

Sun Life Malaysia Survey Reveals Alarming Gap In Insurance Literacy Among Malaysians – Only 28% Show Good Insurance Understanding



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Raymond Lew, CEO and President/Country Head of Sun Life Malaysia, introduces the InsureLit campaign aimed at equipping Malaysians with essential insurance and takaful knowledge and instilling positive financial behaviours.

In today's fast-paced world, financial stability and security are crucial for individuals and families. One of the key components of financial stability is insurance literacy.

However, a recent survey by [Sun Life Malaysia](#), a leading life insurance and family takaful company, has found that when it comes to insurance and takaful literacy, many Malaysians do not have a firm grasp of this crucial aspect of personal finance. In this survey, "insurance" covered both conventional insurance and takaful.

In fact, the survey revealed that only 28% of respondents are confident in their knowledge of insurance and takaful products. Meanwhile 22% of the respondents indicated low to no insurance/takaful knowledge, and 50% said they were unsure and need to rely on others for assistance.

The 'Insure or Unsure: Sun Life Insurance Literacy Survey', which was conducted in January 2024 garnered the participation of 1,107 respondents. It aimed to assess respondents' insurance literacy by gauging their self-perceived understanding of insurance and takaful products and terminologies, discover their behavioural patterns in purchasing and managing their policies/certificates, as well as identify the barriers to insurance or takaful literacy.

The survey results showed that female respondents are at a higher risk of exposing their financial wellbeing to financial shocks and emergencies due to a lack of insurance/takaful literacy. Among those who had "Poor" levels of self-perceived understanding, female respondents made up 63% of all respondents, which is 1.7 times more than male respondents (37%).

Additionally, female respondents were found to be twice more likely than men to not recall key information without referring to their insurance policy/takaful contract. They were also twice as likely to rely on agents for policy/contract comparisons and recommendations compared to men.

On a broader scope, the survey found more worrying data – nearly one-third (32%) of respondents are not covered by any life insurance/takaful plan. This is despite the fact that 72% of all respondents agree that insurance or takaful is important in providing financial protection in the event of calamities or emergencies.

This finding highlights the correlation between the level of understanding and insurance/takaful ownership. The lower the level of self-perceived understanding, the more likely they are to not own any insurance/takaful coverage – which is highly concerning, given that only 28% of respondents have "Good" self-perceived levels of understanding of insurance/takaful.

Raymond Lew, Chief Executive Officer and President/Country Head of Sun Life Malaysia, expressed his concern over these survey findings, stating that they highlight the neglected aspect of insurance or takaful literacy among Malaysians.

"In today's ever-changing economy, Malaysians need to bolster their financial resilience by acquiring the necessary knowledge and skills to manage their finances and plan for the future. Insurance literacy is a crucial financial skill, ensuring financial stability during unpredictable times," Lew commented.

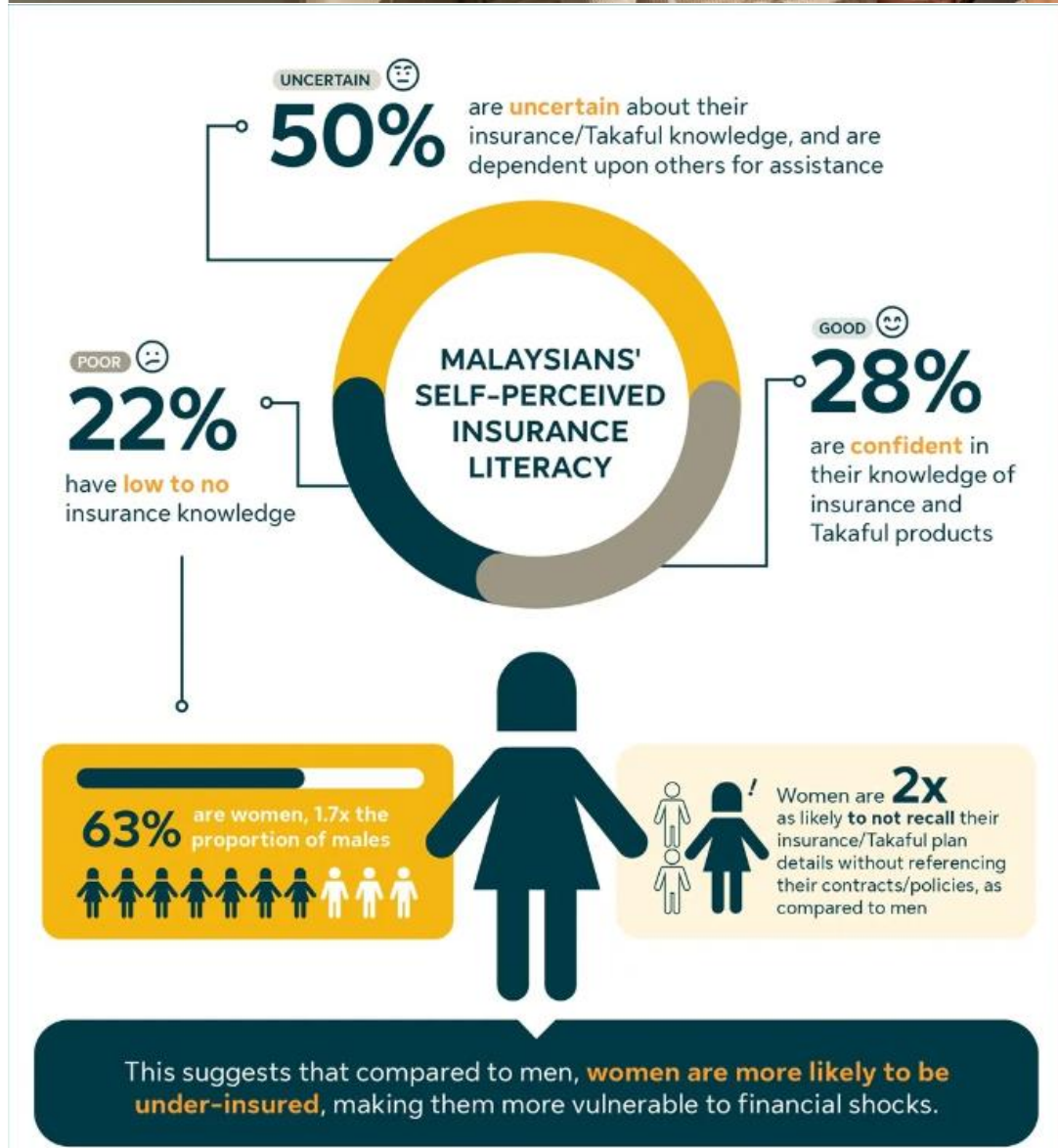
Lew also acknowledged that there is no one-size-fits-all approach in raising the insurance/takaful literacy level among Malaysians. In particular, women's need for financial and insurance education should be addressed, especially as Malaysia continues to strive for gender equality and inclusivity. With more women in the workforce and corporate roles, it stands to reason that they should also be empowered to reduce any existing gaps in securing their financial wellbeing and future.

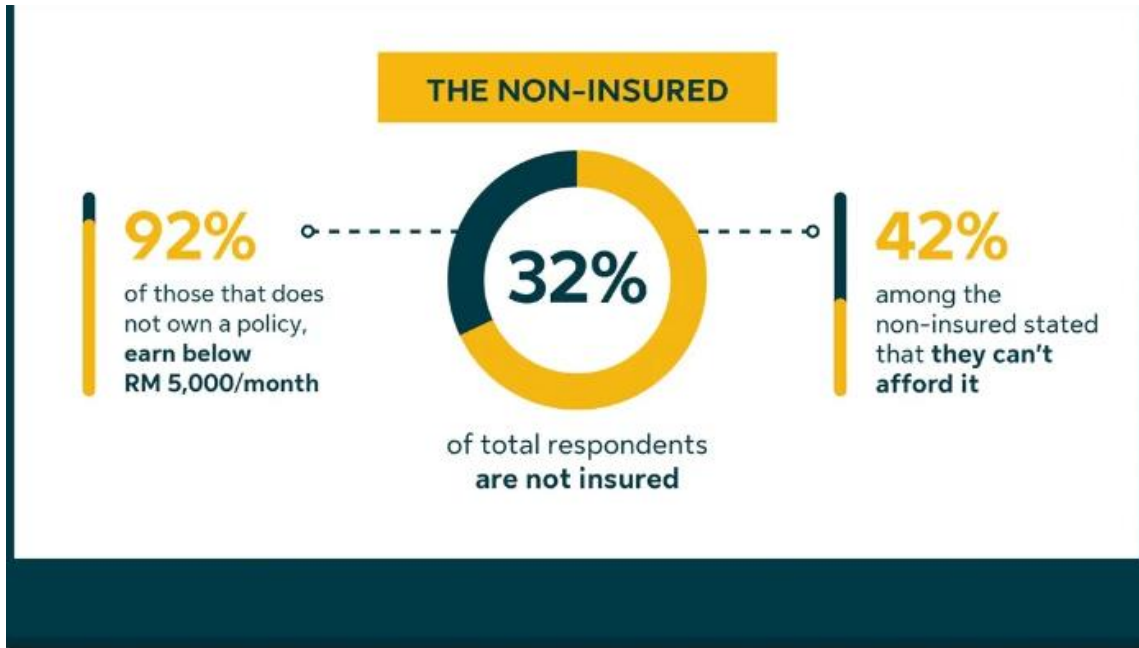
"Based on the survey findings, we will embark on a mission to actively engage consumers and level up their awareness about insurance/takaful literacy through our year-long **InsureLit campaign**, aimed at equipping Malaysians with essential insurance and takaful knowledge and instilling positive financial behaviours. Ultimately, we hope to empower them to make better and smarter decisions for a financially fit future," Lew said.

Specifically, the InsureLit campaign will involve a variety of face-to-face and online educational initiatives, including digital and social media awareness, roadshows, and sponsored financial programmes. There will also be a dedicated Financial Empowerment Award, curated in collaboration with Tatler Malaysia, to honour women leaders advancing the financial literacy agenda, along with board games and outreach programmes for primary school students.

To learn more about the **InsureLit Campaign** and its upcoming activities, visit the [Sun Life Malaysia InsureLit Campaign page](#).

Experience the best of both worlds with Sun Life Malaysia – a trusted insurance and takaful provider. As a proud member of Sun Life, a global financial organisation, we bring 159 years of expertise to offer innovative solutions to help Malaysians achieve a financially-fit future. Visit us at www.sunlifemalaysia.com.





Other key findings:



Respondents with **good understanding** of insurance/Takaful are more likely to own at least one policy, while those with **low understanding** are less likely to have one.

Many insurance policy owners and Takaful contract holders in Malaysia **rely heavily on agents** for product information before and after purchase. **Insightful and helpful agents** are key influencers in purchasing decisions

The findings are based on a Sun Life Malaysia survey of 1,107 Malaysians in 2024.

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