital Insurance and Takaful Licensing Framework.

So, as we take a look at Malaysia's insurance consumer profile and purchasing behavior, we hope this report will provide the information you need to capitalize on the country's growth potential and expand offerings.





SURVEY RESULTS

-  Engagement Profile
-  Health Profile
-  Spending Profile
-  Insurance Usage & Attitude - Products
-  Insurance Usage & Attitude - Influences
-  Insurance Usage & Attitude - Factors



MALAYSIA
MARKET
OVERVIEW

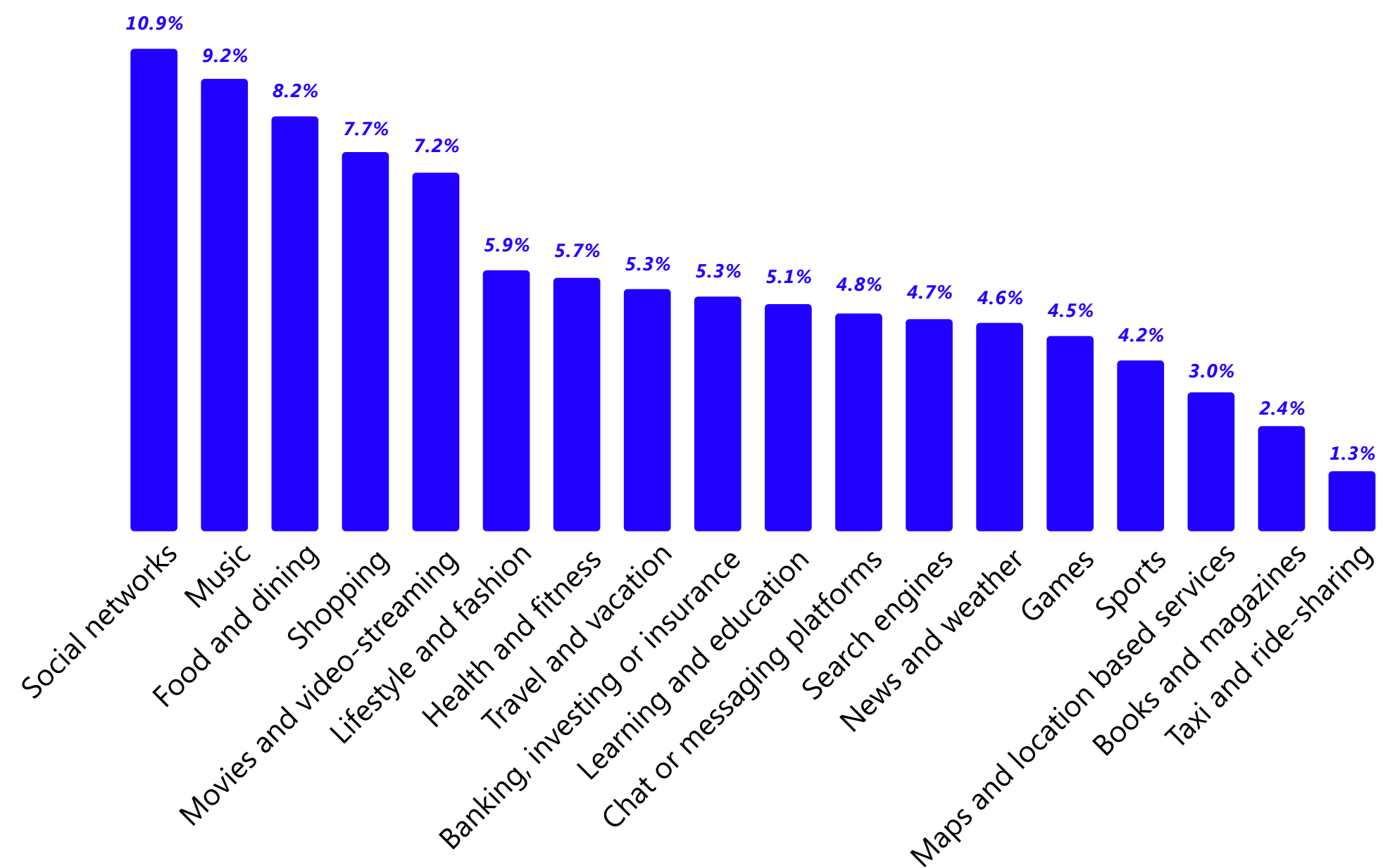
**SURVEY
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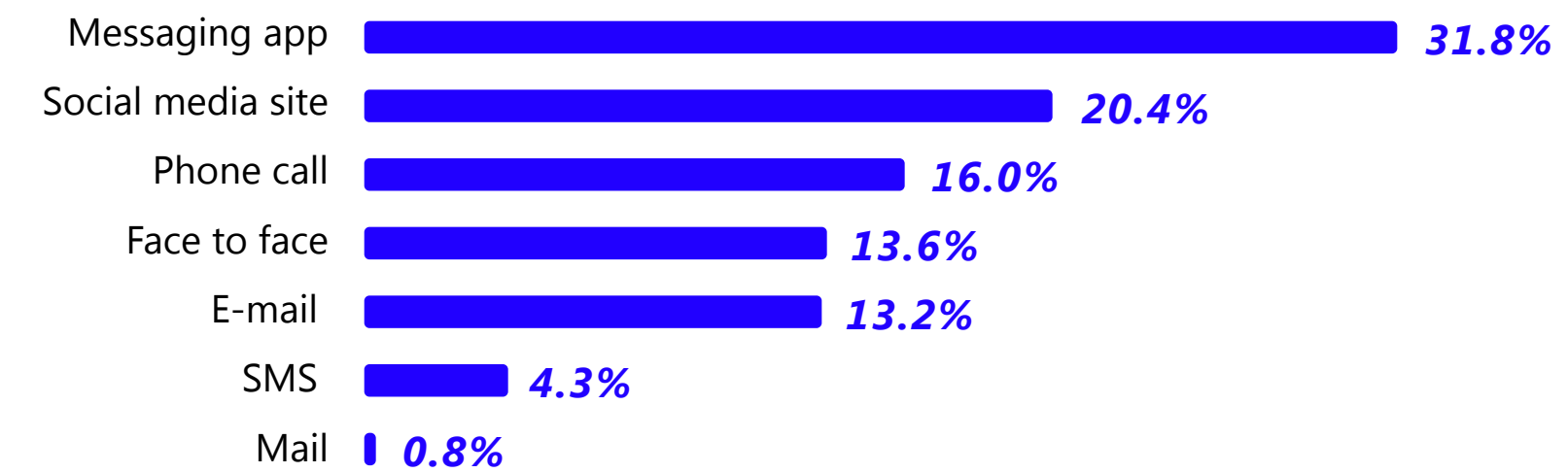
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Engagement Profile

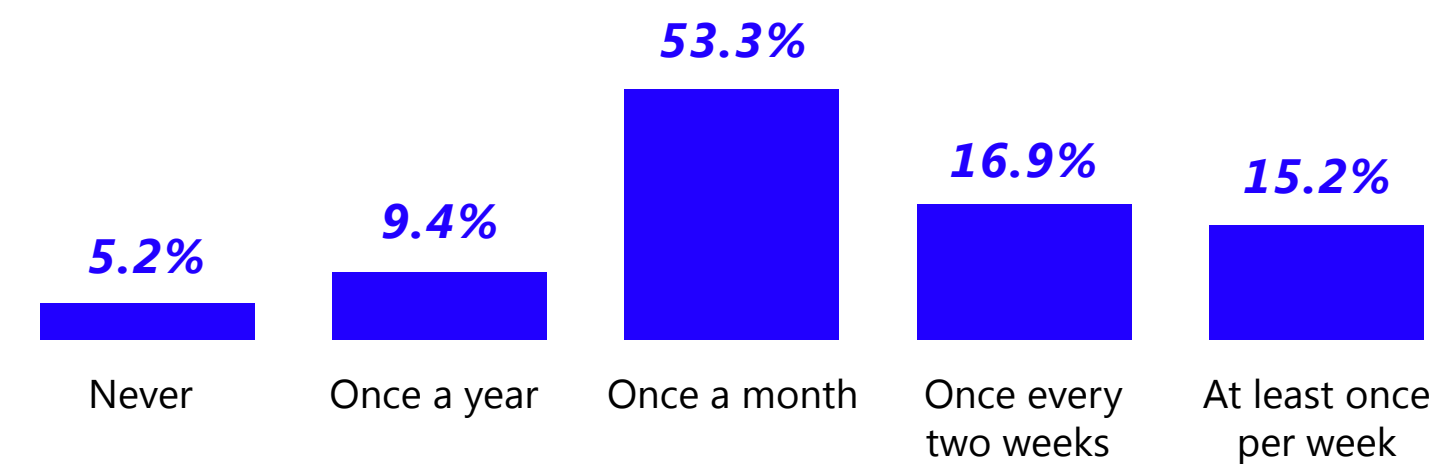
What types of apps/websites have you visited in the last month?



What are your preferred communication channels?

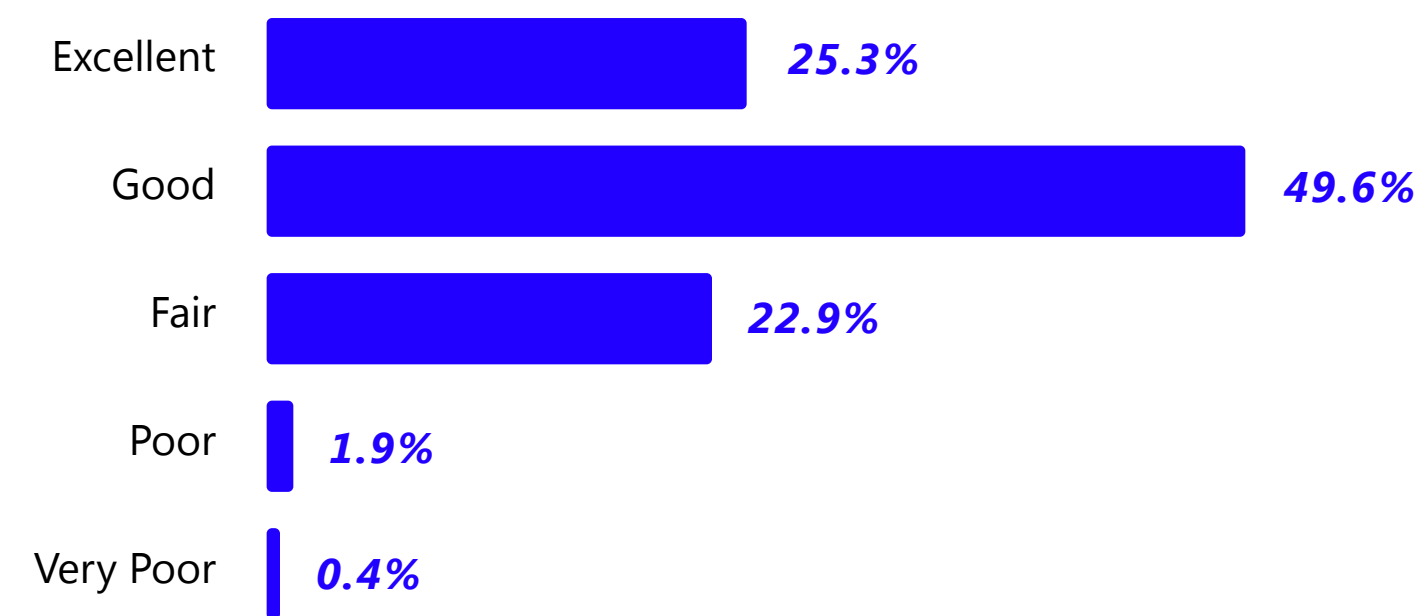


How often do you shop online?

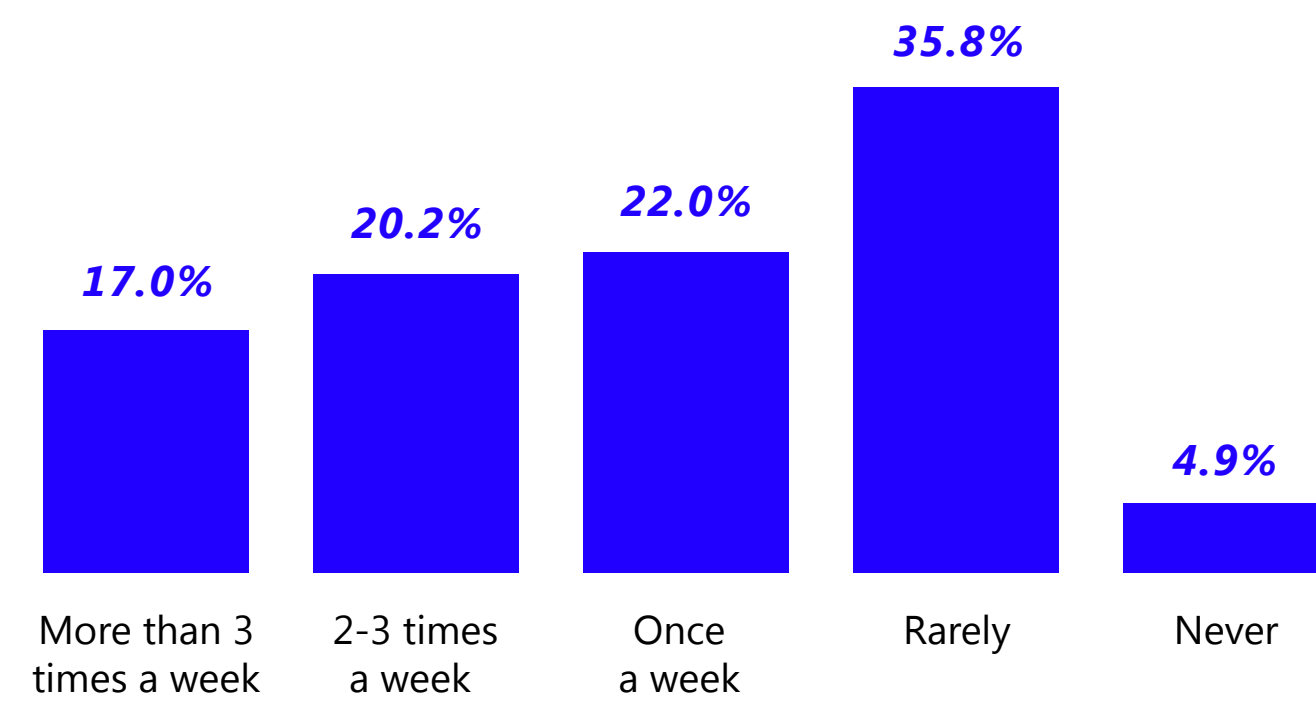


Health Profile

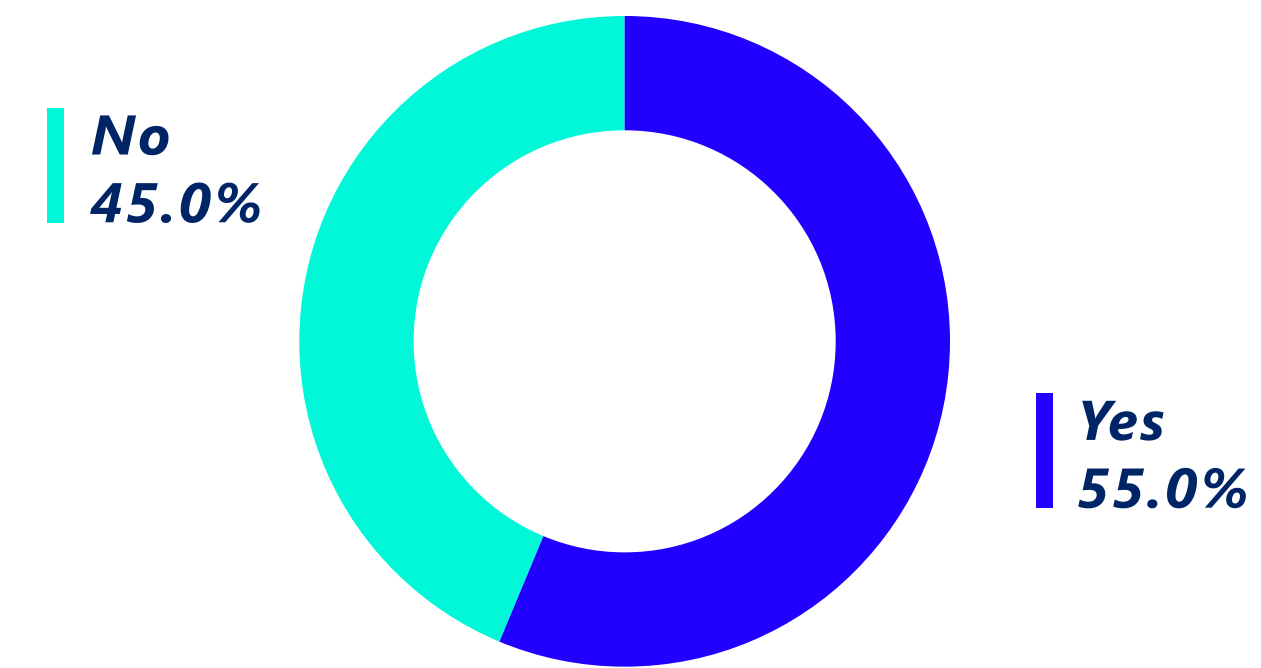
How would you rate your current health condition?



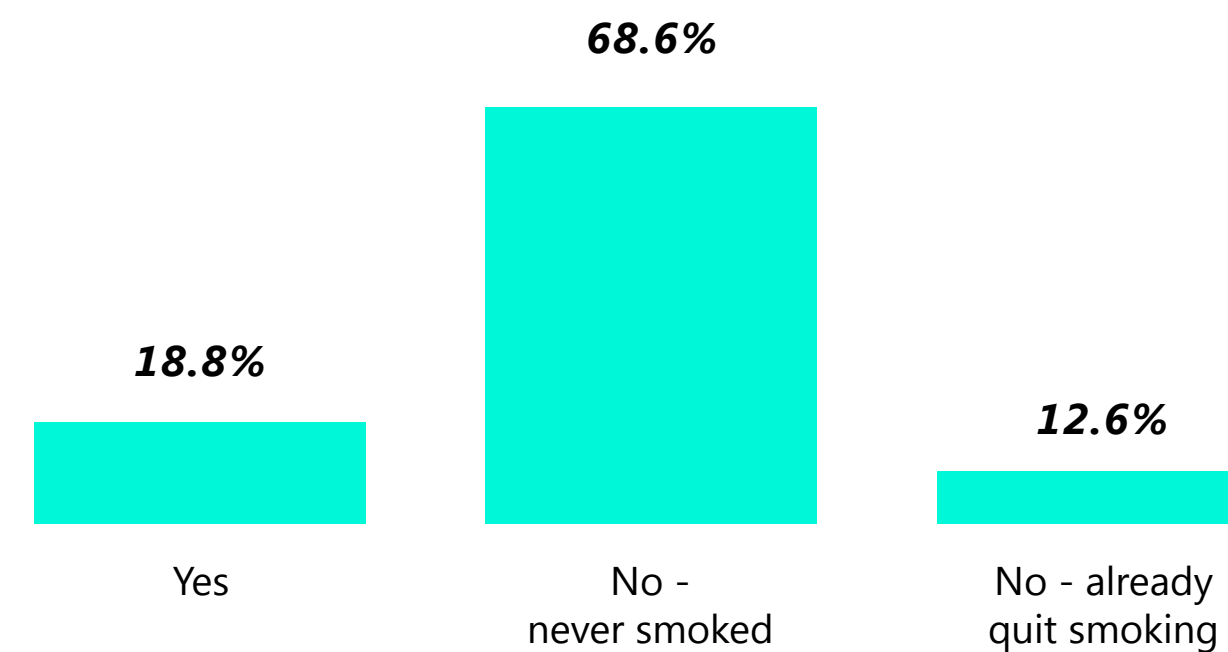
How often did you exercise in the past month?



Do you have a family history of health conditions or diseases?

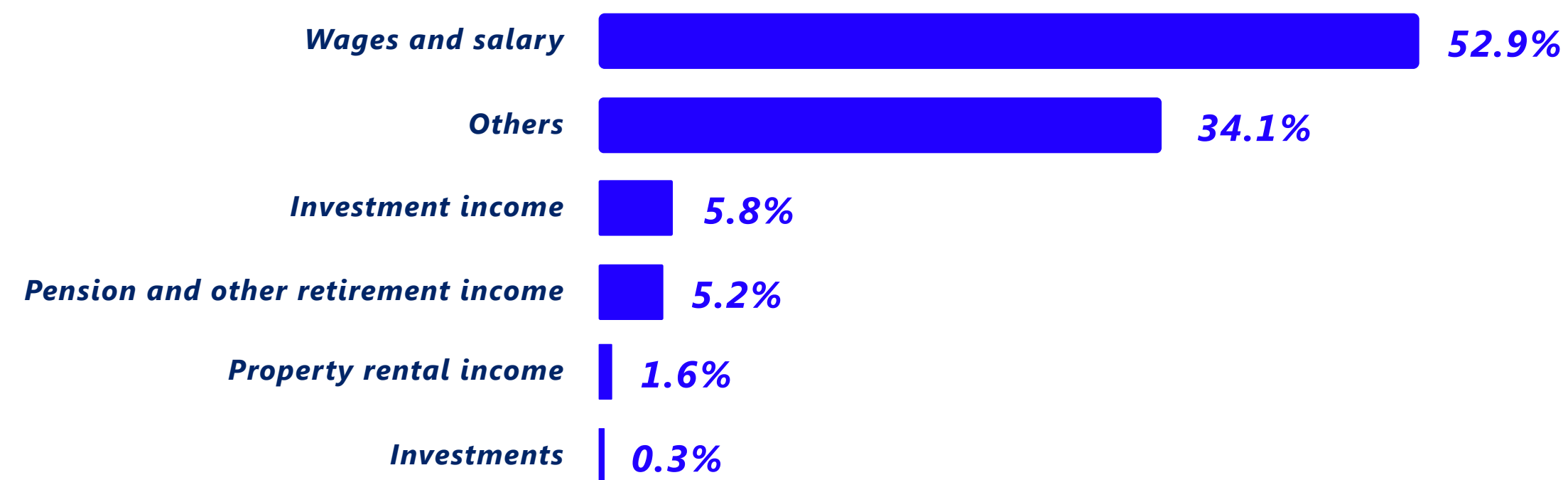


Do you smoke cigarette?

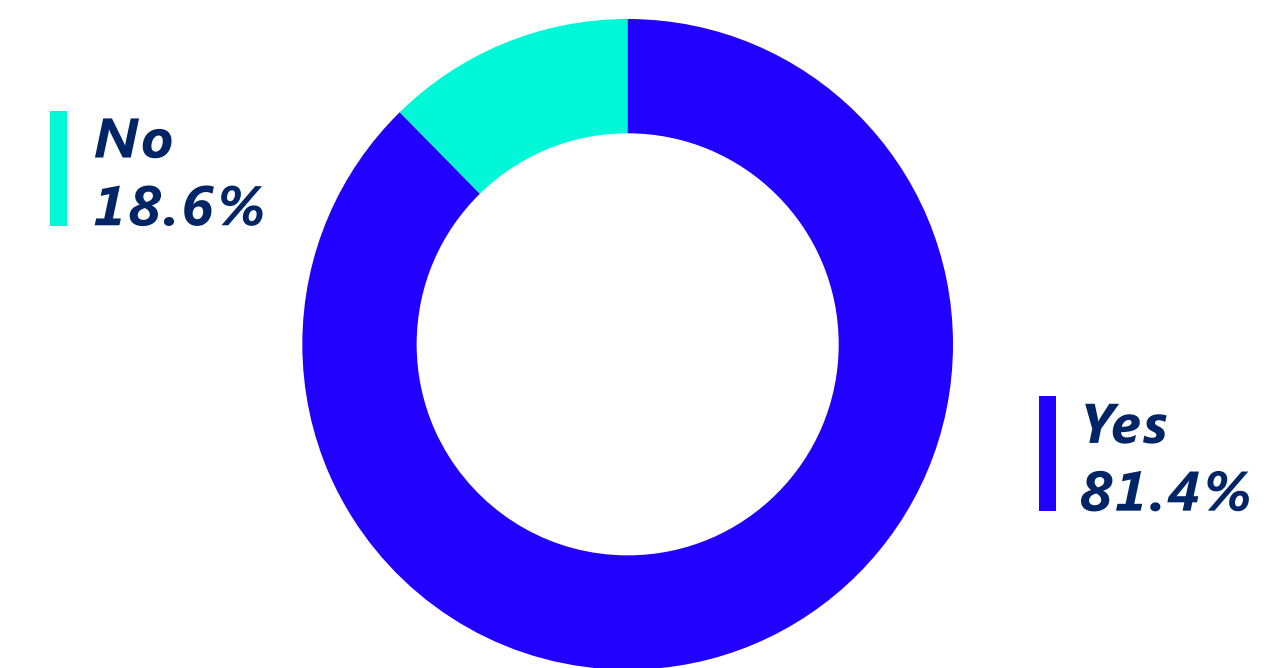


Spending Profile

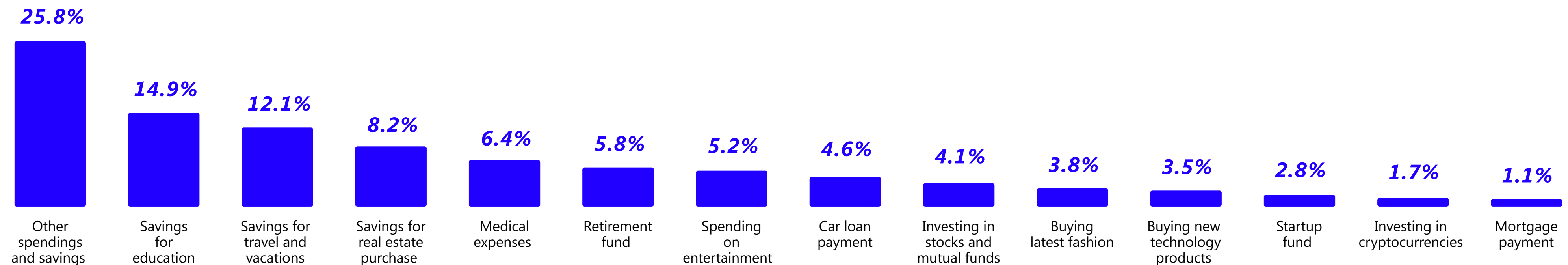
What are your primary sources of income?



Do you always make payments on time?

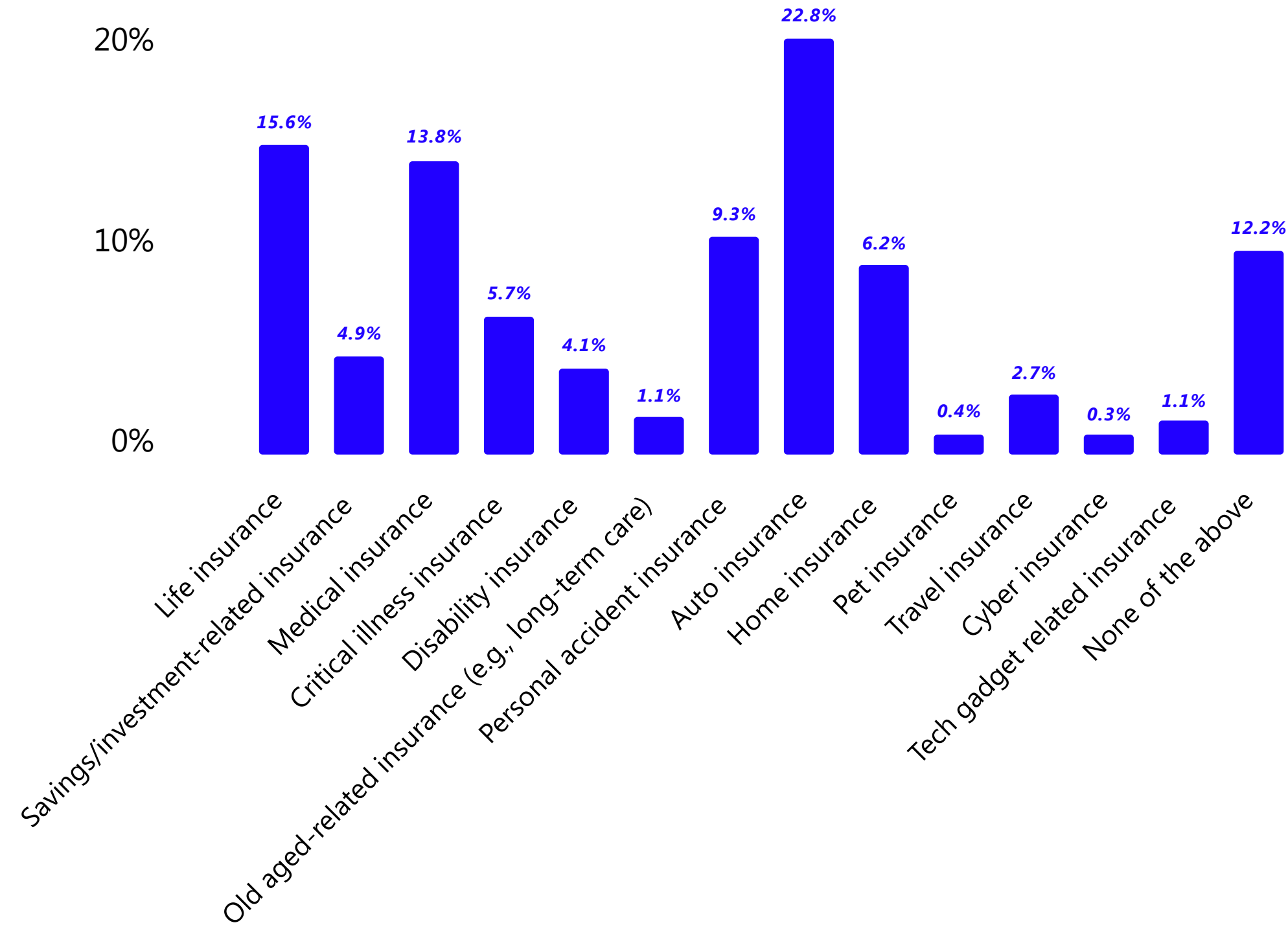


How do you spend your spare cash or disposable income after covering essential living expenses?

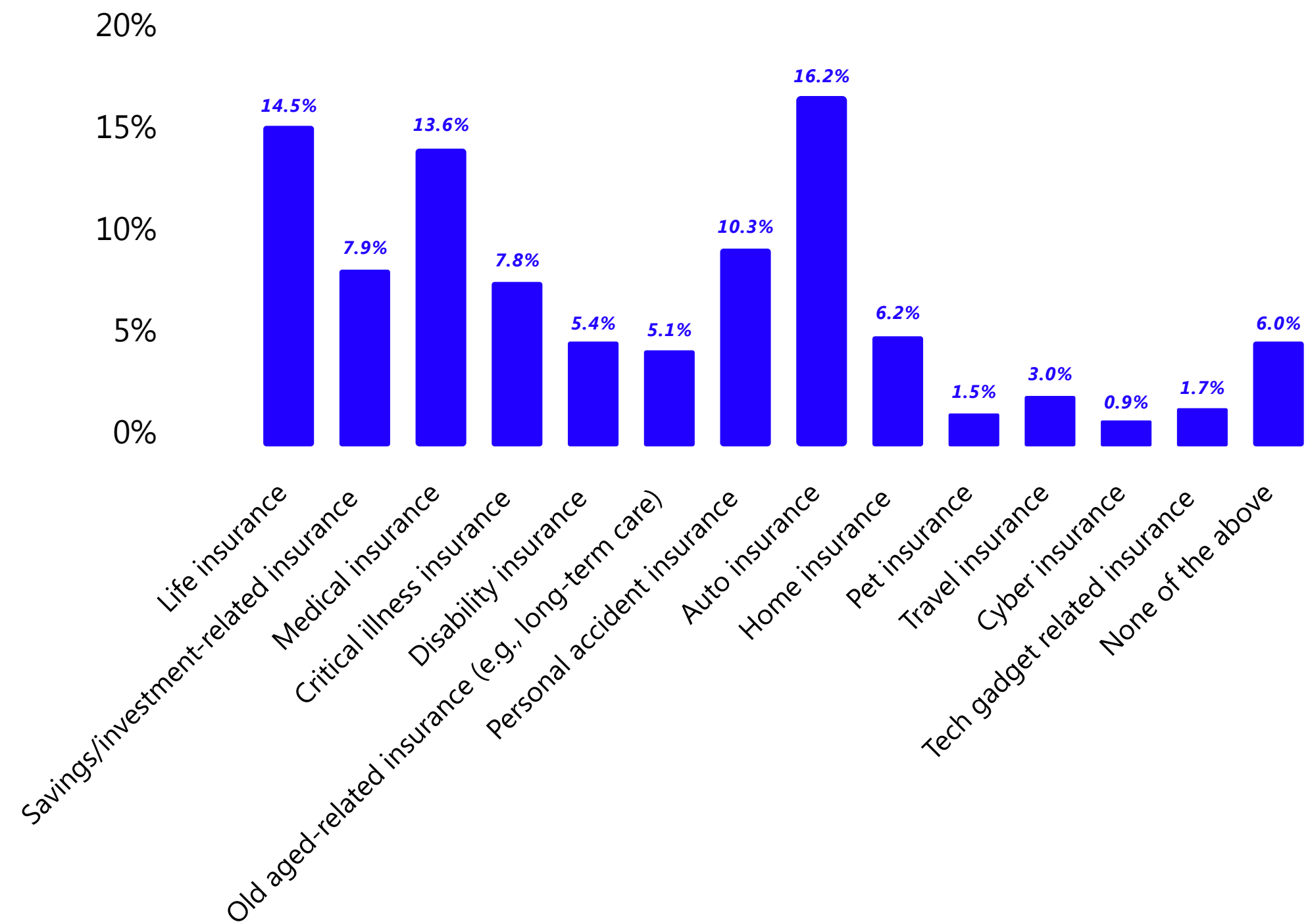


Insurance Usage & Attitude - Products

Which of the following insurance do you have and have bought for yourself?

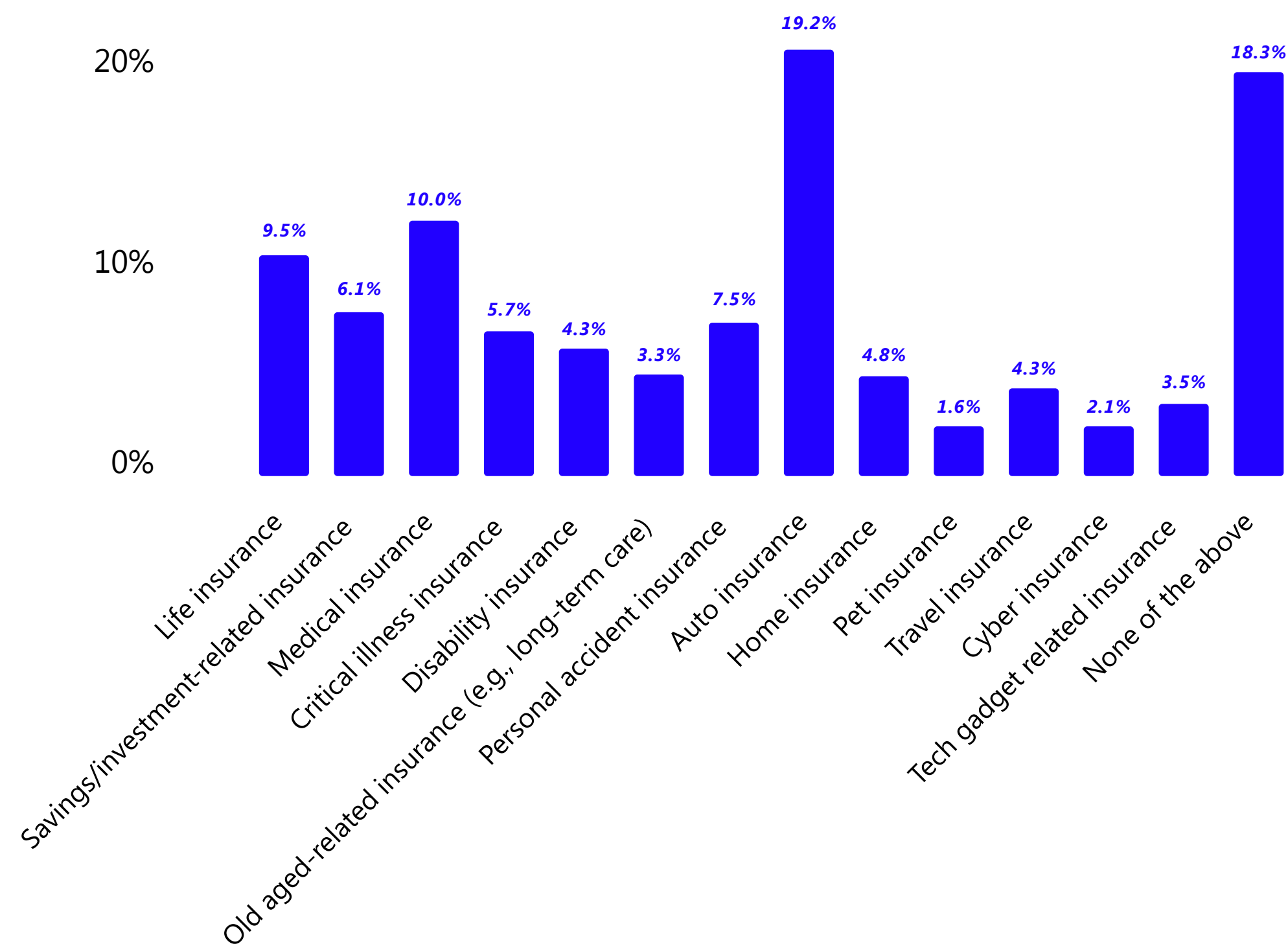


Which of the following insurance do you plan to renew or purchase for the first time in the next 6 months?

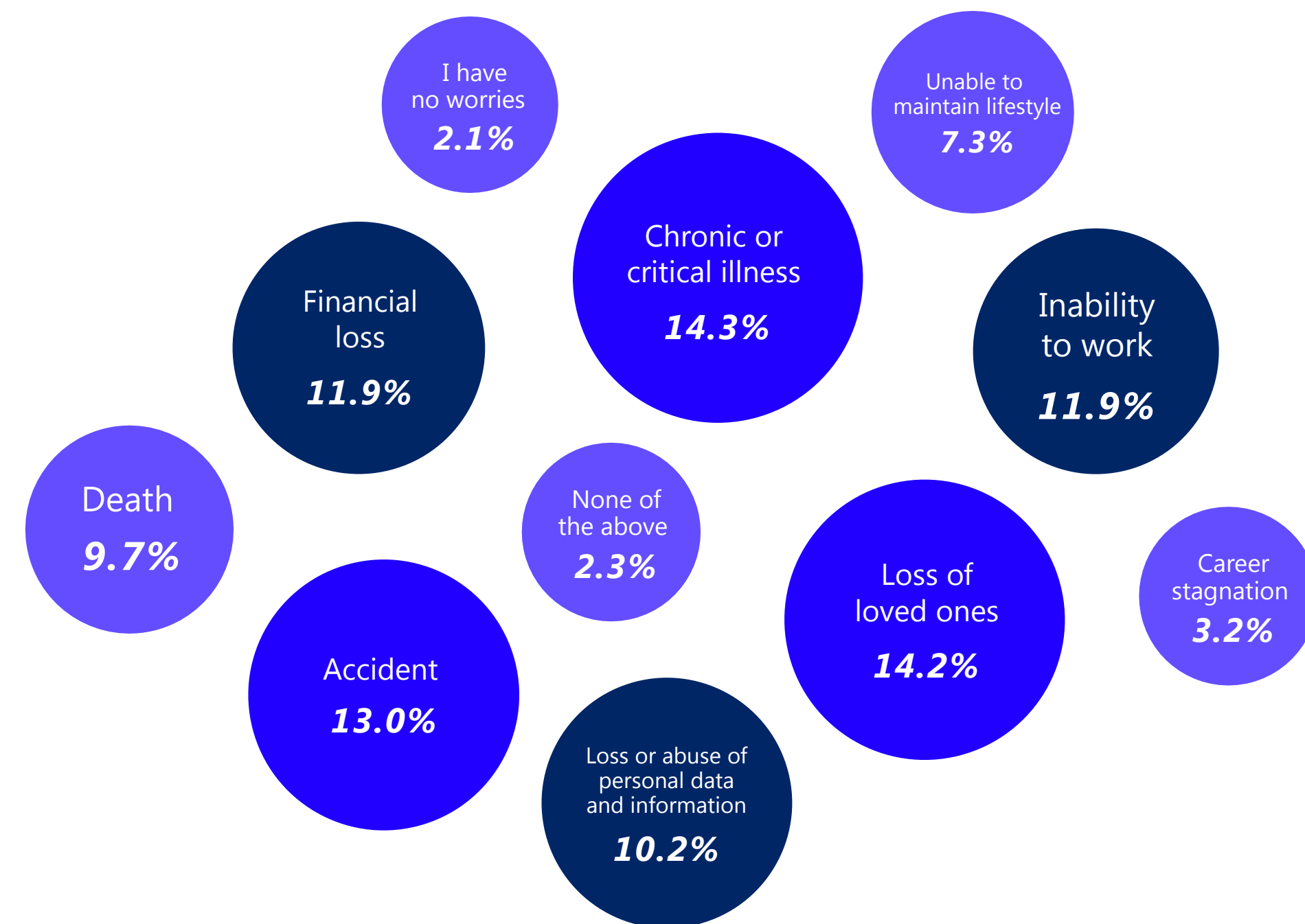


Insurance Usage & Attitude - Products

Which of the following insurance products would you purchase online?

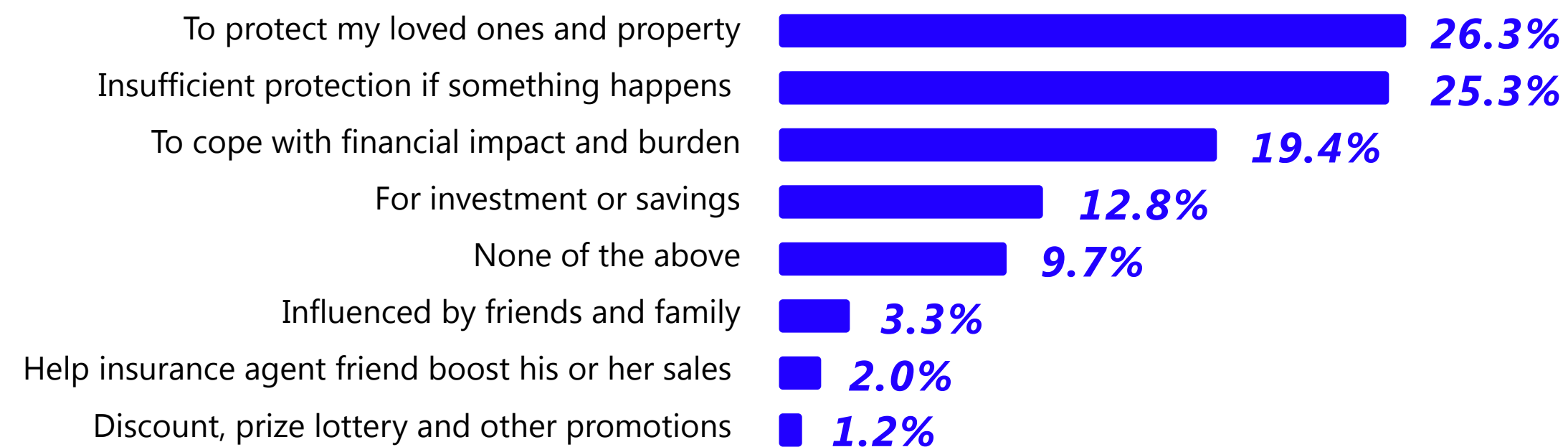


What are you most worried about with your life?

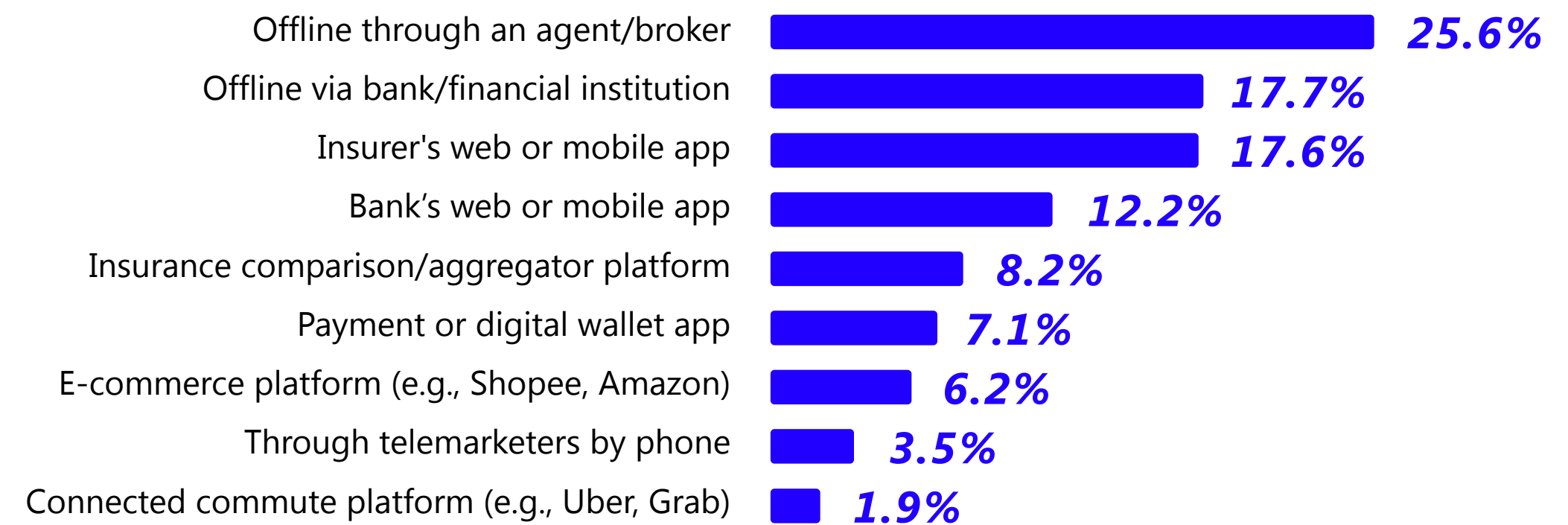


Insurance Usage & Attitude - Influences

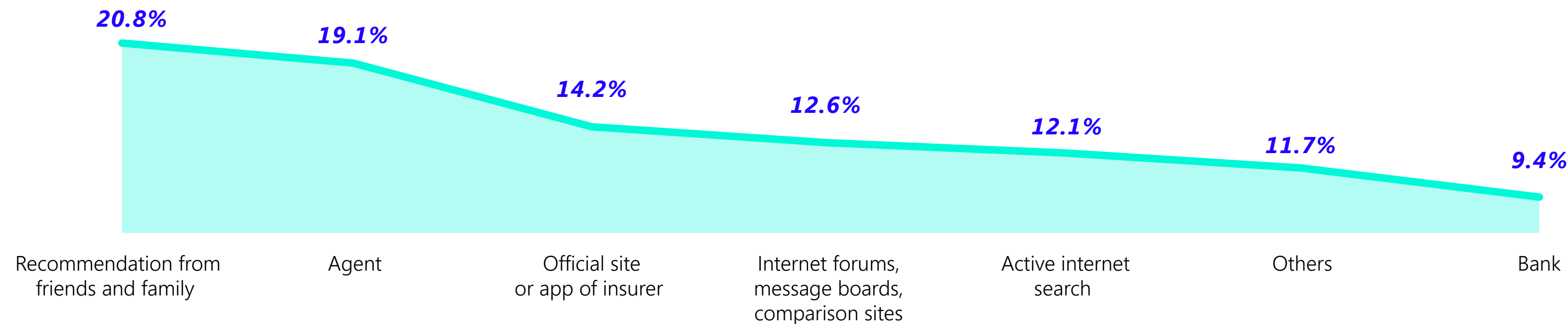
What were the triggers for your insurance purchase?



Which of the following channels would you buy insurance from?



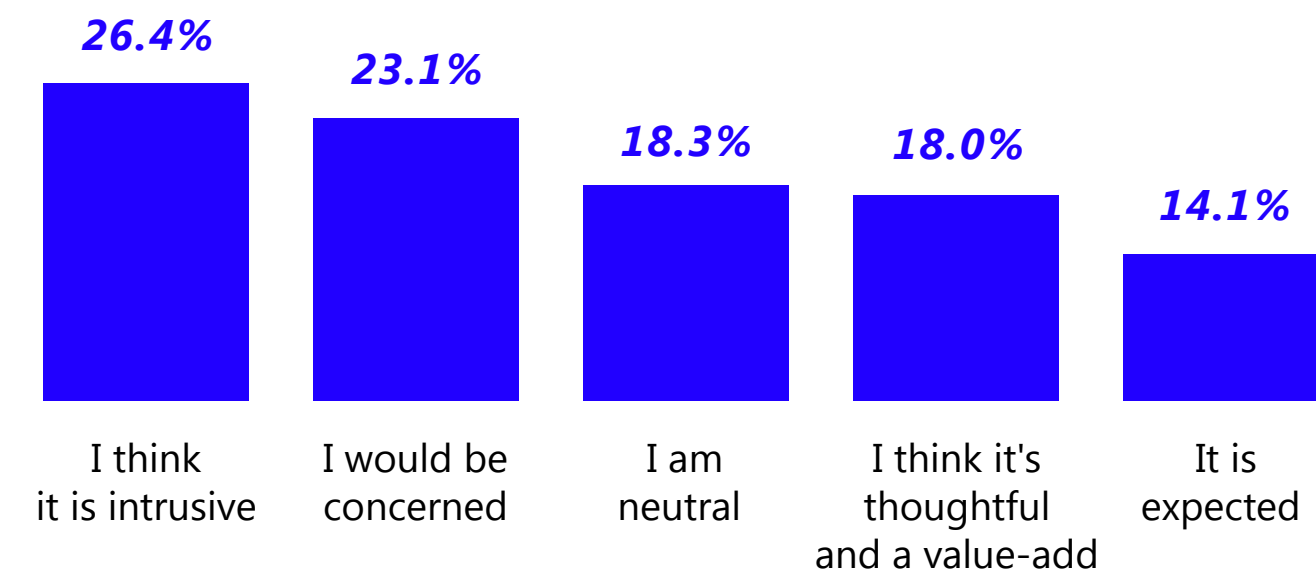
Where do you gather information to make your insurance purchase decision?



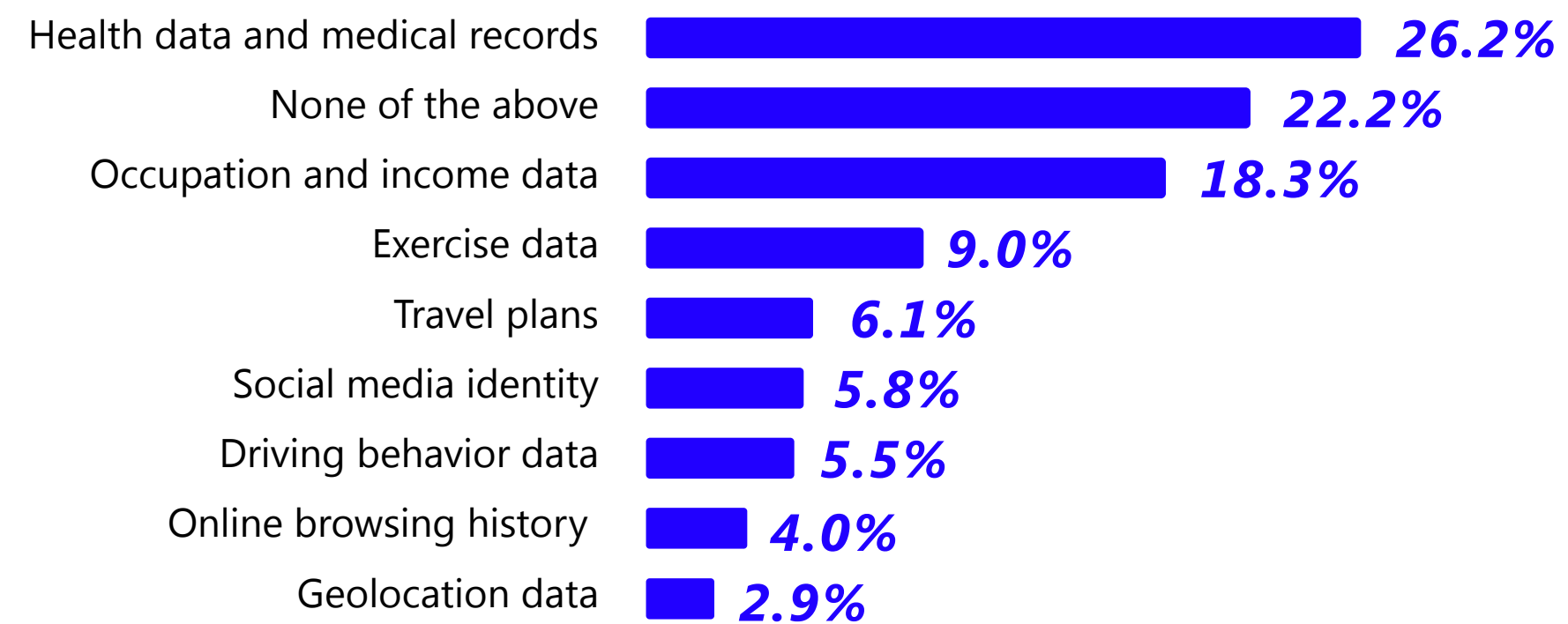
Insurance Usage & Attitude - Factors



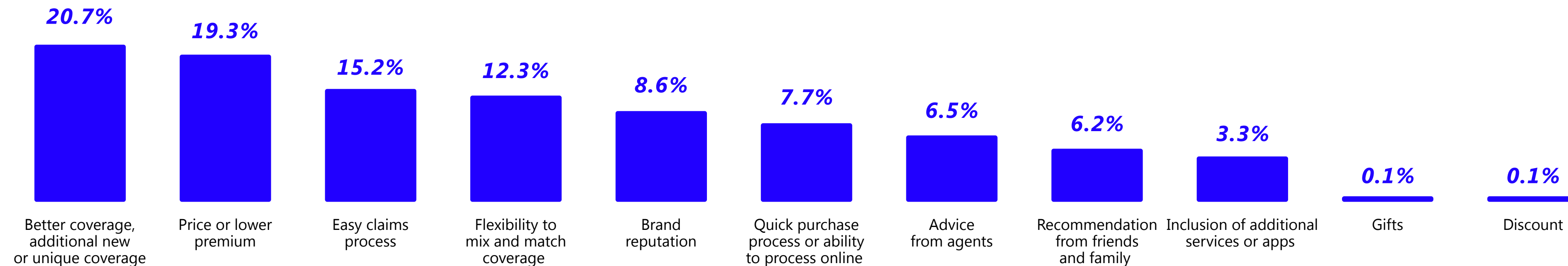
How would you feel if insurers use your personal data to provide customized product recommendations?



I am comfortable sharing the following information with insurers.



What factors are most important to your decision on which product to purchase?



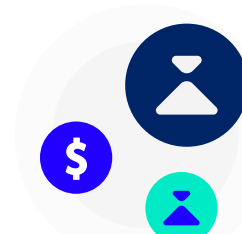
Main takeaways



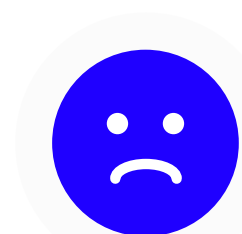
The most preferred communication channels are **messaging apps and social media sites**, echoing the prevalence of online communications in the digital era.



53% of respondents would **buy insurance online** from insurers or other distribution channels in the insurance ecosystem through websites or apps.



85% of respondents shopped online in the previous month, highlighting the **emerging opportunity** for insurance products to be purchased through digital channels.



Nearly half of the respondents find insurers using their personal data to provide customized recommendations **intrusive** and would be concerned.



Among the mainstream insurance products, respondents are most interested in purchasing the following **top 3 insurance** products online: auto (19.2%), medical (10.0%), and life (9.5%).



The most important considerations when purchasing insurance products (ranked by order) are: **(1) better coverage, additional new or unique coverage, (2) price or lower premium, (3) easy claims process, and (4) flexibility to mix and match coverage.**

B

METHODOLOGY & PROFILE



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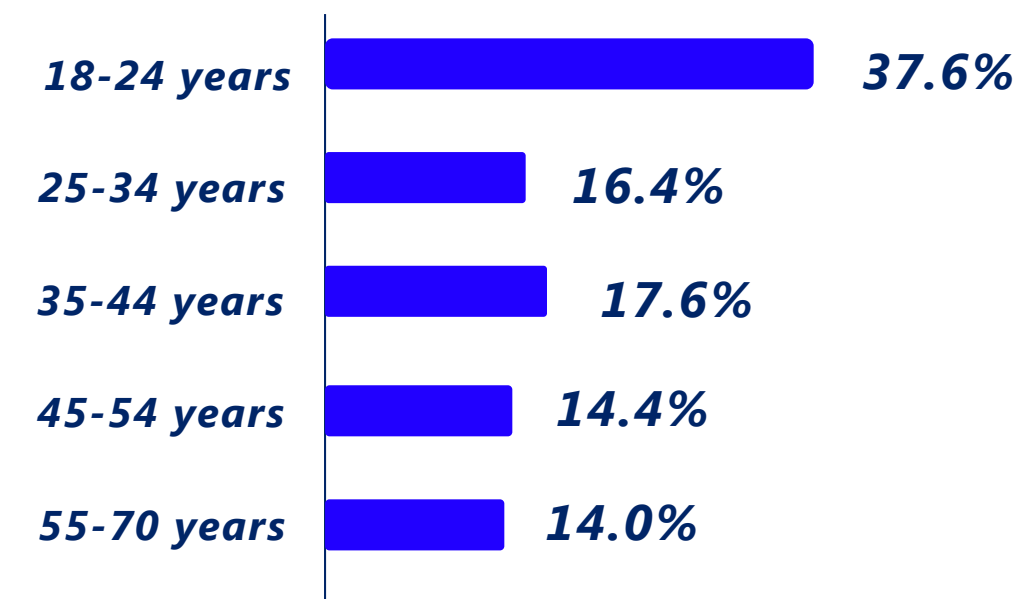
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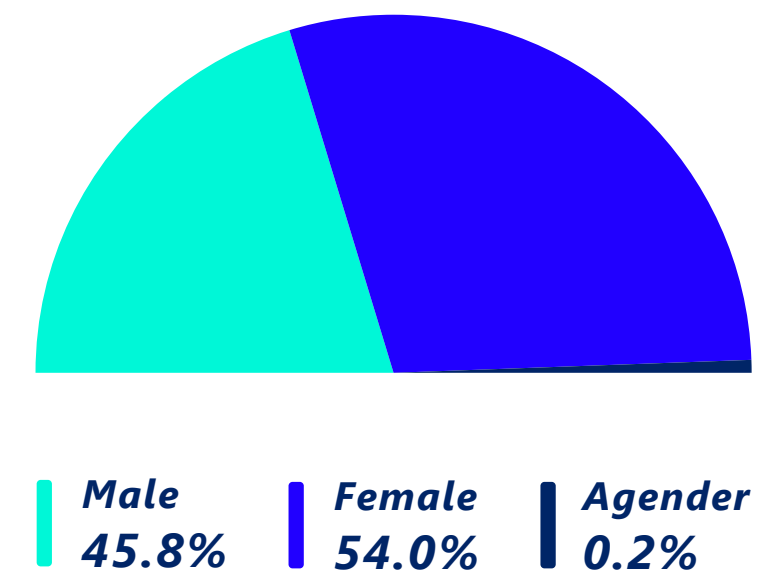
METHODOLOGY & PROFILE

Profile questions

How old are you?



What is your gender?



Method

- Quantitative research with an online survey approach.
- A desktop or mobile device can be used to complete the information.

Target & Sample

- 830 respondents living in Malaysia

(This methodology complies with the best practices for each market, based on a nationally representative set of demographic and economic parameters.)

Questionnaire length

- The survey can be completed in an average time of 8 minutes.

Survey period

- The survey was conducted in March and April 2022

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Reach out to us

for more insurance industry market insights.

Get in touch