

# Insurance: online contact on the rise, caution about AI

The trend for using online channels when contacting insurance companies continues in Switzerland. There is still a great deal of scepticism about using artificial intelligence (AI), as shown in the third edition of the "Swiss Insurance Monitor" from the University of Lucerne.

The "Swiss Insurance Monitor 2023" is an annual study into customer opinions in the insurance industry, conducted by the Institute of Marketing and Analytics (IMA) at the University of Lucerne. The survey, which is representative of Switzerland, was conducted in cooperation with the Swiss Digital Insurance Association, elaboratum suisse GmbH, FinanceScout24 (SMG Swiss Marketplace Group AG) and a consortium of property and health insurance companies and service providers.

## Online versus offline interaction

People living in Switzerland prefer to search for information on insurance and obtain quotations online,

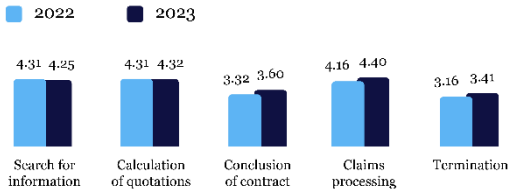


Figure 1: Offline versus Online- behaviour along the customer journey between 2022 and 2023 (1: only offline, 4: undecided, 7: only online)

leading in particular to an increase in the use of independent comparison portals, as well as insurance company websites. Nevertheless, customer advisors are most often consulted for quotations.

The trend for carrying out insurance procedures online is also seen in the processing of claims.

However, offline channels tend to be preferred where

other contract-related insurance procedures are concerned, i.e. concluding or terminating a contract. Even so, insurance customers who are open to new technologies are seen to have a slight preference for online channels when concluding contracts as well. A similar picture emerges for people living in more urban areas and for those in younger age groups.

Regardless of their preferred way to interact with insurance companies, customers have a slight preference for direct personal contact (e.g. by phone, email or in person) when dealing with most insurance issues rather than using options with no direct personal contact (e.g. customer portal or insurance app). This shows that customers greatly value their customer advisors at property and health insurance companies. 80% of respondents state that they are satisfied with them, that they are easy to contact and are in contact often enough.

## Potential and challenges in the insurance industry

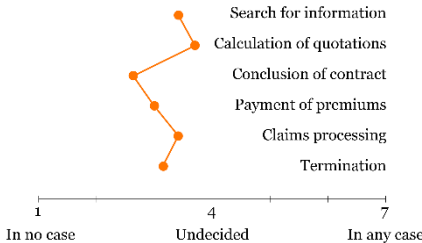


Figure 2: Reluctant to use AI along the customer journey; Question: To what extent would you like to see support from an

As stated previously, respondents prefer to interact with insurance companies online; more than 50% of customers can imagine signing insurance documentation exclusively online in future. In addition to online interaction, 41% of respondents would like the option of online claims simulation and 61% of respondents would like an online comparison of new and existing contracts.

Customers are undecided about whether further personal information such as age, education or gender should be

included in the premium calculation. However, if this is associated with a reduction in premium, the proportion of customers who rate this positively increases from around 40% to almost 60%. Similar behaviour is expected when interacting with customer advisors. In relation to interaction with customer advisors, respondents are less willing to pay higher premiums for increased contact. In fact, they would even limit contact if that were associated with reduced premiums.

However, not all new technologies are popular. Only around 25% of respondents would like advice on property and health insurance via video conference. Furthermore, insurance customers are less willing

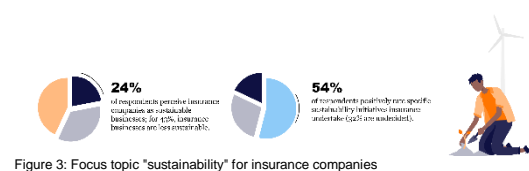
to include artificial intelligence in the clarification of insurance concerns - even if artificial intelligence is assisted by customer service staff. There is more trust in service staff insofar as respondents are more likely to expect a satisfactory result from them.

### Insurance issues: interest and level of information

The interest of people living in Switzerland in insurance topics remains unchanged from the previous year. However, there are differences in the level of information on insurance topics: whereas people with health insurance are generally well-informed about their cover with fewer concerns about it, there is a need for more information about property insurance.

In the 12-month period under review by the study, more people looked for information about new or alternative insurance quotations and concluded contracts more often in comparison to the Swiss Insurance Monitor of 2022. The increased level of involvement and interest could, for example, be explained by a slight increase in premiums for property and health insurance as well as by other external factors. More than 80% of respondents with health insurance and 64% of respondents with property insurance state that their insurance premiums have at least slightly increased in the last 12 months. It is impossible to say whether this has led to people switching insurance. Nonetheless, there is clearly a need for more external communication about price increases, as reasons for the perceived increases are not very clear to customers.

### Sustainability in the insurance sector



The issue of sustainability has also arisen in the insurance sector. Insurance customers appreciate sustainability measures taken by insurance companies and generally rate them positively. At the same time, insurance institutions are generally less

associated with sustainability. However, insurance companies have the opportunity to enable customers to experience sustainability - for example by increasingly using digital technologies, promoting sustainable standards in partner firms' supply chains and training employees in sustainable behaviour.

### Complete study report

The complete study report contains 84 pages of comprehensive analysis of the current situation in the insurance industry in Switzerland and offers more in-depth insights into consumer behaviour and into the constantly changing trends on the Swiss insurance market. For further insights, the study includes sub-group analyses at selected points. For example, classification into age groups or customer characteristics (e.g. "Openness to new technologies" or "Need for convenience").

The complete study report can be ordered on the [Swiss Consumer Studies](#) website (German version only). Some selected results are also freely available in PDF format on the website (German, English and French).

### Study background

The data basis for the Swiss Insurance Monitor is an online survey, which is representative of Switzerland, of 1,026 people living in Switzerland. The survey was conducted between 24 July and 10 August 2023 in collaboration with LINK. The "Swiss Insurance Monitor" is part of Swiss Consumer Studies at the Institute of Marketing and Analytics at the University of Lucerne. Studies on current issues concerning digital consumer behaviour and digital marketing are published at regular intervals in Swiss Consumer Studies.

### Information

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**Selected Insights**

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