

Credit Card-Related Insurance and Assistance in Europe, 2005

Report Prospectus

December 2005

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Prospectus contents

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What is the research?

Finaccord's report titled *Credit Card-Related Insurance and Assistance in Europe* investigates the market for insurance and assistance policies linked to credit and other pay later cards in Europe. Composed of a series of niche covers designed to enhance the revenues derived by banks from their credit card operations, Finaccord's research indicates this market to have been worth some €7.45bn in 2005. Moreover, with card issuers constantly seeking to differentiate their proposition and with insurers and assistance companies showing creativity in structuring new types of policy to cater for emerging customer segments, the sector seems to be destined for continuing growth.

Drawing on the results of an investigation covering 440 issuers and distributors of credit cards in ten European countries (Belgium, France, Germany, Italy, the Netherlands, Poland, Portugal, Spain, Sweden and the UK), the report analyses the provision of a variety of different types of insurance and assistance policy ranging from travel and creditor covers to card protection, purchase and price protection, health, home and road assistance, and other protection products. The PartnerBASE™ database that accompanies the report details each of the 6,500+ card-related insurance and assistance marketing initiatives traced by Finaccord.

Together, the report and database will provide you with the definitive guide to current and future opportunities in card-related insurance and assistance in Europe.

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What methodology has been used?

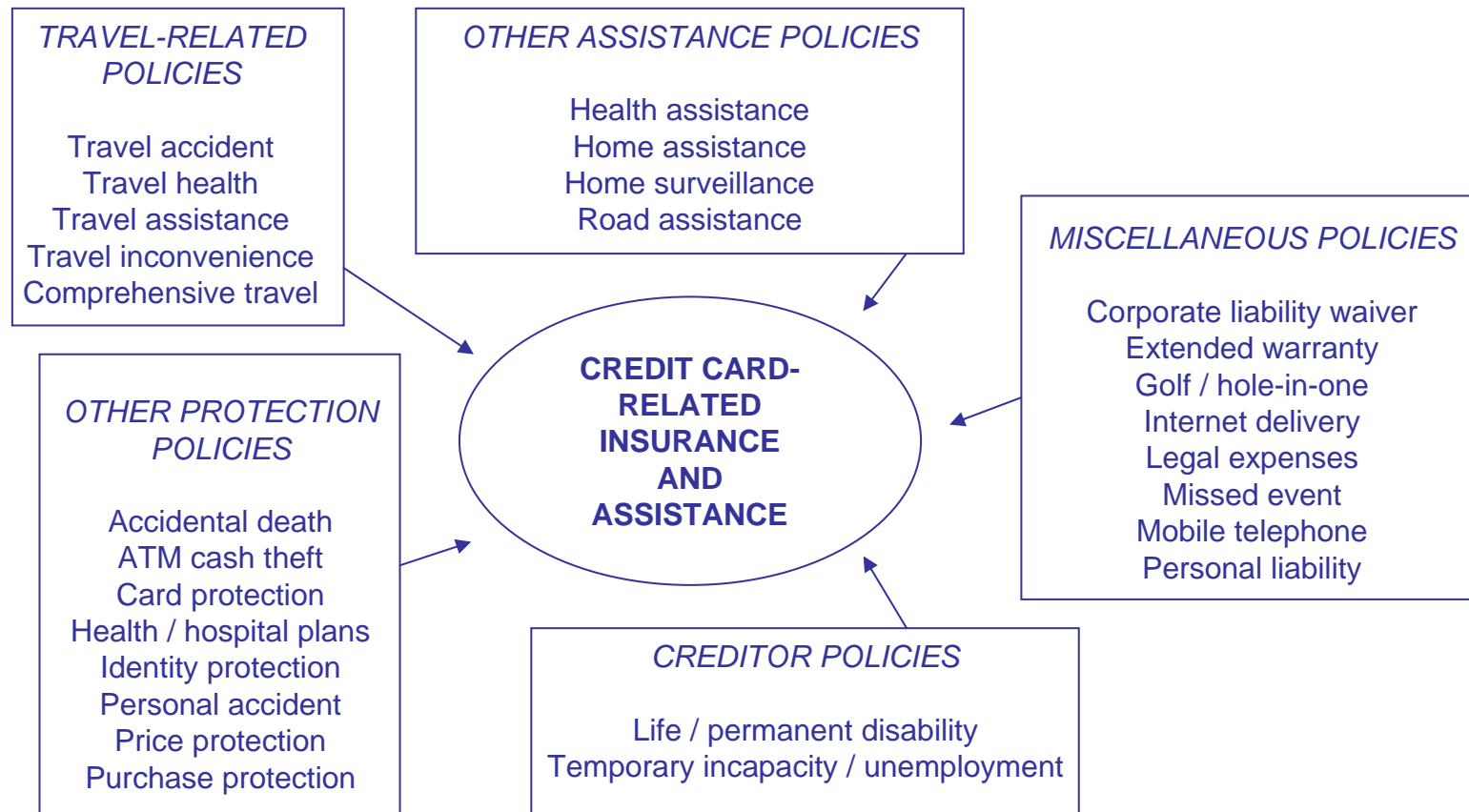
Finaccord's investigation into the provision of insurance and assistance linked to credit and other pay later cards in Europe was carried out during a 10 week period between October and December 2005 and focused on all significant card issuers in each country. Among other data points, the research embraces the following information:

- whether insurance or assistance linked to credit cards is made available to cardholders;
- if so, in association with which underlying credit card products?
- if so, which types of insurance and assistance policy are offered?
- if so, whether policies are packaged automatically or paid for on an optional basis?
- if so, how... through captives underwriters, through a single partner or joint venture, through a broker or through relationships with multiple partners?
- if so, the identity of the partner(s) used for each policy?

Moreover, in the light of the fact that the identities of partners used for card-related policies are often not revealed in the public domain, with insurance or assistance policies being offered instead on a 'white-labelled' basis in the name of the card issuer, Finaccord has undertaken comprehensive primary research to ensure that the partner(s) used for each policy are disclosed in between 98% and 99% of all relationships covered.

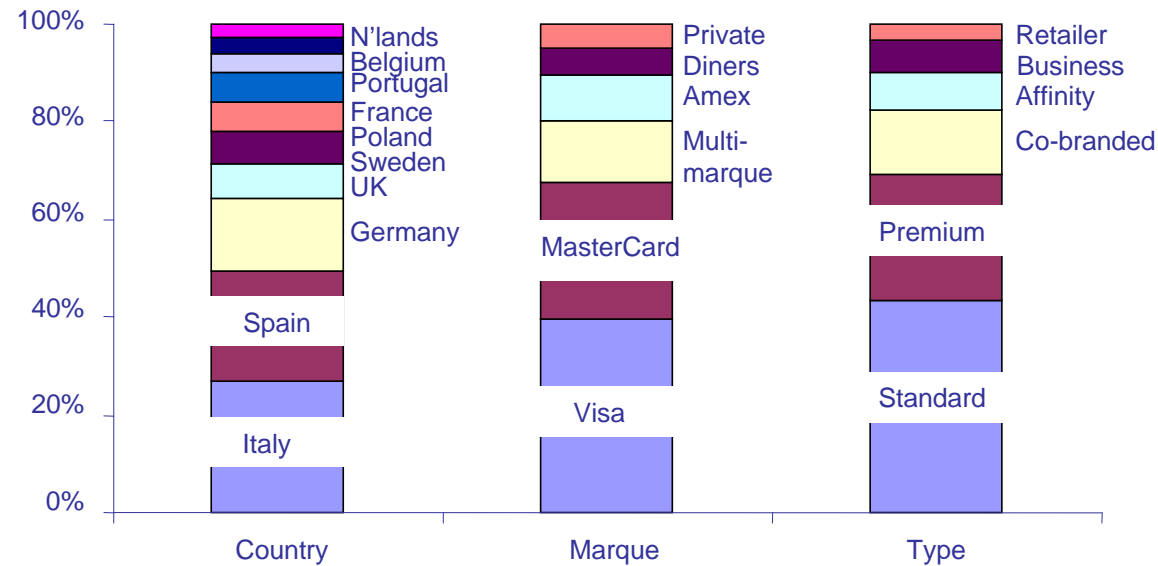
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What types of product does the report cover?



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How do credit and other pay later cards covered break down?



Finaccord’s universe of credit and other pay later cards covers almost 2,000 card products including all major affinity, co-branded and private label cards as well as business and premium cards.

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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. *European Overview*: comprising an overview of the pan-European market for card-related insurance and assistance including a detailed calculation of the value of the market in 2005 split by both country and individual line of business as well as a quantification of the number of cards carrying each type of policy. In addition, this chapter analyses comparative penetration rates for all 25 distinct categories of card-related insurance and assistance in each country.

3. *Belgium*: an in-depth analysis of the market for insurance and assistance linked to credit and other pay later cards in Belgium including: introduction to the credit card sector; an analysis of the importance of affinity, co-branded and private label cards; an overview of card-related insurance and assistance covers offered; and a detailed commentary concerning the operating models and partner market shares for the provision of card-related insurance and assistance.

4 - 12: *France, Germany, Italy, Netherlands, Poland, Portugal, Spain, Sweden and UK (for all, contents as for Belgium).*

What are the key features of the research?

Key features of this report include:

- quantification of the market size and segmentation for card-related insurance and assistance: how much is the European market really worth across the ten countries considered?
- analysis of the many types of card-related insurance and assistance policy marketed in each country and how the risks covered vary from one country and distributor to another;
- consideration of the role of centralised card issuing entities in each country and the degree to which individual banking institutions are concluding their own agreements for card-related insurance and assistance over and above the basic levels of cover already provided;
- provider market shares by number of relationships: which providers of card-related insurance and assistance have been successful in establishing relationships with card issuing entities and how does this vary by country?
- investigation into competitor strategy in card-related insurance and assistance: which players are best-placed to take advantage of new product development opportunities?

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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:

- appreciate the magnitude of the opportunity in card-related insurance and assistance in Europe: in aggregate, this is a significant and fast-growing market;
- gain access to a single comprehensive source of information that provides both the detail and analysis surrounding c. 6,500 marketing initiatives for card-related insurance and assistance;
- identify opportunities to develop new forms of insurance or assistance linked to credit cards in line with the card strategies of banks and other card issuing entities across Europe;
- understand the supply structure for card-related insurance and assistance and how the market segments between pan-European specialists, local providers and captive underwriters;
- gain insight into the pan-European presence of leading card-related insurance and assistance market participants including ACE, AIG, AXA Assistance, Cardif, CPP and Mondial Assistance.

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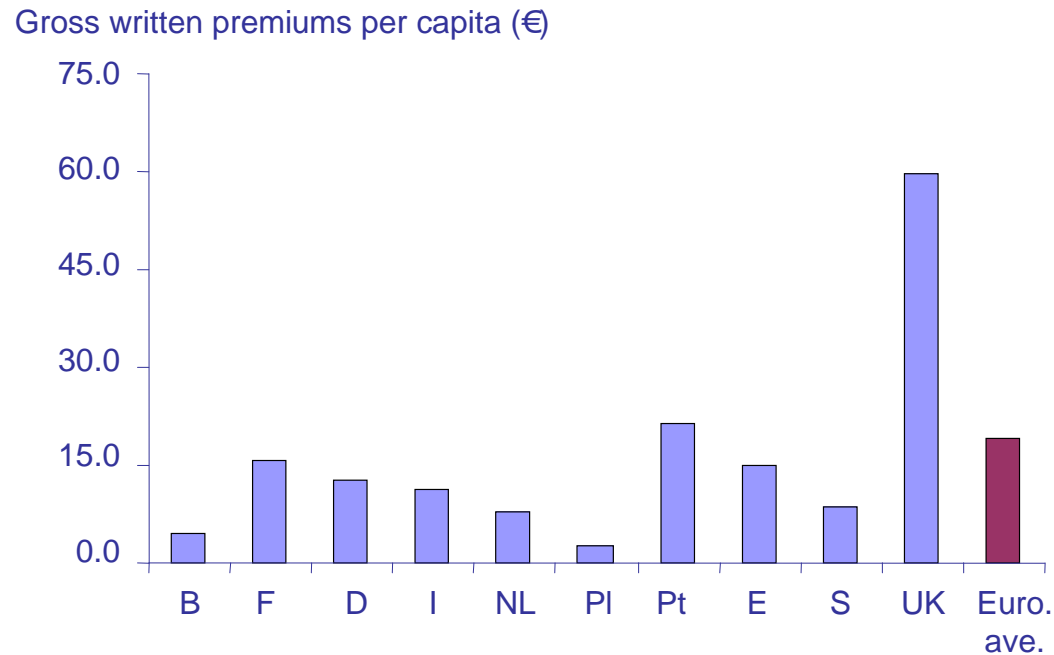
Who can use the research?

1. *Insurers*: this research is a unique guide to a key strategic issue in European personal lines insurance - be fully appraised of what growth in card-related insurance markets could mean for your organisation;
2. *Assistance companies*: as banking organisations become more adept at marketing to specific consumer groups, opportunities will arise for developing new assistance concepts to be promoted in conjunction with credit and other pay later cards;
3. *Card issuers*: the comprehensive insights contained in this report will help you to evaluate both the insurance and assistance concepts packaged automatically with your own cards and your strategy for enhancing core revenues through cross-selling optional policies;
4. *Management consultancies*: are you helping an insurance or assistance company with its bancassurance strategy or considering how it can develop its business into card-related insurance? Understand the current status of insurance and assistance linked to credit cards in Europe, saving time and effort on researching the subject yourself.

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What are some of the key findings?

1. At almost €60 per capita, card-related insurance and assistance premiums in the UK remain well ahead of other European countries

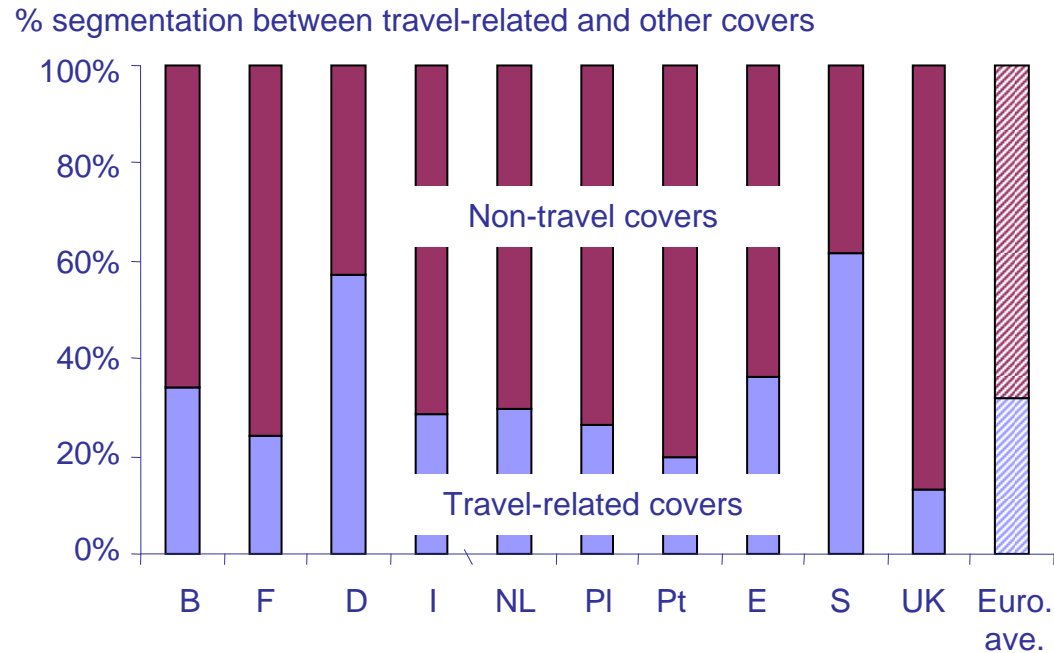


Source: Finaccord

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

2. Germany and Sweden are the markets most heavily oriented towards travel-related insurance and assistance policies

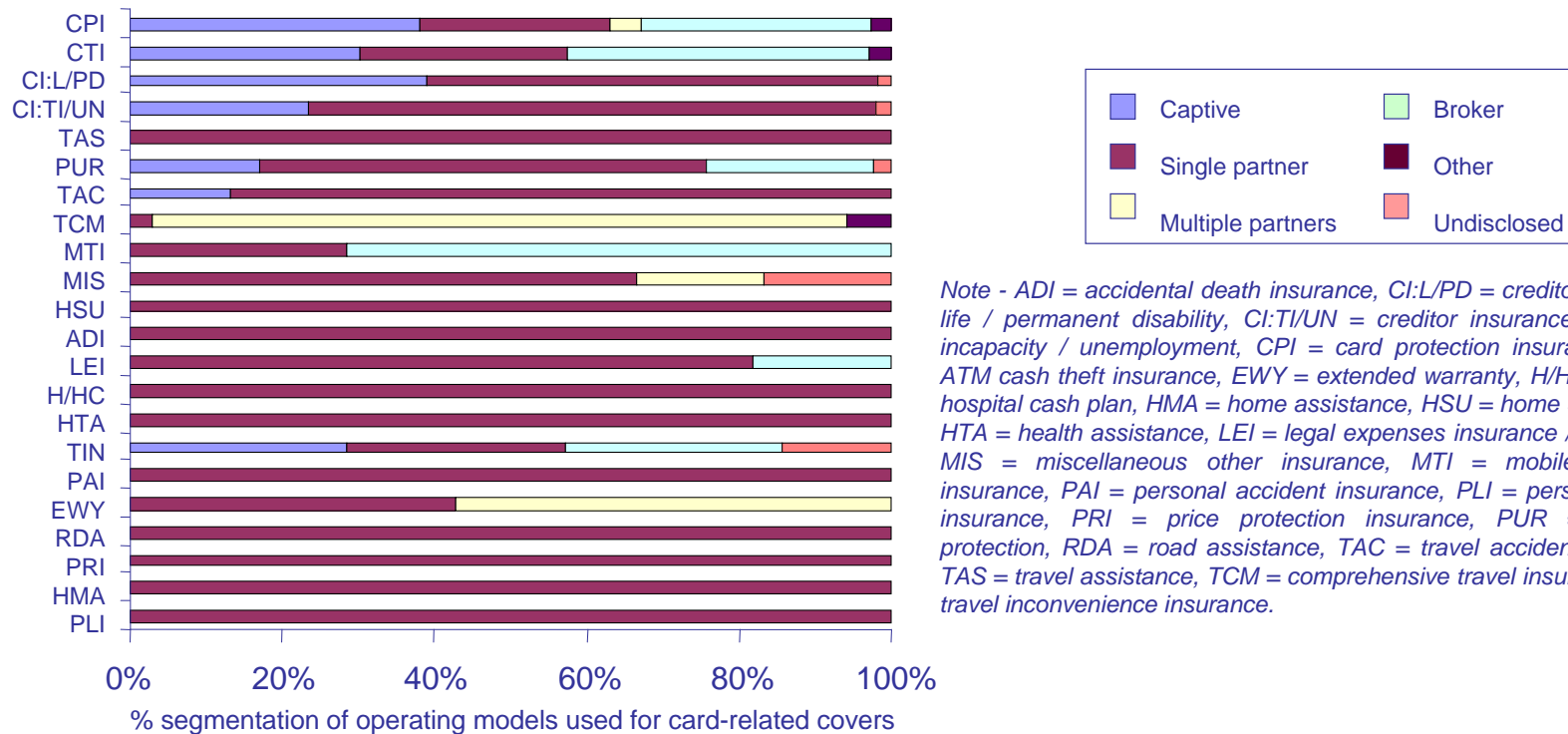


Source: PartnerBASE - Credit Card-Related Insurance and Assistance in Europe

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

3. There is considerable diversity in the operating models used by cards issuers in France for insurance and assistance enhancements



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

4. Key findings from the executive summary include:

- the average number of insurance covers per product analysed is 3.31 for all ten countries although the Portuguese market is the most heavily insured, with an average of 4.39, whereas the Belgian market is the least insured, with only 1.31 covers per product;
- travel accident insurance is the most widely packaged form of insurance or assistance - 38.8% of all cards analysed offer this type of insurance with card protection insurance (38.0%) ranked second and the life / permanent disability branch of creditor insurance (27.7%) third;
- concepts such as home surveillance (France), travel health insurance (Germany) and identity protection insurance (UK) are currently unique to a single market although they could, in theory, be exported to other countries;
- overall, the evidence of Finaccord's research suggests that the European market for card-related insurance and assistance should continue to exhibit robust growth in the 10%-20% bracket for the foreseeable future with a number of factors aiding its development including the increasing dissemination of affinity, business co-branded and premium card products.

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What is the cost and format?

Credit Card-Related Insurance and Assistance in Europe is available as a standard *Adobe Acrobat* PDF document and / or hard copy. The *PartnerBASE™* that accompanies it at no further charge is in *Microsoft Excel* format. Costs for this research set and selected other titles in the European partnership marketing series are as follows:

REPORT	COST *	FORMAT
Credit Card-Related Insurance and Assistance in Europe, 2005	£2,495	c. 180 pages
Creditor Insurance in Southern and Western Europe, 2005	£2,495	c. 190 pages
Creditor Insurance in Northern and Central Europe, 2005	£2,495	c. 190 pages
Automotive Financial Services in Western Europe, 2005	£2,495	c. 270 pages
Automotive Financial Services in Central and Eastern Europe, 2005	£2,495	c. 260 pages

VAT at 17.5% 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, an additional 10% of the basic cost is payable, inclusive of VAT.

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 - <http://www.finaccord.com/uk/order.php> - and fill in the on-line order form, clearly indicating the report that you require, whether you also require a corporate user license, the billing name, address and e-mail address, and the purchase order number, if applicable.

Please allow one working day for the delivery of electronic copy and one working week for the arrival of hard copy.