

# Insurance Purchase Channels - Canada - September 2016

Report Price: £2466.89 | \$3995.00 | €3133.71

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“On-demand insurance through digital channels is set to increase in popularity but for now traditional channels dominate the distribution landscape.”

— Sanjay Sharma, Senior Financial Services Analyst

## This report looks at the following areas:

- Auto, life and home insurance have the highest ownership rates
- Type of distribution channel used is product dependent
- Around half of consumers are open to switching for a major price cut
- Brokers are generally viewed favourably, but some trust issues persist
- Most insurance is sold through people

Insurance companies are leveraging multiple distribution channels to suit customer preferences including traditional channels such as brokers and agents, through affinity programs with member associations, retail outlets, travel agencies, through employers for group sales, digital channels, etc. But they also face competition from banks who are aggressively promoting sales of certain insurance products through their subsidiaries (banks in Canada are prohibited from selling most types of insurance through their branches).

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Women outnumber men in Canada and live longer

Canadian economy endures a poor second quarter

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Canada's population is expected to age in the coming years

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Women outnumber men in Canada and live longer

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Alzheimer's/dementia  
Smoking  
Stroke  
Canadian economy endures a poor second quarter

## Key Players – What You Need to Know

Expansions seen in digital health  
Manulife to insure those who are HIV-positive  
Economical Insurance activates multi-channel distribution with launch of direct channel  
Intact Financial Corporation makes Strategic Investment in Metromile  
Ageas and Trov launch on-demand insurance apps  
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Desjardins Insurance engages key cultural communities  
Ontario approves insurance plan aimed at Uber

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Sun Life launches new business area to expand in digital health  
Digital health insurance start-up, League, raises \$25 million from major Canadian investors  
Manulife to insure those who are HIV-positive  
Manulife to cut down on insurance application medical tests  
Economical Insurance activates multi-channel distribution with launch of direct channel  
Intact Financial Corporation makes strategic investment in Metromile  
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Auto, life and home insurance have the highest ownership rates  
Type of distribution channel used is product dependent  
Most insurance is sold through people  
Around half of consumers are open to switching for a major price cut

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Brokers are generally viewed favourably, but some trust issues persist  
Younger consumers more willing to embrace digital channels

## Insurance Ownership

Auto, life and home insurance have the highest ownership rates  
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Around half of over-65s have health insurance  
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Brokers are generally viewed favourably, but some trust issues persist  
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Brokers face challenges as distribution channels evolve

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## Insurance Purchase Decision

Around half of consumers are open to switching for a major price cut

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Younger consumers more influenced by recommendations

Consumers are very hesitant about buying insurance from newer companies

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