Beyond transactions: Why communications are essential to the insurance industry

Executive summary

Communication is the bedrock of successful customer relationships.

Insurance customers expect accurate, timely, and relevant communications through their preferred channel. These are the building blocks of trust, not just communications best practices.

Computershare conducted a survey of 400 Canadian insurance customers aged 18-69 years. We asked respondents how they felt about insurance communications, including delivery preferences, important characteristics, customer satisfaction, and the role of emerging technology.

The good news for insurers is that most customers find insurance communications valuable. Your customers largely prefer receiving communications via email, and they're looking for communications with these characteristics:

- clarity
- accuracy
- information security
- personalization
- sustainability

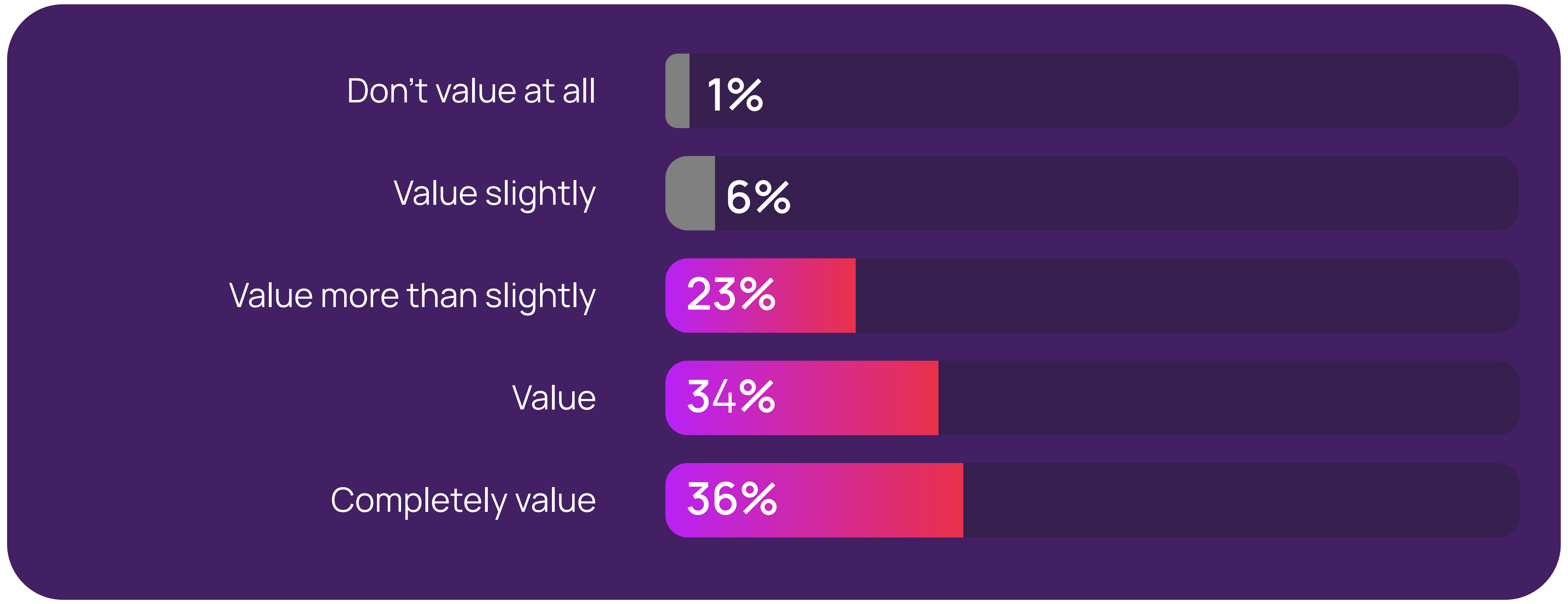
The insights in this report offer a look into what customers want from their insurance communications, so you can build long-lasting, profitable relationships with them.

Customers to insurance providers: We want to hear from you

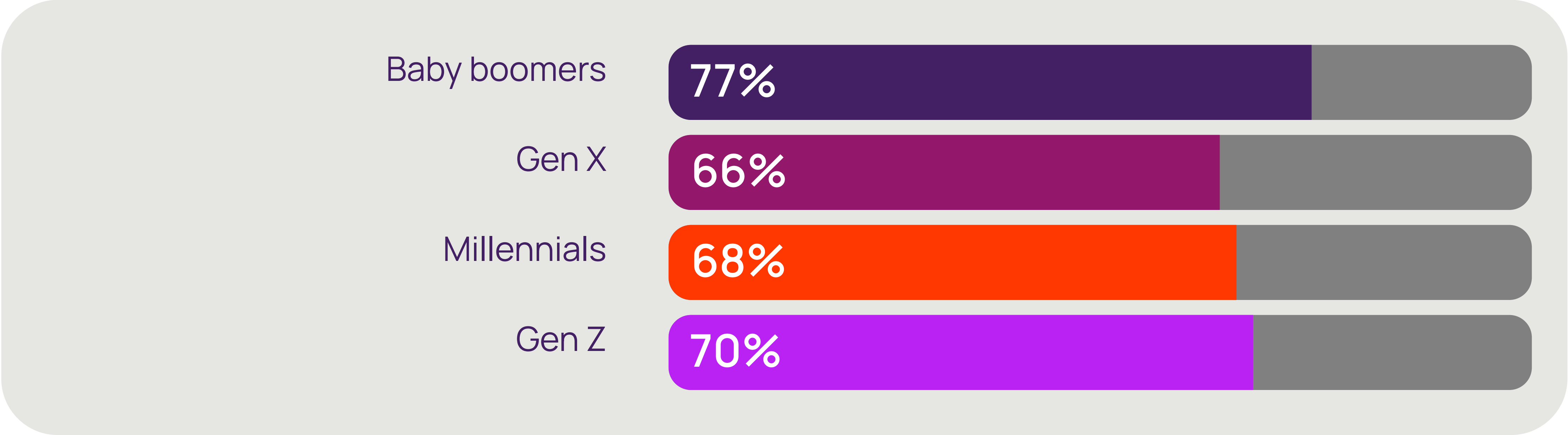
One of the most significant findings in this report is how many customers value communications from insurance providers. Seventy percent either value or completely value the messages their insurers send them.

The value insurance customers receive from their communications varies by age. The older they are, the more valuable they find them. Over three-quarters of Boomers find these communications valuable, but the number drops to 66% for Gen X, 68% for Millennials, and 70% for Gen Z. These statistics could be attributed to the fact that Boomers have a longstanding relationship with their insurers. They know and trust them. Younger generations are still forging their relationship with insurers, which gives insurers an opportunity to build deeper trust and clearly demonstrate their value to customers through future communications.

How much customers value insurance communications



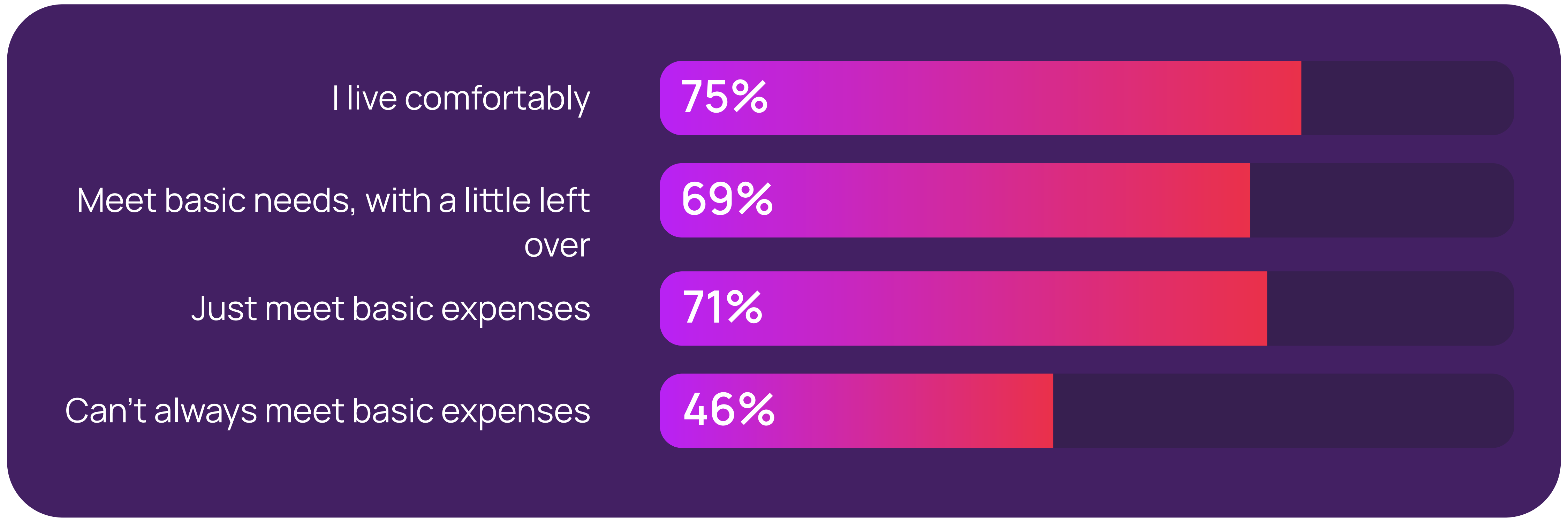
Insurance communication value across generations



Socioeconomic status also plays a role in the value of insurance communications. The higher a person's socioeconomic status, the more they'll value what they receive from their insurer. Three-quarters of people who live comfortably find their insurance communications valuable, in comparison to 46% of those who sometimes can't make ends meet.

Here's why: when you have more assets to protect, you want to hear from the people who keep them safe. Those in lower income brackets may have fewer assets to protect or choose not to take out certain policies due to cost restrictions.

Socioeconomic factors influencing customer satisfaction



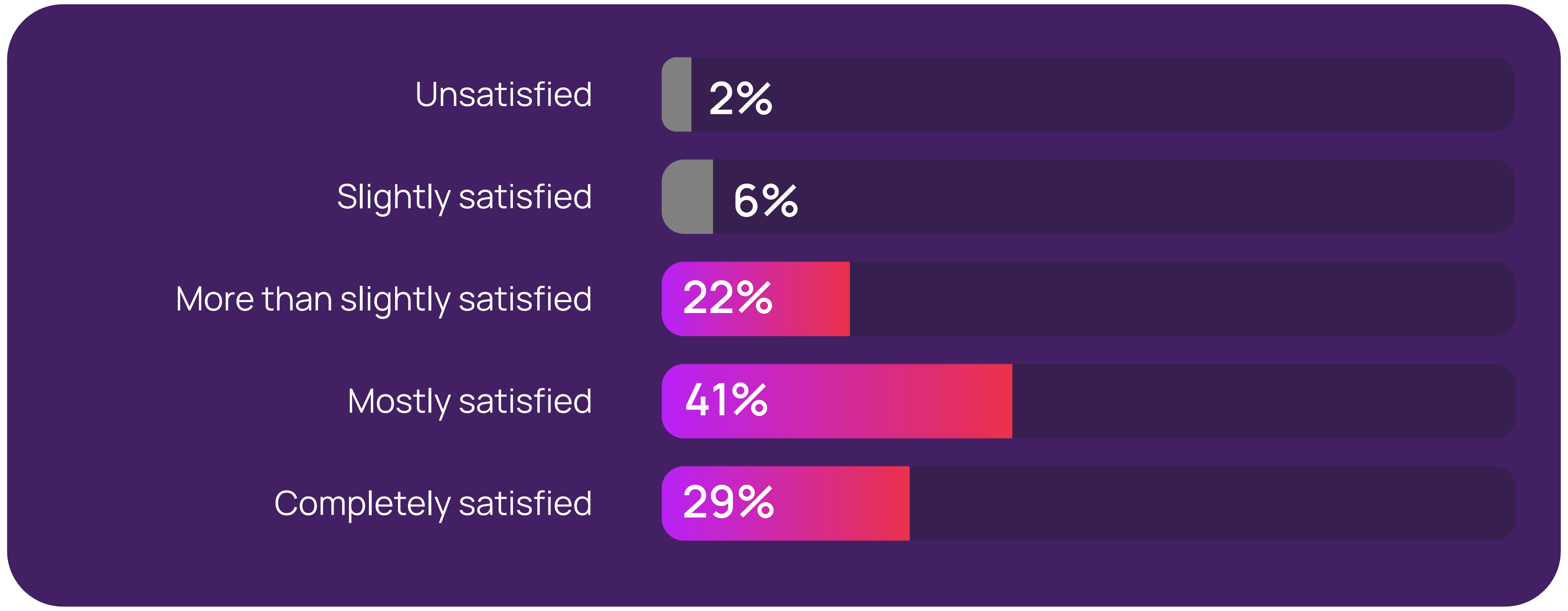
Insurance communications meet consumer needs

More good news for insurance companies – the majority of customers say communications mostly or completely meet their needs. Seventy percent are mostly or completely satisfied with their communications.

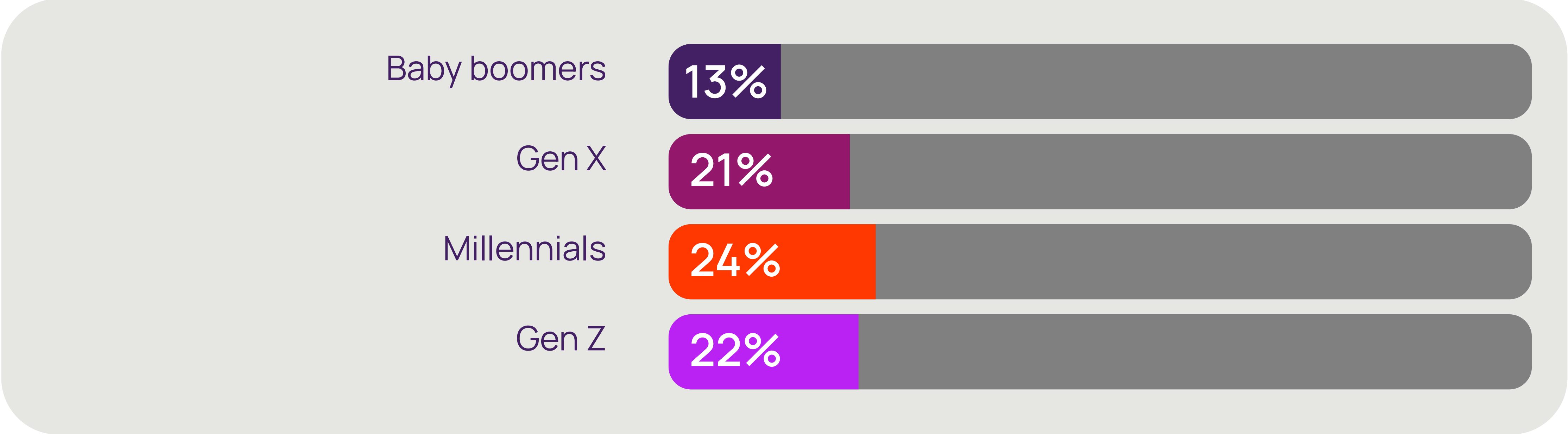
Customers also had positive comments about their insurance communications and gave high ratings for their value and usefulness. Seventy-three percent of insurance customers found these communications useful and valuable, while 80% of customers had positive comments . Only 20% of insurance customers had negative comments, with 17% of them finding insurance communications lacking value and usefulness.

Younger customers are more likely to have negative comments. Twenty-one percent of Gen X, 24% of Millennials, and 22% of Gen Z expressed dissatisfaction with their insurance communications, contrasted with only 13% of Boomers who felt the same way.

How well communications meet customer needs



Levels of insurance communication dissatisfaction by generation



In their own words: What customers think about insurance communications

Customers who are satisfied with communications commented on their accuracy, timeliness, warmth, clarity, and professionalism.

> I am finding essential communications I receive from my insurance provider to be professional, caring, and warm.

> My relationship with essential communications from my insurance provider is clear and efficient with regular updates on policy details, billing and claims ensuring that I stay informed.

> Accurate and received in a timely manner.

> Easy to understand and very helpful.

> Very informative and explains everything I need to know.

Those who don’t find insurance communications valuable expressed their disappointment at generic communications and lack of updates and clarity.

> Usual insurance boilerplate.

> I didn’t get notifications when my premiums went up.

> Hard to understand

> Too long to read.

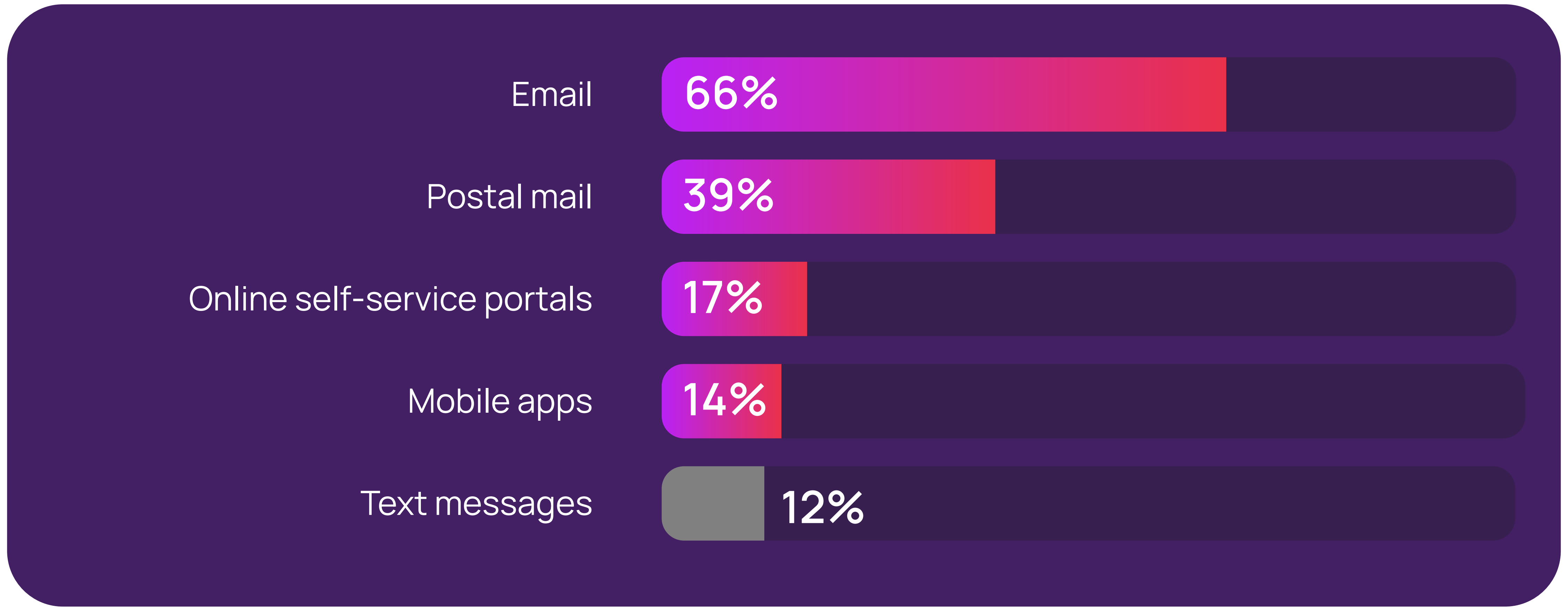
The takeaway for insurers is that by sending out relevant, concise, timely communications about the things customers need to know (such as premium increases), they’ll find what you send out more valuable.

How do customers receive insurance communications?

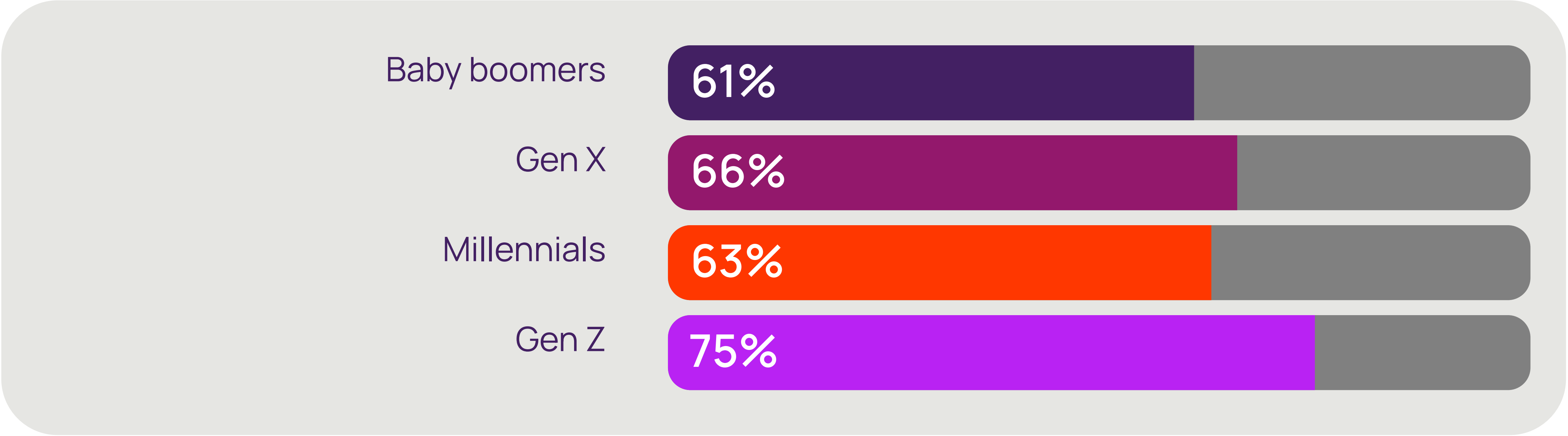
Email reigns supreme, with 66% of customers receiving their communications this way. However, postal mail is also popular; 39% of customers get their insurance communications from their mailbox. Online self-service portals are a distant third at 17%, with mobile apps at 14% and text messages at 12%. For customers who aren't fully digital, offering email and mail should continue to be a priority to ensure your audience doesn't miss out on communications.

Every age group has embraced email, with Gen Z leading the charge (75%). Just over 60% of Boomers receive insurance communications through email, while 66% of Gen X and 63% of Millennials do.

Preferred channels for insurance communications



Email use for insurance communications by generation

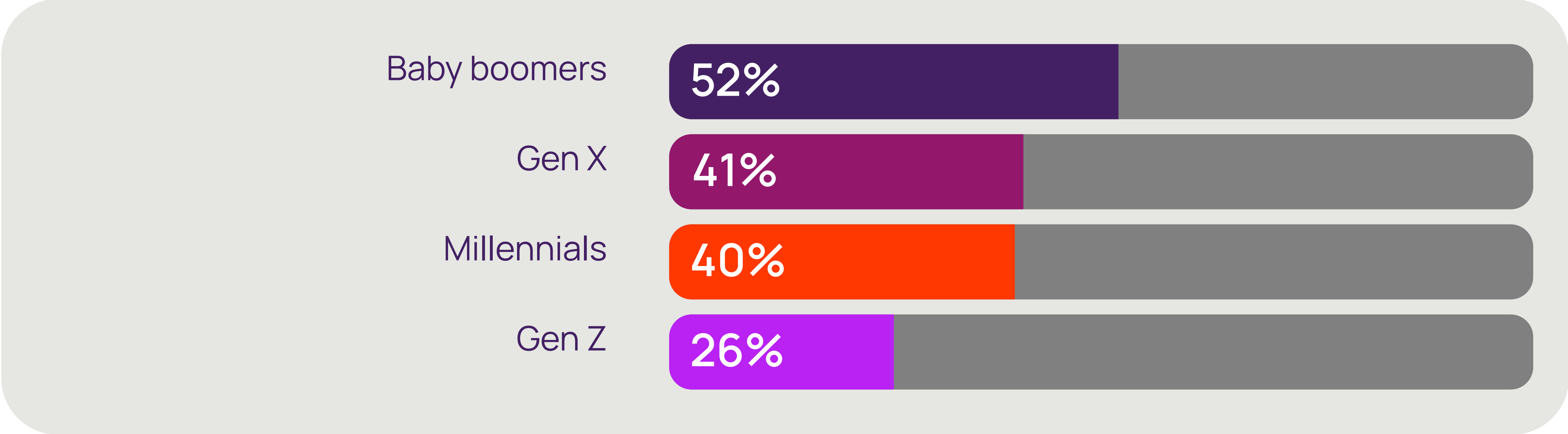


However, many insurance customers still receive communications by post. These preferences skew towards older demographics: 52% of Boomers want their insurance communications in their mailbox, while only 41% of Gen X, 40% of Millennials, and 26% of Gen Z do.

In addition to customer preferences, the regulatory environment affects communication channels. By law, insurance companies must send a variety of communications to their customers. In some cases, this is required through the postal service. As regulations evolve, this could offer a greater opportunity for higher digital uptake in mobile apps and text messaging.

While the future of Canada Post remains uncertain, one thing is clear: multi-channel communications are essential. Boomers and Gen X are a significant, high-value market segment. By meeting their preferred communication needs today, you can retain their loyalty in the long term. Moreover, adopting a multi-channel approach now gives you flexibility to adapt to an evolving communications landscape.

Postal mail preferences for insurance communications by generation



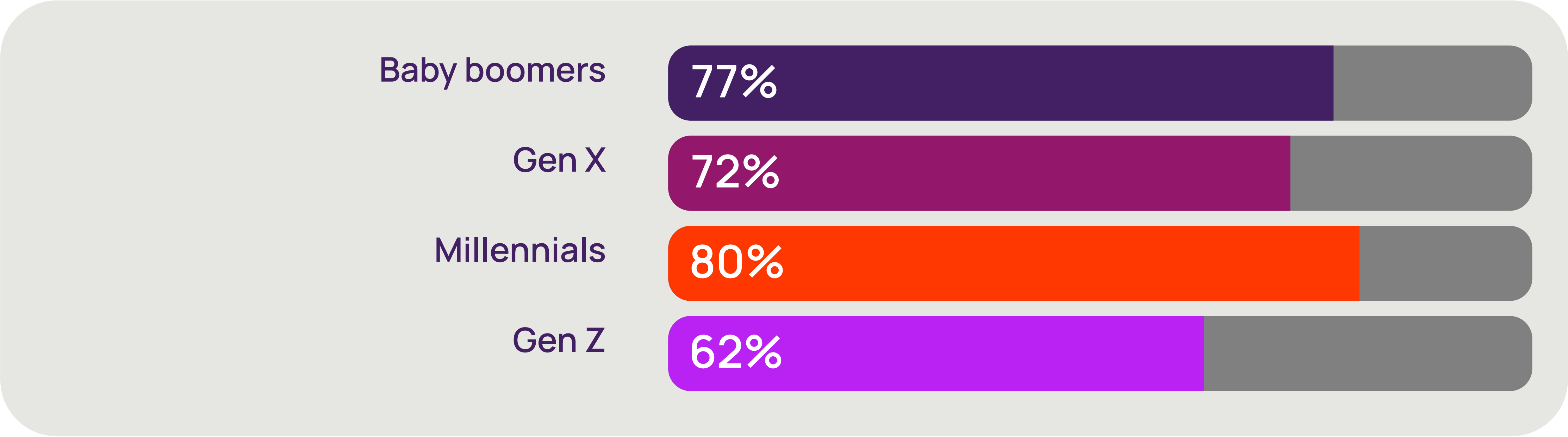
The role of emerging technologies

You might have read news stories about emerging technologies like augmented reality, virtual reality and the metaverse.

Will these technologies transform how customers interact with businesses, including insurers?

At this point, no. Insurance customers show a strong preference for postal mail, emails, text messages and mobile apps. Seventy-seven percent of Boomers trust postal mail more than emerging technology, as do 72% of Gen X, 80% of Millennials and 62% of Gen Z.

Levels of trust in postal mail over emerging technologies

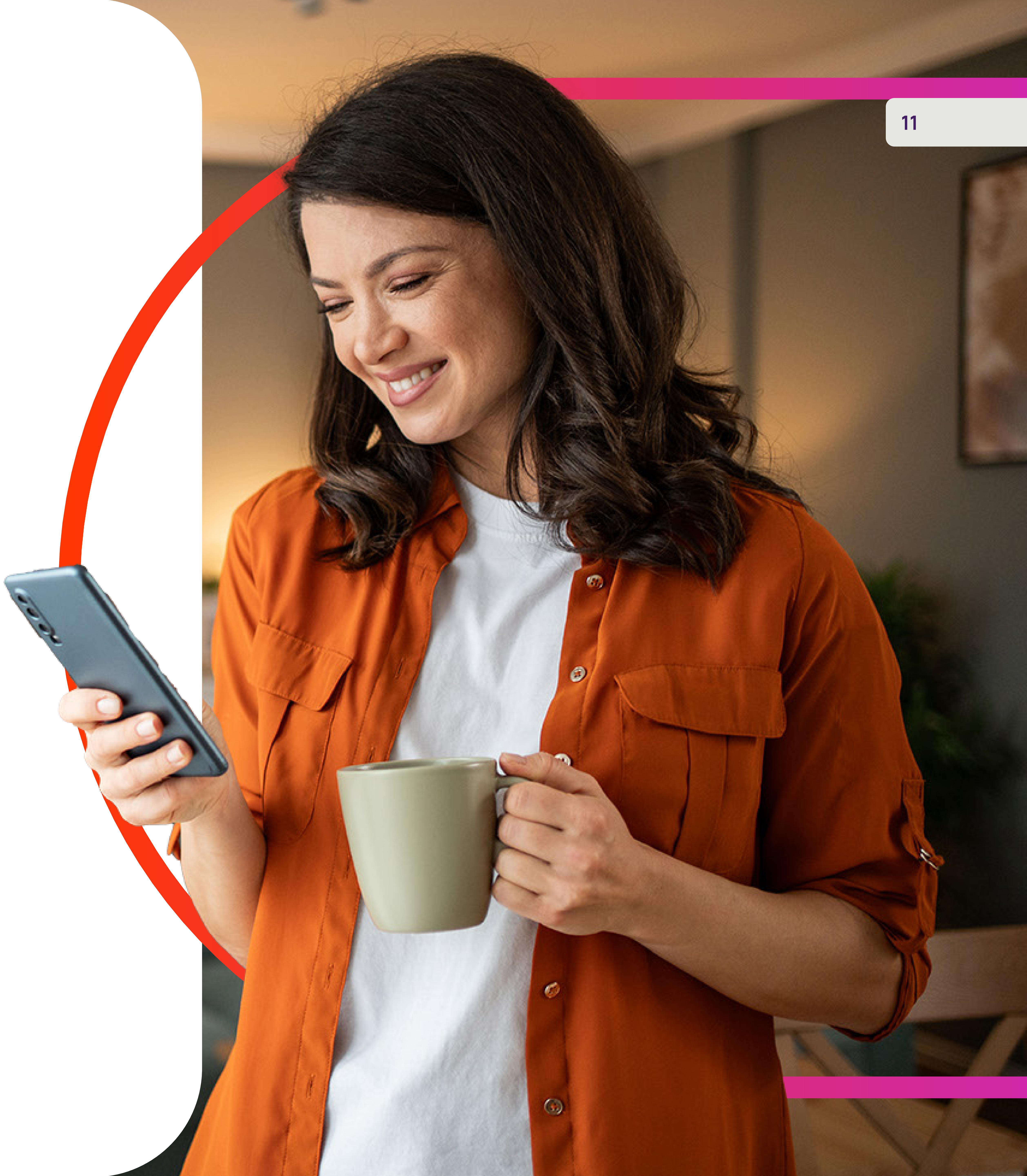


Customers of all generations also trust text messages and emails over emerging technologies. The percentages are essentially even across generations:

- 66% of Baby boomers
- 67 % of Gen X
- 69% of Millennials
- 66% of Gen Z

Text messages and emails have become ingrained in our society. So many people use them that it's not surprising they've gained a high degree of trust.

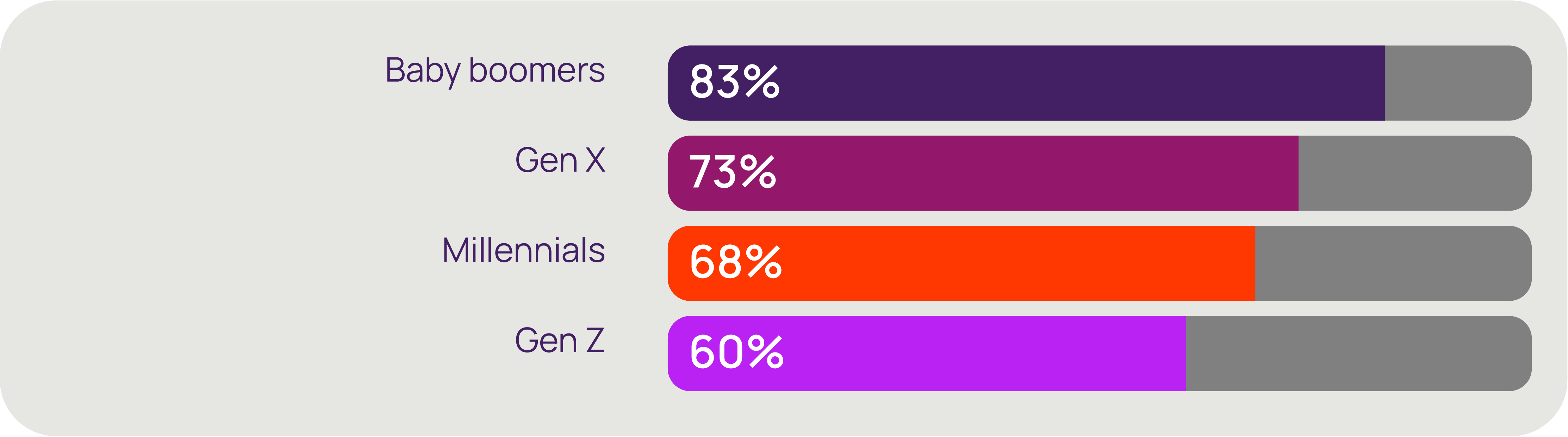
At this point, emerging technologies are still that: emerging. There hasn't been a huge uptake among customers. While that might change in the future, don't be afraid to continue investing in your existing communications channels.



Are people satisfied with their insurance communications channels?

Older generations are the most satisfied with how they receive communications: 83% of Boomers felt their communication channel met their needs. Younger generations are somewhat less satisfied – 73% of Gen X, 68% of Millenials and 60% Gen Z – with their channel preferences.

Customer satisfaction with insurance communications channels by generation

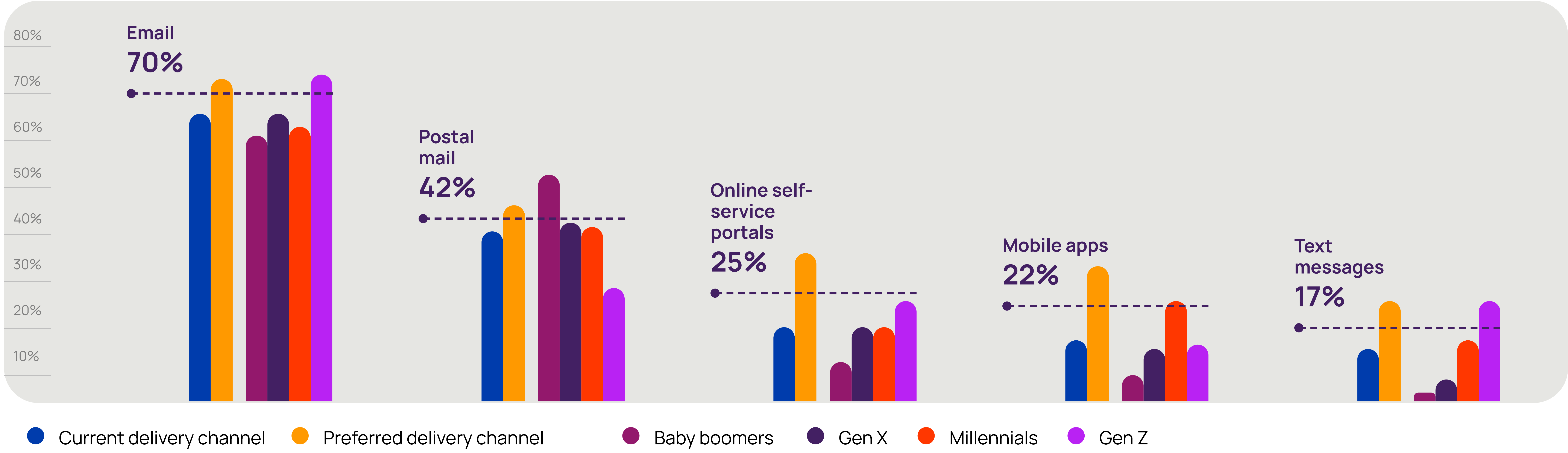


Why are fewer members of younger generations satisfied with their communication channels?

It's possibly because some insurance documents are lengthy and it can be difficult to read so much text on a mobile device.

There is also a desire to receive communications via more channels. When asked about preferred communication channels, mobile apps, text messages and online portals received significant increases in interest.

Customers preferred insurance communication channels



What customers look for in insurance communications

There are certain characteristics insurance customers value in their communications:

- accuracy
- easy to understand
- clear instructions on next steps
- conciseness
- personalized

For younger generations, well-designed communications make a difference. Forty percent of Gen Z cares the most about friendly and approachable communications, with Millennials trailing at 28%. Gen X cares slightly less at 27%, and Boomers care the least at 19%. Meeting these expectations deepens your engagement with younger customers so you can build long-lasting relationships with them.

Communication features insurance customers value most

	Baby boomers	Gen X	Millennials	Gen Z
1. The information is accurate	77%	72%	57%	64%
2. Friendly and approachable communications	19%	27%	28%	40%

The youngest generation surveyed also places the highest priority on visually appealing communications. Twenty-four percent of Gen Z value attractive communications, as do 14% of Millennials. Only 7% of Gen X and 2% of Boomers feel the same way.

Millennials and Gen Z prioritize these characteristics because they came of age in an era where user design and user experience are paramount. Brands can no longer afford to offer poor experiences, because customers will go elsewhere.

Communication features insurance customers value most

	Baby boomers	Gen X	Millennials	Gen Z
3. Visually appealing communications	2%	7%	14%	24%

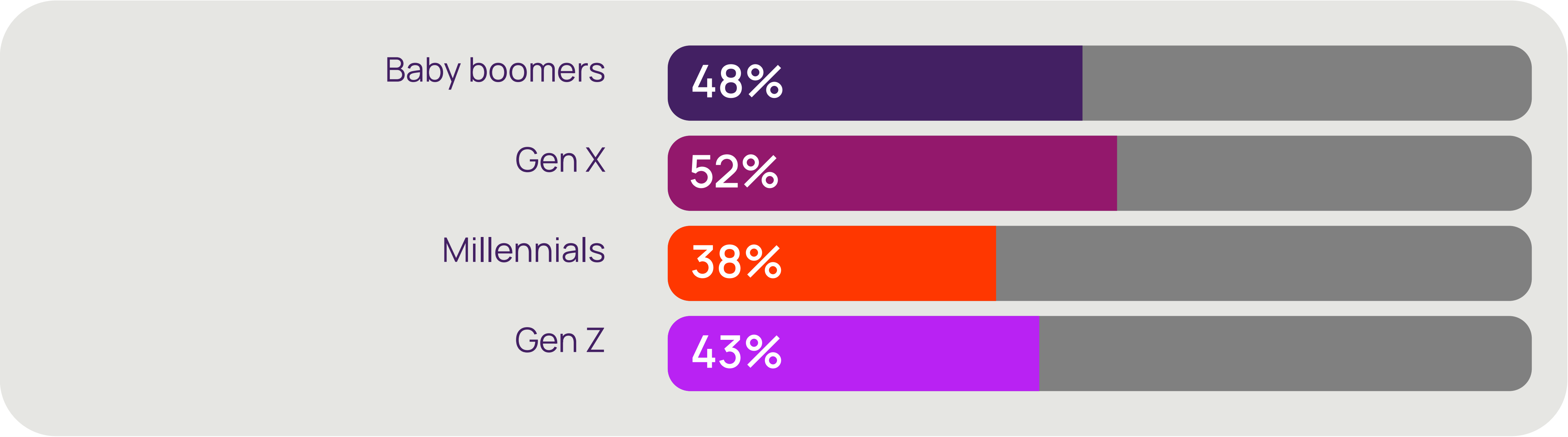
Other important characteristics of insurance communications

Insurance customers also value the following communications characteristics:

- data security
- safe from fraud/scams
- easy to access
- accessible on demand
- the ability to receive communications through their preferred channel
- sustainable and environmentally friendly

The importance of these characteristics varies by age. Older generations are more concerned with information security than younger generations. Forty-eight percent of Boomers and 52% of Gen X prioritize data security, while only 38% of Millennials and 43% of Gen Z are concerned about it. Contrary to the popular stereotype, Boomers are more security conscious than their Millennial and Gen Z children. Younger generations underestimate their cybersecurity risks, making them attractive targets for breaches and hacks.

Levels of concern for data security and fraud protection across generations



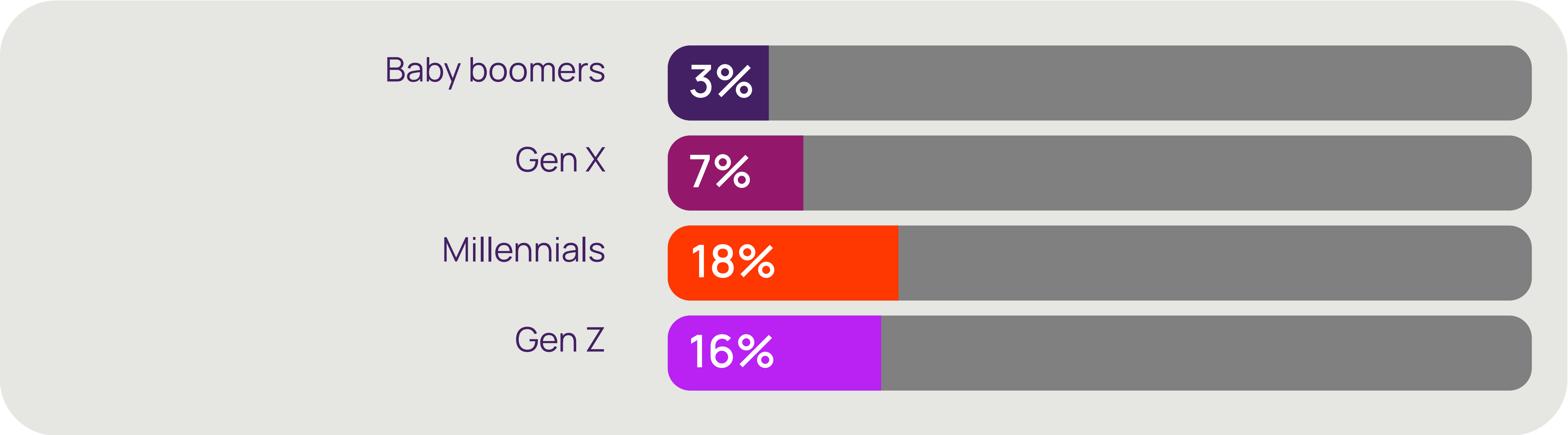
Sustainability in communications: It's more than just paper

Sustainability is a major concern for younger generations. Eighteen percent of Millennials and 16% of Gen Z care about the sustainability of their insurance communications, while only 3% of Boomers and 7% of Gen X do. These statistics make sense, as Millennials and Gen Z have grown up in an age of growing awareness of the human impact on the environment.

Emails and text messages should be the most sustainable communication channels because they don't rely on paper, right?

Not necessarily. Just because a communication method relies on paper doesn't mean it's not sustainable. The data centers and other electronic equipment that power emails and text messages emit enormous amounts of greenhouse gases and generate significant waste.

Value of sustainable insurance communications by generation



Unclear communications: a chief driver of costly customer behavior

What happens when customers receive an unclear communication from their insurer?

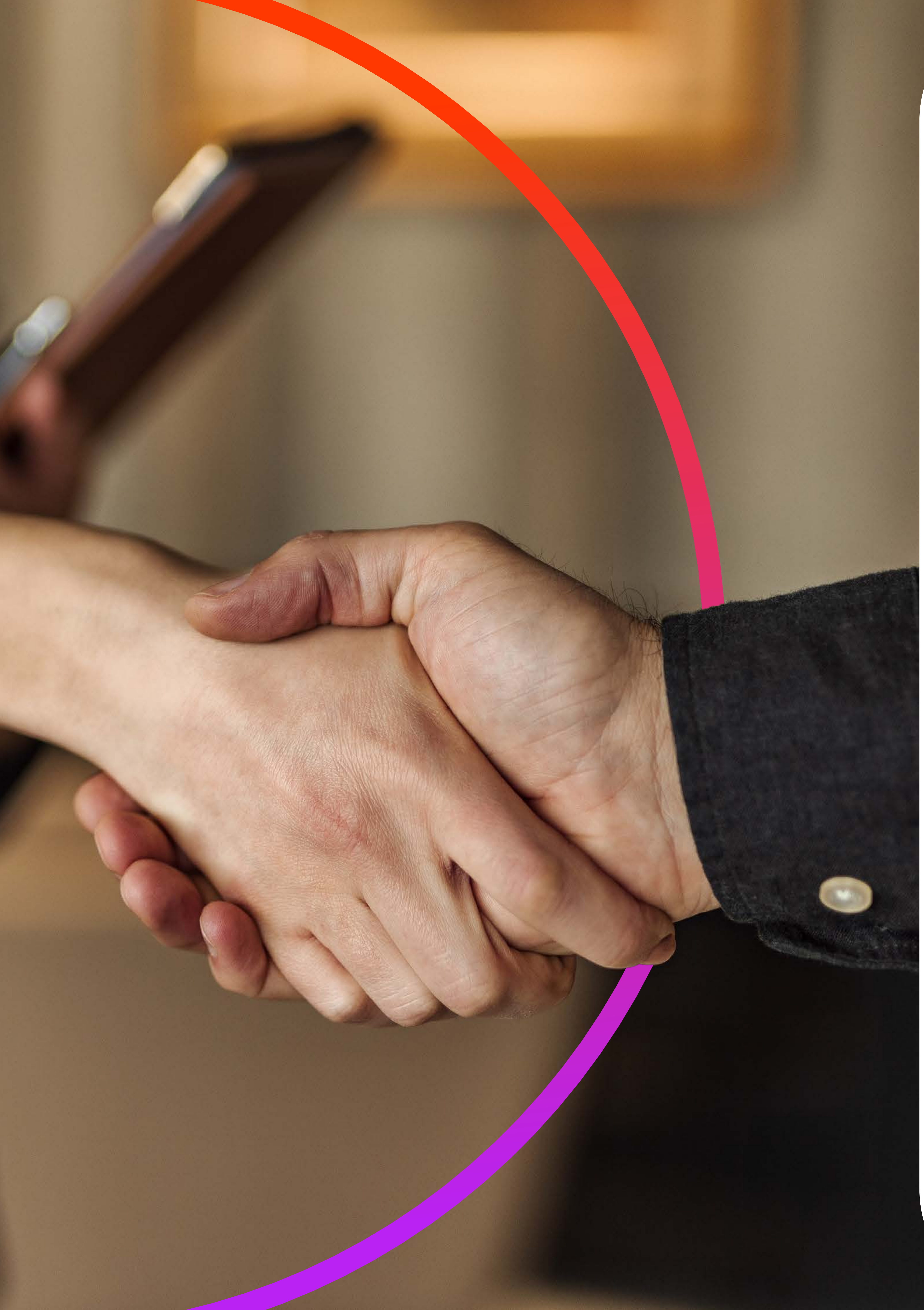
Forty-three percent of them would call the contact centre. That's not good for insurers, as the call centre is the most expensive customer service channel. Boomers and Gen X are more likely to call their insurers than younger generations (60% and 56%, respectively). They're accustomed to calling companies when they have a problem.

When insurance customers receive an unclear communication, their top two reactions are confusion and annoyance.

Thirty-eight percent of customers would likely switch insurance companies. Younger customers are more likely to switch than Boomers. Only 25% of Boomers would switch insurance companies if they received an unclear communication, while 43% of Gen X, 41% of Millennials and 40% of Gen Z would do so. Younger generations are less loyal to brands, especially if they don't have a positive experience with them.

Customer behaviour when receiving unclear communications

	Baby boomers	Gen X	Millennials	Gen Z
Would call insurer if communication is unclear	60%	56%	33%	25%
Likelihood of switching insurers if communication is unclear	25%	43%	41%	40%



Clear communications, on the other hand, build trust.

Fifty-one percent of all insurance customers said clear communications make them trust insurers much more.

Across generations, those numbers are fairly high:

- 62% of Boomers
- 59% of Gen X
- 57% of Millennials

Only 28% of Gen Z felt clear communications build trust. The low numbers might be due to the fact that they're still building wealth and might not have a need for many insurance products. As their lives change, their thoughts on clear communications might change, too.

The lesson for insurers? Make communications clear. Unclear communications drive customers to your costliest service channels. Additionally, younger customers won't stick around for poor customer service. By delivering clear communications, you build trust and long-lasting customer relationships.

Create value for customers with insurance communications

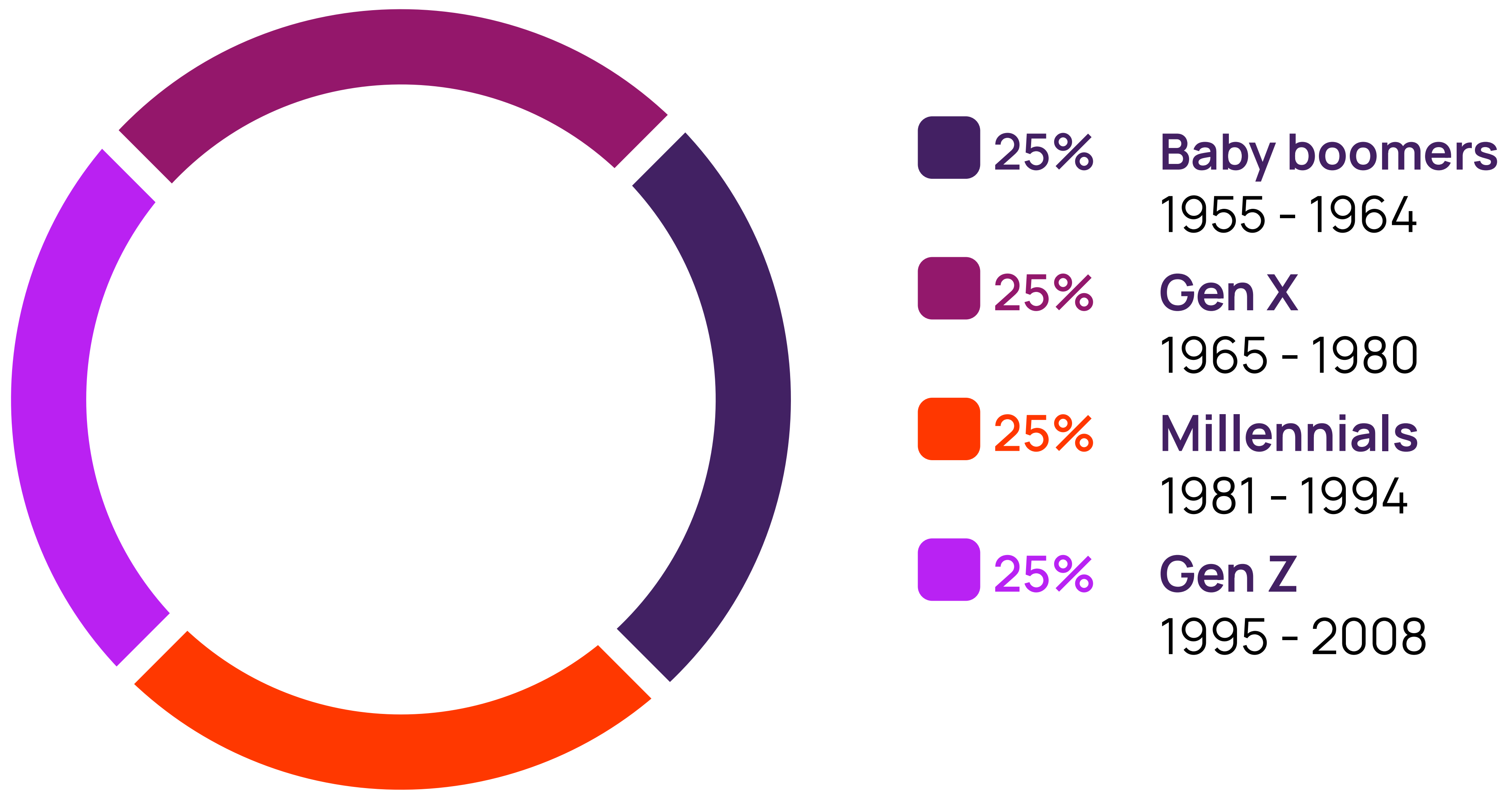
Your communications build the foundation for a strong customer relationship. They keep customers informed about their policies.

The most valuable communications are those that are clear and relevant to the customer. By offering multiple channels, customers can find the one that works best for them.

Survey methodology

Computershare and our partner Dynata ran a quantitative online survey in May 2025. We surveyed 400 Canadian insurance customers between the ages of 18 and 69, setting interlocked quotas for robust base sizes across genders and generations.

- Baby Boomers (1955-1964): 25%
- Gen X (1965-1980): 25%
- Millennials (1981-1994): 25%
- Gen Z (1995-2008): 25%



About Computershare

Computershare's communication services help our clients deliver superior customer experiences through the power of communications.

By transforming the way communications are created and delivered, we bring more value to the business, while ensuring regulatory compliance and security.

Your communications have the power to build strong connections with customers. We personalize those communications while maintaining the highest levels of security and regulatory compliance regardless of the channel.

With 30+ years of functional and industry expertise and unparalleled insights, we seamlessly navigate challenges to unlock value across your communications. We orchestrate hundreds of millions of communications globally each year.

To learn how you can transform your communications, contact us.

Computershare