



Asia Life and Health Insurance Demand Trend

As an extension of the global consumer survey market analysis, which highlighted how demographic factors and behavioral attributes shape recent purchase dynamics in the health and life insurance markets, this report now turns its focus to Asian markets. Originally covering 22 markets across six continents, the previous analysis provided a broad view of the factors influencing insurance purchases among Gen Z and Millennials. Now specifically targeting seven key markets in Asia, such as Hong Kong, Taiwan, Indonesia, Malaysia, Singapore, Japan and South Korea, this report delves deeper into the impact of technology and wearable devices on insurance purchasing behaviors, offering a detailed regional perspective built upon the foundational global study.

Disclaimer: The findings in this report are based solely on data from a specific survey conducted during a particular time period and may be limited in scope.

Key Spotlights Summary

1. High Engagement in Insurance Purchases Across Key Asian Markets

Consumers in Asian markets exhibit a higher-than-global-average purchase rate for mortality, health, and accidental death and disability (AD&D) insurance. The purchase rate is defined as the proportion of individuals who responded affirmatively to the question, 'Which of the following types of personal health or life insurance do you have?' Responses for each product were categorized as a binary variable: 1 for those who have purchased insurance and 0 for those without. Markets like Singapore and Taiwan show particularly strong purchase rates with life, health, and AD&D insurance, while the majority of these markets have higher-than-average purchase rates compared to the global average. However, Indonesia has slightly lower life insurance purchase rates, and Japan has slightly lower health insurance rates. These trends suggest robust market opportunities in certain regions, while also highlighting underdeveloped markets where insurers can focus on developing opportunities.

2. Significant Influence of Technology and Wearable Devices on Purchasing Behavior

The adoption of health and wellness solutions has significantly impacted recent insurance purchases, with health-conscious consumers being more likely to purchase insurance products. Consumers who own wearable devices, adopt new technology solutions for lifestyle management, such as mental health, exercise or nutrition, or prefer online engagement demonstrate a higher propensity for recent insurance purchases. Insurers should prioritize incorporating wearable technology and digital engagement strategies to align with consumer preferences in Asia.

3. Demographic, Behavioral, and Educational Factors Shaping Insurance Purchases

Demographic factors such as marital status, employment status, residential location, education level, and insurance knowledge remain important predictors of insurance purchasing behavior in Asia in the new era of technology disruptions. Married individuals, those in urban areas, employed individuals, and those with higher levels of education and better insurance knowledge are more likely to purchase insurance. Insurers can enhance policy uptake and customer satisfaction by tailoring marketing strategies and product offerings to those specific segments. Investing in educational campaigns and transparent communication will be crucial for bridging knowledge gaps and building consumer trust.

Market Analysis and Modeling Findings

MARKET ENGAGEMENT AND INSURANCE PURCHASE RATES

The selection rates for different types of insurance in key Asian markets stand out. Approximately 46% of respondents chose mortality-related insurance, such as whole life and term life, which is higher than the global average of 36%. Health-related insurance, including critical illness and income protection, was selected by 49% of respondents, surpassing the global average of 39%. Accidental death and disability insurance was chosen by 34% of respondents, also above the global average of 28%. As illustrated in Figure 1, the selection rates between genders in Asia show minimal differences; however, males are more likely to purchase mortality-related insurance at 48%, while females have a slightly higher rate of selecting health insurance at 50%.

Singapore and Taiwan show particularly high engagement, with mortality insurance selection rates of 59%, health insurance rates of 61% and 59%, respectively, and AD&D rates of 46% and 54%, respectively. These figures indicate a robust purchase rate compared to other regions such as Japan, where the rates are significantly lower at 39% for mortality, 29% for health, and only 11% for AD&D. As illustrated in the data, there is significant regional variation within Asia, reflecting diverse consumer attitudes and market dynamics. This insight can help insurers tailor their offerings to better meet the specific needs and preferences of different Asian markets.

Table 1

INSURANCE PURCHASE BY MARKET

| Market | Mortality | Health | AD&D |
|--------------|-----------|--------|------|
| Hong Kong | 51% | 56% | 36% |
| Taiwan | 59% | 59% | 54% |
| Indonesia | 32% | 46% | 35% |
| Japan | 39% | 29% | 11% |
| Malaysia | 44% | 51% | 40% |
| Singapore | 59% | 61% | 46% |
| South Korea | 38% | 45% | 16% |
| Total | 46% | 49% | 34% |
| Global | 36% | 39% | 28% |

THE ROLE OF TECHNOLOGY AND WEARABLE DEVICES

We applied a machine learning model, XGBoost, consistent with global models, to predict whether an individual has recently purchased any type of insurance (mortality, health, or AD&D) within the last two years. The analysis shows that individuals who prioritize healthy living are more likely to purchase health insurance recently. This includes those who have children and those who use wearable devices. We considered various lifestyle and health factors, specifically practices of healthy living, exercise frequency, dietary habits, mental health and stress levels, and sleep

patterns. With a target rate of 43.7% for recent purchases, this model aims to identify the factors that play a substantial role in influencing insurance buying behavior.

According to the feature importance analysis (Table 2), individuals with a high level of insurance knowledge are the most likely to have recently purchased insurance. This indicates that educating potential customers about insurance benefits is a crucial strategy for insurers. Having insurance claims history significantly predicts recent insurance purchases, implying that those who have previously made claims have a higher trust in insurance products.

The usage of wearable devices also plays a substantial role, highlighting the importance of adopting new health technology for lifestyle management. Younger individuals and those comfortable with online engagement are more likely to purchase insurance, reflecting a trend towards digital transformation in the insurance market.

Moreover, mental health, exercise, and dietary habits are critical lifestyle factors influencing insurance purchases. For mental health, respondents were asked if a professional had ever diagnosed them with a mental health condition such as depression, panic attacks, or anxiety, which highlights the need for insurers to consider holistic well-being in their product offerings. Urbanization and stable residential status also affect insurance uptake, suggesting better awareness and accessibility of insurance products in urban areas. While factors such as smoking status, employment status and general healthy living practices are less significant, they still play a role in shaping insurance purchasing behavior.

Table 2
SHAP VALUES

| Feature Name | Importance |
|-----------------------|------------|
| life_health_knowledge | 0.293 |
| claim | 0.194 |
| wearable | 0.146 |
| age | 0.13 |
| new_online | 0.128 |
| mental_health | 0.105 |
| exercise | 0.094 |
| diet | 0.084 |
| area_type | 0.066 |
| sleep | 0.066 |
| residential_status | 0.063 |
| health_app | 0.052 |
| education | 0.048 |
| smoking | 0.045 |
| work_status | 0.042 |
| healthy_living | 0.016 |
| steps | 0.016 |
| risky | 0.016 |
| marital_status | 0.007 |
| stress_anxiety | 0.002 |
| sex | 0.002 |
| children | 0.001 |

In the Asian insurance market, several distinctive trends emerge compared to global patterns. While insurance knowledge, age demographics, and residential stability are critical factors globally, the Asian market places a stronger emphasis on wearable technology. This suggests that health-conscious consumers in Asia are increasingly integrating wearable devices into their lifestyles, which significantly influences their recent insurance purchasing decisions. The importance of digital engagement through online platforms and the impact of urbanization is also significant in Asia. The reliance on wearable technology, alongside other health-related apps and exercise habits,

underscores the region's focus on leveraging technology for health and wellness. This trend indicates that insurers in Asia should prioritize integrating wearable technology into their offerings and marketing strategies. By doing so, they can better align with the preferences of health-conscious consumers, fostering higher engagement and insurance uptake in this dynamic market. This understanding helps insurers tailor their products and approaches to meet the unique needs and behaviors of the Asian market, driving growth and customer satisfaction.

Figure 1 illustrates the significant impact of wearable device usage and life and health insurance knowledge on the likelihood of purchasing insurance recently. Individuals who reported using wearable devices such as a Fitbit, Garmin, or Apple Watch (as indicated by the question, 'Do you use any of the following regularly (e.g., 2-3 times per week)?') and answered 'yes' are more likely to have purchased insurance within the last two years. This likelihood is further enhanced by higher self-reported knowledge about life and health insurance (also see Section 'Data Summary and Figures,' Figure 10). Conversely, those who are not interested in wearable devices or have stopped using them exhibit a lower propensity to purchase insurance recently, even if they possess substantial insurance knowledge. These insights suggest that promoting wearable technology, coupled with education about insurance benefits, could be an effective strategy for insurers to increase policy uptake among health-conscious and tech-savvy consumers.

Figure 1

SHAP PLOT OF WEARABLE AND LIFE_HEALTH_KNOWLEDGE ON RECENT INSURANCE PURCHASE

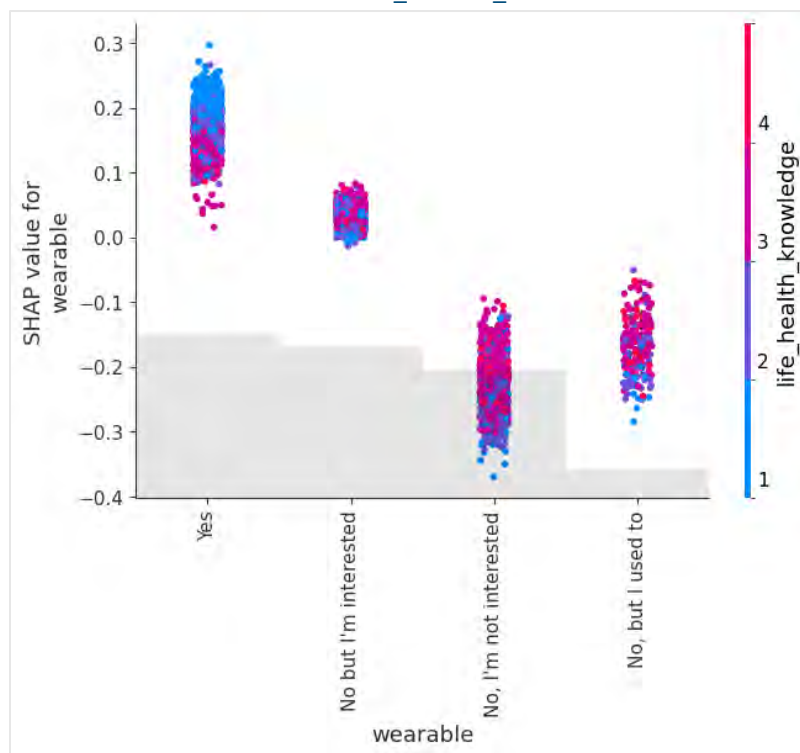


Figure 2 shows the influence of wearable device usage on the likelihood of recent insurance purchases, categorized by consumer preferences for different purchasing channels. Individuals who currently use wearable devices and those who are open to purchasing insurance from online-only companies (as indicated by the question, 'Would you be willing to buy insurance from a company like this?') demonstrate the highest likelihood of purchasing insurance recently, as reflected in their positive SHAP values. This trend suggests a significant alignment between technology adoption and the pursuit of convenience in insurance transactions (also see Section 'Data Summary and Figures,' Figure 11). Conversely, those who are not interested in wearable technologies or who have ceased using them show

a general disinclination towards purchasing insurance, irrespective of the purchasing channels available. This pattern underscores the critical role that technology plays in influencing modern insurance purchasing behaviors, particularly among those who value the integration of technology with personal health management and convenience in purchasing processes.

Figure 2
SHAP PLOT OF WEARABLE AND NEW_ONLINE ON RECENT INSURANCE PURCHASE



DEMOGRAPHIC AND EDUCATIONAL INFLUENCES

The logistic regression model, outlined in Table 3, provides detailed insights into these dynamics, demonstrating a moderate degree of predictive power with a pseudo R-squared of 11.0%. The analysis examines the likelihood of purchasing any type of mortality, accident, or health insurance.

Table 3
INSURANCE PURCHASE REGRESSION OUTPUT

| | Coefficient | Significance |
|---------------------|-------------|--------------|
| Constant | -4.72 | *** |
| Insurance Knowledge | 0.67 | *** |
| Working Status | 0.28 | *** |
| Marital Status | 0.38 | *** |
| Area Type | 0.31 | *** |
| Education Level | 0.25 | *** |
| Residential Status | 0.27 | ** |
| Income Level | 0.1 | ns |
| Age | 0.01 | ns |
| Sex | 0.15 | ns |

Working Status, with a statistically significant positive coefficient, indicates that employed individuals are more likely to purchase insurance. This suggests that employment provides both the means and the motivation to secure insurance coverage. Marital Status is highly significant, indicating that married individuals or those in similar partnerships are more likely to purchase life and health insurance.

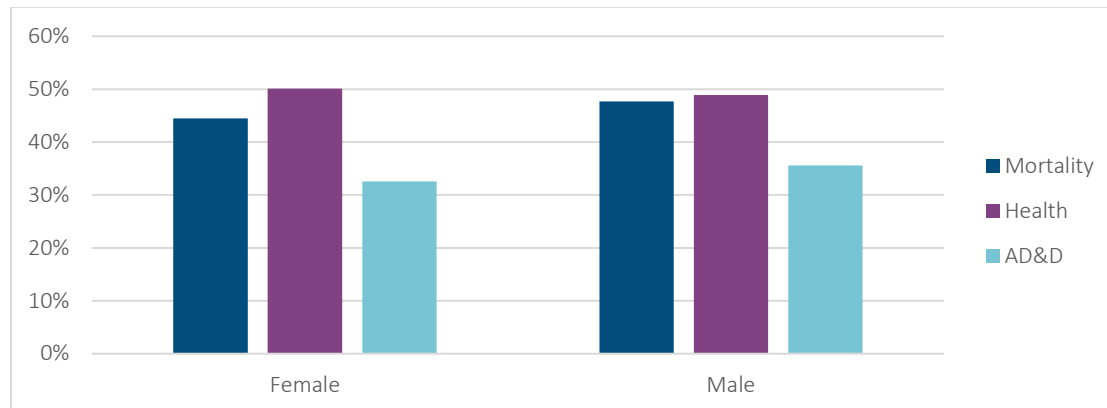
Residential Status and Area Type also exhibit significant positive coefficients, suggesting that individuals living in urban areas are more likely to purchase insurance than those in rural areas. This may be attributed to better awareness and accessibility of insurance products in urban settings. Education Level and Insurance Knowledge both have significant positive effects, underscoring the importance of awareness and understanding of insurance products in driving purchasing decisions. Income Level, while positive, is not significant, indicating that income alone may not be a strong predictor of insurance purchasing behavior in this context.

When compared to the global market, these findings are mostly consistent. While Sex and Age do not appear to be significant predictors of insurance purchasing behavior in the regression analysis, Figures 3 and 4 in the 'Data Summary and Figures' section provide additional insights into these variables. This divergence from global trends might be explained by cultural differences in the region or possibly by limitations in the dataset. For example, cultural norms in some Asian countries might lead to more uniform insurance purchasing behavior across genders and age groups, reducing the impact of these variables. To explore these factors further, a detailed analysis is provided in the data section, where the age and sex plots offer additional insights into how these variables behave in the Asian context.

Data Summary and Figures

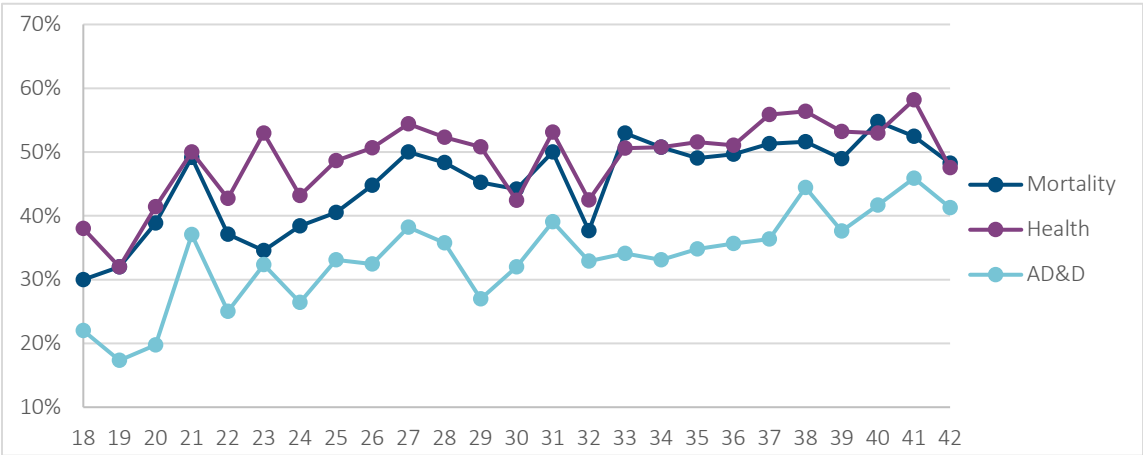
In this section, the key data is summarized and visually represented. Figure 3 illustrates the selection rates between genders in Asia, showing minimal differences overall. However, it does highlight that males are more likely to purchase mortality-related insurance, with a selection rate of 48%, while females have a slightly higher rate of selecting health insurance at 50%.

Figure 3
INSURANCE PURCHASE BY SEX



The purchase of insurance across different age groups generally increases from ages 18 to 42, as shown in Figure 4. Mortality, health, and AD&D insurance purchases rise from 30%, 38%, and 22% at age 18 to 50%, 54%, and 38% by age 27, respectively. Although the rate of increase plateaus after age 30, the selection rates remain high and exhibit less fluctuation, peaking at 55% for mortality, 58% for health, and 46% for AD&D by the early 40s. This trend suggests that while the rapid growth in insurance acquisition moderates, purchasing behavior stabilizes as individuals progress through their 30s and 40s, highlighting significant customer potential.

Figure 4
INSURANCE PURCHASE BY AGE



Regarding insurance purchases by marital status, as illustrated in Figure 5, single individuals demonstrate a moderate tendency to purchase insurance, with life insurance at around 40%, health insurance at 44%, and AD&D insurance at 29%. These rates are surpassed by those in married or civil partnerships, who show a higher propensity to secure life insurance at approximately 55%, health insurance at 57%, and AD&D insurance at 40%. Cohabiting individuals also have similar purchasing behaviors, with rates of 55% for life insurance, 49% for health insurance, and 41% for AD&D insurance. Widowed individuals exhibit the lowest purchase rates across all categories, each at 18%. Divorced or separated respondents show slightly higher engagement, with life insurance purchases at 33%, health insurance at 38%, and AD&D insurance at 29%.

Figure 5
INSURANCE PURCHASE BY MARITAL STATUS



As shown in Figure 6, similar to global trends, individuals working full-time (30 hours or more per week) exhibit a significant inclination towards purchasing insurance, with 52% opting for mortality insurance, 54% having health insurance, and 40% acquiring AD&D insurance. This is notably higher compared to part-time workers, where those working 8-29 hours per week display purchasing rates of 35% for mortality insurance, 44% for health insurance, and 25% for AD&D insurance. Meanwhile, those working less than eight hours per week show similar but slightly lower rates of 37% for mortality insurance, 33% for health insurance, and 21% for AD&D insurance. Full-time students and homemakers demonstrate lower engagement, with students securing mortality insurance at 28%, health insurance at 39%, and AD&D insurance at 17%, while homemakers have slightly higher rates of 31% for mortality, 37% for

health, and 17% for AD&D. Self-employed individuals also show a moderate propensity to purchase insurance, with 36% buying mortality insurance, 44% obtaining health insurance, and 29% securing AD&D insurance.

Figure 6
INSURANCE PURCHASE BY WORKING STATUS

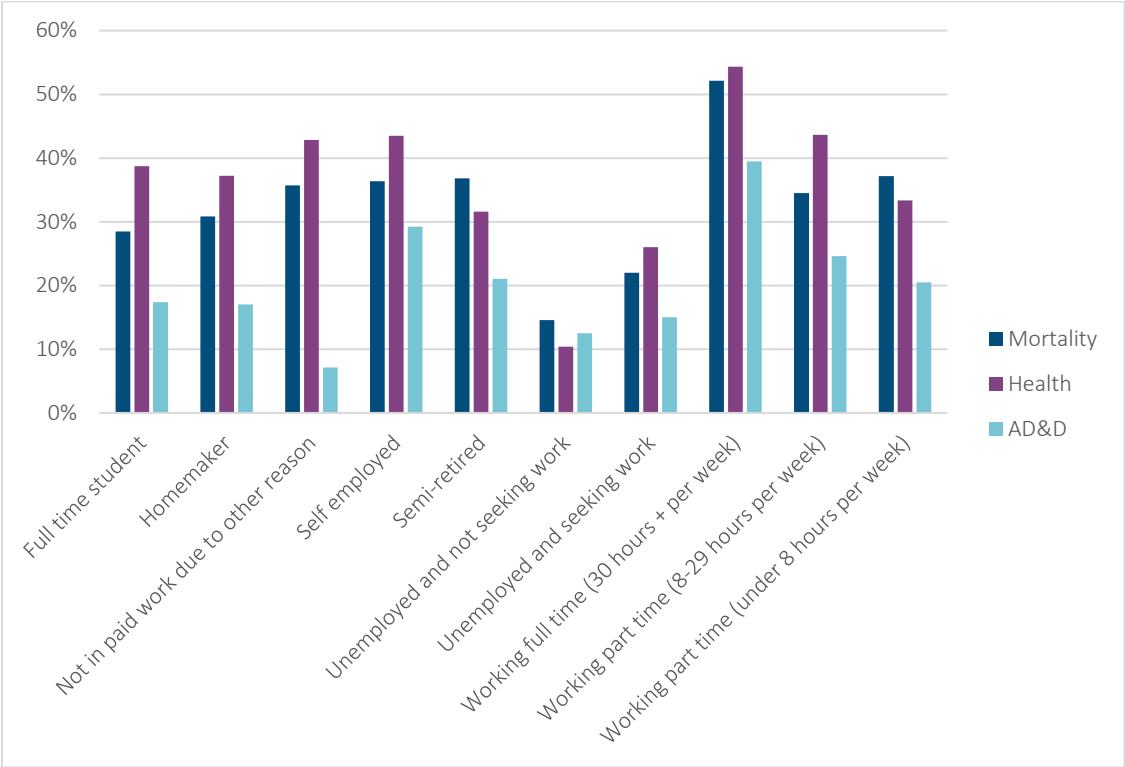
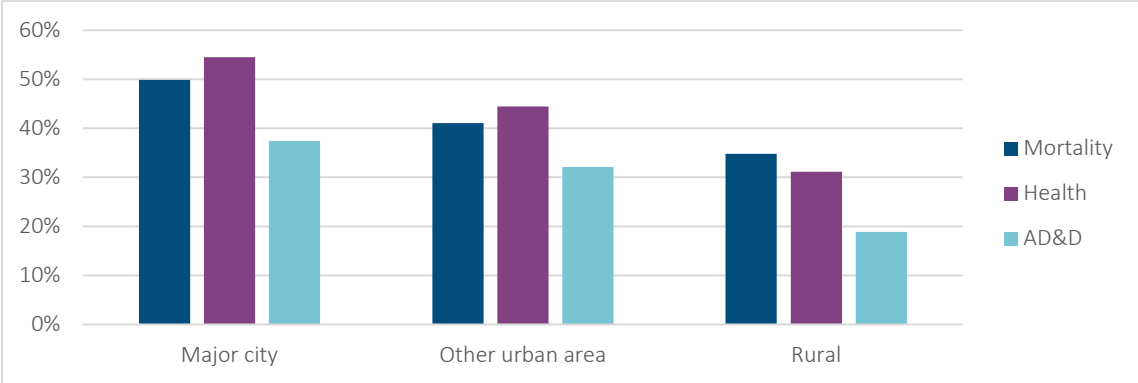


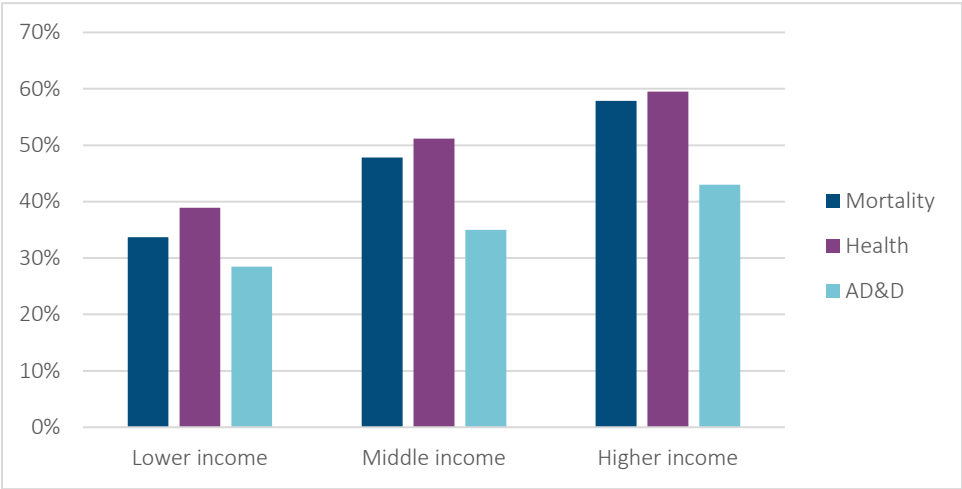
Figure 7 shows that insurance purchases are higher in major city areas, with 50% of residents opting for mortality insurance, 54% securing health insurance, and 37% acquiring AD&D insurance. In contrast, the lowest rates are observed in rural areas, where only 35% of residents purchase mortality insurance, 31% have health insurance, and 19% hold AD&D insurance. This trend highlights that people living in more densely populated areas, like major cities, are more likely to purchase all types of insurance compared to those in less populated areas.

Figure 7
INSURANCE PURCHASE BY AREA TYPE



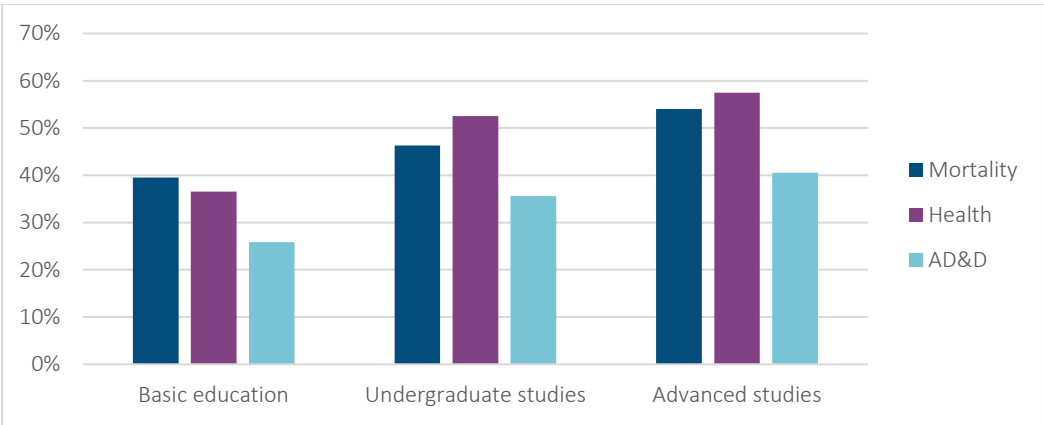
As illustrated in Figure 8, consistent with global trends, the propensity to purchase insurance varies significantly across income levels in Asia. The lower income group demonstrates the least likelihood to secure insurance, with mortality insurance at 34%, health insurance at 39%, and AD&D insurance at 28%. Conversely, the middle-income group shows greater engagement, purchasing mortality insurance at 48%, health insurance at 51%, and AD&D insurance at 35%. The higher income group exhibits the highest rates of insurance purchases, with 58% opting for mortality insurance, 60% securing health insurance, and 43% acquiring AD&D insurance. This trend underscores that higher income levels correlate with a greater propensity to invest in various types of insurance, reflecting broader financial capabilities and possibly a higher awareness of the benefits of insurance coverage.

Figure 8
INSURANCE PURCHASE BY INCOME LEVEL



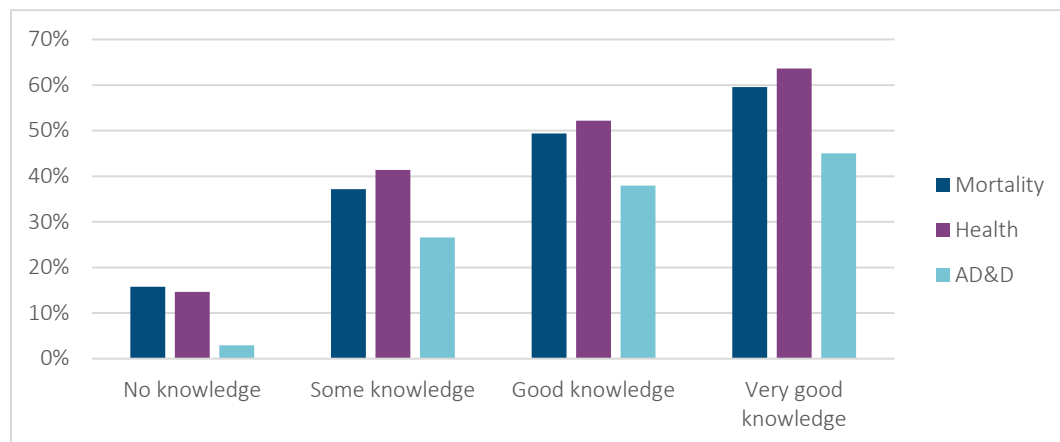
As shown in Figure 9, education level plays a significant role in determining the propensity to purchase insurance, with those having higher levels of education generally showing greater engagement. Individuals with basic education exhibit lower insurance purchasing rates, with 40% opting for mortality insurance, 37% for health insurance, and 26% for AD&D insurance. Respondents with undergraduate studies demonstrate increased rates of purchase, at 46% for mortality insurance, 53% for health insurance, and 36% for AD&D insurance. The highest propensity to purchase insurance is seen among those with advanced studies, where 54% select mortality insurance, 57% secure health insurance, and 41% acquire AD&D insurance.

Figure 9
INSURANCE PURCHASE BY EDUCATION LEVEL



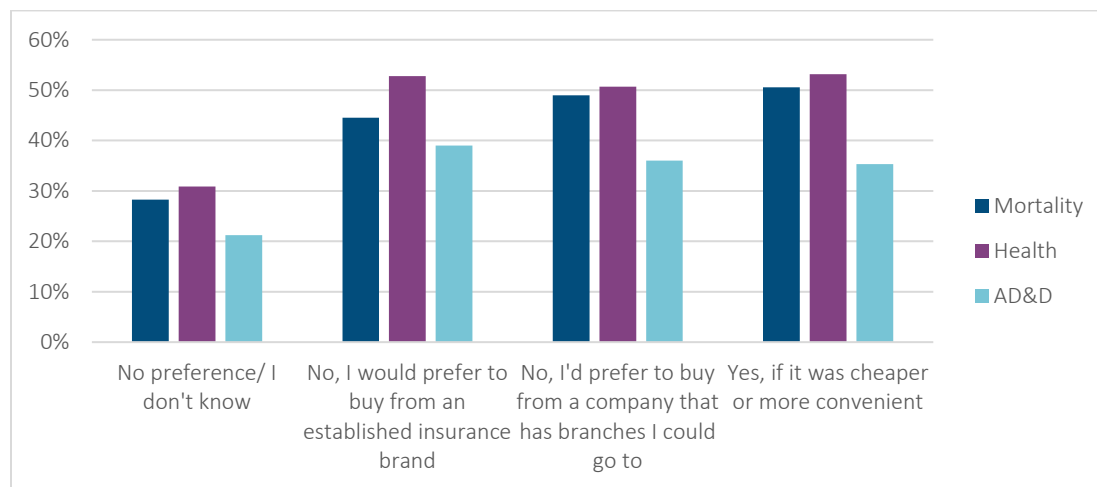
As shown in Figure 10, there is a clear correlation between insurance knowledge and the propensity to purchase insurance. Individuals with no knowledge of insurance products exhibit significantly lower purchase rates: 16% for mortality insurance, 15% for health insurance, and a mere 3% for AD&D insurance. Those with some knowledge demonstrate a notable increase in purchasing behavior, with rates of 49% for mortality insurance, 52% for health insurance, and 38% for AD&D insurance. Respondents with good knowledge also show higher purchase rates, at 37% for mortality insurance, 41% for health insurance, and 27% for AD&D insurance. The highest rates are observed among those with very good knowledge, where 60% purchase mortality insurance, 64% opt for health insurance, and 45% acquire AD&D insurance.

Figure 10
INSURANCE PURCHASE BY INSURANCE KNOWLEDGE



As highlighted in Figure 11, a significant number of respondents in Asia would consider purchasing insurance from an online-only company if it offered lower costs or greater convenience. Among those who have considered or already purchased mortality, health, and AD&D insurance, 51% would buy mortality insurance, 53% would opt for health insurance, and 35% would purchase AD&D insurance from an online platform if it provided cheaper premiums or more convenience. This underscores the price sensitivity and openness to technological solutions among insurance consumers in the region.

Figure 11
INSURANCE PURCHASE BY ONLINE PREFERENCES



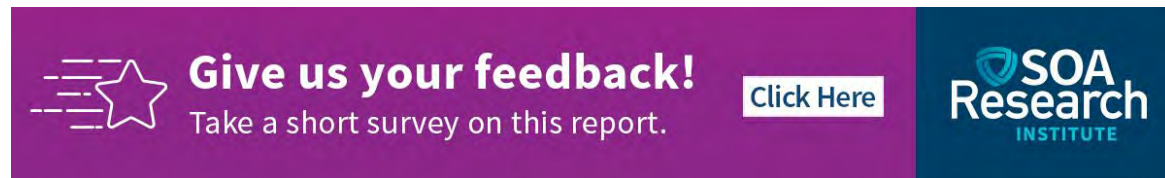
Conclusion



The findings in this report highlight a robust engagement with various insurance products among consumers across key Asian markets, marked by a higher-than-global-average purchase rate for mortality, health, and accidental death and disability insurance. The data illustrates that technological integration, particularly through wearable devices, plays a significant role in influencing insurance purchasing decisions. Consumers who are technologically adept and those who prioritize convenient and efficient service delivery show a greater propensity to invest in insurance products.

In markets like Singapore and Taiwan, where the proportion of survey respondents who have purchased insurance products is particularly high, purchase rates are stronger compared to developed markets like Japan and emerging markets such as Indonesia, where the propensity to purchase insurance remains lower. This suggests a need for targeted market strategies that address local consumer preferences and behaviors, adapting to varying levels of awareness and demand.

As the Asian insurance market continues to expand and evolve, it is imperative for insurers to harness these insights to refine their offerings. Emphasizing the convenience and affordability of online insurance platforms will likely attract a broader base of health-conscious and tech-savvy consumers. Additionally, investing in consumer education about the benefits and critical aspects of insurance can help bridge existing knowledge gaps and enhance policy uptake.

In conclusion, the dynamic and diverse nature of the Asian insurance market offers substantial growth opportunities for insurers. Understanding and leveraging the nuanced interplay between consumer lifestyles, technological preferences, and demographic factors will be crucial. Insurers that respond to these trends with innovative, accessible, and customized insurance solutions are poised to succeed and lead in capturing the significant opportunities presented by this vibrant market.



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