

News Release

For Immediate Release

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Malaysians see insurance as integral to financial planning, but greater take-up needed to reduce numbers of uninsured – Manulife survey

- *Appetite for insurance remains high, with 76% intending to buy insurance in the coming 12 months*
- *Nearly all have health management worries, mostly about cost, pointing to a need for more planning*
- *Most Malaysians prefer agent assistance when it comes to purchasing insurance*

KUALA LUMPUR – Malaysians recognise the importance of having a financial plan to secure enough savings for retirement and the essential part insurance plays in such planning, as they expect to retire younger than their peers in Asia and experience the early onset of age-related health issues, according to new research by Manulife.

The Malaysia section of the new Manulife Asia Care Survey 2023* shows that nearly all Malaysians surveyed (96%) have health related anxieties, notably relating to the cost of treatment (42%) and possible loss of income because of illness (38%). It also shows that respondents view insurance favourably with 76% intending to purchase it during the coming year.

Those planning to buy insurance are considering life and hospitalisation (both 29%), followed by accident (27%), critical illness (25%) and health (24%).

Potential to bridge the insurance gap

“The survey reflects post-Covid uncertainties and concerns about the future, but it’s reassuring that a clear majority of Malaysians can see the importance of financial planning and the role insurance plays within that,” said **Vibha Coburn, Chief Executive Officer, Manulife Malaysia**.

“What we need now is to reduce the number of uninsured in Malaysia. At Manulife we listen to customers and the wider community, and we are looking at how we can make it simpler to learn about and purchase insurance policies. For instance, we have the Manulife Essential Pack – a comprehensive and complete plan that is ideal for those who are just starting their insurance journey.”

Those surveyed aged 25-34 years are more aware than those aged 35 and above of the importance and merits of insurance, as well as the need for financial planning. The survey findings show that the intention to buy among this younger cohort is a remarkable 85%, compared to 74% for the 35-44 age band.

While respondents surveyed say that saving for retirement is their second highest financial goal (50%), nearly two-thirds of them (62%) do not have a retirement plan in place. This is alarming as the average life expectancy is 76 and the official retirement age is 60.

Help still needed to broaden insurance awareness

For most Malaysians, even those familiar with it, choosing the right insurance can be a time-consuming challenge that results in action on it being put off. The findings show that 91% still want an agent to advise and support them, mainly for a regular policy review coverage assessment (47%) and for recommendations on medical and health content (46%).

In general, only 17% say they can find useful information online easily, whilst 16% say they find insurance is easy to understand.

“The findings are revealing because they show many people are still relatively new and unfamiliar with insurance and how it can work to provide them with affordable and effective protection,” said Coburn.

“It’s good that Malaysians have a strong take-up of insurance and plan to purchase more in the coming year. It’s important to remember that the cost of the insurance premiums is far less than the cost of, say, critical illness treatment.”

“At Manulife, we strive to help people to attain the financial literacy skills to independently manage their finances. We would recommend Malaysians to take charge and reach out to an independent financial advisor – who can lay out and explain the various options and help to find the policy that best suits your needs and budget.”

***About Manulife Asia Care Survey**

The Manulife Asia Care Survey was conducted via online self-completed questionnaires in seven markets: mainland China, Hong Kong, Indonesia, Malaysia, Philippines, Singapore, and Vietnam. A total of 7,224 people, aged 25 to 60 years old, were surveyed in late December 2022 and early January 2023. In Malaysia 1,037 people were surveyed.