

News Release

For Immediate Release
11 February 2022

Indonesians optimistic pandemic will end within a year, while focus on health and financial planning remains strong

- *Two-thirds of Indonesians believe the pandemic will be over within a year*
- *Half of Indonesian respondents have seen their income reduced and a third have started their own business on top of their jobs; much higher than the regional average across Asia (18%)*
- *More than 80% of Indonesians noted the importance of insurance and retirement planning, with three quarters planning to buy new insurance in the next 12 months*

JAKARTA – Two years into the pandemic, Indonesians are hopeful that there is an end in sight, with the majority now putting greater focus on their own health and financial planning, according to new research from Manulife.

Among those in Indonesia surveyed as part of Manulife's third Asia Care Survey¹, two-thirds (66%) expect the pandemic will be gone within a year, with more than half (59%) expecting COVID-19 restrictions to be lifted within that timeframe. Despite their more sanguine outlook, over a third (35%) of the respondents expressed concern that the local economy will take a long time to recover. More than half (58%) said their income has fallen, with more than one in ten (13%) losing their jobs during the pandemic.

"The survey reveals that people in Indonesia are not only paying more attention to their finances and health, they are also taking greater control over their financial planning and finding ways to mitigate the impact of the pandemic," said Ryan Charland, President Director and CEO, Manulife Indonesia. "And while there is an immense pressure on families amid the many uncertainties about their finances, health, and future, Indonesians' heightened interest in better protection through insurance can be seen as one of the ways they are adjusting and adapting to a new COVID-19 norm."

Good financial habits offset near-term shortfalls

According to the survey, financial planning habits among Indonesian respondents include balancing near-term shortfalls and securing the future. More than half (57%) said they were actively managing their finances as a result of the pandemic, more than the average across Asia (42%). Interestingly, a third (32%) of those surveyed said they had set up their own business to

¹ This version of the Manulife Asia Care Survey was conducted via online self-completed questionnaires in eight markets, namely mainland China, Hong Kong, Indonesia, Japan, Malaysia, Philippines, Singapore, and Vietnam. A total of 8,276 people, aged 25 to 60 years old, was surveyed in November 2021. In Indonesia, 1,196 people were surveyed. They included insurance owners and those who did not own insurance but intend to buy it.

replace or support their main job. Just over a third (37%) also said they have savings that would last beyond one year if needed.

To mitigate against the economic risks caused by COVID-19, a quarter (25%) are investing, while 36% are cutting back on unnecessary expenditure. At the same time, the importance of insurance and planning for retirement is widely recognised. More than four in five (83%) see the importance of insurance, with 84% thinking likewise about retirement planning. Around three quarters (76%) are planning to buy new insurance in the next 12 months.

Of Indonesians surveyed, 60% owned insurance – mostly health (35%) and life (29%) – the lowest of the markets covered in the Asia Care Survey, reflecting Indonesia's low insurance penetration rate.²

"What this survey also tells us is that there are tremendous opportunities for us to serve our customers in Indonesia, especially given the country's low insurance penetration rate and high protection gap," added Charland. "At Manulife, we are working towards narrowing that gap, while making people's lives better every day. We do this by providing advice and solutions to drive financial security, as we empower sustained health and wellbeing through products tailored to our customers' needs."

Adapting lifestyles for better physical and mental health

Many Indonesians connect insurance to health. There is a willingness to adapt lifestyles to reduce the impact of COVID-19. Indonesians are the most willing to wear masks (82%) in the region. They are also amongst the most physically active (69%). More than half (52%) increased their exercise since the outbreak of the pandemic, with jogging (72%) and cycling (54%) among the most common physical activities for Indonesians.

Indonesians are amongst the highest in the region for feeling in good physical (81%) and mental (78%) health. It's noteworthy though that those respective figures are discernibly lower for single women – good physical health at 65% and mental health at 60% – while men generally feel better about their own health. One-in-four expressed concern about taking care of their family's health while overlooking their own.

In terms of their main health concerns, Indonesian respondents cited heart disease (41%), stroke, and cancer (both 35%), with diabetes (31%) not far behind. For monitoring health status, more than anywhere else in the region, Indonesians are most comfortable using health and wellbeing apps (86%).

Manulife Indonesia understands the impact of financial worry connected to COVID-19 and the heightened awareness customers have on health and wellness. That's why its comprehensive line of insurance products are designed for the varying needs of Indonesians, including recently launched health insurance riders through its MiSmart Insurance Solution (MiSSION). The first rider, MiSmart Medicare Plus (MiSMP), offers inpatient treatment benefits that will protect the insured up to 80 years of age. The second is an embedded life insurance solution, MiSmart Payor Benefit Plus (MiSPBP).

² Indonesia's insurance penetration was 3.11% in 2021, according to OJK's data



About Manulife Indonesia

Established in 1985, PT Asuransi Jiwa Manulife Indonesia (Manulife Indonesia) is part of Manulife Financial Corporation Group, a Canadian financial services group that operates in Asia, Canada and the United States. Manulife Indonesia offers a wide range of financial services, including life insurance, accident and health insurance, investment, and pension plans to individual customers and group clients in Indonesia. Through a network of almost 11,000 employees and professional sales forces spread across 25 sales offices, Manulife Indonesia serves more than 2 million customers in Indonesia.

PT Asuransi Jiwa Manulife Indonesia is registered and supervised by the Otoritas Jasa Keuangan (OJK). To learn more about Manulife Indonesia, follow us on Facebook, Twitter, Instagram, YouTube, or visit www.manulife.co.id.

About Manulife

Manulife Financial Corporation is a leading international financial services provider that helps people make their decisions easier and lives better. With our global headquarters in Toronto, Canada, we provide financial advice and insurance, operating as Manulife across Canada, Asia, and Europe, and primarily as John Hancock in the United States. Through Manulife Investment Management, the global brand for our global wealth and asset management segment, we serve individuals, institutions, and retirement plan members worldwide. Our principal operations are in Asia and Canada, and the United States, where we have served customers for more than 155 years. We trade as 'MFC' on the Toronto, New York, and the Philippine stock exchanges and under '945' in Hong Kong. In the previous 12 months, we made CAD\$31.8 billion in payments to our customers.

Not all offerings are available in all jurisdictions. For additional information, please visit manulife.com.

Media contact

Ruthania Martinelly
Tel: (+6221) 2555 7788 ext. 641907
Ruthania_Martinelly@manulife.com