TABLE OF CONTENTS

0.0 EXECUTIVE SUMMARY 1

1.0 INTRODUCTION 3

What is this report about? 3

Rationale 3

This report builds upon Finaccord's previous ground-breaking studies about this topic 3

Methodology 3

Primary research 3

The survey includes over 220 travel trade, transportation and financial organisations 3

... including airlines, banks, insurance brands and both traditional and online travel trade entities 4

Market data 4

External sources 4

Travel insurance and assistance: how it all fits together 5

The term 'travel insurance' can refer to protection from a heterogeneous range of risks… 5

...and assistance companies play a fundamental role in the European travel insurance industry 6

Definitions 6

Terms and abbreviations 6

Types of packaged travel insurance and assistance 6

Operating models 7

Weighted shares 8

Currencies, exchange rates and inflation 8

PartnerBASE 8

Finaccord 8

2.0 MARKET ANALYSIS 10

Introduction 10

Underlying foreign travel market 10

The market for foreign travel is picking up following the low point reached in 2016… 10

… but domestic travel has seen robust growth 12

Market for travel insurance and assistance 13

In real terms, the value of the market for stand-alone travel cover has stagnated… 13

… albeit policies sold purely for domestic trips have helped to compensate 13

Average policy prices in Russia are low for several reasons 14

Annual policies remain heavily outnumbered by single-trip policies but are growing in popularity… 14

… causing premiums generated by them to exceed RUB 1 billion for the first time in 2018 15

Distribution through travel trade, transportation and financial organisations 16

Summary of organisations researched 16

Provision rates 17

All major insurance brands sell stand-alone travel cover… 17

Operating models 18

… and they always underwrite it themselves (rather than outsourcing to external partners) 18

Competitor share of partnerships 21

ERV and Ingosstrakh are leaders in both the unweighted and weighted analyses of partnerships 21

Many underwriters are limited to just one or two distribution relationships with travel trade entities 21

RESO-Garantia rises to third position in the weighted analysis thanks to its tie with Intourist 21

Alfa Strakhovanie benefits from its distribution relationships with numerous airlines… 23

… which include Aeroflot, S7 Airlines and Ural Airlines 23

Among financial sector distributors, Alfa Strakhovanie again leads by number of partnerships… 25

… alongside Renaissance… *25*
… but is overtaken by three competitors in the weighted analysis *25*
Travel insurance and assistance linked to payment cards and bank accounts 27
Over a third of credit card products in Russia carry comprehensive travel insurance *27*
Other distribution channels 29
Automotive clubs 29
Renaissance has established a distribution relationship with RAMK *29*
Direct distribution by specialist travel insurers 29
ERV is the only specialised (as opposed to multiline) insurer that sells directly *29*
Online aggregators and brokers 29
Plenty of online comparison sites are active in this field… *29*
Other online brands 29
… and a few other online brands also exist *29*
Retailers 29
Other types of distributor 30
Megafon offers discounted travel insurance as a part of its cashback scheme *30*
Travel cover can also be acquired from companies facilitating visa applications *30*
Leading competitors 30
Four underwriters are likely to hold a market share of premiums of around 15% or more… *30*
… and there is then a comparatively long tail of smaller competitors *31*
Forecasts 33
Underlying foreign travel market 33
Foreign trips made annually are predicted to rise by around 5 million in number from 2018 to 2022… *33*
Market for travel insurance and assistance 35
… which will help to bring about expansion of the travel insurance market *35*

LIST OF GRAPHICS / TABLES

0.0 EXECUTIVE SUMMARY 1
Key market data for travel insurance and assistance in Russia, 2014, 2018 and 2022 (forecast) 2
1.0 INTRODUCTION 3
Travel insurance and assistance: how it all fits together 5
2.0 MARKET ANALYSIS 10
Number of foreign trips undertaken by residents of Russia, segmented by trip type, 2014 to 2018 11
Number of foreign trips undertaken by residents of Russia, segmented by trip type, 2014 to 2018 (table) 11
Destinations of foreign trips undertaken by residents of Russia, 2014 to 2018 12
Destinations of foreign trips undertaken by residents of Russia, 2014 to 2018 (table) 13
Premiums and number of policies for travel insurance and assistance in Russia, 2014 to 2018 14
Number of policies for travel insurance and assistance in Russia, segmented by trip and policy type, 2014 to 2018 (table) 15
Number of person-trips covered by travel insurance and assistance policies in Russia, segmented by trip type, 2014 to 2018 (table) 15
Premiums for travel insurance and assistance in Russia, segmented by trip and policy type, 2014 to 2018 (table) 16
Summary of travel trade, transportation and financial organisations researched in Russia, segmented by type, 2018 17
Provision rates for stand-alone travel insurance and assistance in Russia, segmented by type of travel trade, transportation and financial organisation, 2018 18
Operating models used for travel insurance and assistance in Russia, segmented by distributor type, 2018 19
Operating models used for travel insurance and assistance in Russia, segmented by distributor type, 2018 (table) 20
Partnerships with travel trade organisations offering travel insurance and assistance in Russia, 2018: unweighted and weighted competitor share 22
Partnerships with transportation organisations offering travel insurance and assistance in Russia, 2018: unweighted and weighted competitor share 24
Partnerships with financial organisations offering travel insurance and assistance in Russia, 2018: unweighted and weighted competitor share 26
Provision rates for travel insurance and assistance linked to payment cards and bank accounts in Russia segmented by product function and level, and by type of cover 28
Estimated market shares of underwriters of premiums and other revenues for travel insurance and assistance in Russia, 2018 (table) 32
Estimated market shares of underwriters of premiums and other revenues for travel insurance and assistance in Russia, 2018 (table) 33
Number of foreign trips undertaken by residents of Russia, segmented by trip type, 2022 (forecast) 34
Number of foreign trips undertaken by residents of Russia, segmented by trip type, 2022 (forecast) (table) 34
Premiums and number of policies for travel insurance and assistance in Russia, 2022 (forecast) 35
Number of travel insurance and assistance policies in Russia, segmented by trip and policy type, 2022 (forecast) (table) 36
Number of person-trips covered by travel insurance and assistance policies in Russia, segmented by trip type, 2022 (forecast) 36
Premiums for travel insurance and assistance in Russia, split by trip and policy type, 2022 (forecast) 37