

## Demographics: An Analysis of Their Impact on Insurance Activity

The study conducted by MAPFRE Economics and presented by the Fundación MAPFRE, titled “**Demographics: An Analysis of Their Impact on Insurance Activity,**” examines the impact on factors such as the housing market, healthcare spending, and retirement savings. It highlights the changes in these areas as **critical** to the global insurance industry and also examines **demographic trends and their impact on the industry.**

The document details the evolution of key demographic variables and their impact on the insurance industry, **focusing on three main areas.**

- **Key Demographic Variables:** The ratio of workers to retirees, fertility rates, mortality, life expectancy at retirement, and migration trends.
- **Regional Analysis:** A detailed regional analysis covering North America, Latin America, Asia, Europe, and Africa, highlighting the trends and differences between them.
- **Impact on the Insurance Activity:** An examination of how these demographic trends affect key variables for the insurance industry, including the housing and auto markets, healthcare spending, and retirement savings.

This analysis also explores the demographic implications for key sectors of the economy, and the insurance industry in particular. **Here is a summary of the most important takeaways from the study:**

- **Savings for retirement:** The analysis looks at how demographics affect retirement savings and pension systems. Adapting these systems to demographic change is critical to ensuring that **retirement remains financially sustainable.**
- **Healthcare spending:** An analysis of the relationship between demographics and healthcare spending. The aging population has a significant impact on the **demand for healthcare services,** requiring effective strategies to address this challenge.
- **Per capita income and insurance:** The study examines how demographic composition and per capita income affect the insurance industry. The correlation between **GDP per capita and insurance density** is an important factor in understanding market dynamics.
- **Insurance potential:** The study presents the Demographic Impulse Insurance Potential Indicator (IPAID). This indicator measures the **ability of insurance markets** to capitalize on the opportunities arising from the demographic transition.

Demographic analysis is key to predicting shifts in the demand for financial services and products. **Implementing policies and strategies** that reflect these demographic trends is also vital for economic and social development, especially with today’s aging population. **The insurance industry needs to be prepared** to address these challenges.

Before concluding, we’d like to highlight the **Demographic Impulse Insurance Potential**

**Indicator (IPAID)** we mentioned before, which measures the relative insurance potential derived from demographics for 179 countries. It reflects the ability of insurance markets to capitalize on the opportunities arising from the demographic transition and changes in per capita income. Using this indicator in the quantitative analysis produced a **ranking** that provides a global relative comparison of insurance potential based on the demographic impulse, **highlighting the countries with the highest and lowest potential.**

This is just a preview. For the full details, we recommend watching the [study presentation video](#) and/or downloading the [PDF file](#).