

Travel Insurance and Assistance in Southern and Western Europe

Report Prospectus

July 2009

Expertise in financial services

Prospectus contents

	Page
What is the research?	3
What methodology has been used?	4
How do organisations surveyed break down?	5
What is the report structure?	6
What are the key features of the research?	7
How can the research be used?	8
Who can use the research?	9
What are some of the key findings?	10-13
What is the cost and format?	14
How can the research be purchased?	15

What is the research?

Finaccord's report titled *Travel Insurance and Assistance in Southern and Western Europe* investigates the market for stand-alone travel insurance and assistance in eight countries in this region.

This market is estimated by Finaccord to have been worth €1.69 billion in gross written premiums in 2008, and has been growing in most of the countries in this region. The market is also evolving rapidly in product design and distribution, with new channels emerging and partnerships with travel agents changing every year.

Finaccord researched nearly 900 travel trade firms and over 400 banks across Southern and Western Europe, in addition to interviewing travel insurers and analysing company and market data to produce the most comprehensive and detailed report yet published on this topic, including several countries which have never been covered before in a published format.

The report looks at eight countries in Southern and Western Europe (Belgium, France, Ireland, Italy, the Netherlands, Portugal, Spain and the UK), and is accompanied by a PartnerBASE™ database that details the arrangements of more than 1,300 travel trade companies and banks for the distribution of travel insurance and assistance.

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What methodology has been used?

Finaccord's investigation into the travel insurance and assistance market draws on several sources. The largest element was an extensive survey of 884 travel trade companies across this region, who were contacted during April and May 2009 to find out:

- if they distribute travel insurance and assistance policies;
- if so, what operating model is used (single partner, multiple partners, broker or captive);
- and if so, who their insurance partners are.

These companies include airlines, ferry / railway operators, online travel portals, and student travel / gap year specialists as well as mainstream travel agents and tour operators. The same research was carried out simultaneously with 433 banks and other lending institutions across the region.

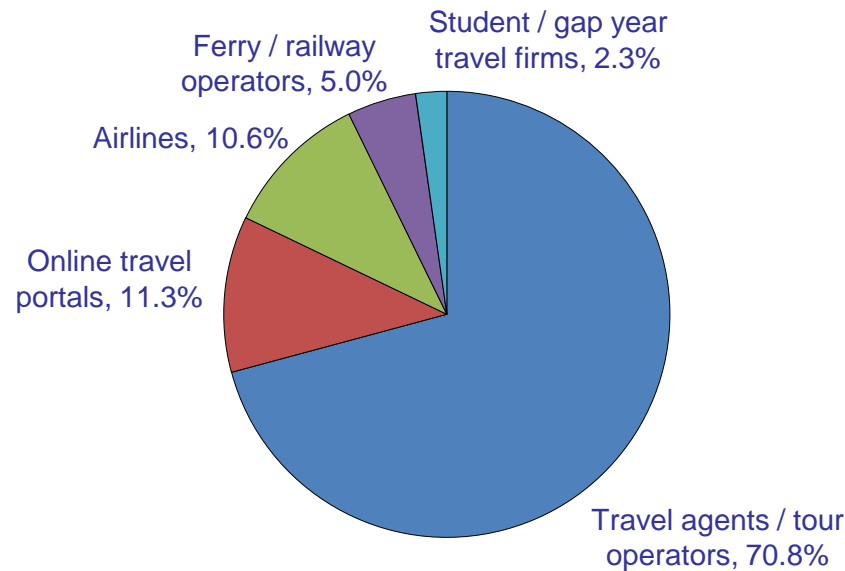
Finaccord also analysed the size, segmentation and dynamics of the underlying travel market and of the travel insurance and assistance market through interviews with insurers and published statistics.

The report also includes top level findings from a separate survey carried out between December 2008 and February 2009 focused on the provision of travel insurance and assistance packaged with payment cards and bank accounts by 265 banks and other card issuers in the region.

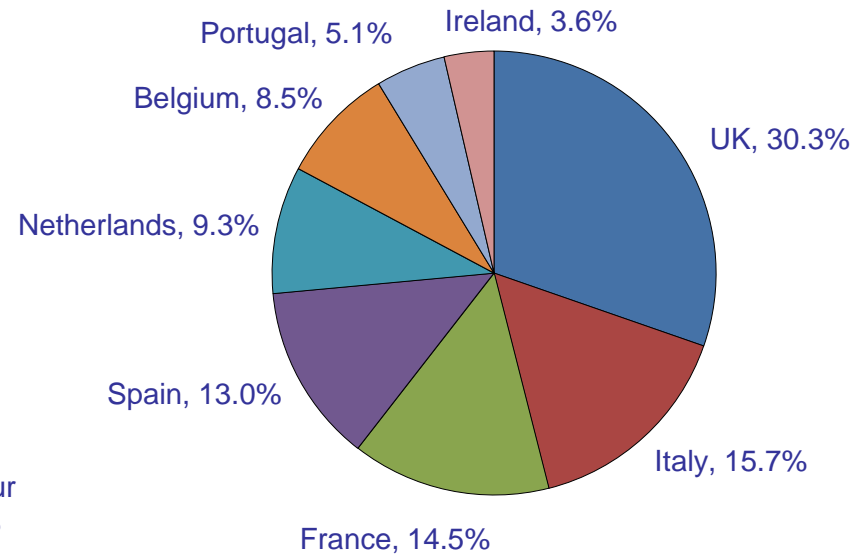
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How do organisations surveyed break down?

Segmentation by type of firm



Segmentation by geography



The organisations covered by the main travel trade survey extend to 884 travel firms in these eight countries in Southern and Western Europe

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What is the report structure?

0. *Executive Summary*: providing a concise evaluation of the principal findings of the report.

1. *Introduction*: offering rationale, description of methodology and some definitions.

2. *Regional Overview*: comprising an overview of the market for travel insurance and assistance in Southern and Western Europe including: data on the underlying travel market, size of the stand-alone travel insurance and assistance market with segmentation by single trip and annual policies and by premiums, comparisons between markets by premiums and policies per head and per trip, competitor analysis, including partnership analysis by type of travel trade company, discussion of distribution channels including banks and packaged policies, and forecasts to 2012.

3. *Belgium*: an in-depth analysis of the market for travel insurance and assistance in Belgium including: data for the underlying travel market with segmentations by destination and by type of trip, size of the stand-alone travel insurance and assistance market with segmentation by single trip and annual policies and by premiums, competitor analysis across the travel trade, discussion of distribution channels including banks, packaged policies, direct / broker distribution and affinity / alternative distribution, and forecasts to 2012.

4 - 10: *France, Ireland, Italy, the Netherlands, Portugal, Spain and the UK (structure as for Belgium)*.

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What are the key features of the research?

Key features of this report include:

- quantification of the market size and segmentation for travel insurance and assistance in eight countries: how much is the market worth and where is it growing fastest?
- segmentation of travel insurance policies between single trip and annual policies: are annual policies on the rise in every country and what are the obstacles to their growth?
- provider market shares by number of relationships: which providers of travel insurance and assistance policies have the most relationships with travel trade entities, which have been most successful with banks and how does this vary by country?
- commentary on distribution channels for each country: are banks active in selling stand-alone travel policies, or do they prefer to package travel cover with payment cards or bank accounts, and do direct distributors, brokers or affinity partners play a role in each country?
- availability of an accompanying PartnerBASE database that includes every travel insurance partnership traced by Finaccord for more than 1,300 travel trade entities and banks.

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How can the research be used?

You may be able to use this report and the PartnerBASE™ that accompanies it in one or more of the following ways:

- compare the size of stand-alone travel insurance and assistance markets across Southern and Western Europe, their growth rates and their future prospects;
- understand the supply structure for travel insurance and assistance, the operating models in use, the level of market concentration and the relative importance of national versus international companies;
- identify opportunities for distribution, whether by channel or by partner;
- appreciate which markets have the best potential, which suffer from structural weaknesses, and what product or distribution innovations are occurring;
- gain access to a single comprehensive source of information that covers distribution arrangements for over 1,300 travel trade companies and banks.

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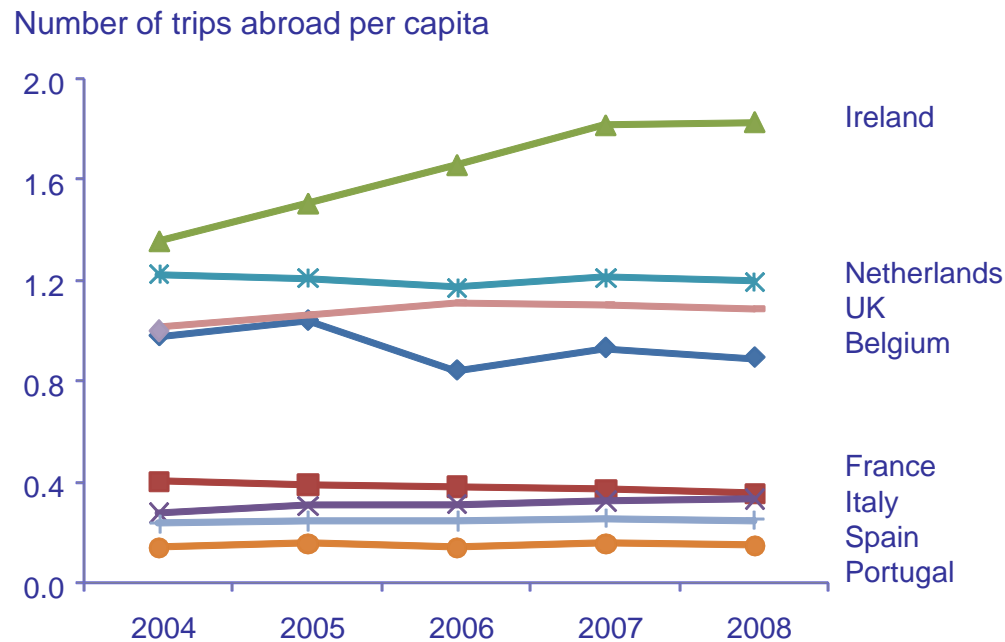
Who can use the research?

1. *Specialist travel insurance and assistance companies:* this study is a comprehensive source of information about your core markets in Southern and Western Europe, giving up-to-date information and breaking new ground by covering countries not previously researched;
2. *Multi-line insurers:* although specialist providers dominate travel trade distribution, there are opportunities for other insurers to gain market share by using other channels, and this report provides guidance on these possibilities;
3. *Travel companies and other existing or potential travel insurance intermediaries:* sales of travel insurance are shifting away from traditional travel agents and tour operators. This report helps you plan how to respond to this and to consider what might be the channels of the future;
4. *Banking institutions and other card issuers:* this report helps you to evaluate the attractiveness of offering travel insurance as a stand-alone product or as an enhancement to payment cards;
5. *Management consultancies:* are you helping a travel company, assistance firm or insurer with its future plans for the travel insurance and assistance market in Southern and Western Europe? Save time researching the subject yourselves by accessing this publication.

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What are some of the key findings?

1. Frequency of foreign travel remains low in France, Italy, Spain and Portugal, while foreign holidays soared during Ireland’s economic boom



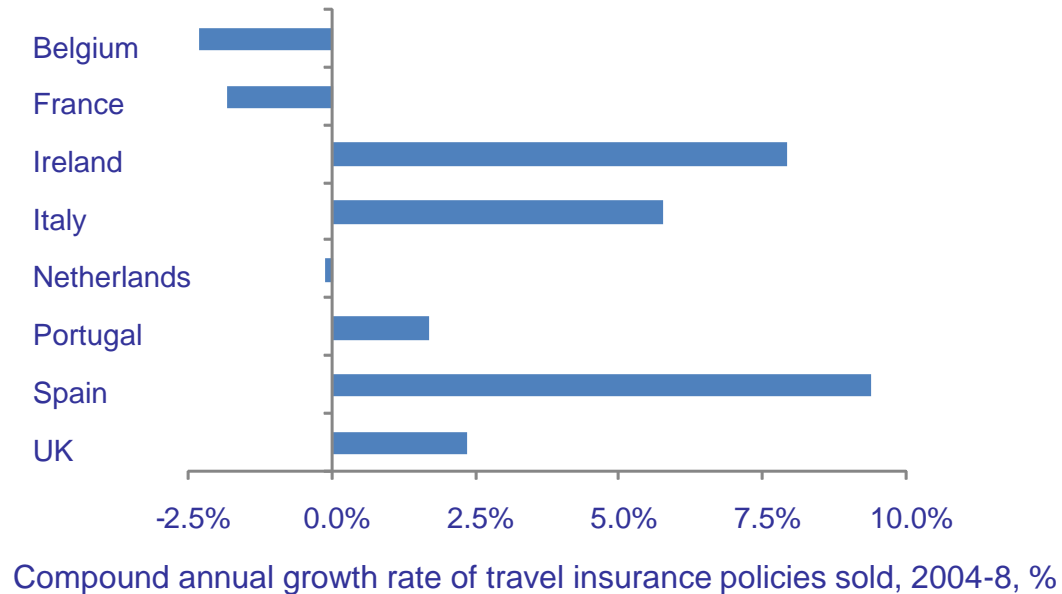
Source: Finaccord analysis of national statistics

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Web: www.finaccord.com. E-mail: info@finaccord.com

What are some of the key findings? (cont.)

2. Ireland, Italy and Spain have been the growth markets for travel insurance between 2004 and 2008, with the number of policies sold rising by more than 5% each year, on average

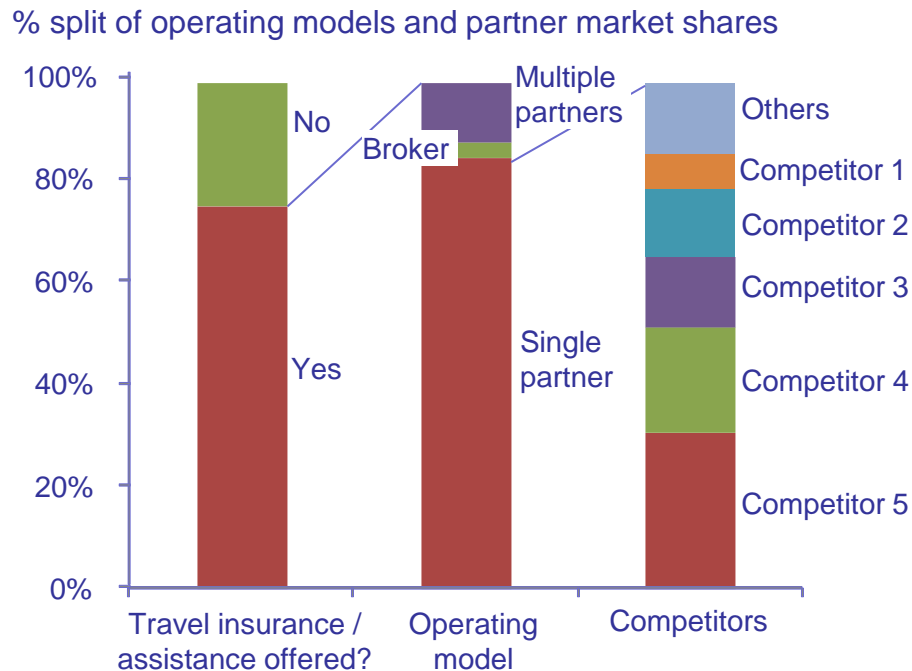


Source: Finaccord analysis of industry sources

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What are some of the key findings? (cont.)

3. Most travel trade companies in Portugal offer travel insurance using a single partner although market concentration is relatively low with partnerships spread between several insurers



Source: Finaccord PartnerBASE

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What are some of the key findings? (cont.)

4. Key findings from the executive summary include:

- foreign travel by residents of these eight countries grew to a peak of 159 million trips in 2007, before falling in 2008 as the recession began to take hold;
- the value of the market for travel insurance and assistance bought on a stand-alone basis across these eight countries was about €1.69 billion in gross written premiums in 2008;
- the Netherlands plays host to the second largest market in the region, with a market share of 14.5% of premiums written, because its residents travel much more often and are more heavily insured than residents of more populous countries in Southern and Western Europe;
- overall, 79% of the 884 travel trade companies surveyed by Finaccord offer travel insurance; this varies by type of business, with as many as 90% of student / gap year specialists distributing it;
- banks in Belgium and the Netherlands frequently sell travel insurance as a stand-alone policy while French and Spanish banks generally prefer to package travel cover with payment cards.

What is the cost and format?

Travel Insurance and Assistance in Southern and Western Europe is available as a standard PDF document and / or hard copy. The PartnerBASE™ that accompanies it at no further charge is in *Microsoft Excel* format. Costs for this research other related studies are:

REPORT	COST *	FORMAT
Travel Insurance and Assistance in Southern and Western Europe	£2,495	c. 185 pages
Travel Insurance and Assistance in Northern and Central Europe	£2,495	c. 215 pages
Insurance and Assistance linked to Payment Cards and Bank Accounts in Northern and Central Europe	£2,495	c. 190 pages
Insurance and Assistance linked to Payment Cards and Bank Accounts in Southern and Western Europe	£2,495	c. 175 pages
Mobile Telephone Insurance in Europe	£2,495	c. 230 pages
Extended Warranties and Insurance for Mobile Consumer Products in Northern and Central Europe	£2,495	c. 200 pages
Extended Warranties and Insurance for Mobile Consumer Products in Southern and Western Europe	£2,495	c. 180 pages

** VAT at the prevailing rate will be added to the basic price except for where the request is for hard copy only.*

Costs quoted are for a single site user license only.

For a corporate user license, please see the next slide for further details.

Printing and postage costs of £30 will be added for delivery of each hard copy.

Invoices can be paid in €, at the prevailing exchange rate, if preferred.

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How can the research be purchased?

Simple. Just go to the relevant area of the Finaccord web site available at http://www.finaccord.com/order_eu_mpr.htm and fill in the online order form, clearly indicating:

- report required
- type of corporate user licence, if required *
- billing name
- address and e-mail address
- purchase order number, if applicable

Please allow up to one working day for the delivery of electronic copy by e-mail.

* For the **corporate user licence** please choose one of the following options:

1. One office, one country: no supplement over and above basic cost of reports ordered
2. Multiple offices, one country: additional 20% over and above basic cost of reports ordered
3. Multiple offices, two to ten countries: additional 50% over and above basic cost of reports ordered
4. Global (unlimited offices in unlimited countries): additional 100% over and above basic cost of reports ordered

VAT at the prevailing rate will be added to the price of any corporate user licence acquired by UK-based buyers.

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