



Singapore Insurance Report

Navigating insurance industry trends and driving growth with payments



engineered for ambition

The digital transformation of insurance

The insurance industry is facing rapid change, and 2025 presents a pivotal moment. Insurers have a unique opportunity to leverage payment technology to enhance customer experience, improve policyholder retention, and reduce fraud. Discover how payment innovations can help insurers meet rising expectations and unlock growth in an increasingly digital world.

The insurance sector is undergoing a major shift, driven by digital disruption and evolving customer expectations. As consumers move more of their lives online, the standard for seamless digital experiences is rising. With younger generations like Gen Z and Millennials becoming key drivers of the market, insurers must rethink their operational strategies and embrace payment technology to stay ahead.

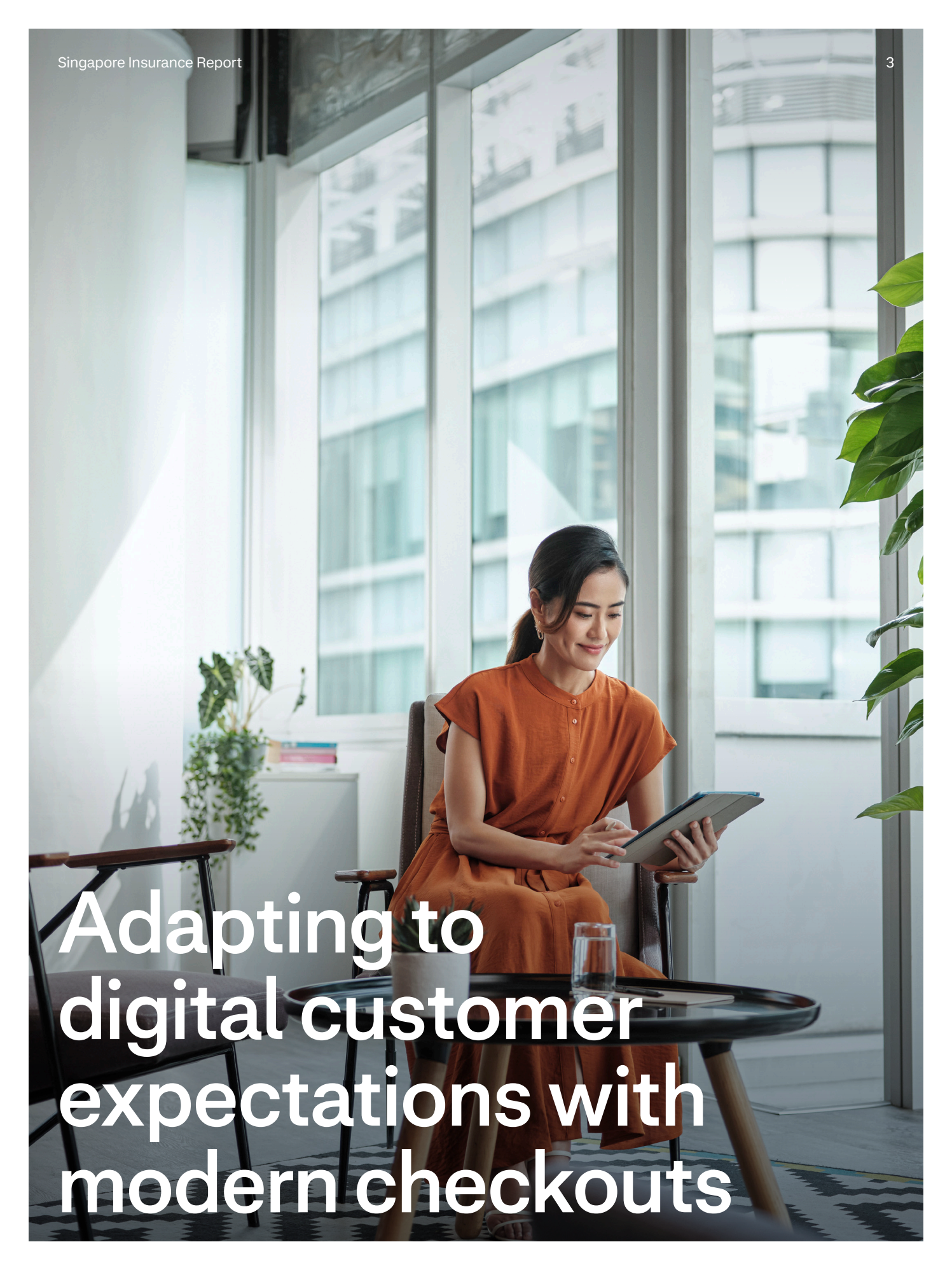
Digital-first insurers are seizing this opportunity, building agile, customer-focused models that capture market share and redefine industry standards. Meanwhile, traditional insurers often face the challenge of adapting legacy systems to meet these new demands, while also facing challenges to optimize their cost to serve.

This report shows how strategic investment in payment technology can help insurers address these challenges. We'll explore how modernizing payment processes can improve policyholder experiences, improve retention, and reduce claims fraud. By understanding these key opportunities and leveraging the right technological solutions, insurance companies can drive growth, enhance operational efficiency, and secure a competitive edge in a rapidly evolving market.

The insights in this deep dive come from the [Adyen Index: Singapore Digital Report](#), which combines both business and consumer data across 23 markets.

Contents

Adapting to digital customer expectations with modern checkouts	3
Enhancing customer retention with optimized payment solutions	6
Reducing insurance fraud	9
Conclusion	11



Adapting to digital customer expectations with modern checkouts

THE OPPORTUNITY

Modernize the checkout experience

Insurers are operating in an environment where digital experiences in ecommerce and fintech are shaping customer expectations. Today's customers expect the same level of seamlessness and convenience when interacting with their insurance providers.

A key way to meet these expectations is by offering [preferred payment methods](#) across all customer touchpoints. Research shows that 89% of customers in Singapore are deterred from completing a purchase if their preferred payment method is not available.

This presents a significant opportunity for insurers to improve customer experience and drive conversion by expanding their payment options.

Additionally, Gen Z and Millennials are increasingly opting to pay for insurance from their mobile device or tablets. However, many insurers are blocked by legacy systems that prevent them from offering these payment options, missing out on opportunities to maximize conversion and customer satisfaction.

59%

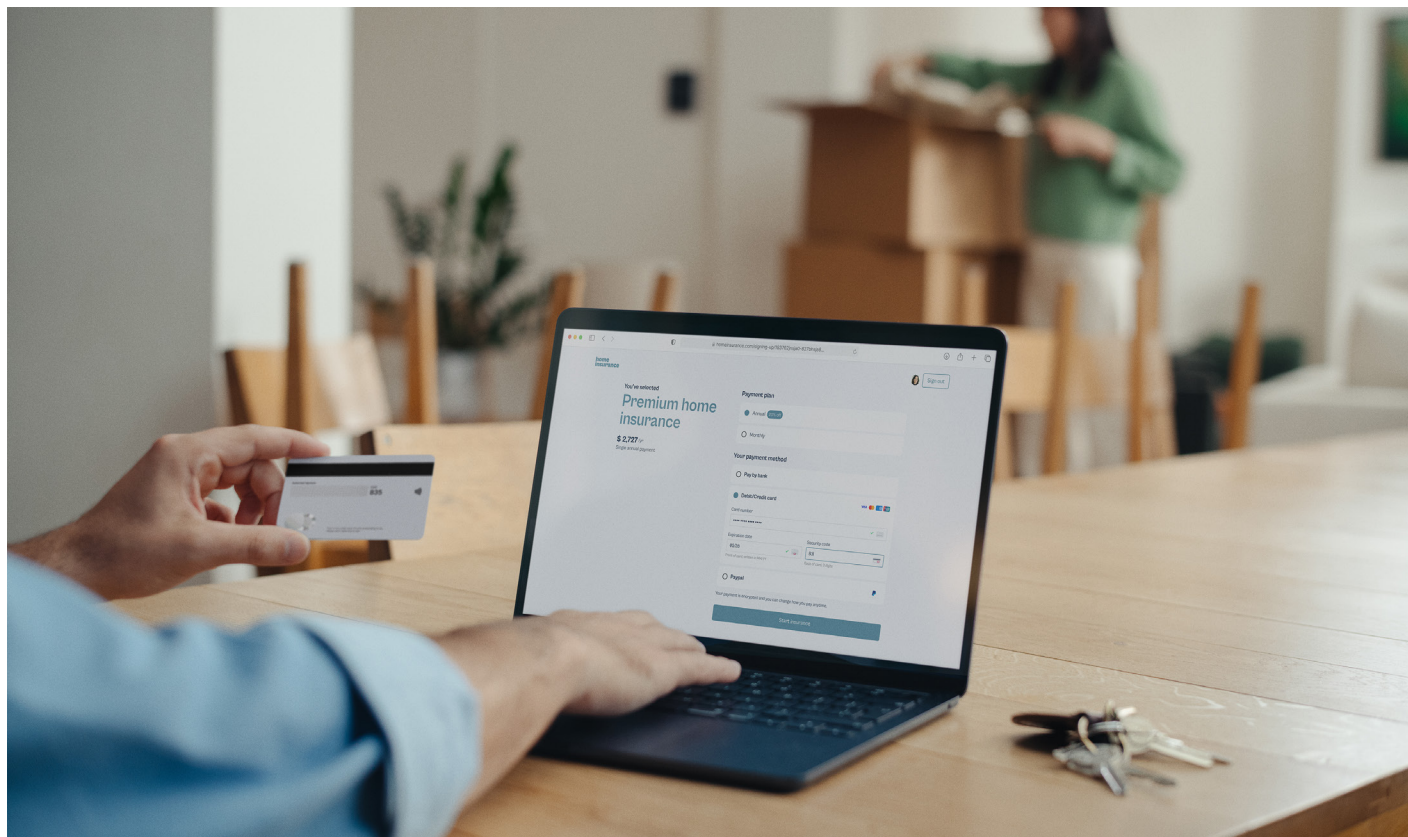
of consumers in Singapore prefer credit cards

49%

of consumers in Singapore prefer debit cards

48%

of consumers in Singapore prefer digital wallets



THE SOLUTION

Seamless checkouts that maximize conversion and experience

To deliver a seamless checkout experience, insurers must focus on two core areas: payment method diversification and channel optimization.

Payment method diversification

To stay competitive, offering a range of payment methods is essential. Customers expect a variety of options – credit cards, debit cards, digital wallets, and direct debit. But it's also important to consider local payment preferences, especially in regions like LATAM and APAC, where traditional card payments may not be the preferred option. By integrating local payment methods, insurers can enhance customer experience and lower payment costs.

Channel optimization

Ensuring a consistent and frictionless payment experience across all channels is crucial. Digital wallets, such as Apple Pay and Google Pay™, can significantly enhance mobile conversions by providing intuitive and streamlined payment processes. For customers who prefer telephone interactions with a service agent, offering [Pay by Link](#) options via email or SMS can simplify the purchase process, while maintaining compliance standards.

A payments provider like Adyen can guide insurers on which payment methods work best for different markets and demographics, supporting all key payment methods globally.

OUR DATA SHOWS

89%

of consumers in Singapore are deterred from continuing with their purchase if their preferred payment method is not available when trying to buy or subscribe online.

59%

of consumers in Singapore primarily prefer to use credit cards to pay for a product or service online, 49% prefer debit cards, and 48% prefer digital wallets.

45%

of consumers in Singapore say that great customer service would make them stay loyal to an online business.

30%

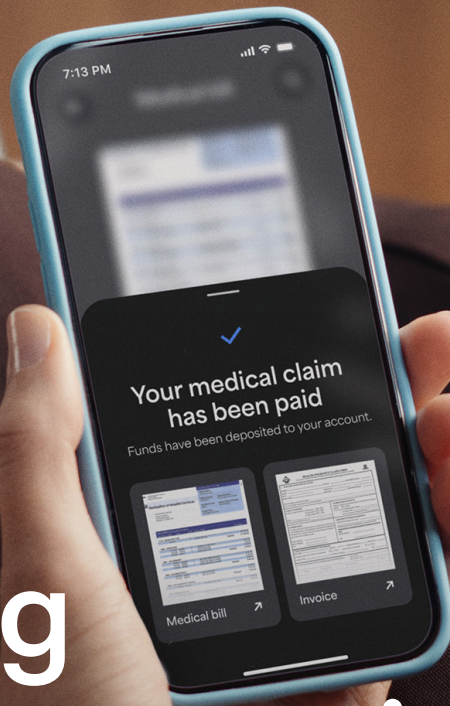
of insurance businesses globally offer subscription payment models.

79%

of insurance businesses globally are looking to invest in subscription models in the next year.

30%

of insurance businesses globally say that offering a variety of payment methods to meet customer expectations is a significant challenge to improving the customer journey.



Enhancing
customer retention
with optimized
payment solutions

THE OPPORTUNITY

Support recurring and subscription payments

Efficient subscription management is becoming increasingly important for insurers as the industry evolves. While fewer than 30% of insurance businesses globally offer subscription payment models, there is a strong trend toward increased investment in this area. In fact, 79% of insurance businesses plan to invest in subscription services over the next year.

A significant challenge associated with recurring payments is the issue of failed transactions. These failures can occur due to:

- Outdated payment information
- Insufficient funds
- Lost or stolen cards
- Technical failures

Transactions can fail for a variety of reasons, often requiring manual intervention for recovery. These failures increase the risk of involuntary churn and can lead to customers experiencing lapses in coverage. However, with the right tools and techniques, many lost payments can be recovered, resulting in less churn and reduced financial exposure. Additionally, optimizing the subscription setup can lower operational costs by reducing the manual effort involved in recovering failed payments and reinstating policies.

THE SOLUTION

Minimize involuntary churn and manual payment recovery

To ensure uninterrupted insurance coverage and increase customer retention, minimizing payment-related disruptions is crucial. Several strategies and technologies can assist insurers in achieving this:

Automated card updates

To address the issue of expired, lost, or stolen cards, leading to outdated card information and recurring payment failure, solutions like [Real Time Account Updater](#) can be implemented. This technology automatically checks for updated card details and retries payments with the new information, all within a single transaction.

Intelligent payment retries

To limit the impact of payments that fail because of an outage or downtime in systems, it's worth retrying payments that fail because of technical reasons. A feature that Adyen offers for this is [Auto Rescue](#). This uses smart logic to decide which declined payments can succeed when retried later, and performs these retries at optimal times.

Secure payment tokenization

To create a seamless and secure card-not-present checkout, [network tokens](#) let repeat customers pay without entering their payment details and replace sensitive information with secure and easy-to-use tokens.

Leveraging Real Time Account Updater

With Adyen's Real Time Account Updater and intelligent payment retries, [HDI Seguros](#) boosted its authorization rate by 3%, from 88% to 91%.

By automatically updating consumer card data, they saw a 0.66% rise in approvals, translating to an estimated revenue increase of about SG\$288,500 (R\$1.2 million) annually. Automatic processing retries further contributed to an average revenue growth of 0.20%.

"Many insurers have a payments blind spot. They don't realize that modernizing online payments could drive significant benefits for their business in terms of selling more policies, reducing operational costs, and driving down fraud."



Adrian Davis
Commercial Leader, Financial Services and Insurance

A man with dark hair, wearing a dark textured jacket over a white shirt, is seated at a wooden table. He is holding a black tablet in his left hand and looking off to the right with a thoughtful expression. On the table in front of him is a plate with food, including a lemon wedge and a strawberry. A watch with a brown strap is visible on his left wrist. The background features a brick wall on the right and a dark, out-of-focus area on the left.

Reducing insurance fraud

THE OPPORTUNITY

Manage fraud effectively

Managing fraud and optimizing the payment transaction are two technical areas which might not be directly obvious to the customer, but can have just as big an impact on improving business outcomes.

For example, a common fraudulent practice that insurers face is when fraudsters leverage stolen credit card details to buy an insurance policy, and then make a claim against the policy to get a payout. This is a serious risk for insurers, as paying out fraudulent claims drives up the cost of insurance for genuine customers, and claims fraud is one of the biggest challenges the global insurance industry faces today. Therefore, stopping payment fraud before it has the chance to become claims fraud is an opportunity for insurers to lower the cost of doing business and stay competitive.

31%

of insurance businesses globally say their fraud rate increased between June 2023 to June 2024.

27%

of insurance businesses globally lose over SG\$1,476,024 (US\$1,144,826) per year due to fraudulent transactions.

THE SOLUTION

Take a smart approach to managing fraud

Stopping fraud is a balance between blocking fraudsters – who may end up making claims fraud – and approving legitimate customers. There are two ways to do this:

- Performing AVS (Address Verification Service) or CID (Card Identification) checks on transactions to verify the payment location and the card's presence.
- Applying behavioral analytics technology that flags suspicious behaviour, such as someone purchasing an item multiple times, multiple purchases with the same email, or orders delivered to the same address using different payment details.

However, the catch is that some legitimate customers will have the hallmarks of a fraudulent payment, and some fraudsters will look legitimate.

There is no "right" answer on how to manage this, but the best approach is to work with a payment partner like Adyen to identify your risk tolerance, and adopt a strategy that is optimized for your business.

"We protect the global customers of the world's largest digital companies including Booking Holdings, owner of Priceline and Booking.com, Ryanair, Ola, Descartes ShipRush, and SeatGeek. Since moving to Adyen, while scaling in new markets, Cover Genius has recorded the highest authorization rates amongst all of our previous payment suppliers, and our chargebacks have significantly decreased."



Chris Bayley
Co-Founder & Chief Innovation Officer

Conclusion

Powering insurance growth and efficiency with optimized payments

The insurance industry is undergoing a profound transformation, driven by market pressures and evolving consumer expectations for personalized and seamless digital interactions. Whether you're a digital first challenger or an established player, the opportunities to leverage financial technology to drive growth and efficiency are vast.

The good news is that these improvements don't have to come with higher costs. In fact, by partnering with a comprehensive solution provider like Adyen, insurers can reduce their cost to serve, enhance operational efficiency, and improve customer engagement, fraud management, and payment conversion, all without significant additional investment.

Ready to take the next step?

[Talk to our sales team >](#)