

Evaluation of Demand of Fire Insurance in Iran and Embrace Digitalization to Improve It

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Abstract : The insurance industry has a prominent place in the economy of every country in the world. Fire insurance policies are types of non-life insurance, which protect insureds against financial losses of fire and related risks. In this paper, factors that are affecting the demand for fire insurance in Iran have been examined. Due to this reason, information and data have been collected during the period 1989-2019. In this research, the final model was estimated. The obtained results represent that as the population and literacy rate increase, people are more willing to purchase fire insurance. On the other hand, the actual per capita income has a negative influence on the demand for this type of insurance. Also, the amount of compensation that is paid in losses can be assumed as an indirect advertisement for fire insurance and attracts people to buy this policy. Finally, the new technology in the insurance industry is examined as a new underestimated way for increasing demand, especially in Iran.

Keywords : fire insurance, demand, per capita income, literacy rate, population, compensation paid, Insurtech

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