



# THE EMBEDDED INSURANCE PROPERTY REPORT: CANADA

---

Insights and trends from over **600**  
Homeowners, Landlords, and Tenants



# WHO WE SURVEYED

In this report, we refer to the following respondent groups



## Homeowners

Those who own a property and currently live in the property



## Landlords

Those who own one or more investment properties



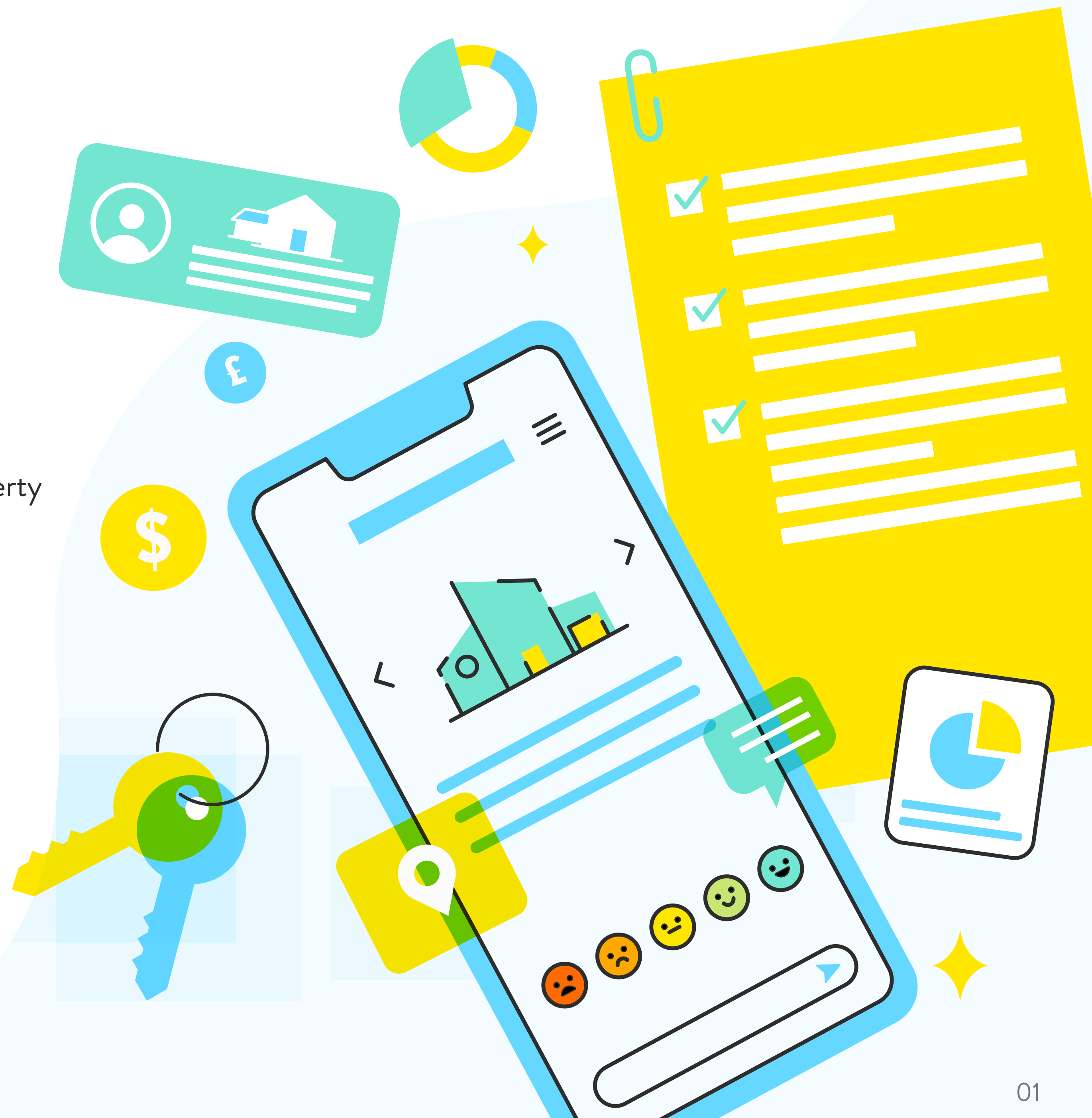
## Tenants

Those who are currently leasing a property



## Hosts

Those who currently host guests for short-term stays



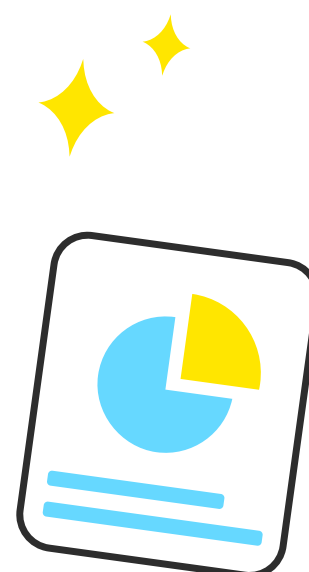
# WHAT YOU WILL FIND IN THIS REPORT

A consumer-focused survey on claims experiences and embedded offers for the property industry

This report from Cover Genius, the insurtech for embedded insurance, and research firm Momentive.ai, examines consumer interest in a new model of insurance distribution where real estate agents, banks, lenders, mortgage brokers, short-term rental listing providers and other proptechs offer insurance during the application process for buying or renting their property.

The report is based on a survey conducted in September-October 2022 of 600 census-balanced Tenants, Landlords and Homeowners in Canada. The report is part of a global series that includes Canada, Argentina, Australia, Brazil, France, Germany, India, Indonesia, Italy, Mexico, Singapore, South Korea, Thailand, UK, US and Vietnam.

The respondents answered up to 30 questions about which type of property insurance they bought, their purchase source, whether they made a claim and the overall claim experience. In-depth country studies are also available at [covergenius.com/research](https://covergenius.com/research).



# EXECUTIVE SUMMARY

The research revealed a majority of Tenants, Landlords and Homeowners are demanding a better end-to-end experience when renting and buying properties, as evidenced by low Net Promoter Scores (NPS) industry-wide. Customers are highly interested in embedded insurance due to the convenience it offers because it eliminates the need to take that “second step” when purchasing insurance. For the property industry, this desire for convenience will come at the cost of traditional models.

Findings show that short-term rental hosts are not interested in managing multiple insurance policies. Nearly 100% of them would instead be interested in purchasing insurance from their rental listing provider, with convenience as the key motivator. Hosts see the potential to save money on either their policy or short-term listing fees as the coverages included from their listing sites overlap with their own policies during rental days.

## Property Insurance - Insights

### INSIGHT 01

Homeowners, Landlords and Tenants will switch to embedded insurance sources in the future **(+40%)** at the cost of traditional models **(-17%)**.

### INSIGHT 02

Convenience is the primary reason why Homeowners, Landlords and Tenants prefer embedded insurance.

### INSIGHT 03

Claims experiences in property insurance are poor, with an average NPS of **-8** across Homeowners, Tenants and Landlords.

### INSIGHT 04

Those who recently made a claim are willing to switch at a rate **20%** higher than those who have not recently made a claim.

### INSIGHT 05

**75%** of Homeowners, Landlords and Tenants were not offered insurance during their application process.

## Short-term Rental Hosts - Insights

### INSIGHT 06

**97%** of hosts want their short-term listing sites (e.g. Airbnb, Vrbo, Booking.com, Expedia, etc.) to offer Landlord protection in addition to the Host protection that’s included with every booking.

### INSIGHT 07

Convenience is the primary reason why Hosts would be interested in purchasing Landlord or Homeowners Insurance from their favored rental listing site.

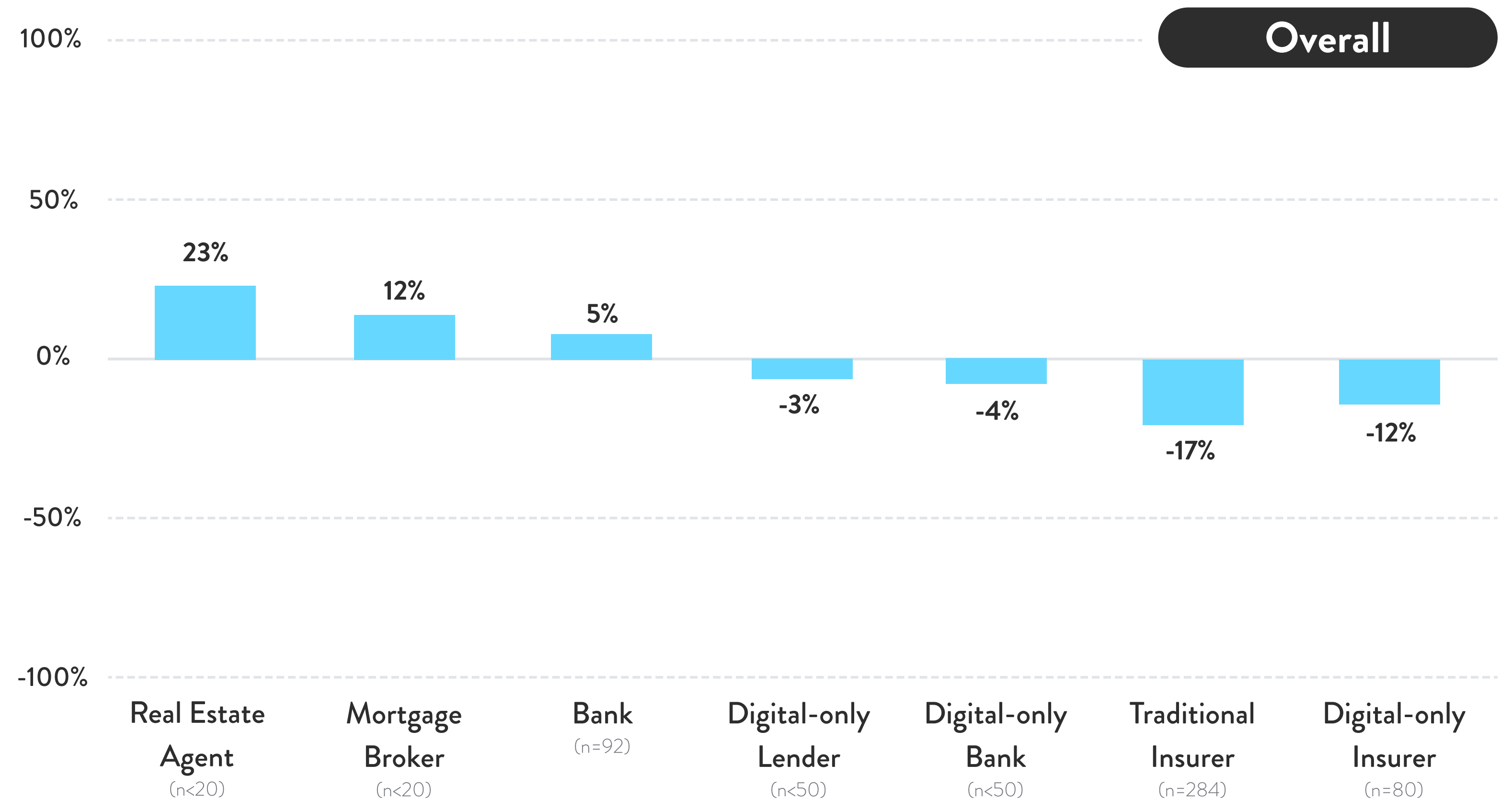
# 01

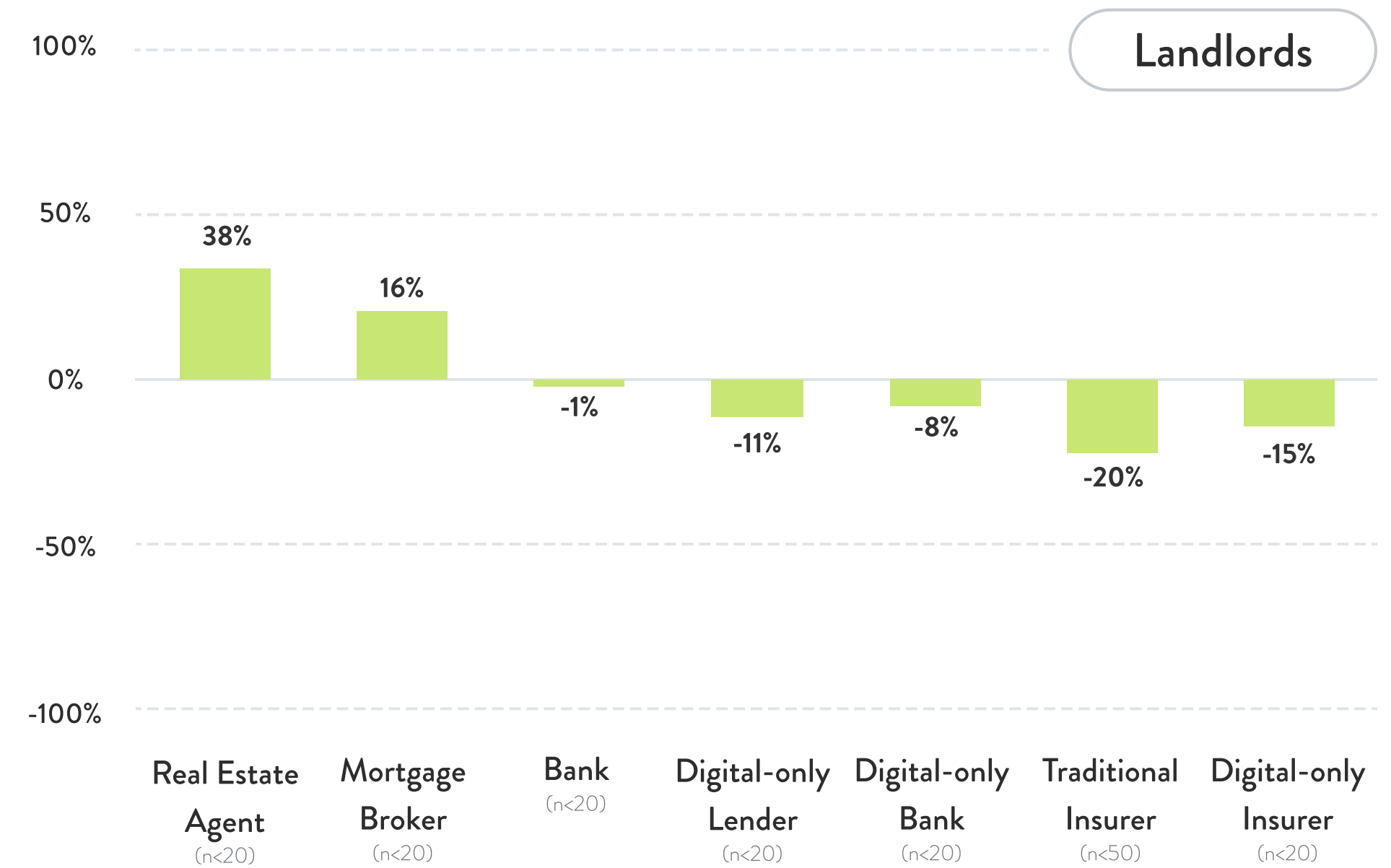
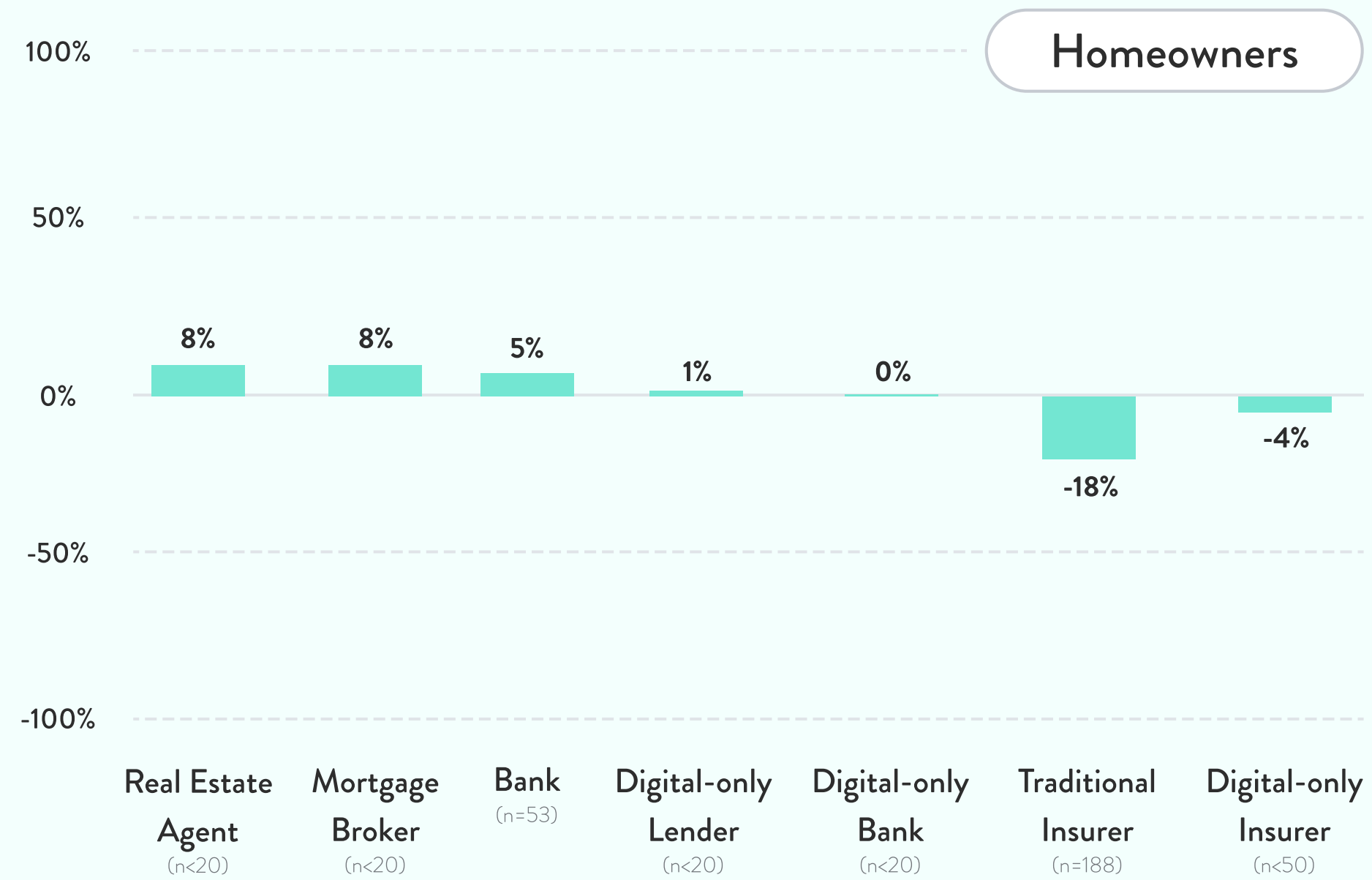
## INSIGHT

Homeowners, Landlords and Tenants will switch to embedded insurance sources\* in the future **(+40%)** at the cost of traditional models **(-17%)**

\* Embedded insurance sources include real estate agents (23%), mortgage brokers (12%), and banks (5%)

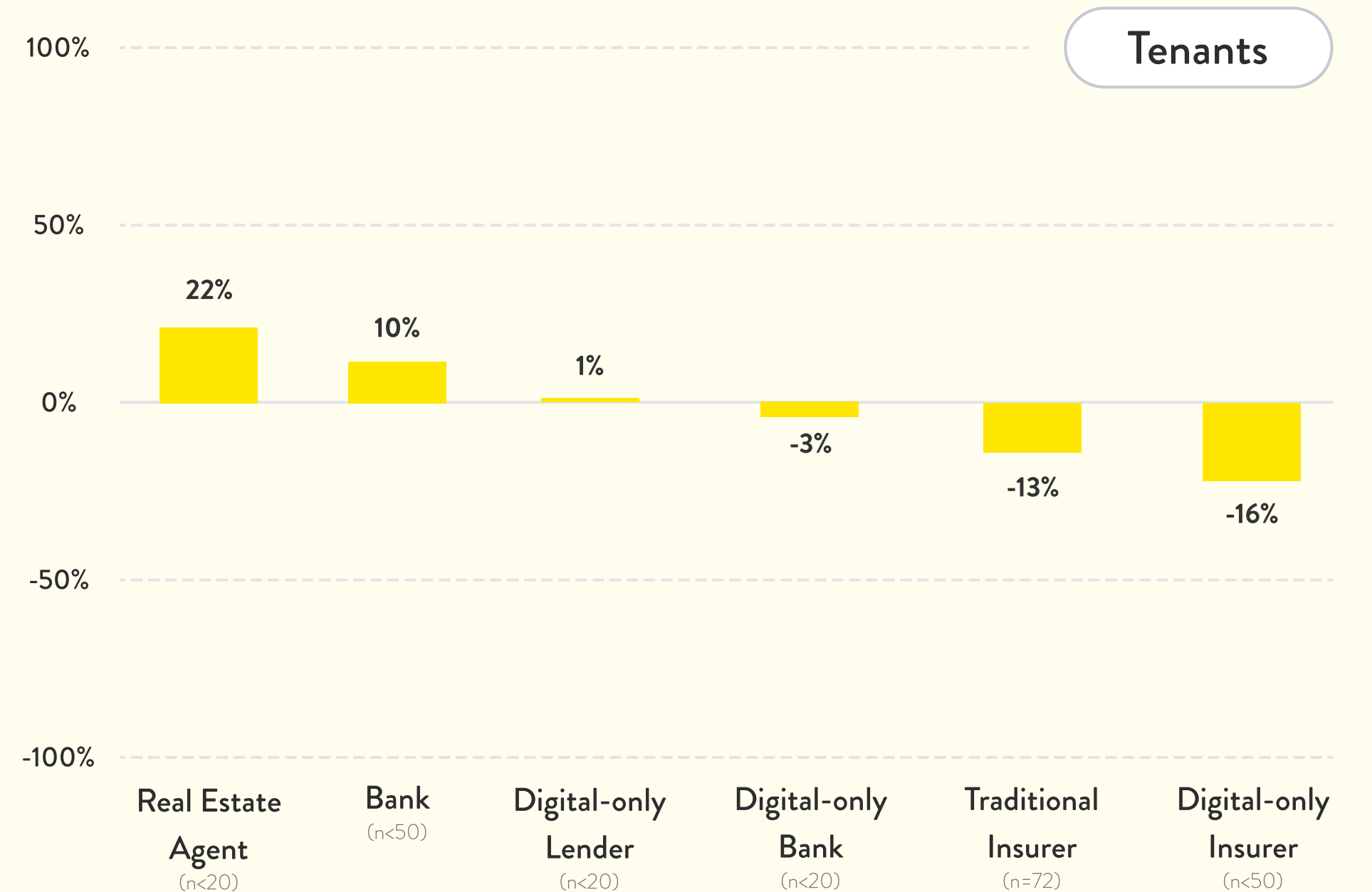
“ How would you prefer to get Property Insurance in the future? ”





## INSIGHT 01

The majority of customers “highly intend” to switch to embedded sources for insurance in the future, at the cost of traditional models



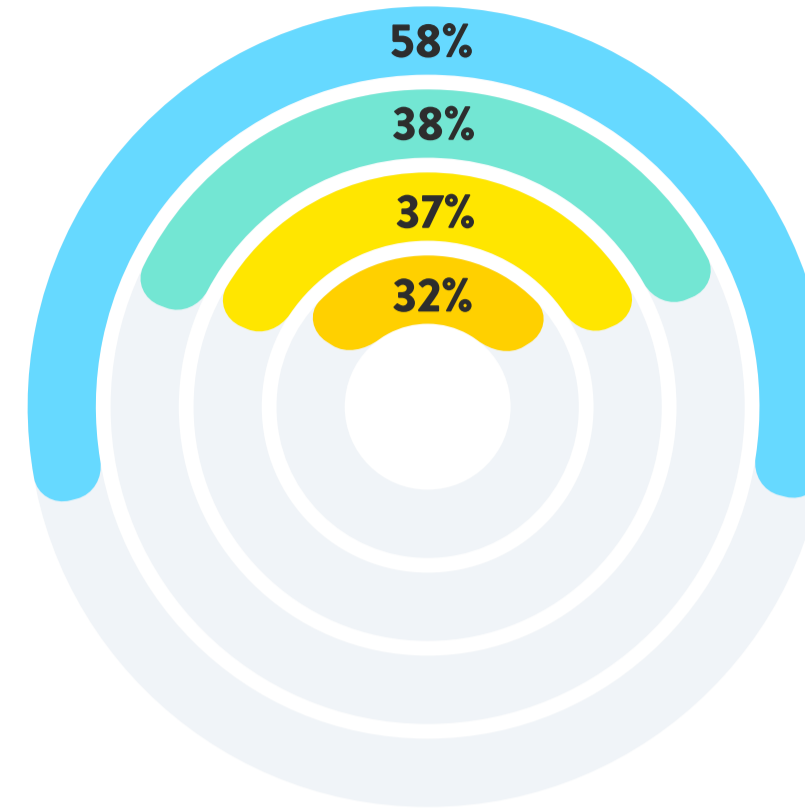
# 02



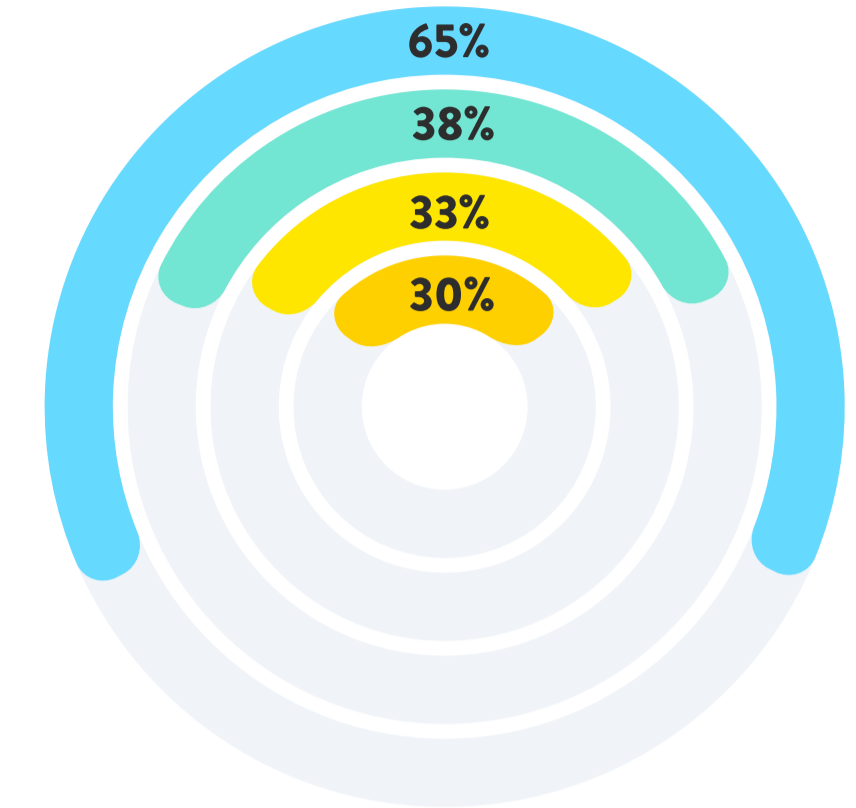
## INSIGHT

Convenience is the primary reason why Homeowners, Landlords and Tenants prefer embedded insurance

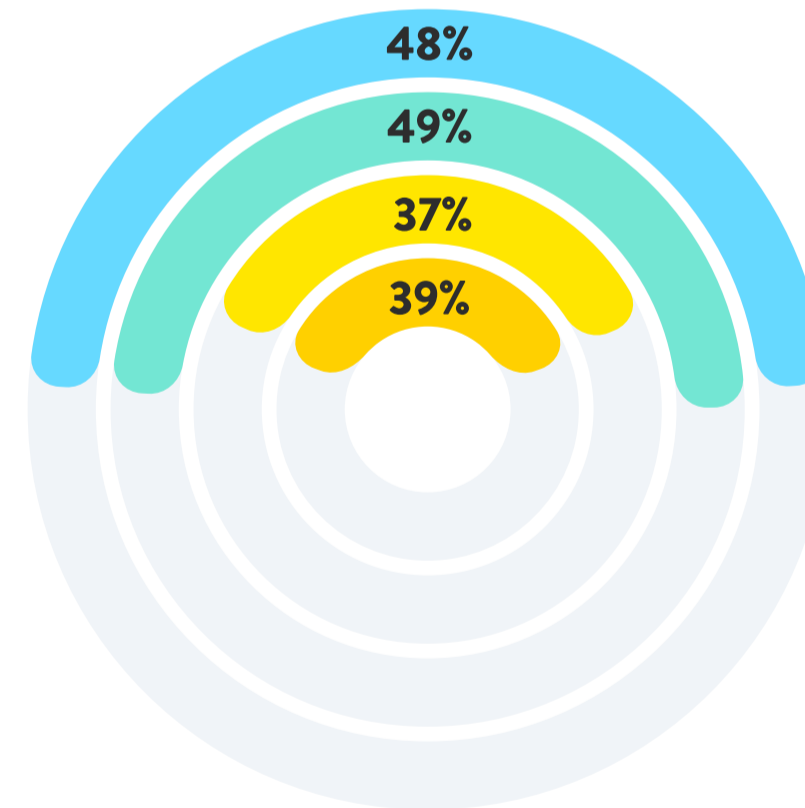
“ Why would you prefer this source? Select all that apply ”



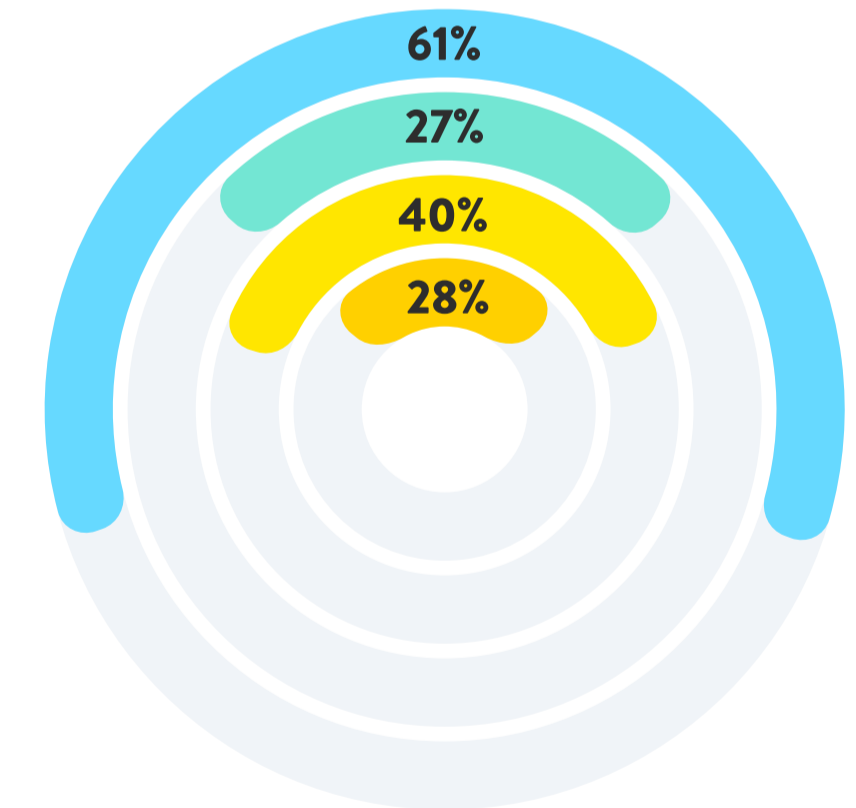
Overall



Homeowners



Landlords



Tenants

- Convenience
- Trust
- Cost
- Tailored Insurance



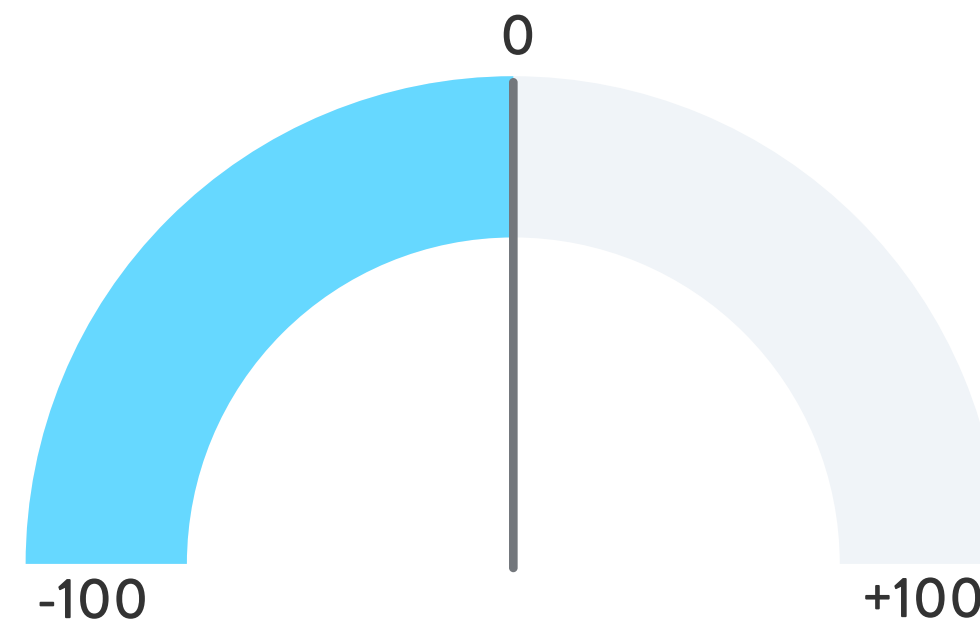
# 03A



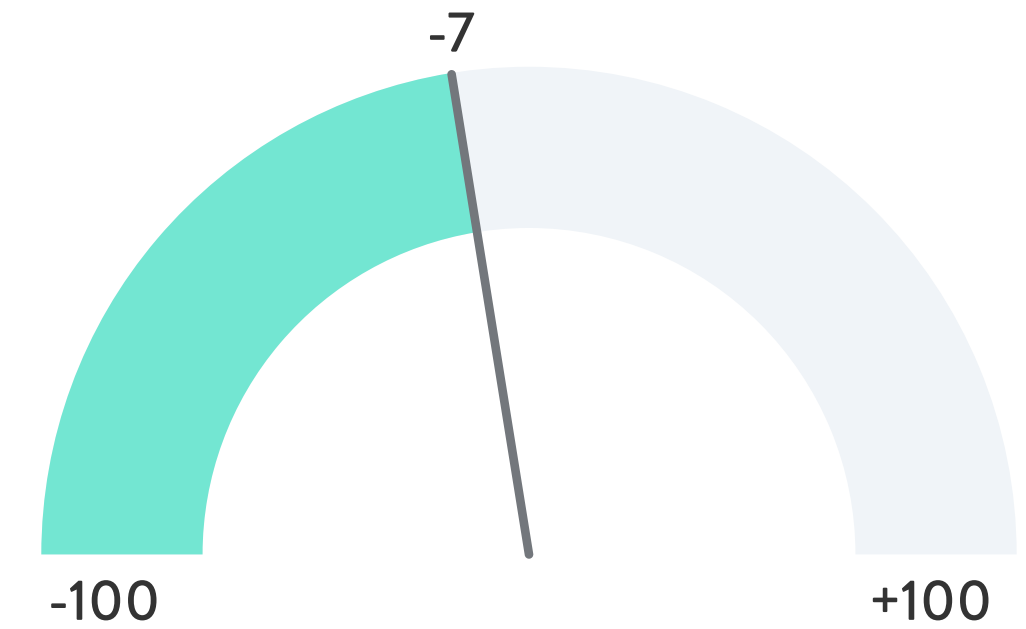
## INSIGHT

Claims experiences in property insurance are poor, with an average NPS of **-8** across Homeowners, Tenants and Landlords

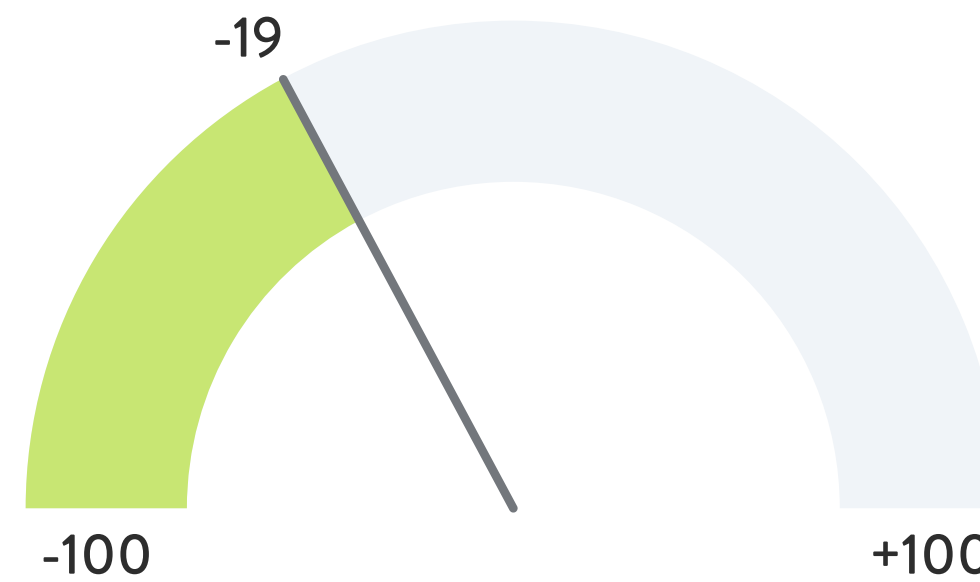
“ Looking back, on a scale of 1 to 10, where 1 is a poor experience and 10 is a great experience, how would you rate the claims process? ”



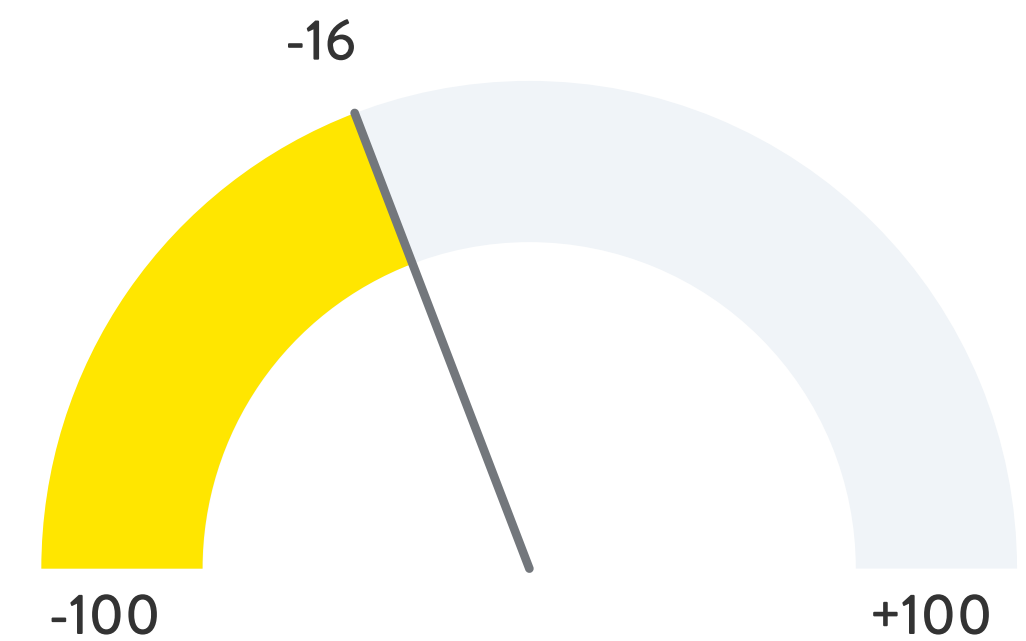
(n<50)  
**Homeowners**



(n<50)  
**Landlords**



(n<50)  
**Tenants**

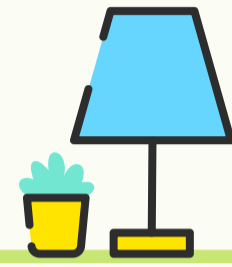


(n<50)  
**Hosts**

● NPS - Homeowners   ● NPS - Landlords   ● NPS - Tenants   ● NPS - Short-term Rental Hosts



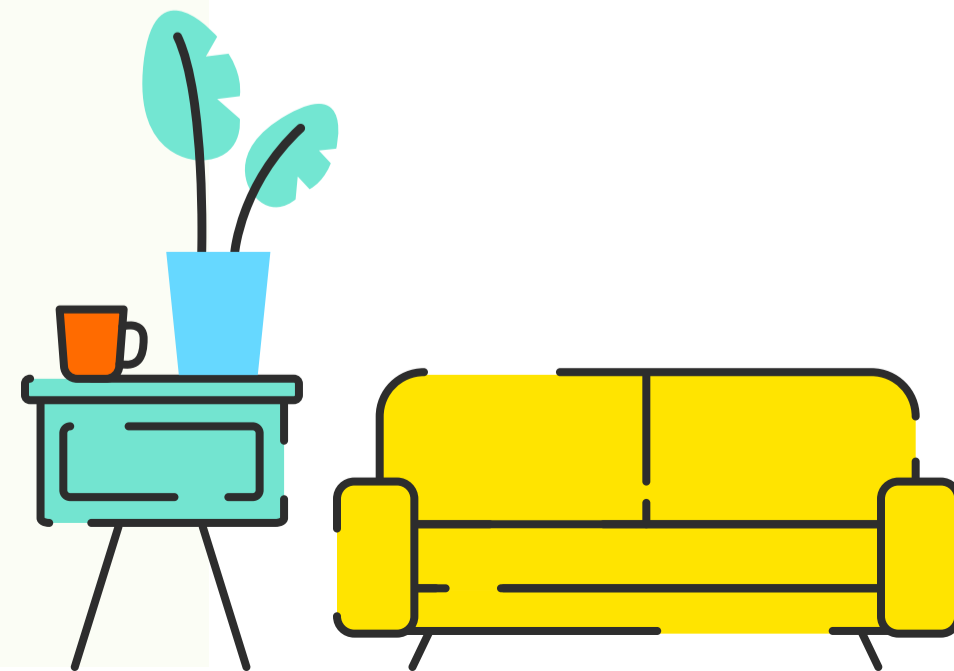
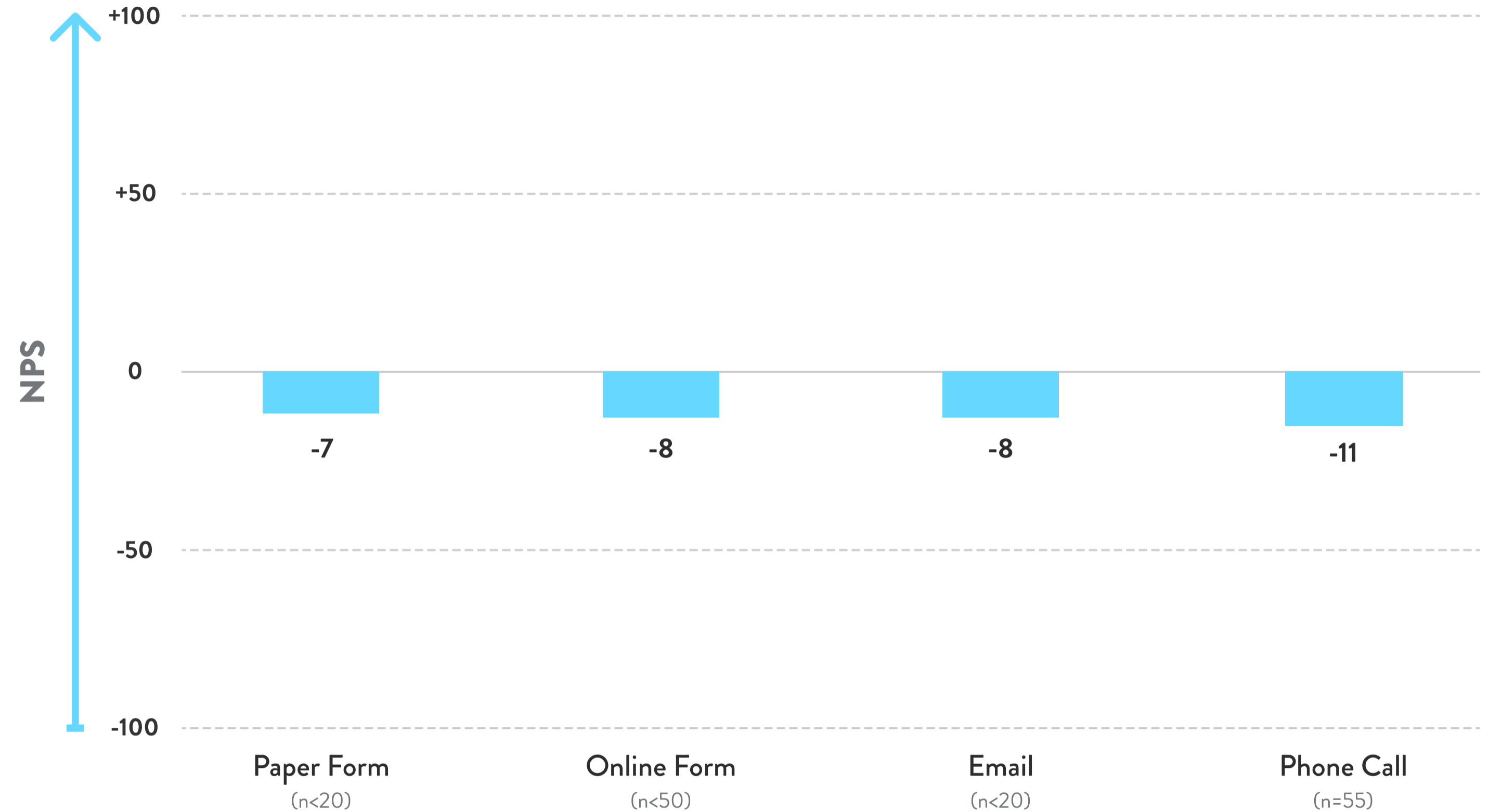
# 03<sub>B</sub>



## INSIGHT

The claims experience is the worst when claims are made through phone calls or email

“ Looking back, on a scale of 1 to 10, where 1 is a poor experience and 10 is a great experience, how would you rate the claims process? ”

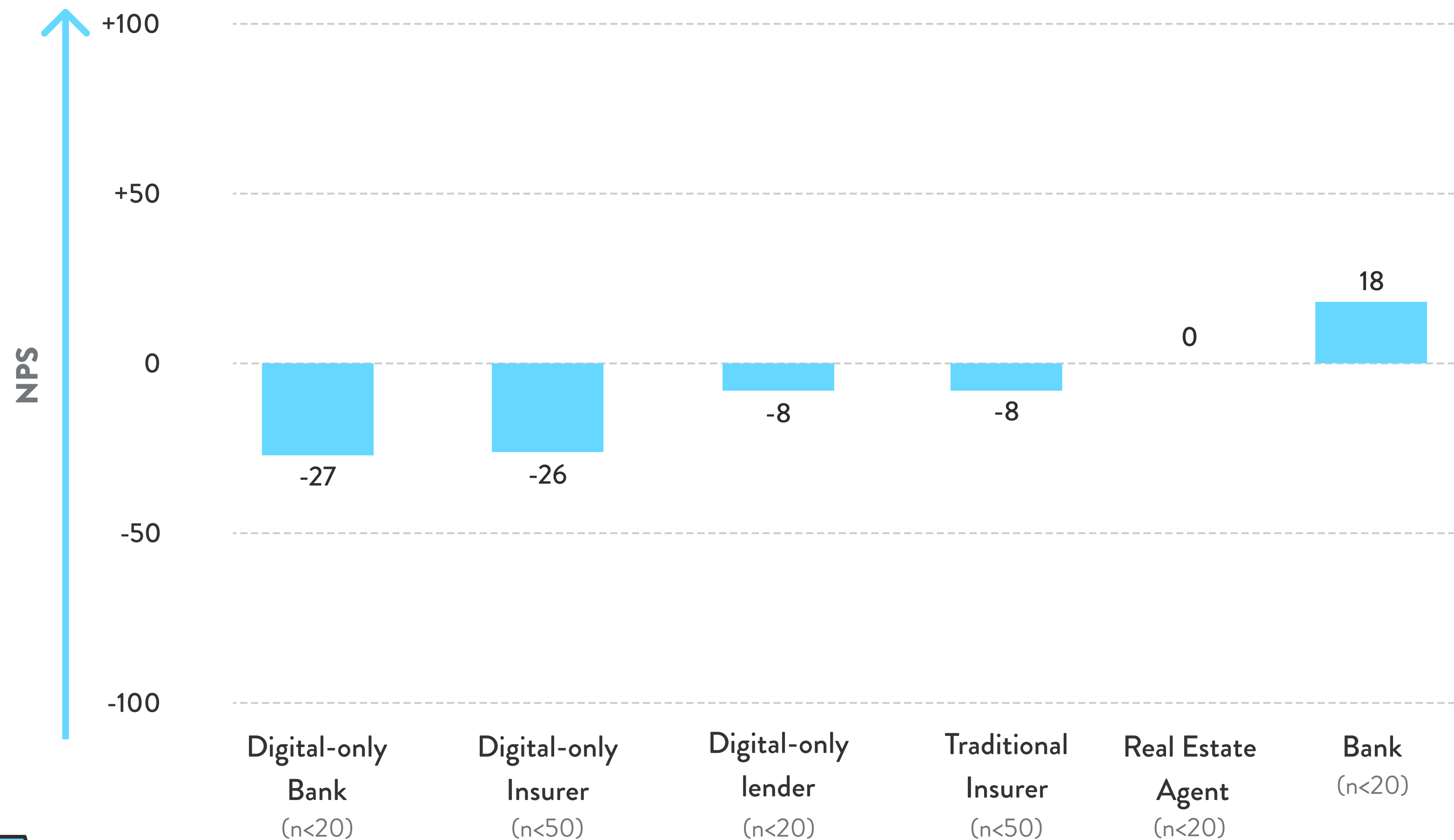


# 03c

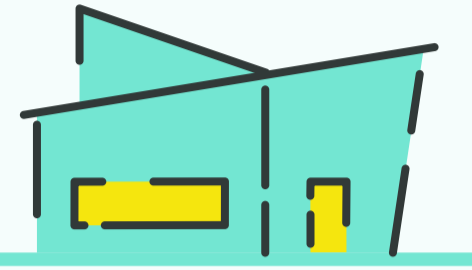
## INSIGHT

NPS is low regardless of where customers got insurance

“ Looking back, on a scale of 1 to 10, where 1 is a poor experience and 10 is a great experience, how would you rate the claims process? ”



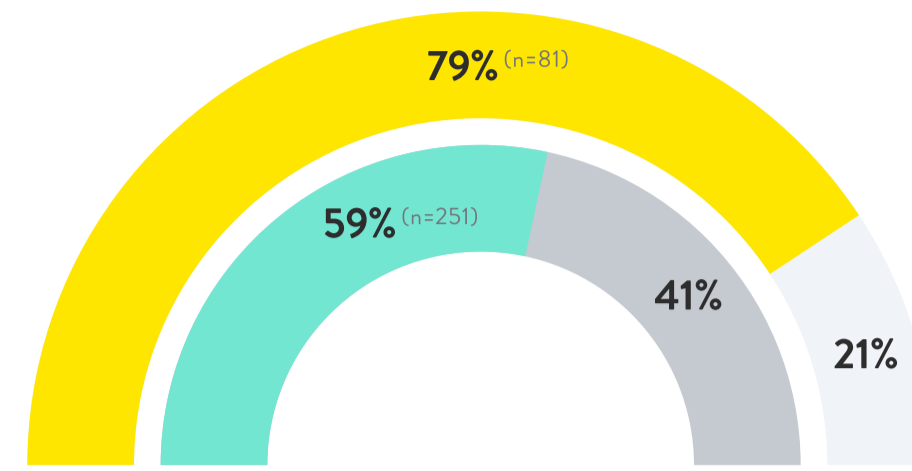
# 04



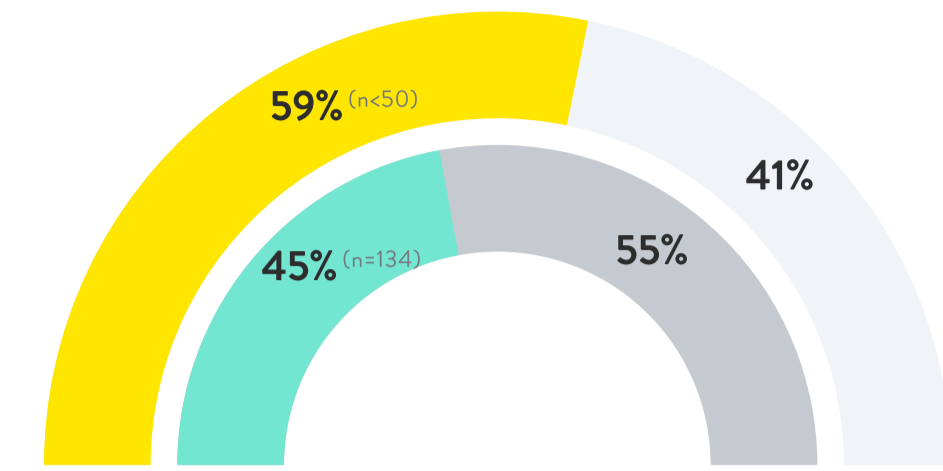
## INSIGHT

Those who recently made a claim are willing to switch at a rate **20%** higher than those who have not recently made a claim

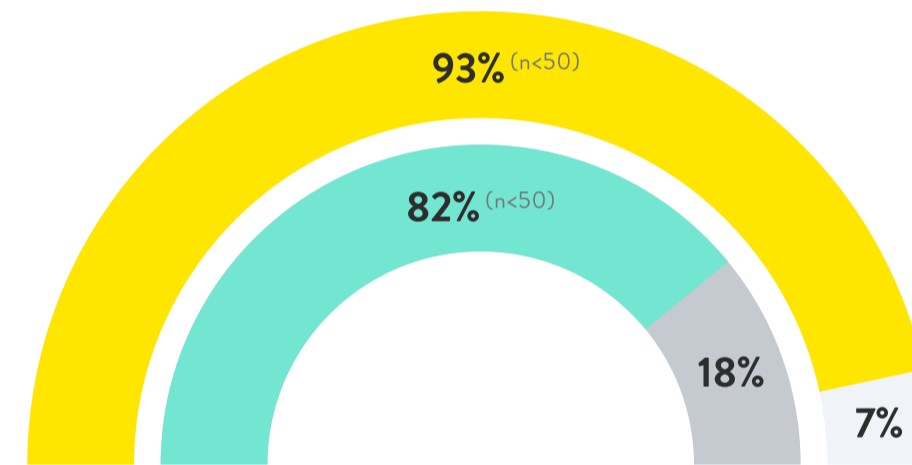
“ Did you need to make a claim? ”



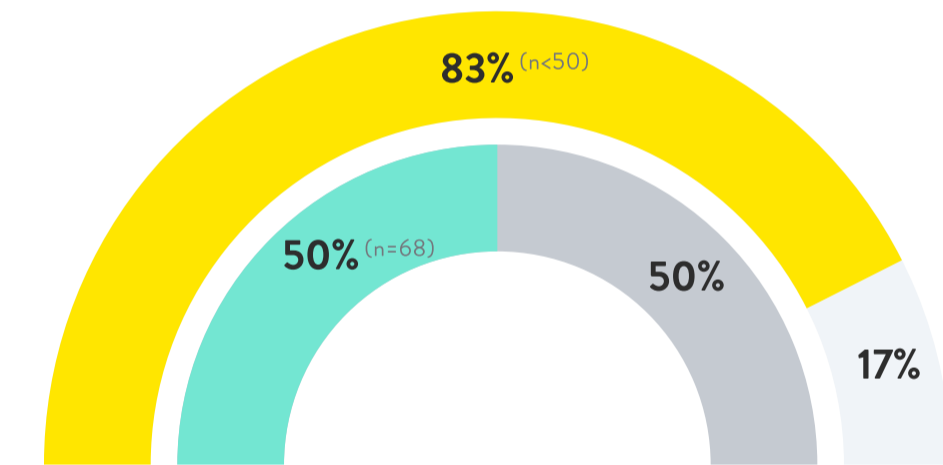
Overall



Homeowners



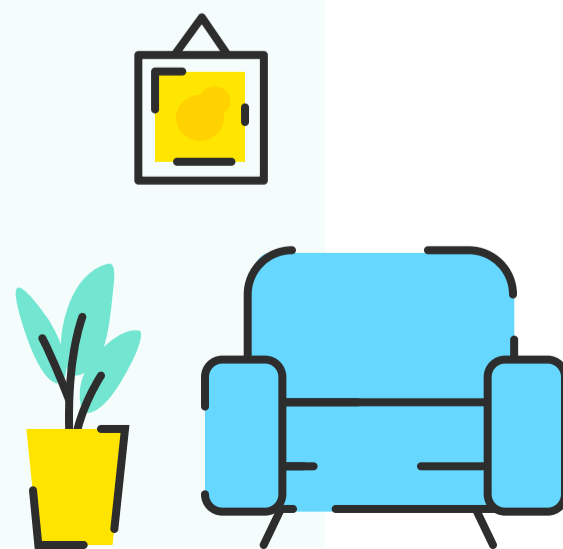
Landlords



Tenants

- Yes, I made a claim - willing to switch
- No, I didn't make a claim - willing to switch

- Yes, I made a claim - not willing to switch
- No, I didn't make a claim - not willing to switch



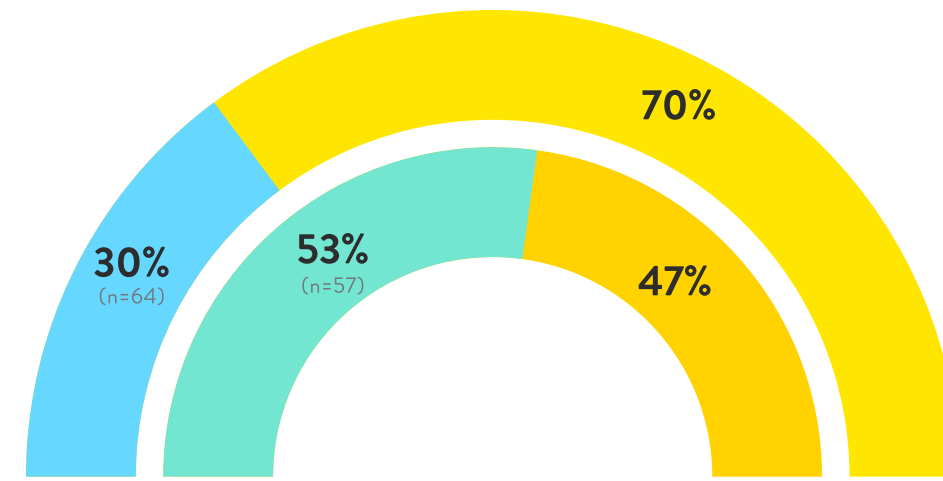
# 05



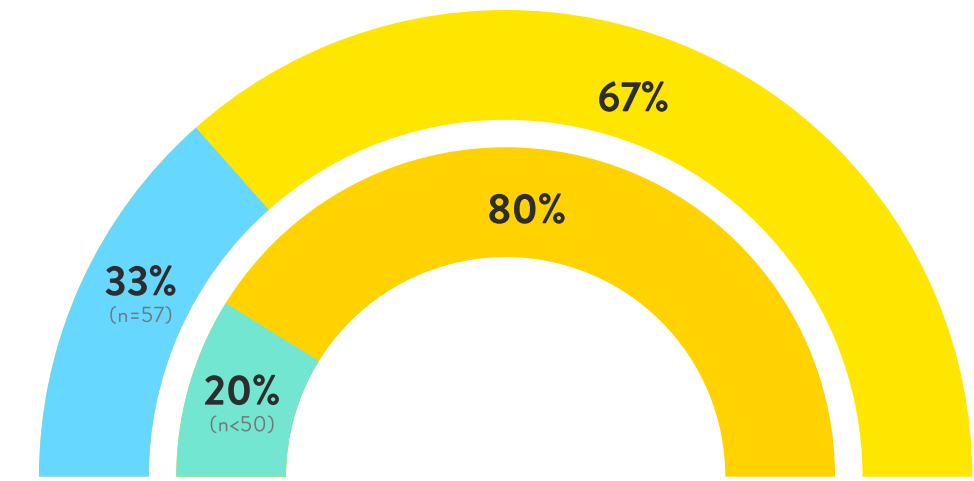
## INSIGHT

75% of Homeowners, Landlords and Tenants were not offered insurance during their application process

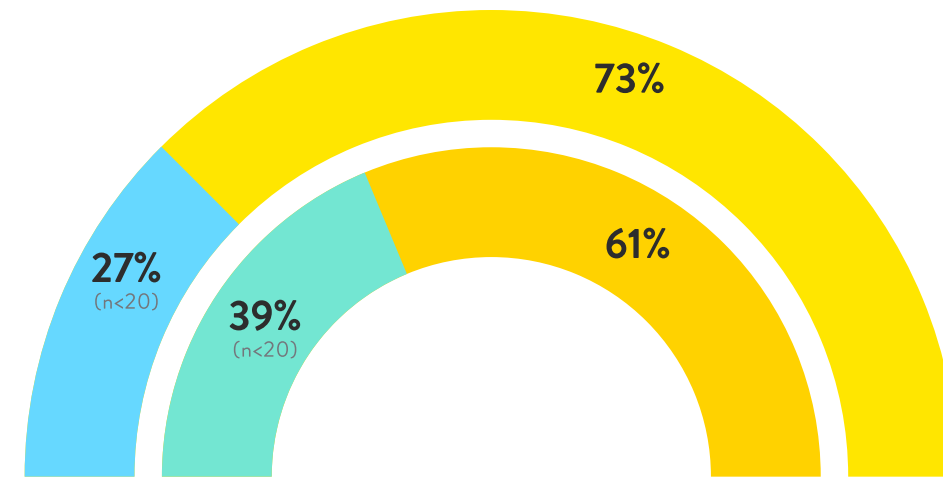
“ You indicated that you didn’t get Property Insurance from the following sources. Please indicate why? ”



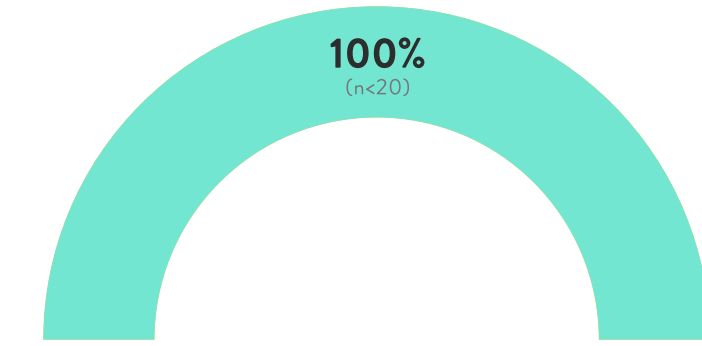
Overall



Homeowners



Landlords

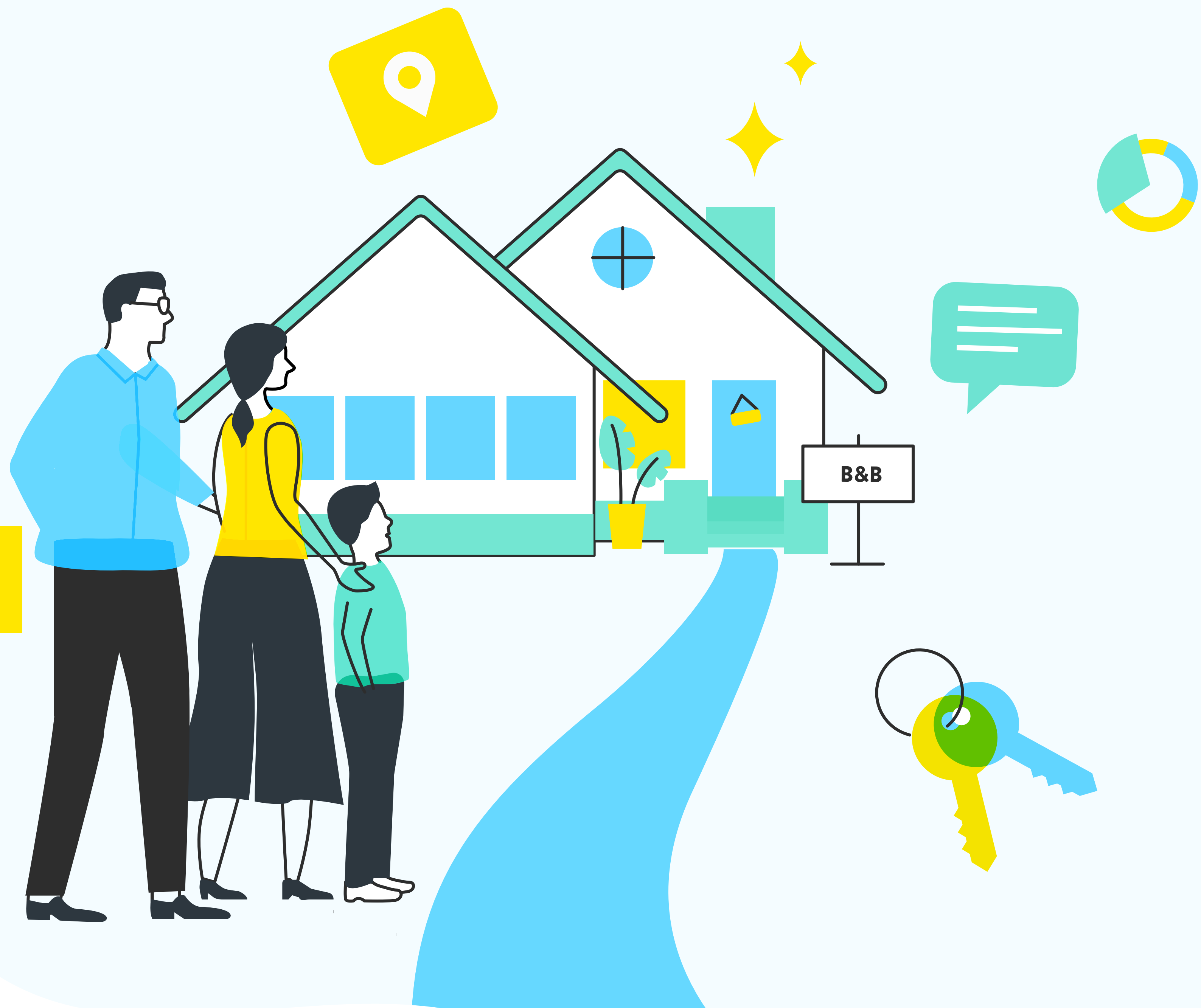


Tenants

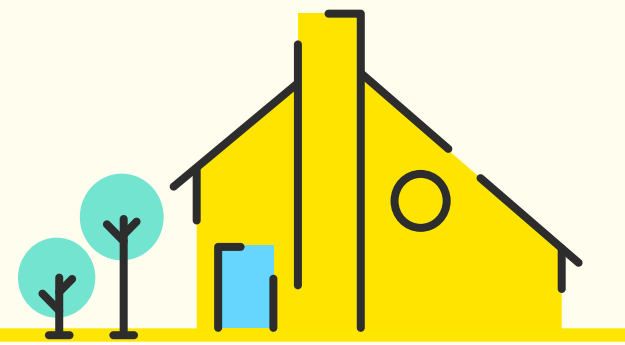
- I was offered insurance by my bank when applying for a loan
- I was offered insurance by my real estate agent during the contract sign-up process
- I was **not** offered property insurance by my bank when applying for a loan
- I was **not** offered property insurance by my real estate agent during the contract sign-up process

**SHORT-TERM**

**TENANT HOSTS**



# 06

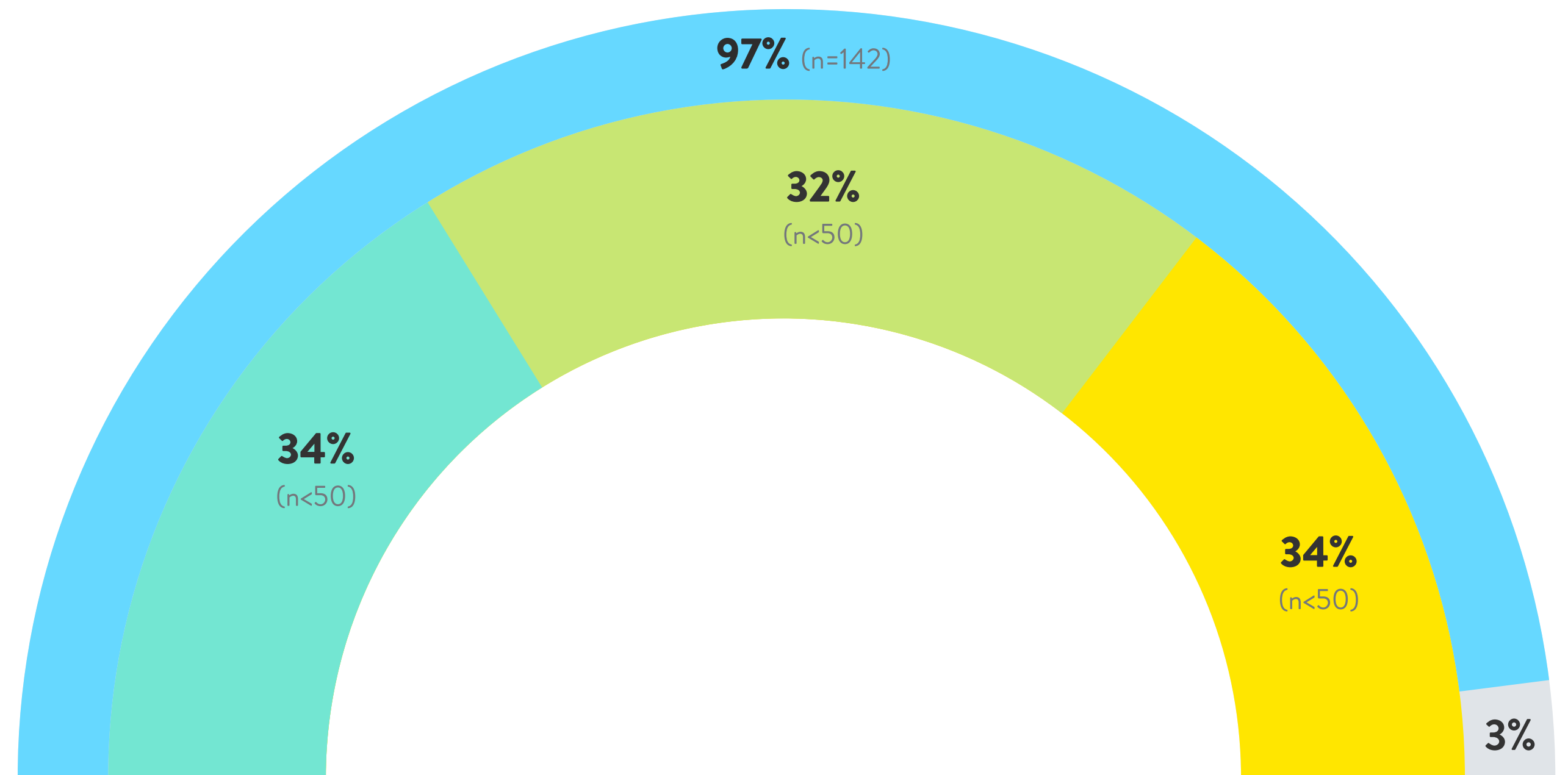


## INSIGHT

**97%** of hosts want their short-term listing sites (e.g. Airbnb, Vrbo, Booking.com, Expedia, etc.) to offer Landlord protection in addition to the Host protection that's included with every booking

When asked why they want this, 32% of hosts favor paying less to their short-term rental listing site, while 34% favor paying less for the Landlord or Homeowner Insurance policy

**“ If you could get Landlord Insurance or Homeowners Insurance from your favored short-term rental listing site, would you be interested in this offer? ”**



- Interested in purchasing Landlord/Homeowner Insurance
- Respondents who preferred to purchase Landlord/Homeowner Insurance with a discounted offer
- Respondents who preferred to purchase Landlord/Homeowner Insurance with a discount on rental listing fees
- Respondents who had other preferences when purchasing Landlord/Homeowner Insurance
- Not interested in purchasing Landlord/Homeowner Insurance

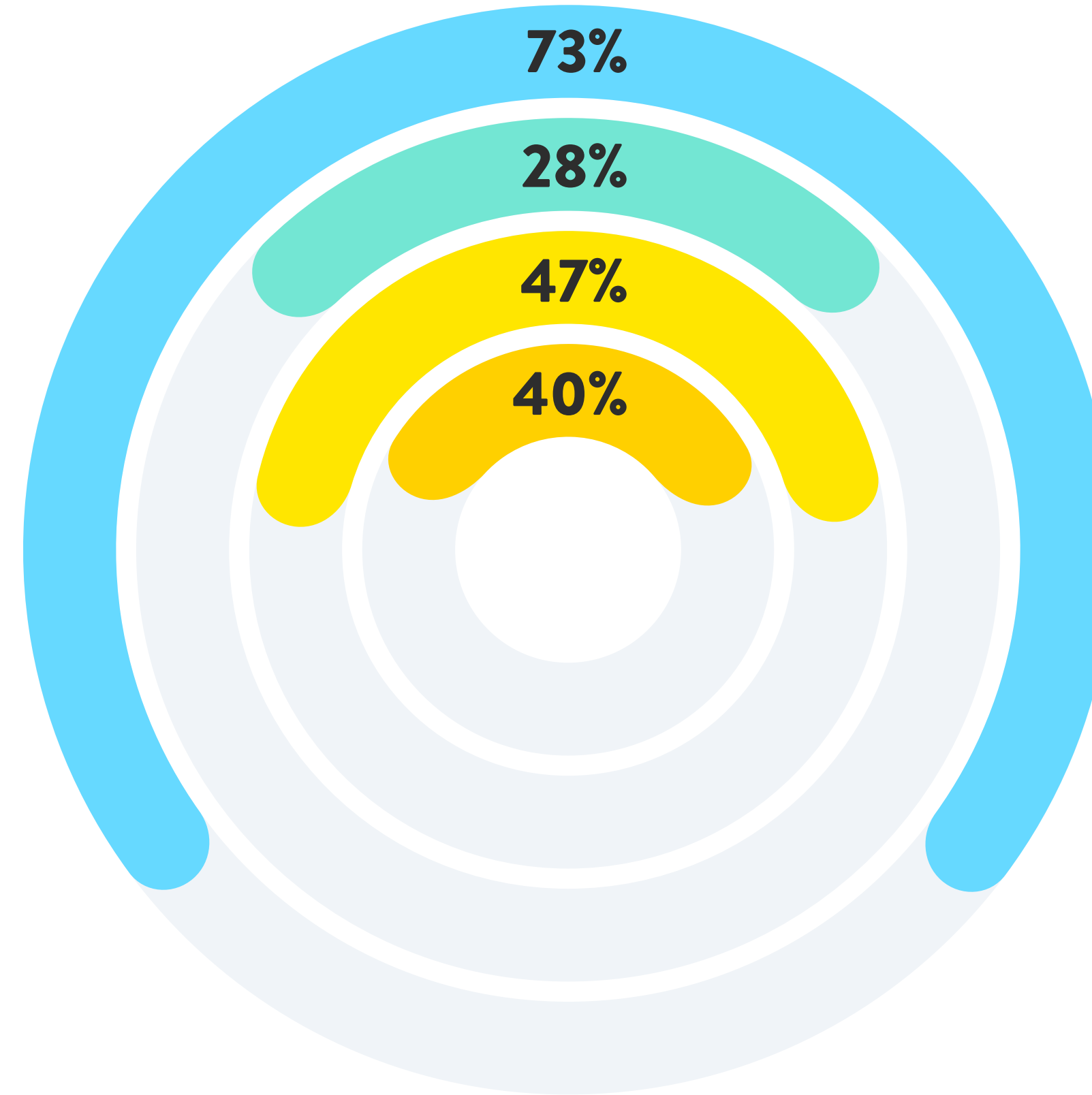
# 07



## INSIGHT

Convenience is the primary reason why Hosts would be interested in purchasing Landlord or Homeowners Insurance from their favored rental listing site

“ Why would you prefer to receive such offers? Select all that apply ”



● Convenience

● Trust

● Cost

● Tailored Insurance



**COVER GENIUS**

This report was prepared by Cover Genius Pty Limited ABN 43 159 983 598. The information is of a general nature and any observations about insurance, the property market and its trends are incidental and not intended to be construed as financial advice. Speak to a professional before making any financial decision. This report and the information within it may not be reproduced without the permission of Cover Genius.