



COVER GENIUS

THE EMBEDDED INSURANCE

PROPERTY REPORT: UNITED STATES

Insights and trends from over **6,000**
Homeowners, Landlords, and Renters



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



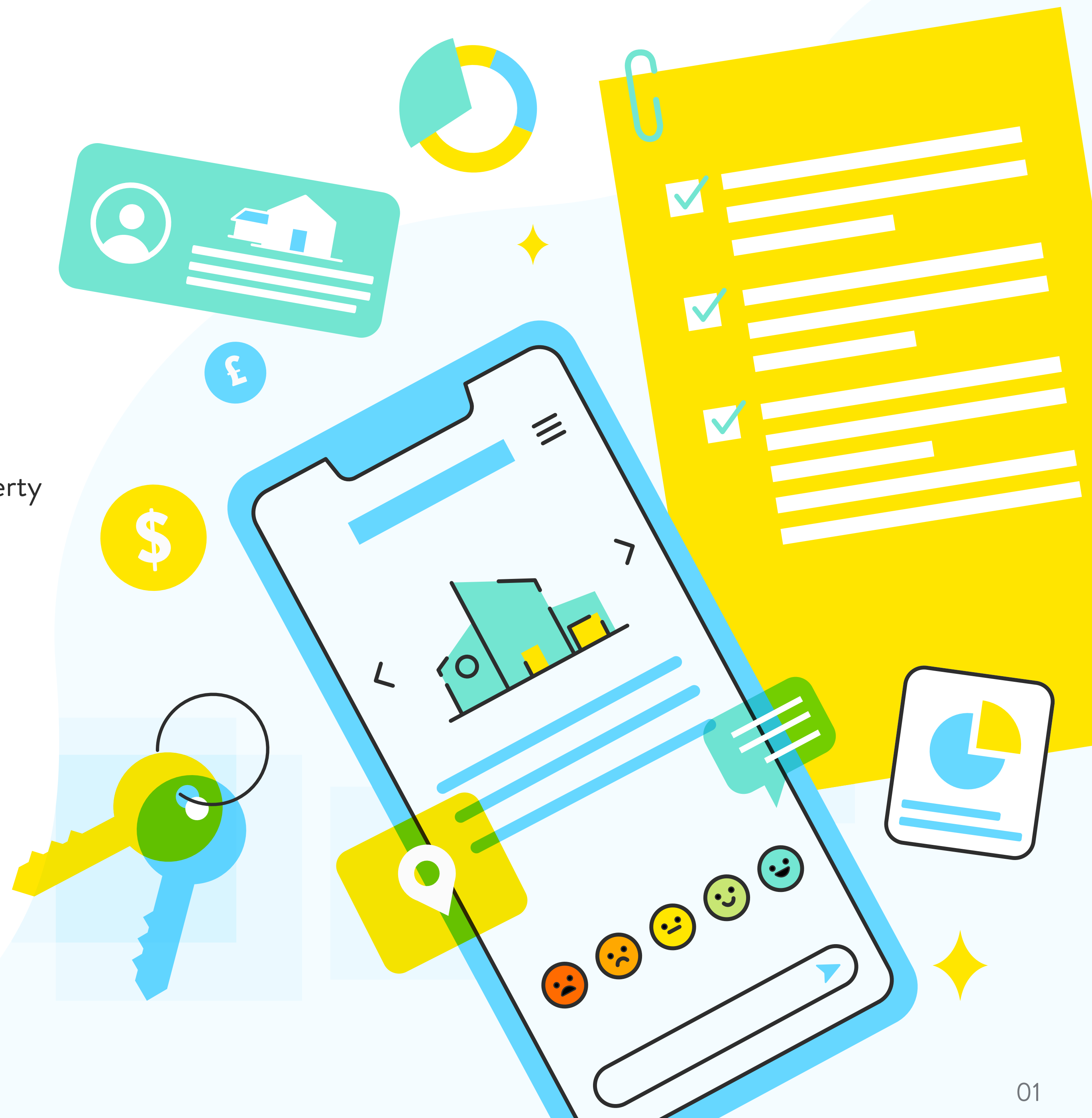
Renters

Those who are currently leasing a property



Hosts

Those who currently host guests for short-term stays



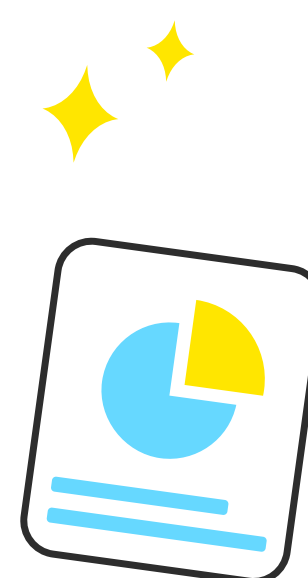
WHAT YOU WILL FIND IN THIS REPORT

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 realtors, 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 6,000 census-balanced Renters, Landlords and Homeowners in the US. The report is part of a global series that includes the US, Argentina, Australia, Brazil, Canada, France, Germany, India, Indonesia, Italy, Mexico, Singapore, South Korea, Thailand, UK 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.



6,189

CUSTOMERS SURVEYED

EXECUTIVE SUMMARY

The research revealed a majority of Renters, 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 Renters will switch to embedded insurance in the future **(+31%)** at the cost of traditional models **(-18%)**.

INSIGHT 02

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

INSIGHT 03

Claims experiences in property insurance are poor, with an average NPS of **-11** across Homeowners, Renters and Landlords.

INSIGHT 04

Those who recently made a claim are willing to switch at a rate **24%** higher than those who have not recently made a claim.

INSIGHT 05

72% of Homeowners, Landlords and Renters were not offered insurance during their application process.

Short-term Rental Hosts - Insights

INSIGHT 06

96% 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

Cost and convenience are the primary reasons why Hosts would be interested in purchasing Landlord or Homeowners Insurance from their favored rental listing site.

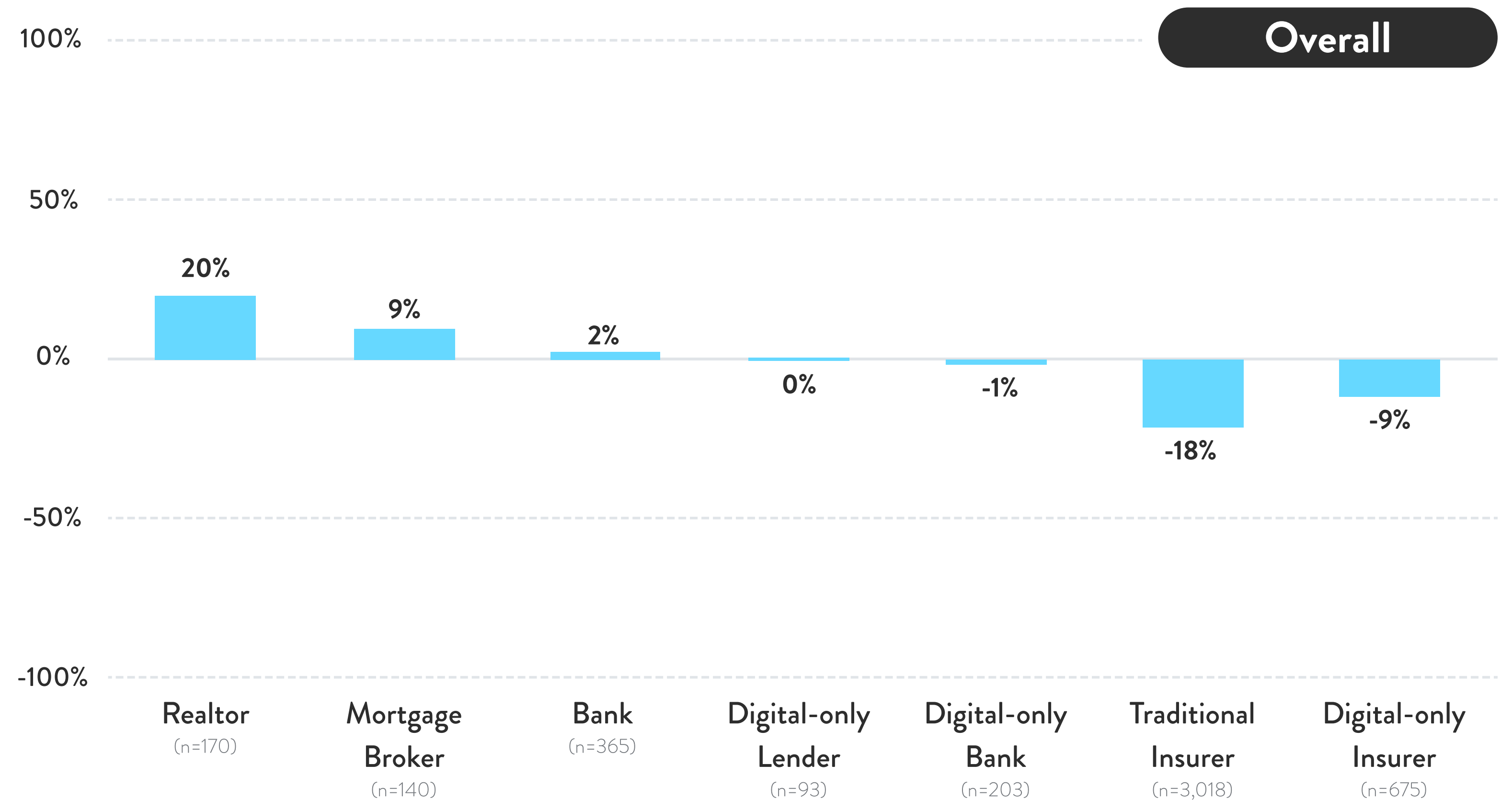
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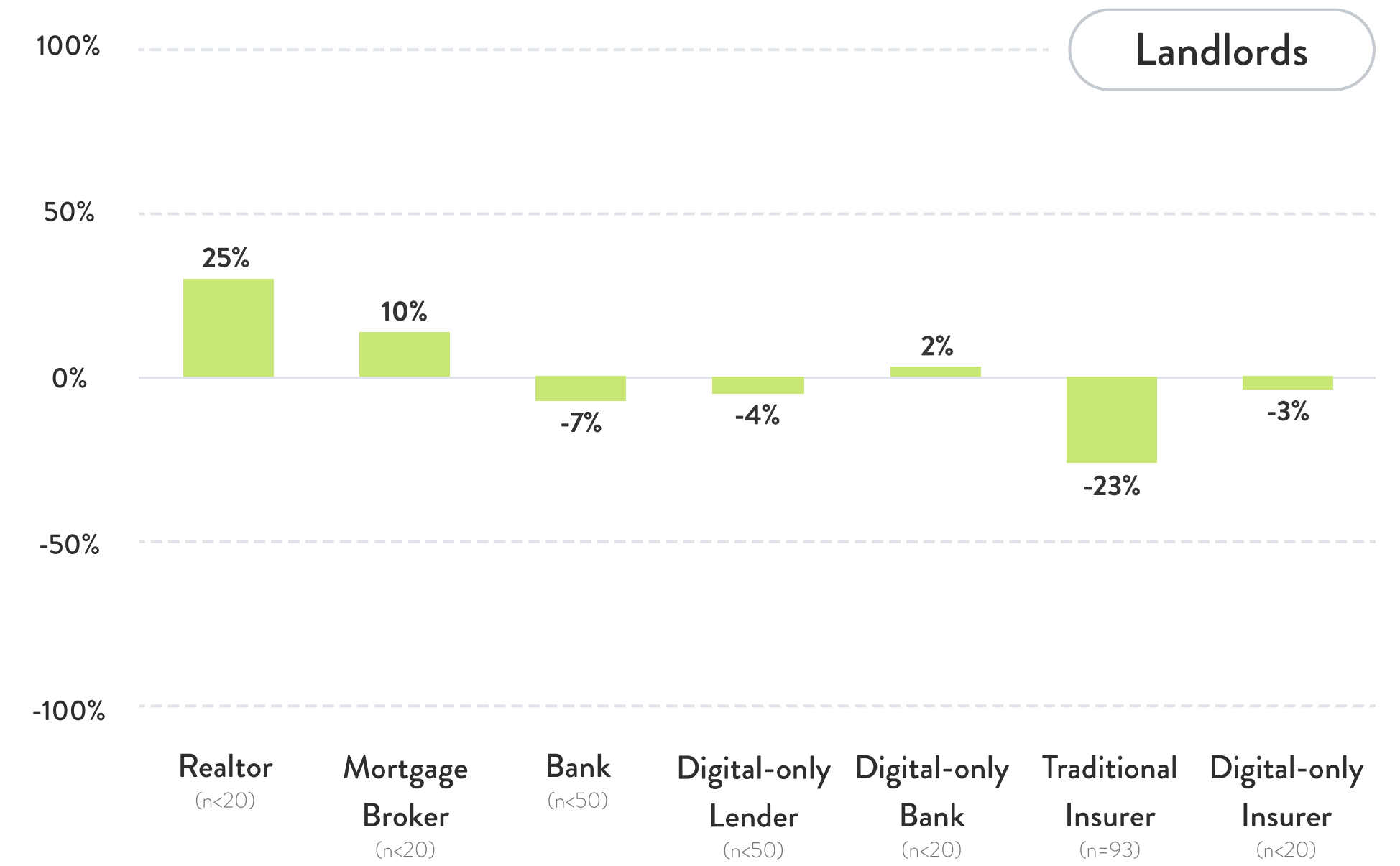
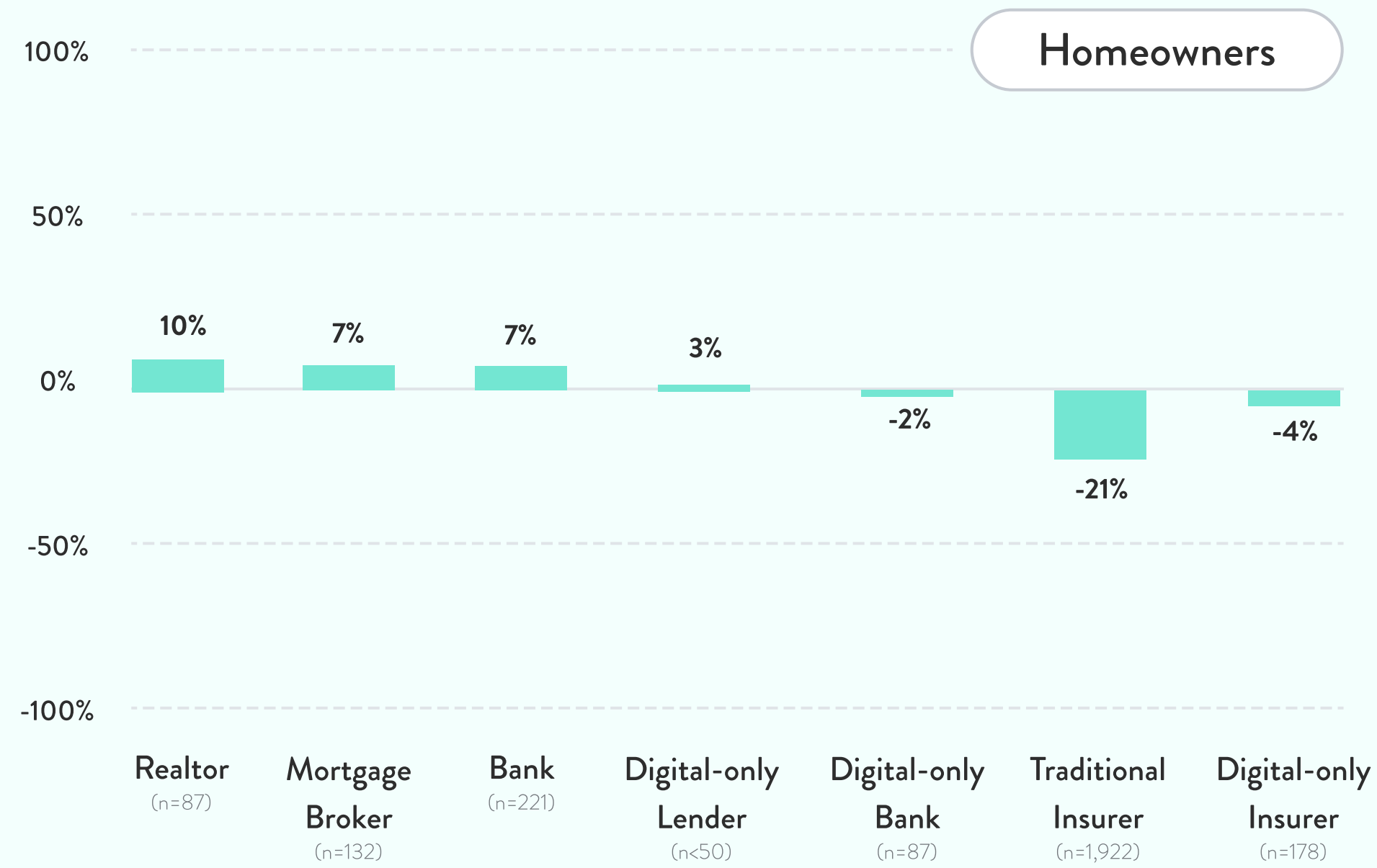
INSIGHT

Homeowners, Landlords and Renters will switch to embedded insurance sources* in the future (+31%) at the cost of traditional models (-18%)

* Embedded insurance sources include realtors (20%), mortgage brokers (9%), and banks (2%)

“ How would you prefer to get property insurance in the future ? ”

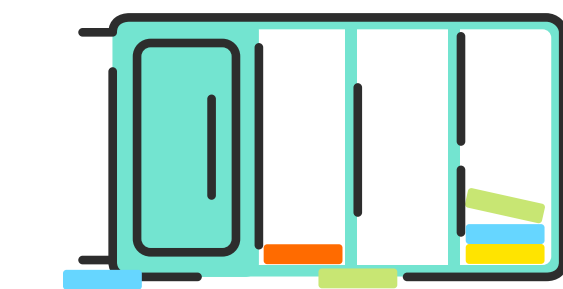
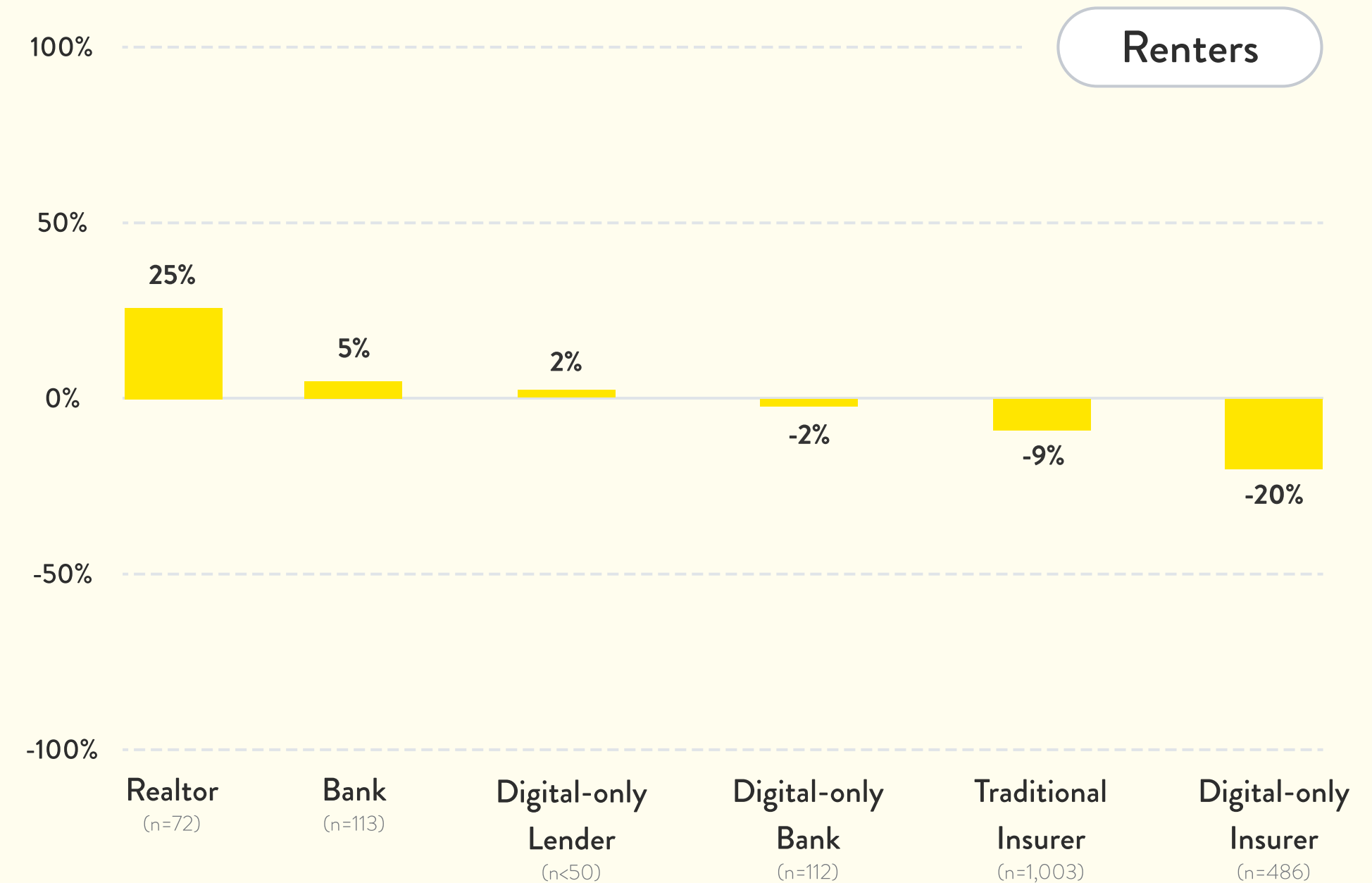




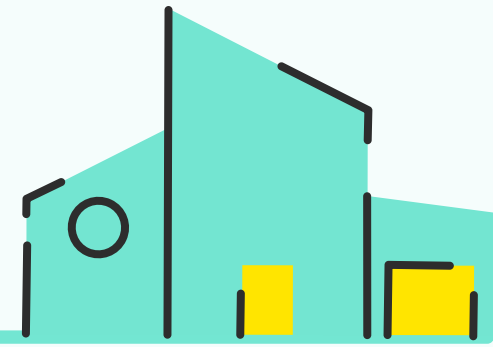
INSIGHT 01



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



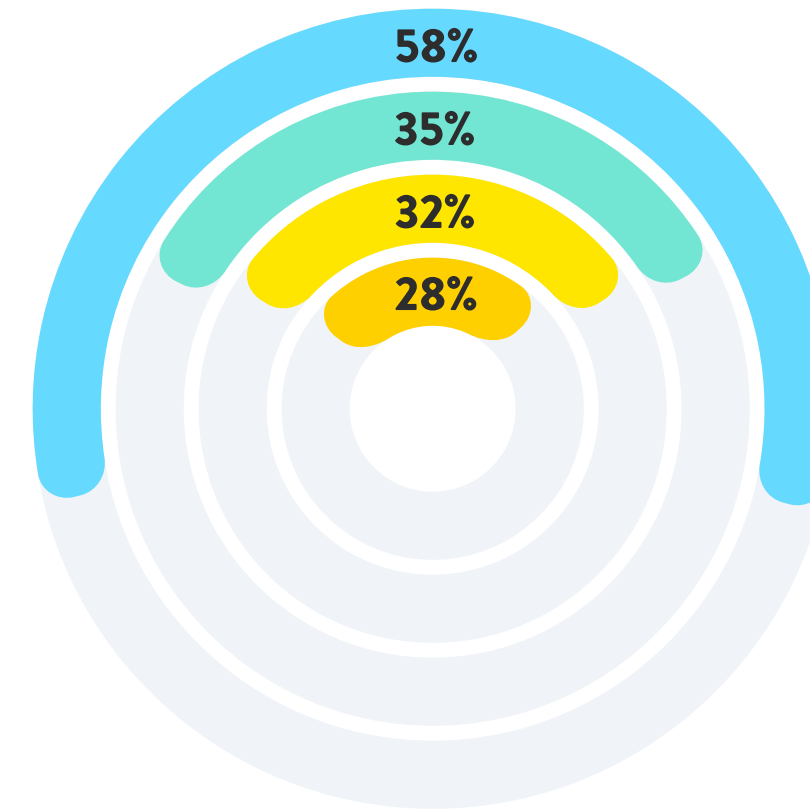
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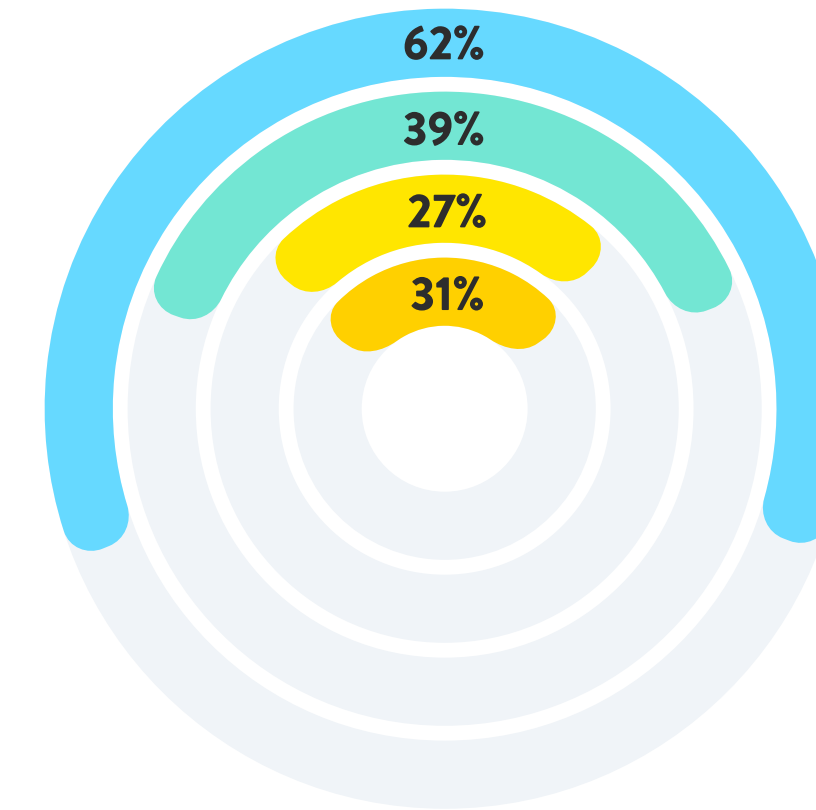
INSIGHT

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

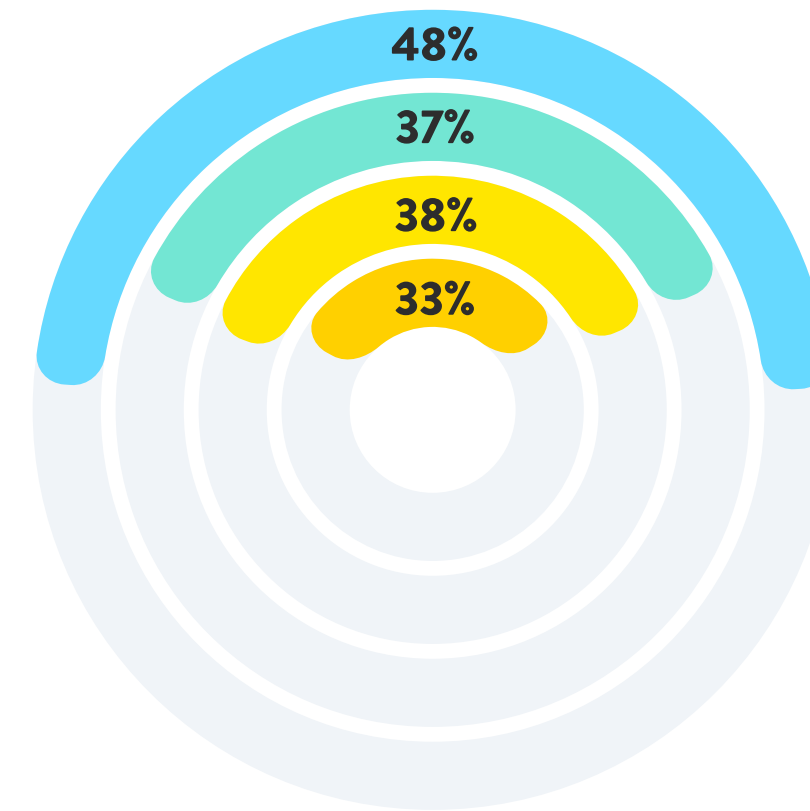
“Why would you prefer this source? Select all that apply”



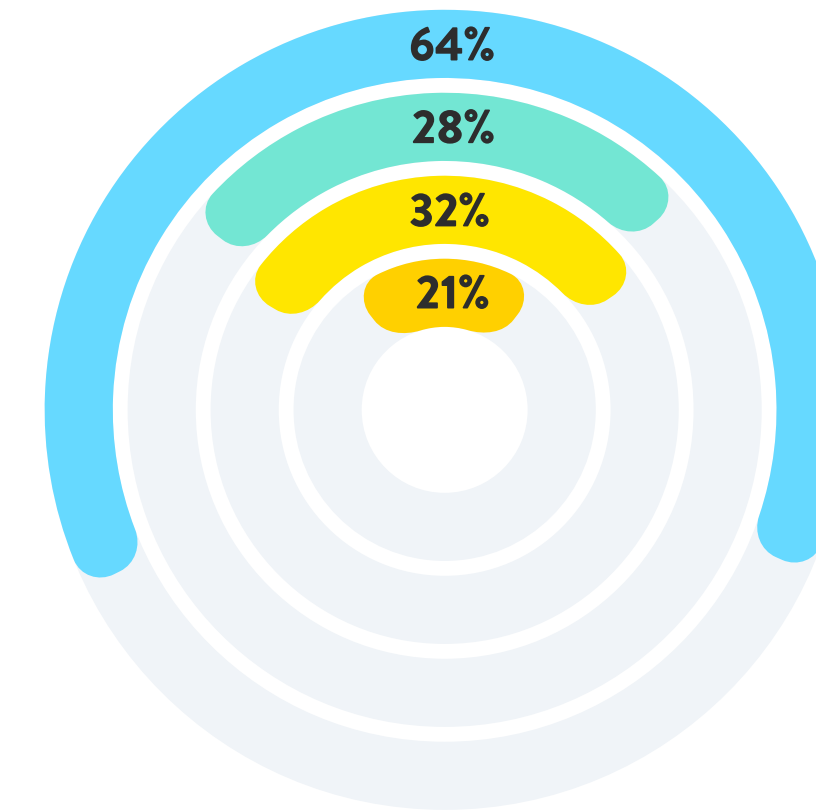
Overall



Homeowners



Landlords



Renters

- Convenience
- Trust
- Cost
- Tailored Insurance



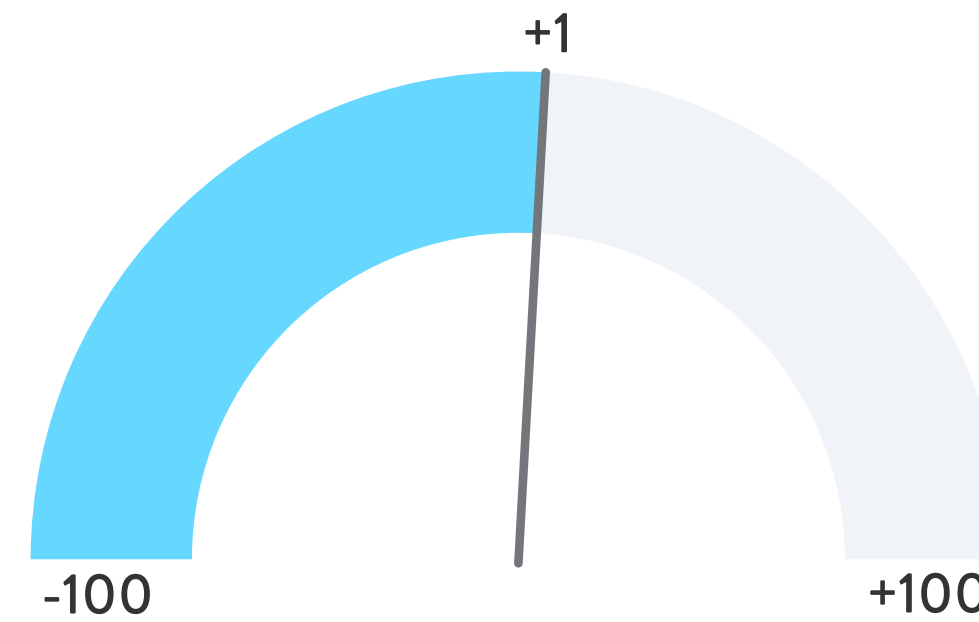
03A



INSIGHT

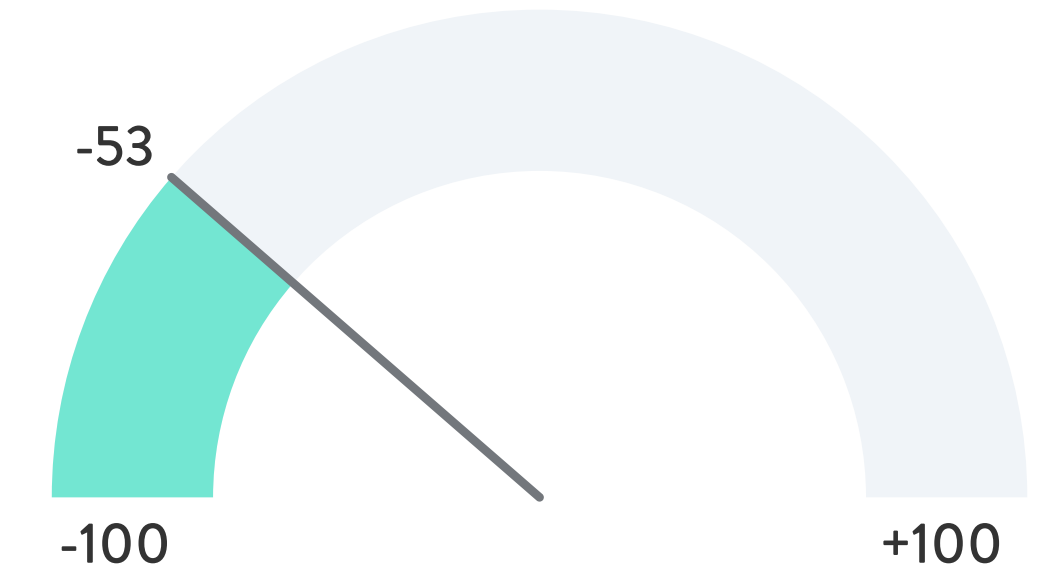
Claims experiences in property insurance are poor, with an average NPS of **-11** across Homeowners, Renters and Landlords

“ 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? ”



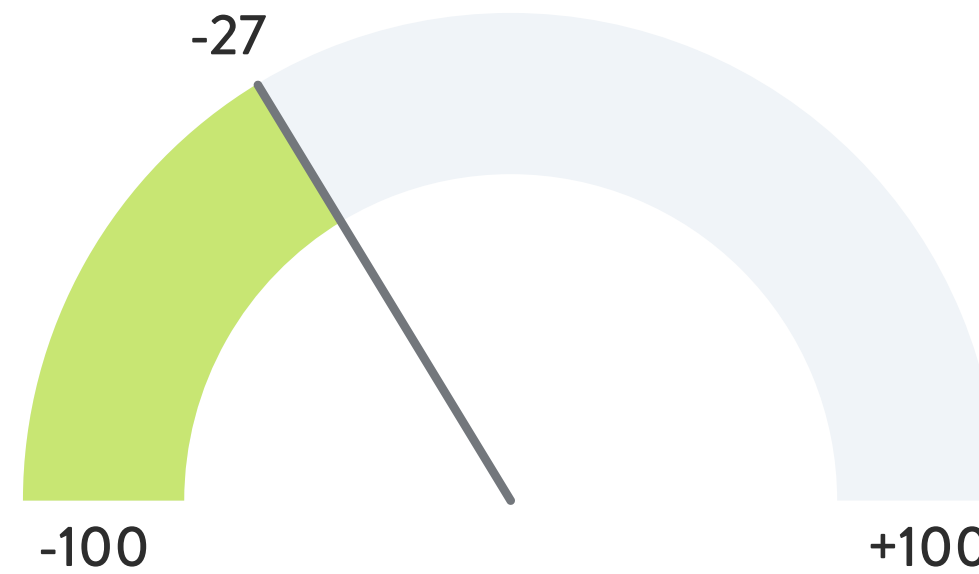
(n=637)

Homeowners



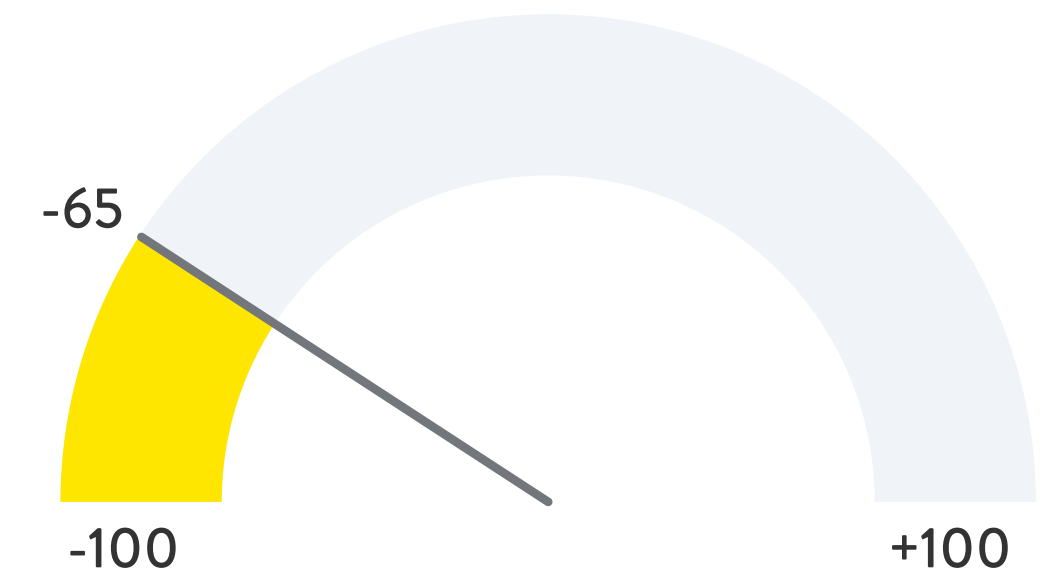
(n=60)

Landlords



(n=350)

Renters

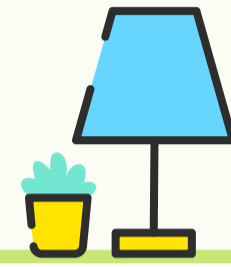


(n=111)

Hosts

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

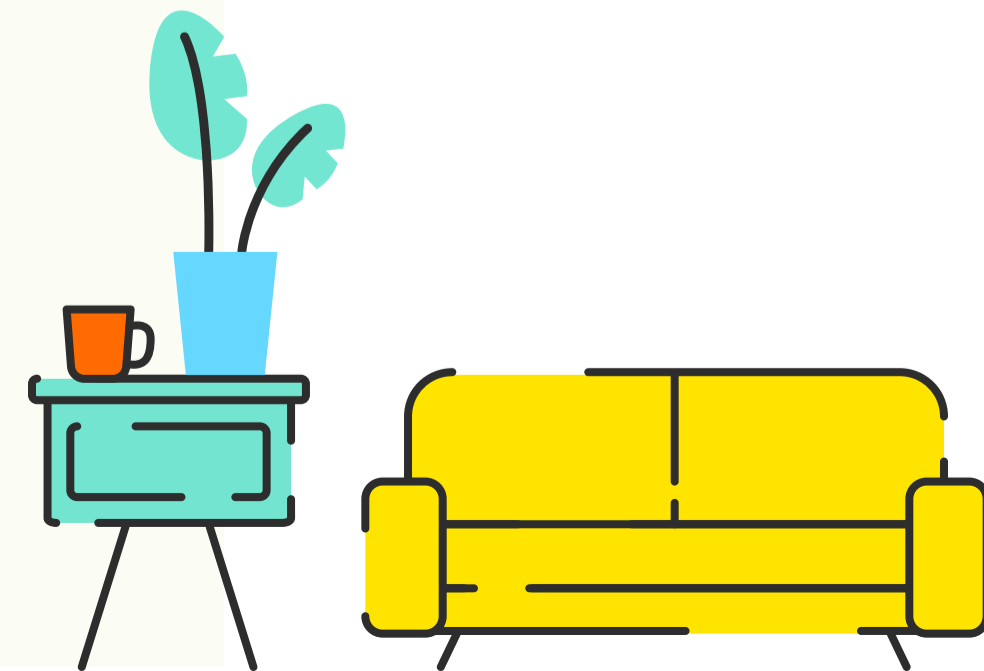
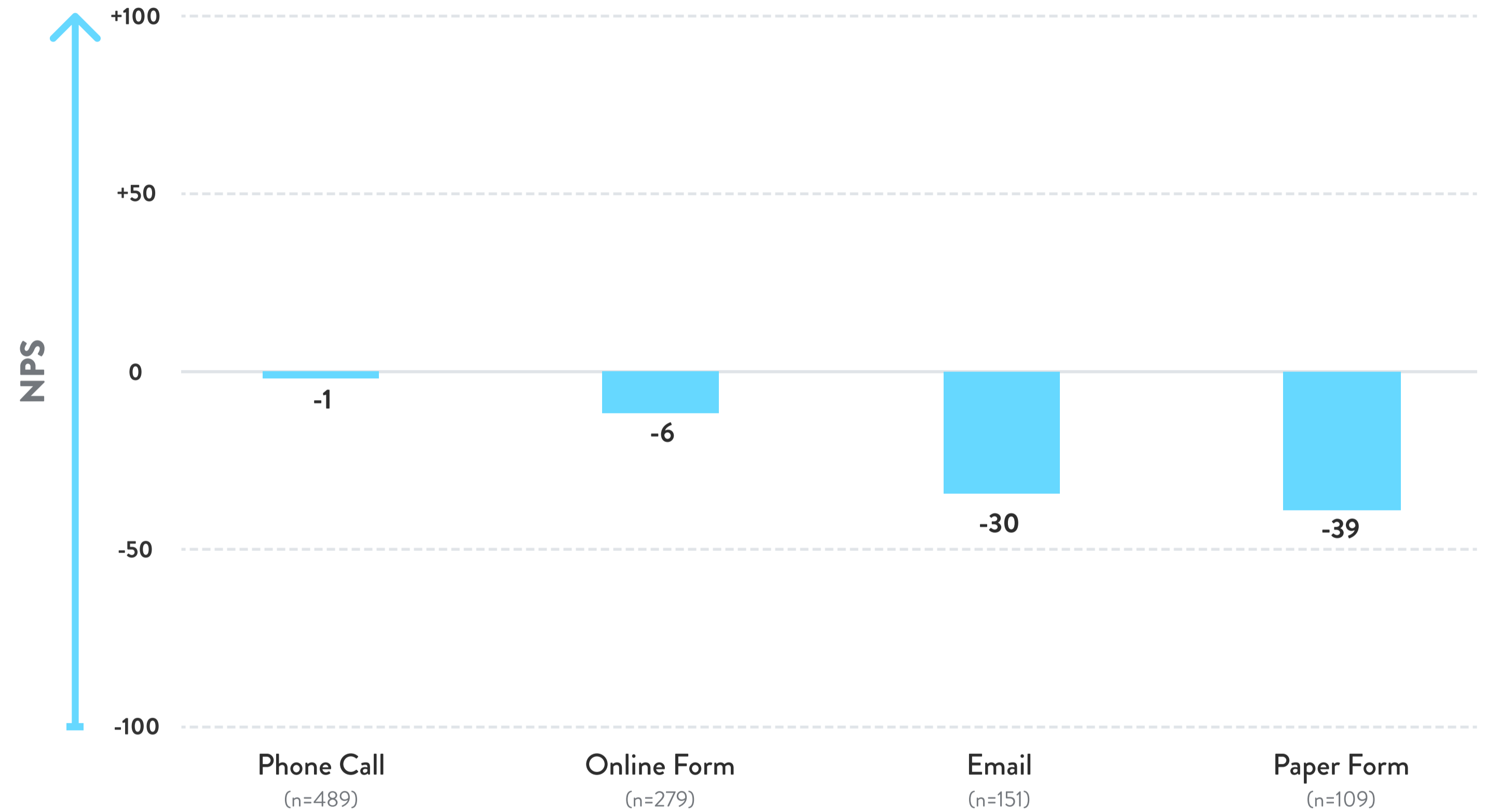
03_B



INSIGHT

The claims experience is the worst when claims are made through email or paper forms

“ 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? ”

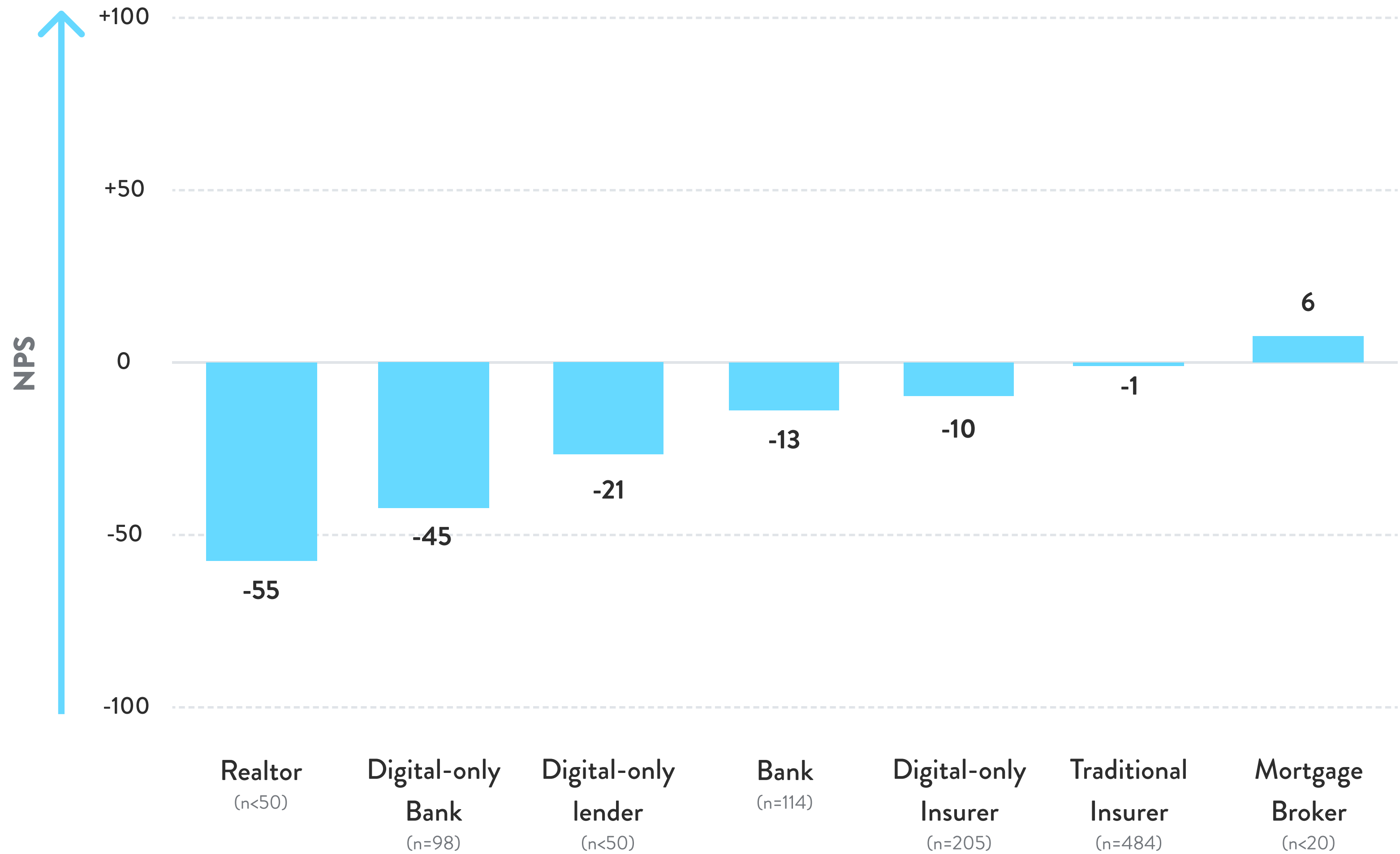


03c

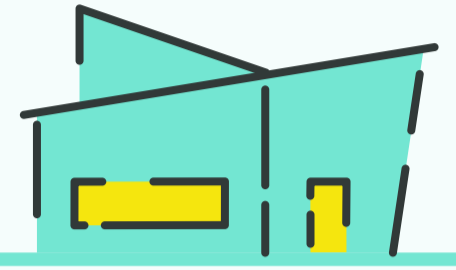
INSIGHT

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? ”



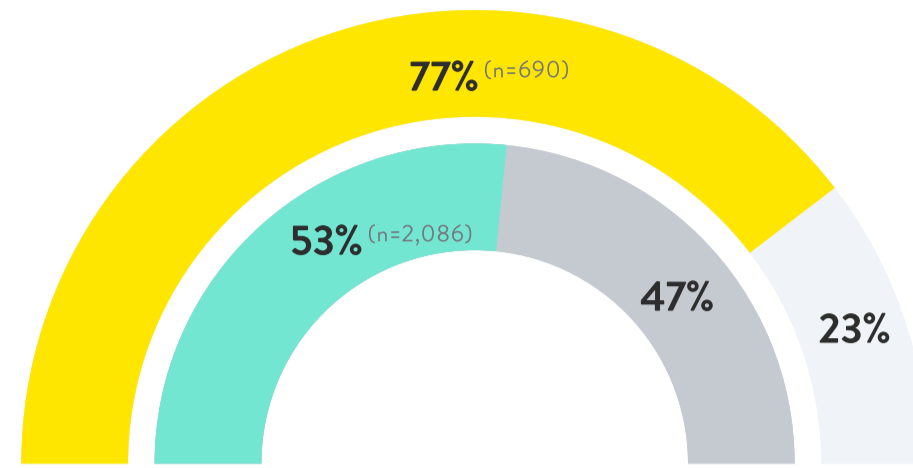
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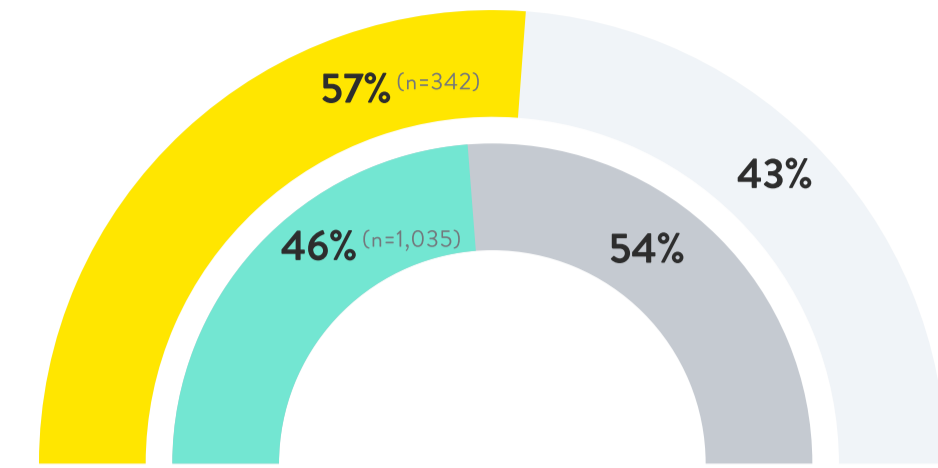
INSIGHT

Those who recently made a claim are willing to switch at a rate **24%** higher than those who have not recently made a claim

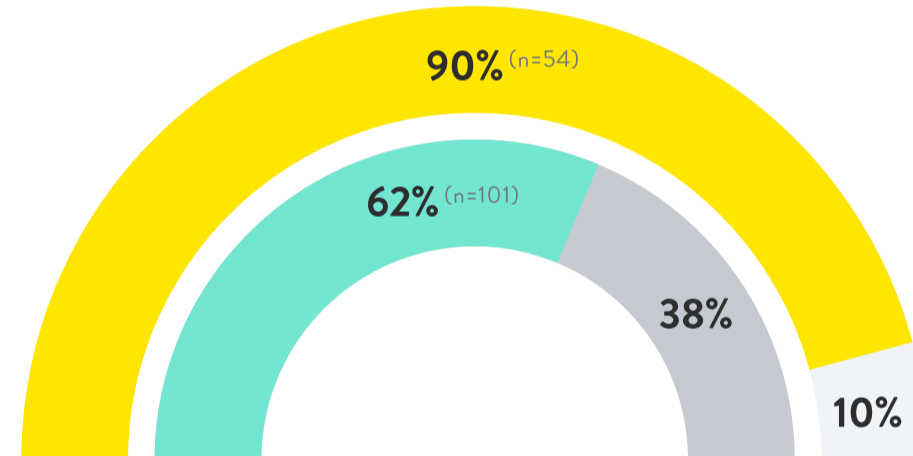
“ Did you need to make a claim? ”



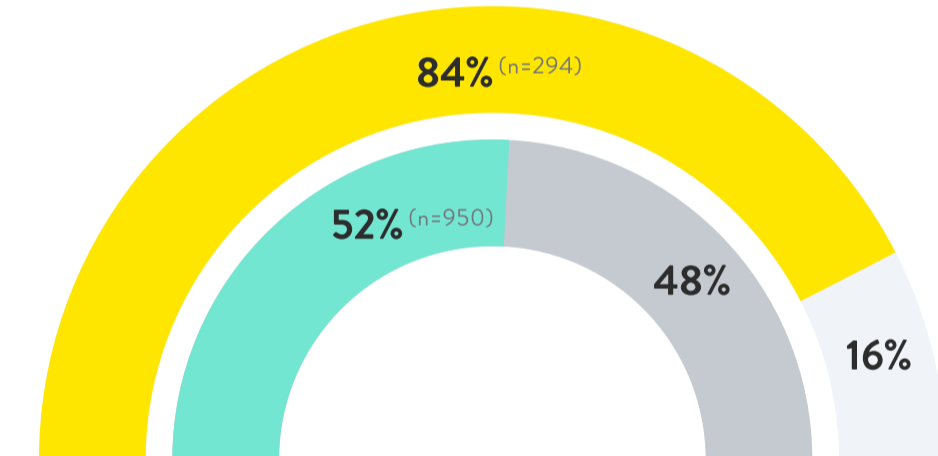
Overall



Homeowners



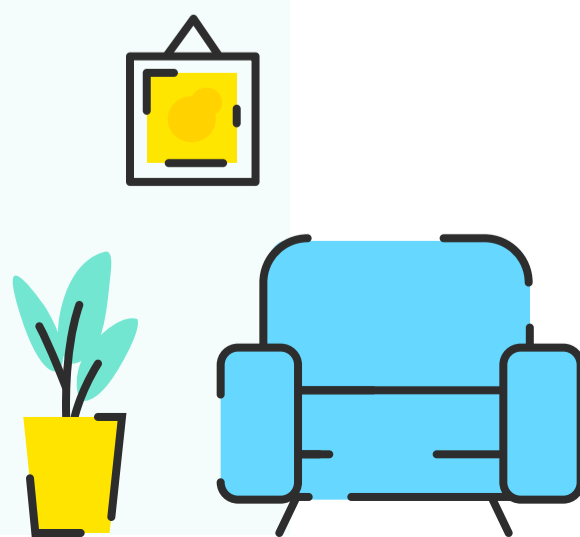
Landlords



Renters

- 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



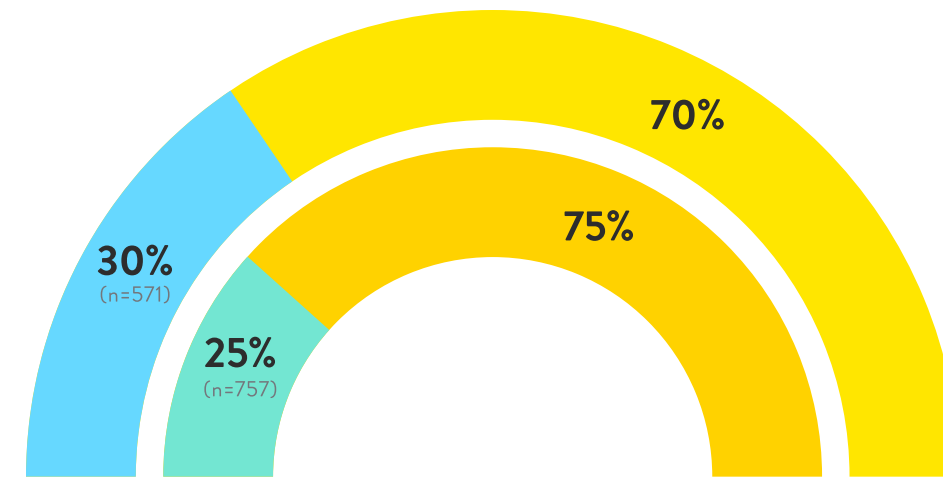
05



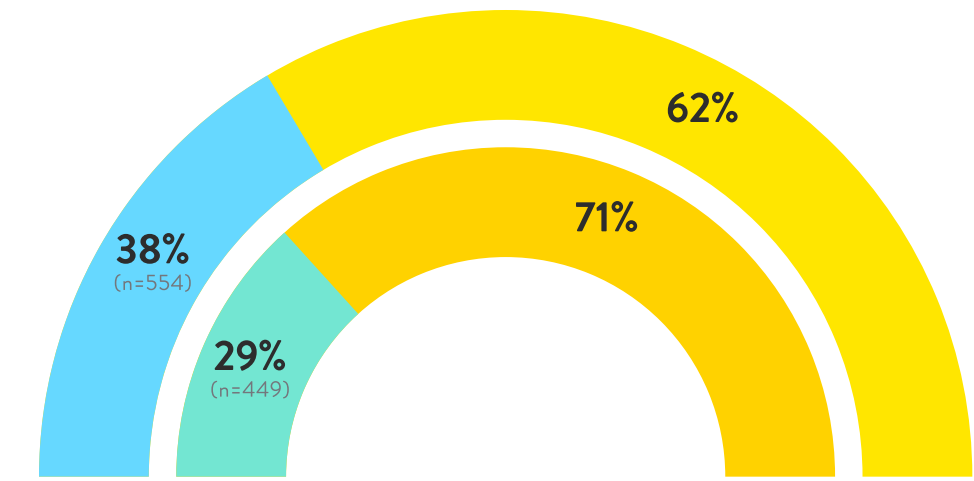
INSIGHT

72% of Homeowners, Landlords and Renters were not offered insurance during their application process

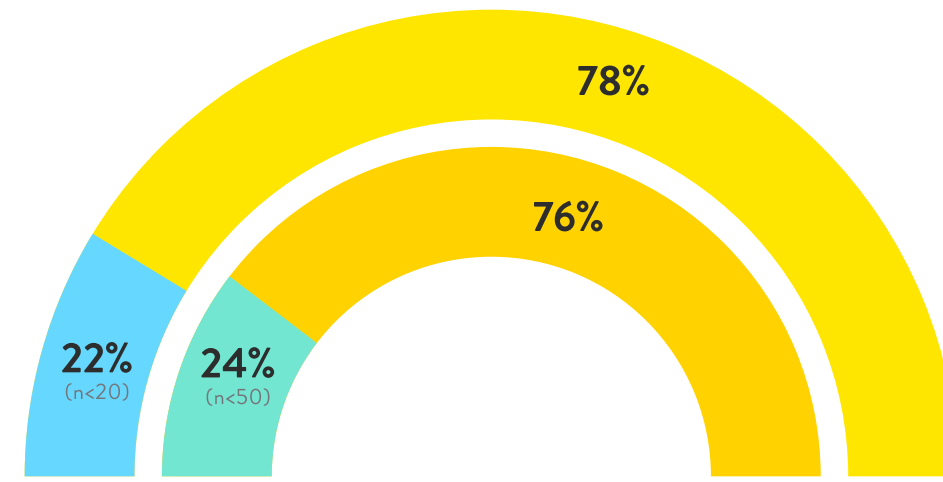
“ You indicated that you didn't get property insurance from the following sources. Please indicate why? ”



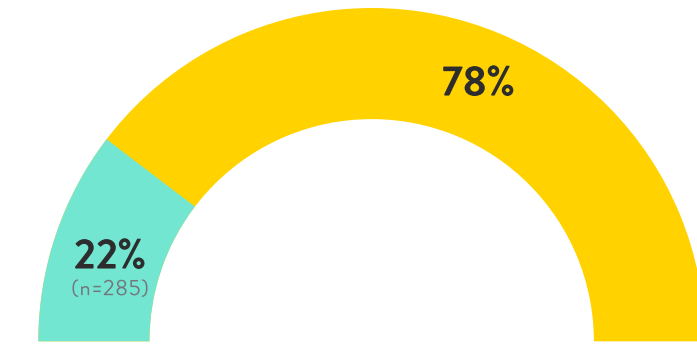
Overall



Homeowners



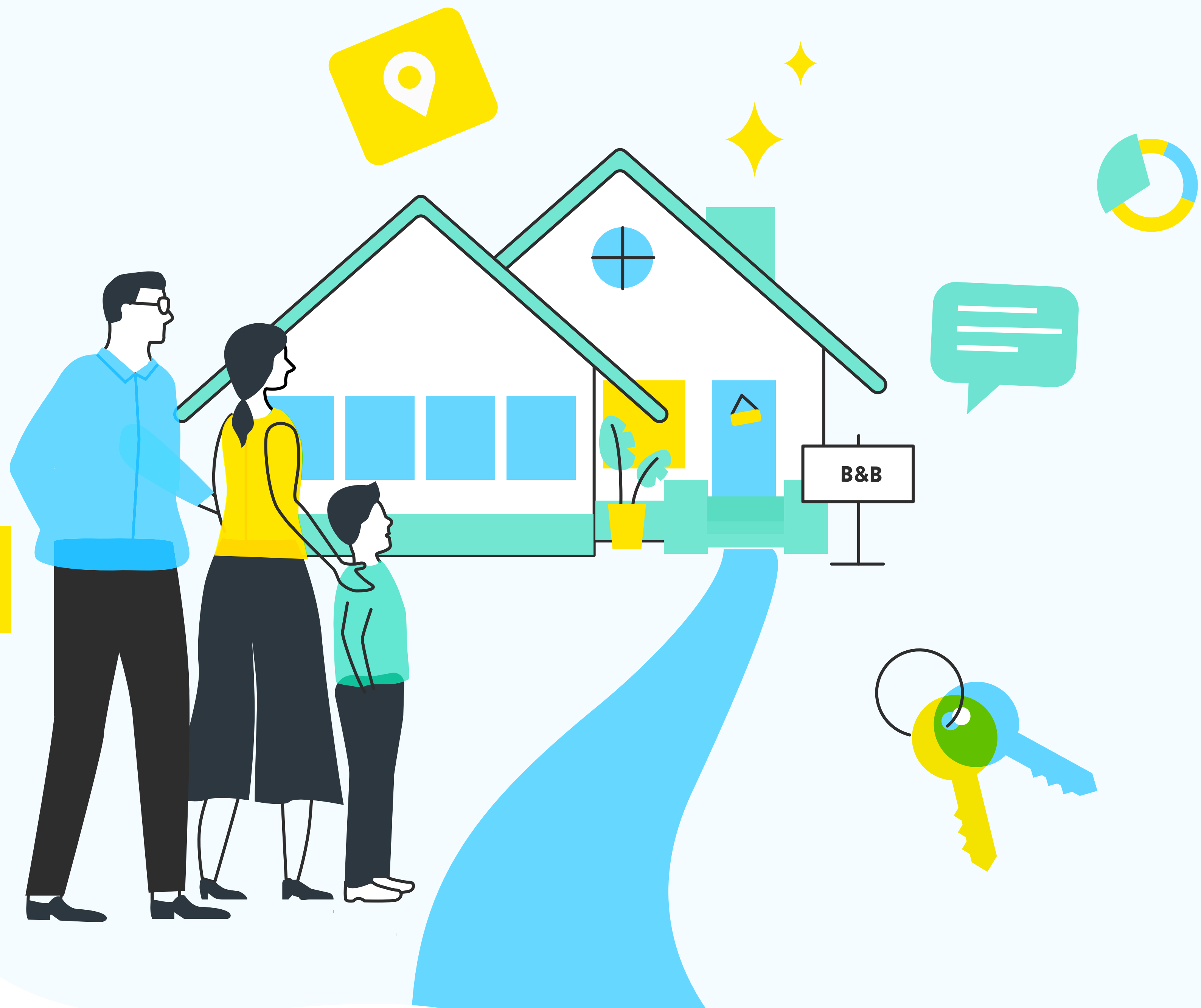
Landlords



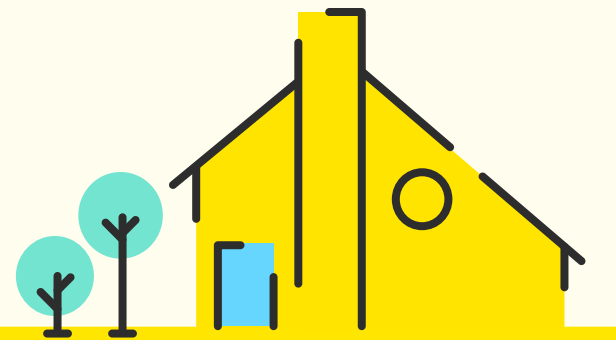
Renters

- I was offered insurance by my bank when applying for a loan
- I was offered insurance by my realtor 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 realtor during the contract sign-up process

SHORT-TERM RENTAL HOSTS



06

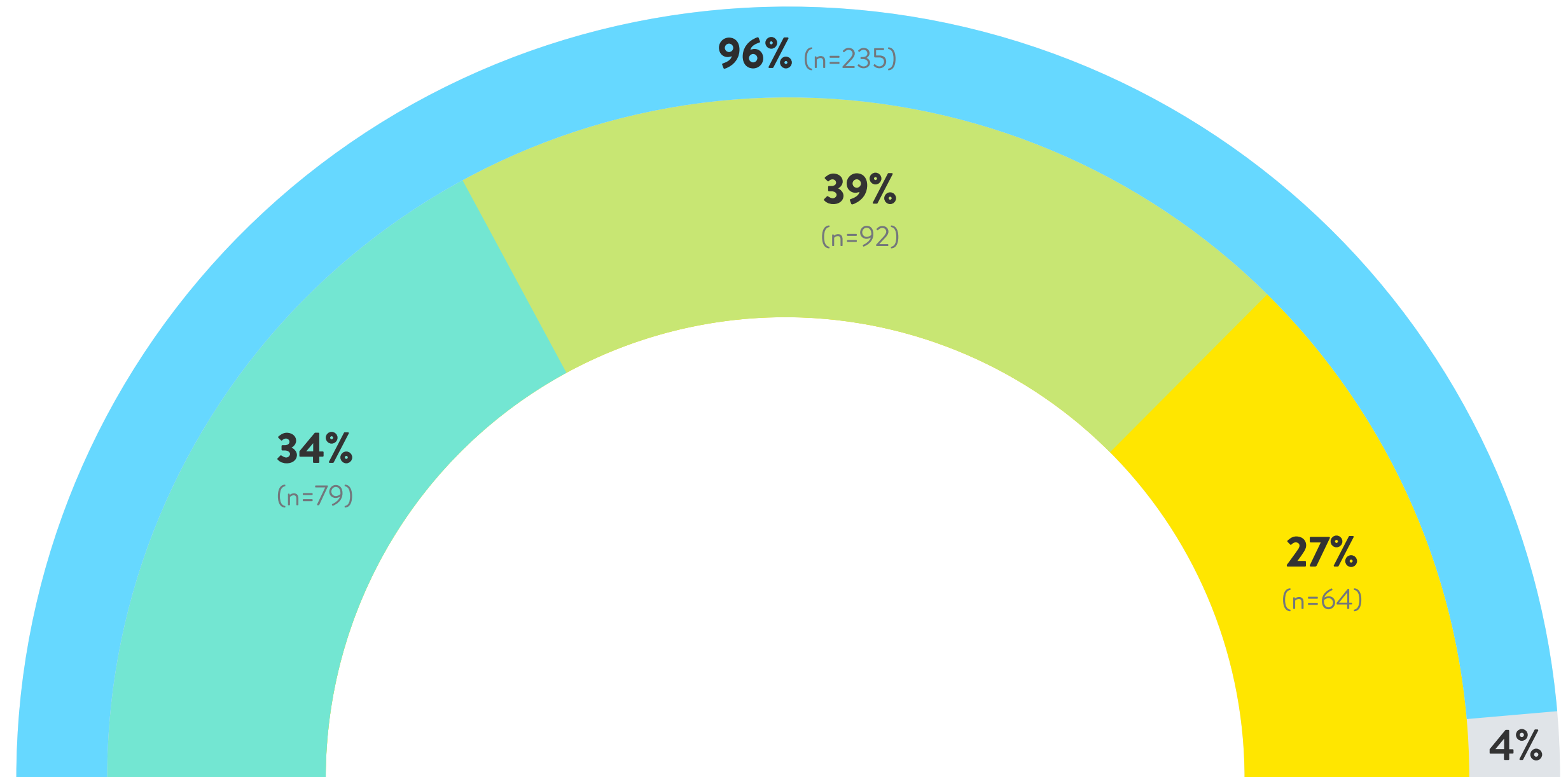


INSIGHT

96% 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, 39% 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 prefer paying less for Landlord/Homeowner Insurance
- Respondents who prefer paying less on their rental listing fees
- Respondents who had other preferences when purchasing Landlord/Homeowner Insurance
- Not interested in purchasing Landlord/Homeowner Insurance

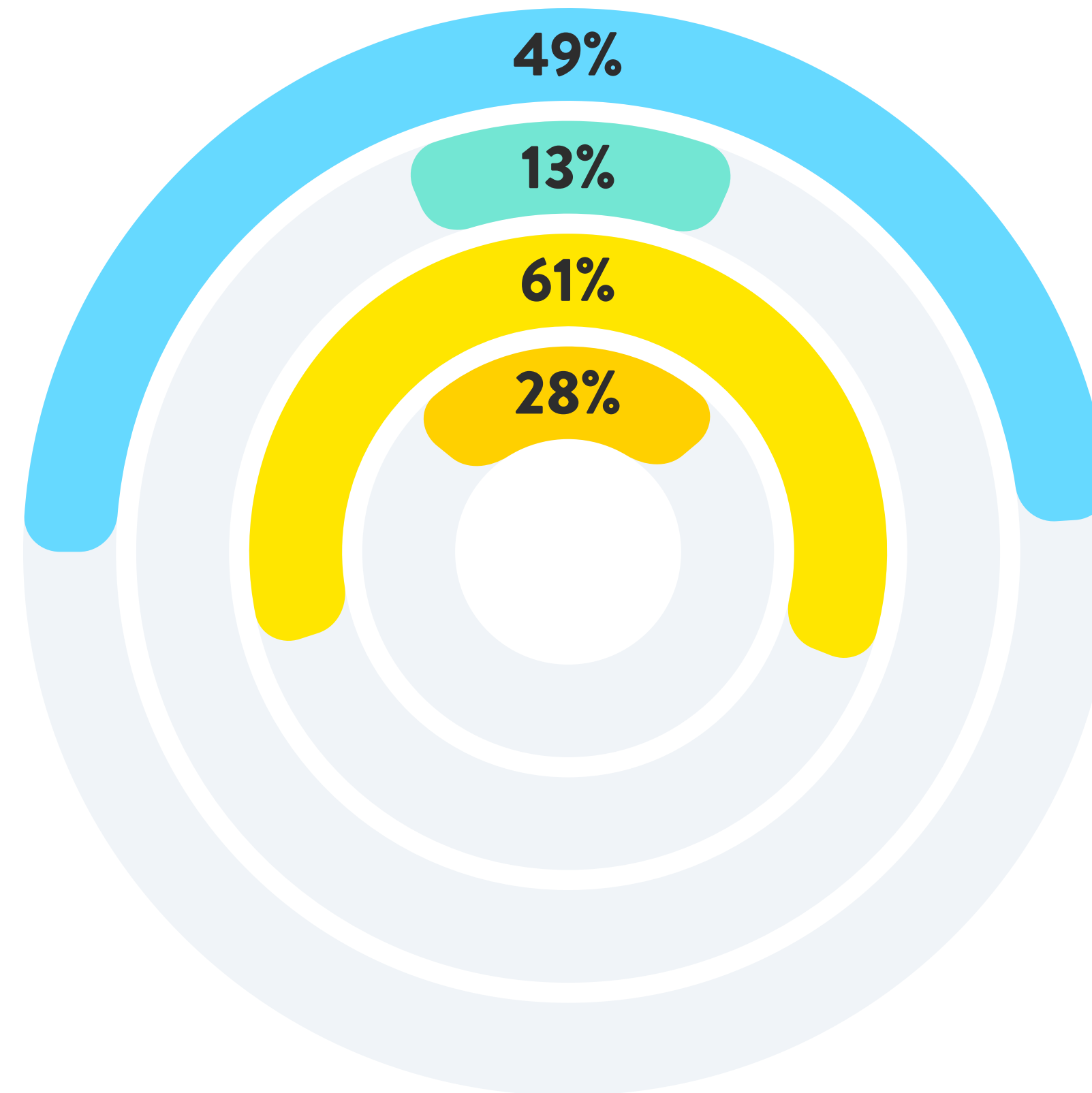
07



INSIGHT

Cost and convenience are the primary reasons 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

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