

Fleet Insurance and Assistance in Europe

Report prospectus

September 2011

Prospectus contents

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What is the research?

Fleet Insurance and Assistance in Europe is about the market for and distribution of policies covering motor insurance, road assistance and GAP insurance for fleet vehicles in ten countries in Europe: Belgium, France, Germany, Italy, Netherlands, Poland, Spain, Sweden, Switzerland and the UK. For 2007 to 2011 and with a forecast for 2015, the study breaks down the fleet vehicle parc and its motor insurance market not only by country but also by a unique segmentation of fleet vehicles, as follows:

Passenger cars:

- car hire firms;
- driving schools;
- motor trade;
- operating lease fleets;
- taxi and private hire firms;
- other fleets.

Commercial vehicles:

- couriers and postal services;
- motor trade;
- operating lease fleets;
- own account haulage;
- removal firms;
- road haulage;
- van and lorry hire firms;
- other fleets.

The report also identifies affinity schemes and commercial partnerships for motor insurance, road assistance and GAP insurance set up between trade associations, leasing companies, leasing brokers, fleet management companies, and vehicle hire companies with providers of these policies, for each country. In addition, it highlights other key underwriters and brokers in this market and discusses key issues such as the use of telematics for insurance and assistance. All these features make this report the most comprehensive analysis of fleet insurance and assistance in Europe ever produced.

What is the rationale?

There are several reasons for producing this report and its associated PartnerBASE™ dataset about fleet insurance and assistance in Europe. Above all, this is the first ever focused research publication written about the subject on a pan-European basis, despite the fact that the fleet motor insurance market is worth EUR 15.8 billion annually in gross written premiums across these ten countries. It is also a market about which published data is thin: few insurance associations or regulators publish figures for the motor insurance premiums paid by businesses, and even those that do never segment data by type of fleet or differentiate between fleets and businesses with just one or two vehicles,

Moreover, it is a complex sector given that different types of fleet have different risk profiles, with some sectors being twice or even four times more expensive to insure than others. Finaccord has developed a standardised market segmentation for different parts of the fleet sector to address this, estimating the number of vehicles they insure and the premiums that they pay for each one.

Finally, the value of the accompanying PartnerBASE™ dataset derives from the importance of affinity schemes and commercial partnerships, especially those set up in conjunction with leasing companies, for the distribution of fleet insurance and assistance. As these contracts can cover 50,000 vehicles or more at a time, it is essential to understand which insurance and assistance providers collaborate with which major affinity and commercial distributors.

What methodology has been used?

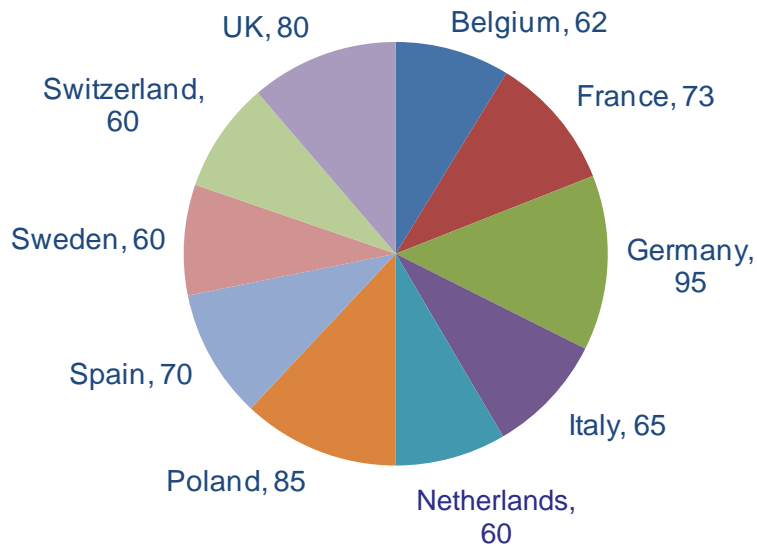
The bulk of the research for this report was carried out during a 15-week period spanning June to September 2011. It was composed of a survey of trade associations, vehicle leasing companies, leasing brokers and fleet management firms, and vehicle hire companies, together with detailed market data modeling based in part on interviews carried out by Finaccord with leading brokers and underwriters of fleet insurance to gain an understanding of trends in pricing for different fleet categories.

In total, Finaccord contacted 710 trade associations and commercial organisations for this research, broken down by country and category as shown in the pie charts overleaf. The objectives of this survey were to identify any affinity schemes or commercial partnerships established by these organisations for motor insurance, road assistance and GAP insurance, and to gather data about the number of members of trade associations and the number of vehicles run by commercial organisations.

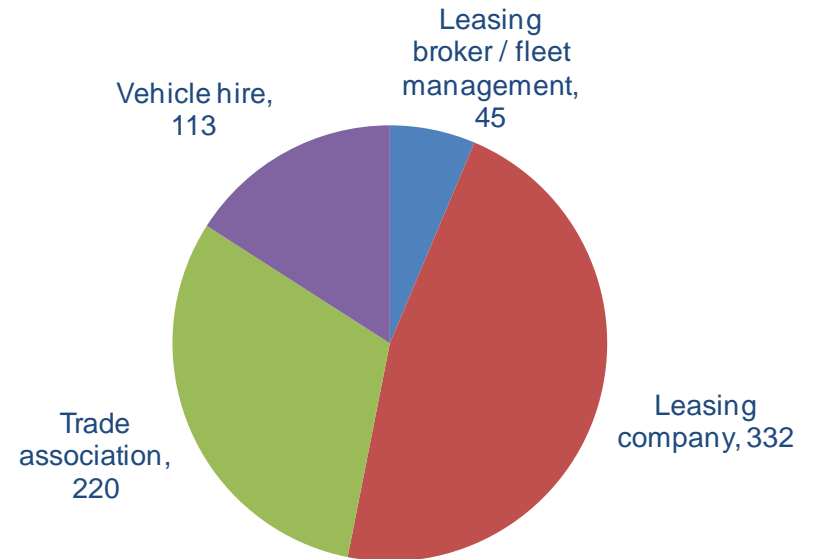
The market data for this publication has been built up by means of a data model that covers the years 2007 to 2011 with a forecast for 2015; this provides estimates for the number of vehicles insured as fleets by each category and the value of motor insurance premiums paid on these vehicles. The model also includes an estimate for road assistance premiums and similar revenues paid by all fleets combined. Average policy prices for each segment have been calculated based on the types of vehicle used by them and by their relative claims experiences.

How do trade associations and commercial organisations surveyed break down?

BY COUNTRY



BY CATEGORY



What is the report structure?

Executive Summary: provides a concise evaluation of the report's principal findings.

Introduction: discusses rationale, research methodology, sample breakdown and definitions.

European Overview: comprising an overview for all ten countries of the metrics contained in each specific country chapter (see below) plus data and commentary concerning the market size and segmentation by country for each of the fleet segments covered for passenger cars and commercial vehicles, namely: couriers and postal services, driving schools, the motor trade, operating lease firms, own account haulage, removal firms, road haulage, vehicle hire firms, and other fleets.

Specific country chapters (10): each country chapter analyses the estimated number, growth in number, and segmentation of fleet vehicles from 2007 to 2011, the approximate size and segmentation of the market for fleet motor insurance from 2007 to 2011, and the estimated size of the fleet road assistance market from 2007 to 2011. The chapters then detail affinity schemes and commercial partnerships for motor insurance, road assistance and GAP insurance set up with brokers, underwriters and assistance providers. These chapters also include commentary about other fleet insurance providers and the use of telematics in fleet insurance, with forecasts for the likely size, growth in size and segmentation of the market for motor insurance from 2011 to 2015, plus forecasts for the road assistance market in 2015.

What are the key features of the research?

Key features of this report include:

- quantification of the market size for fleet motor insurance across ten major markets in Europe: how much is each market worth, and where is the fastest growth occurring?
- segmentation of these markets between 14 categories of fleet passenger cars and commercial vehicles, including ten road transport specialist segments: what is the magnitude of the opportunity in each of these market segments?
- affinity scheme and commercial partnership analysis: which trade associations have set up accredited programs for motor insurance and road assistance and with whom? Which brokers, underwriters and assistance providers have partnerships with which commercial organisations, for motor insurance, road assistance and GAP insurance? What is the importance of specific brokers, underwriters and assistance providers, country by country and internationally?
- availability of an accompanying PartnerBASE™ dataset that logs well over 1,000 partnerships identified by Finaccord across 710 trade associations and commercial organisations;
- forecasts for the market for fleet motor insurance in Europe segmented both by country and by 14 categories of fleet vehicle: what is this sector likely to look like in 2015?

How can the research be used?

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

- to compare the size, growth rates and future prospects of fleet motor insurance markets across ten major countries in Europe;
- to evaluate the potential for your organisation to target fleet motor insurance, road assistance and GAP insurance propositions at specific segments of the fleet market;
- to understand the competitive environment for broking, underwriting and assistance provision by both country and fleet segment;
- to gain access to a single comprehensive source of information providing broker, underwriter and assistance provider details for 1,061 affinity schemes and commercial partnerships set up for motor insurance, road assistance and GAP insurance;
- to appreciate which countries and fleet segments offer the best long-term potential, which are already saturated with competitors, and where product innovation through the use of telematics is occurring.

How can the PartnerBASE™ be used?

Organisation	Country	Category	Trade association subset	Offered?	Operating model	Broker partner (if applicable)	Underwriting partner (if applicable)
Fédération Nationale des Artisans du Taxi	France	Trade association	Taxi services	Yes	Multiple partners		Groupama, MTA
Ford Credit	France	Leasing company		Yes	External broker	Gras Savoye	
Alphabet Fuhrparkmanagement	Germany	Leasing company		Yes	External underwriter		Zurich
Europcar	Spain	Vehicle hire		Yes	External underwriter		Allianz
Neva Consultants	UK	Leasing broker / fleet management		Yes	External broker	A-Plan Holdings	
Freight Transport Association	UK	Trade association	Logistics and road haulage	Yes	External broker	FTA Insurance (Towergate)	

Select country (points to Country column)
Choose operating model (points to Offered? column)
Choose product (points to MOTOR INSURANCE)
Identify insurance underwriters (points to Underwriting partner column)
Look up specific organisations (points to Organisation column)
Filter by type of organisation (points to Category column)
Identify insurance brokers (points to Broker partner column)

Source: Finaccord PartnerBASE

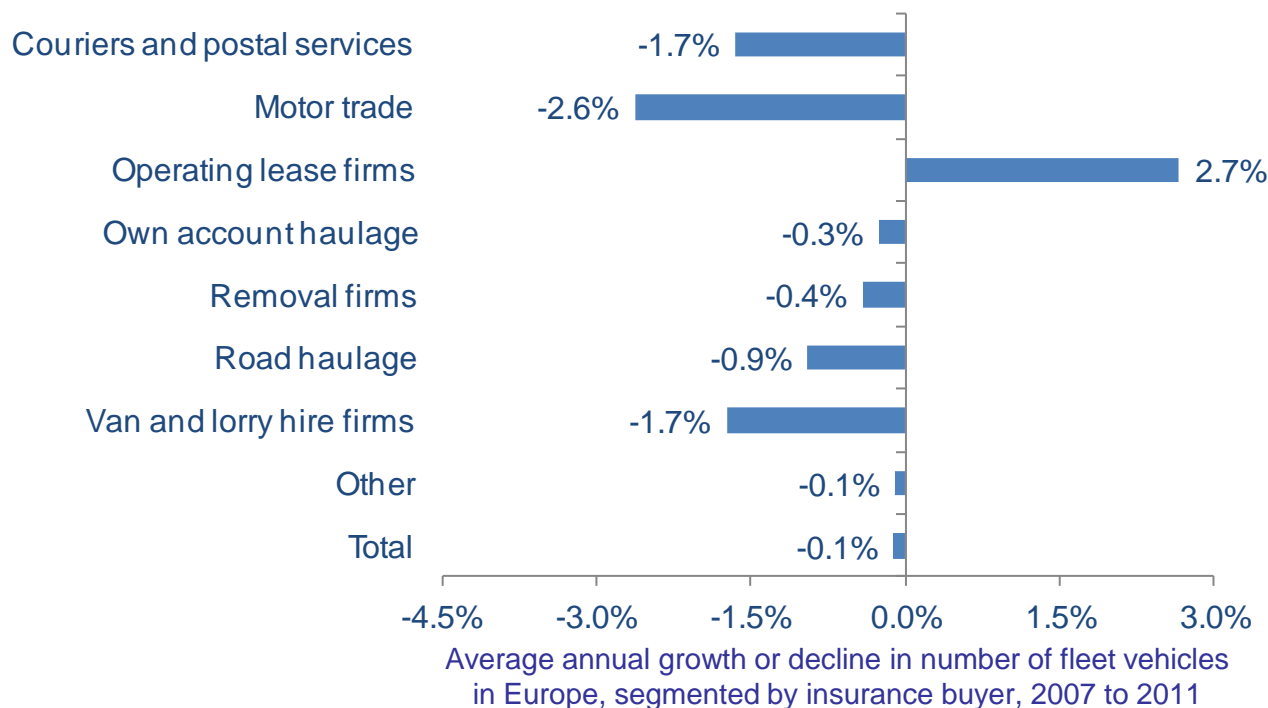
Note - The PartnerBASE also includes data for the number of members of trade associations and the number of vehicles operated by leasing companies, plus data for vehicle hire firms and leasing brokers / fleet management companies where available.

Who can use the research?

1. *Insurance underwriters and brokers:* tailor your company's strategy according to which fleet segments offer the best opportunities for growth, and appreciate who your main competitors are in each country;
2. *Assistance providers and automotive clubs:* identify potential partners from the PartnerBASE™ dataset and evaluate how your own activity in fleet insurance and assistance compares with that of your competitors;
3. *Providers of automotive services:* organisations with an interest in areas such as fleet management, maintenance, sat-nav systems and telematics can understand the landscape of the fleet vehicle market and their associated insurance and assistance markets across Europe, to help them further develop their international plans;
4. *Leasing companies:* identify which insurance and assistance providers are specialists in your market, and if your insurance and assistance proposition lags behind that of your competitors;
5. *Automotive manufacturers:* assess whether your organisation can generate more revenue from fleet insurance and assistance in Europe using Finaccord's standardised quantification of the trends in this market in different fleet segments;
6. *Management consultancies:* are you helping a client firm to understand its own strategy with respect to fleet insurance and assistance in Europe? This study will provide you with rapid insight into the subject, saving time and effort on researching the subject yourself.

What are some of the key findings?

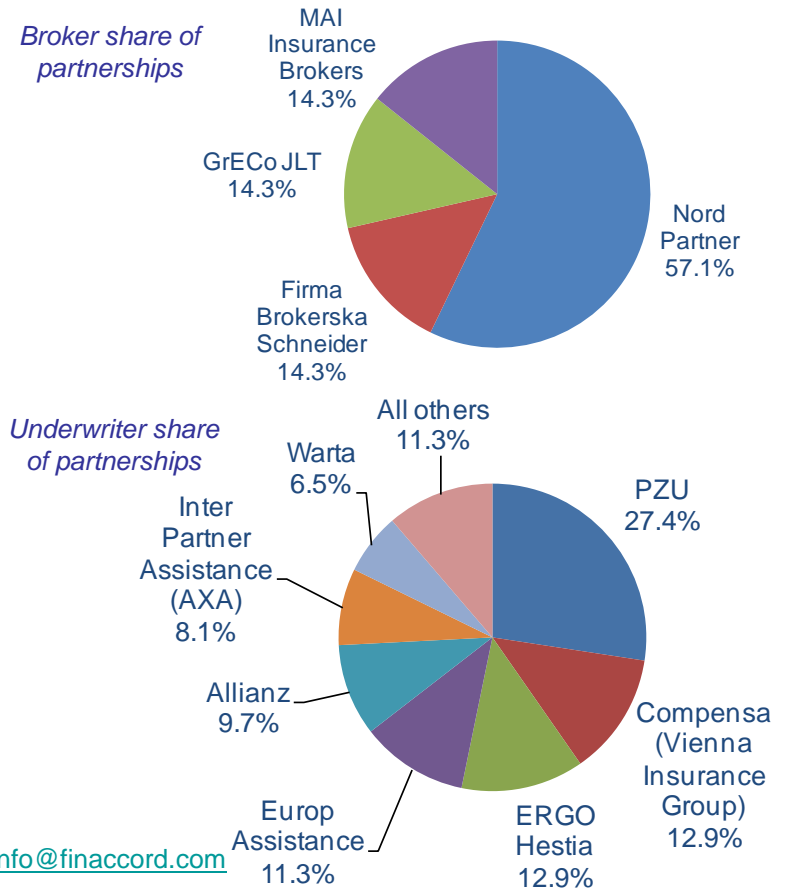
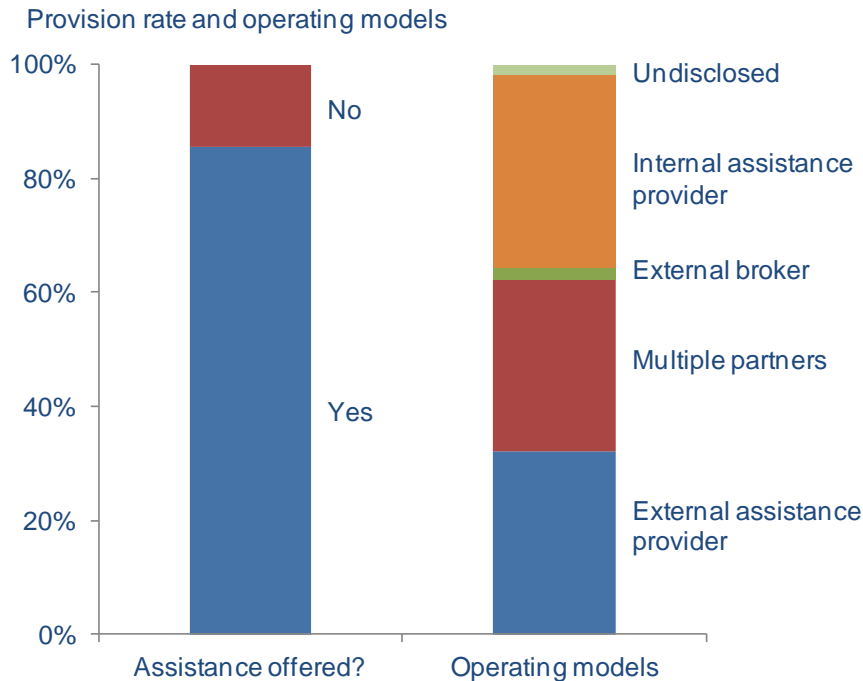
1. Across Europe as a whole, the numbers of fleet vehicles fell between 2007 and 2011 because of the recession: a growing preference among companies to finance vehicles through operating leases meant that this was the only segment to grow.



Source: various national data sources, Finaccord estimates

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

2. Commercial organisations in Poland often use multiple partners for road assistance, and PZU has the most relationships for this

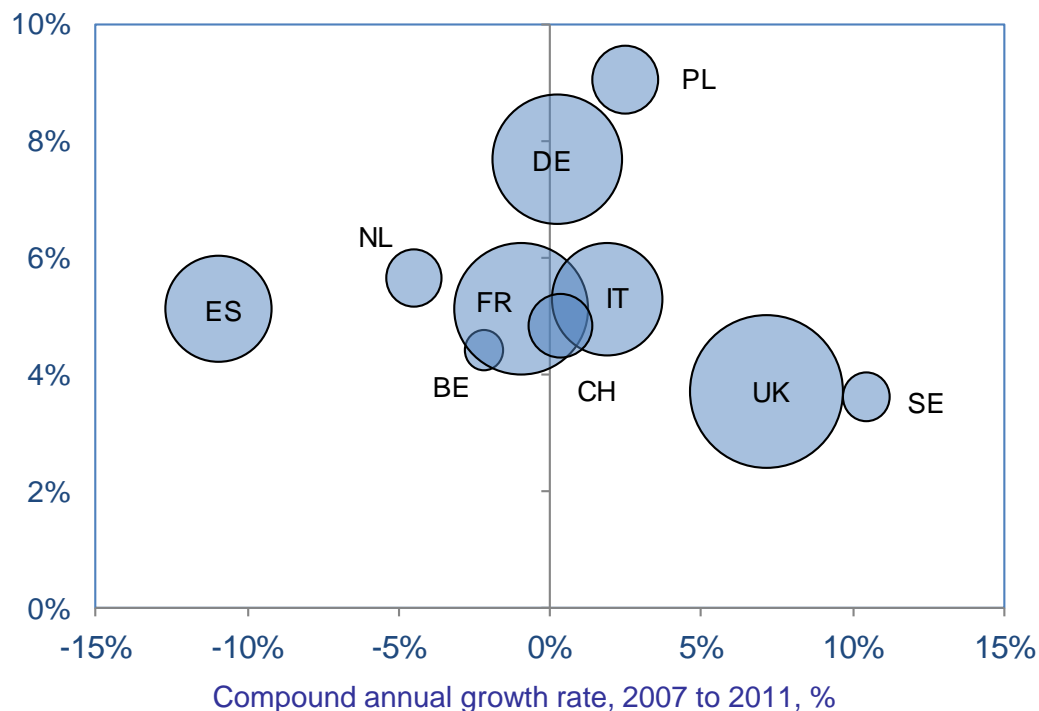


Source: Finaccord PartnerBASE for Fleet Insurance and Assistance

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

3. Fleet motor insurance premiums for car hire firms grew fastest in the UK and Sweden between 2007 and 2011, but the best growth up to 2015 is expected in Germany and Poland

Forecast compound annual growth rate, 2011 to 2015, %



Source: Finaccord Fleet Insurance and Assistance Model

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

4. Key findings from the report include:

- Research covering 710 trade associations and commercial organisations in the leasing and rental sector across Europe found that 526 (74.1%) have established a partnership for at least one of motor insurance, road assistance and GAP insurance;
- these are most common for motor insurance and road assistance among commercial organisations (83.4% and 81.8% respectively), falling to 32.4% for GAP insurance; affinity schemes for motor insurance and road assistance have been set up by 35.9% and 22.7% of trade associations, respectively;
- Finaccord forecasts that gross written premiums for fleet motor insurance for passenger cars will rise from EUR 8.49 billion in 2011 to EUR 10.00 billion in 2015 across these ten Europe countries, equivalent to an average growth rate per annum of 4.2%; the equivalent growth rate for fleet commercial vehicles is expected to be slower, at 2.9%;
- international underwriters and assistance providers have the largest share of relationships for GAP insurance, followed by motor insurance; road assistance is dominated by national specialists.

What is the cost and format?

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

REPORT	COST *	FORMAT
Fleet Insurance and Assistance in Europe	GBP 2,995	c. 450 pages
Affinity and Partnership Marketing in UK Commercial Non-Life Insurance	GBP 1,495	c. 110 pages
Automotive Finance and Leasing for Consumers in Europe	GBP 2,495	c. 365 pages
Extended Warranties for New and Used Cars in Europe	GBP 2,495	c. 240 pages
Global Automotive Clubs: Affinity Marketing Opportunities	GBP 1,995	c. 180 pages
Manufacturer-Branded and Dealer-Intermediated Motor Insurance and Road Assistance in Europe	GBP 2,495	c. 350 pages
Professional Indemnity Insurance in Europe	GBP 2,995	c. 210 pages

** VAT at the prevailing rate will be added to the basic price for UK-based buyers except for where the request is for hard copy only. Costs quoted are for a single office, single country licence only. For corporate user licence options, please see the next slide for further details. Invoices can be paid in EUR or USD, at the prevailing exchange rate, if preferred.*

How can the research be purchased?

Simple. Just go to the relevant area of the Finaccord web site available at www.finaccord.com/order_eu_cib.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

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