

Home Emergency Insurance and Assistance in Europe

Series Prospectus

July 2018

Prospectus contents

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What is the research?

Home Emergency Insurance and Assistance in Europe is a report plus an associated PartnerBASE™ dataset and market data file about the market for this type of cover in ten countries: Austria, Belgium, France, Germany, Ireland, Italy, the Netherlands, Poland, Spain and the UK.

In essence, the term ‘home emergency insurance and assistance’ encompasses prepaid policies that are sold on a stand-alone basis, or bundled with utility services, household / landlord insurance or banking products, that cover at least one or more of the following home-related problems:

- malfunctioning of gas boilers, gas supply pipes, gas central heating or air conditioning;
- problems with plumbing, drainage and water supply pipes;
- electrical emergencies and breakdowns.

Demand for such prepaid cover among both consumers and landlords is likely to rise in future not only because of growth in the number of insurable properties but also as a result of the increase in popularity of smart home devices that can be linked automatically with home assistance networks.

In addition to the overview report, separate country-specific reports (plus associated PartnerBASE™ datasets and market data files) are also available for each of the ten countries covered; these are subsets of the overview study.

What is the rationale?

A number of factors combine to form a firm rationale for an updated series of reports about home emergency insurance and assistance in Europe. First and foremost, this is the only focused research on the subject on a pan-European basis in spite of the fact that the market is estimated by Finaccord to have been worth close to EUR 4 billion across ten European countries in 2017 and that its value is predicted to carry on growing steadily up to 2021.

Moreover, home emergency cover potentially represents a development opportunity for a variety of different distributors and providers. Over and above dedicated assistance firms that may specialise exclusively or partially in home assistance, insurance companies can also develop home emergency insurance and assistance propositions that they can combine within their regular household / landlord insurance policies, sell on a stand-alone basis or distribute through other organisations.

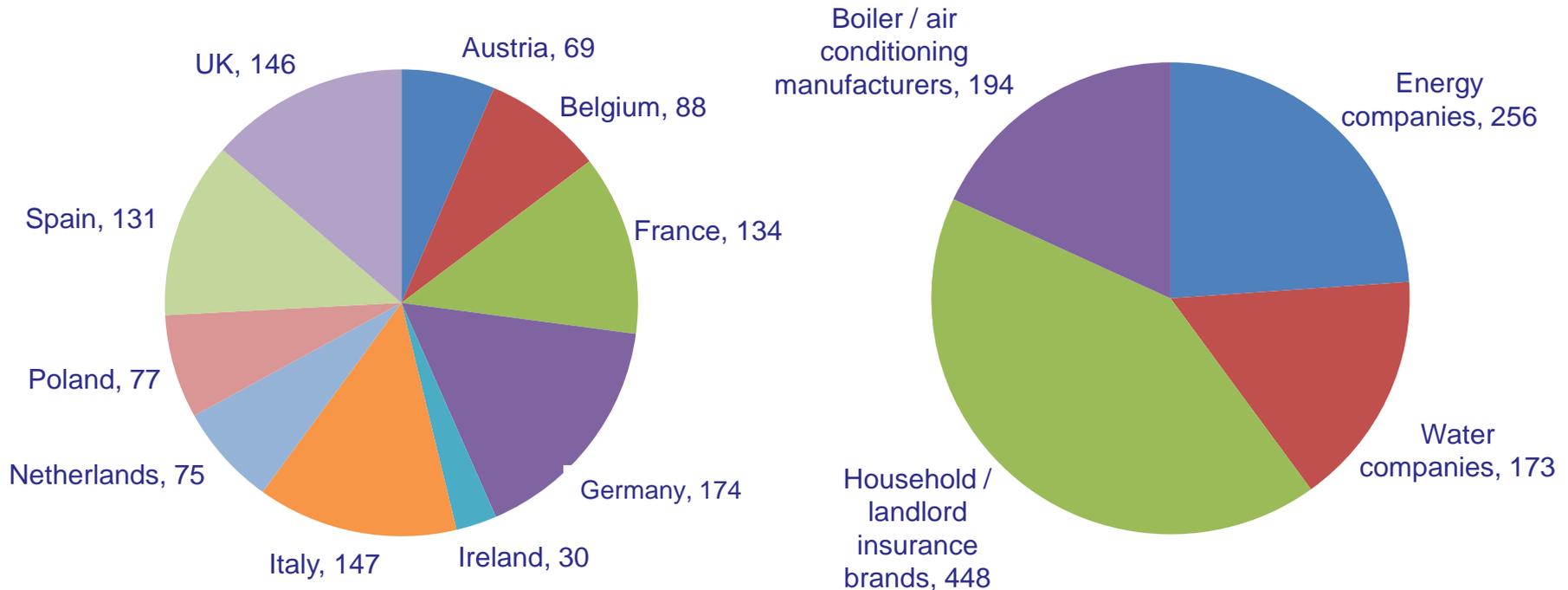
In addition, either as distributors or as service providers, energy and water firms can also enhance their main revenues through cross-selling home emergency cover, an activity that often produces higher profit margins than their core business. In addition, manufacturers of boilers and air conditioning units can promote extended warranties or prepaid maintenance contracts (which are a close enough proxy for home emergency policies to be included here).

What methodology has been used?

The research for this series of reports was extended to 1,071 organisations in total, breaking down by type and country as depicted in the graphics overleaf, thereby accounting for the vast majority of entities likely to participate in the distribution of home emergency insurance or assistance in each country. Among other data points, the research embraces the following information for each of the actual and potential distributors covered by the survey:

- whether any type of home emergency insurance or assistance is provided and, if so, whether this takes the form of i) electrical cover, ii) cover related to gas boilers, gas supply pipes, gas central heating or air conditioning, iii) cover related to plumbing, drainage or water supply pipes, and / or iv) multi-risk cover (affording protection for two or more of these cover types);
- if so, whether cover is packaged automatically or cross-sold as an optional extra;
- if so, how... through single or multiple external partners, through a captive partner, through an internally-managed scheme or by means of some other operating model;
- if through one or more external entities, the identity of the partner(s) used in each instance.

How do organisations surveyed break down?



The organisations covered by the survey extend to 1,071 actual or potential participants in the market for home emergency insurance or assistance in Europe. The full list of these organisations can be obtained from Finaccord if needed.

What is the structure (of the overview report)?

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 European market including the size of the market for home emergency insurance and assistance in 2017 split by policy type and by country, measured both by value and volume, and with a further split by value between consumer and landlord cover. A definitive analysis is also provided of the extent to which different types of affinity distributor actually offer home emergency cover and, for those that do, the operating models and partners that they utilise. Market value data is also provided for 2013 and forecast to 2021 in order to illustrate growth trends.
3. *Austria*: an in-depth analysis of the market for home emergency insurance and assistance in Austria including (but not limited to): housing stock data with a split between owner-occupied, privately-rented and social housing units; provision rates for home emergency cover, segmented by type of cover, via energy firms, water companies, household / landlord insurers and boiler / air conditioning manufacturers; split of schemes between cover packaged automatically and cover cross-sold as an optional extra; assessment of distribution via alternative channels including direct sales and automotive clubs; the same metrics as outlined in the overview report but specifically for Austria.
- 4 - 12: *Belgium, France, Germany, Ireland, Italy, Netherlands, Poland, Spain, and the UK (for all, contents as for Austria)*.

What are the key features of the research?

Key features of this series of reports include:

- quantification of the market size for home emergency insurance and assistance: how much is the market worth across the ten countries considered in Europe, how does it break down by country, customer type and policy type, and how is it likely to have grown by 2021?
- identification of providers of home emergency cover that have established relationships with energy firms, water companies, household / landlord insurers and boiler / air conditioning unit manufacturers, and calculation of both their unweighted share of partnerships in each channel and their share of revenues in the overall market;
- analysis of the degree to which home emergency cover is provided automatically or cross-sold as an optional extra – this has a very significant impact on household penetration rates and market values in each country;
- assessment of the potential for marketing home emergency cover through alternative channels including online aggregators and brokers, other online brands and banking products, as well as direct sales and automotive clubs.

How can the research be used?

You may be able to use the reports in this series, plus the PartnerBASE™ datasets and market data files that accompany them, in one or more of the following ways:

- to appreciate the size of the opportunity in the market for home emergency insurance and assistance in Europe: in aggregate, this is a substantial market;
- to understand how dynamic competitors are helping the sector to grow at a rate in excess of the underlying markets for utilities services and household / landlord insurance in a number of countries;
- to assess the partnerships and likely market share of significant national and international competitors such as Allianz Global Assistance, Asitur Asistencia, AXA Assistance, British Gas Insurance, Deutsche Assistance, ENGIE Home Services, Eurocross Assistance, Europ Assistance, FIDELIA Assistance, HomeServe, Inter Mutuelles Assistance, MAPFRE Asistencia, Mutuaide Assistance, ROLAND Assistance and Servihogar24;
- to evaluate the potential for marketing home emergency cover to cover via means other than the core distribution channels in each country.

How can the PartnerBASE™ be used?

Filter by type of organisation **Select country** **Search by type of policy**

Organisation	Type	Country	Product offered?	Type of provision	Operating model	Partner(s)
Lucia Energie	Energy companies	France	No			
Lyonnaise des Eaux	Water companies	France	Yes	Optional	External provider	HomeServe / AmTrust
MAAF	Insurance brands	France	Yes	Automatic	Captive provider	FIDELIA Assistance
Macif	Insurance brands	France	Yes	Automatic	External provider	Inter Mutuelles Assistance
MACSF	Insurance brands	France	Yes	Automatic	External provider	Inter Mutuelles Assistance
MADP	Insurance brands	France	Yes	Automatic	External provider	Europ Assistance

Look up specific organisations **View type of provision** **Choose operating model** **Identify product partners**

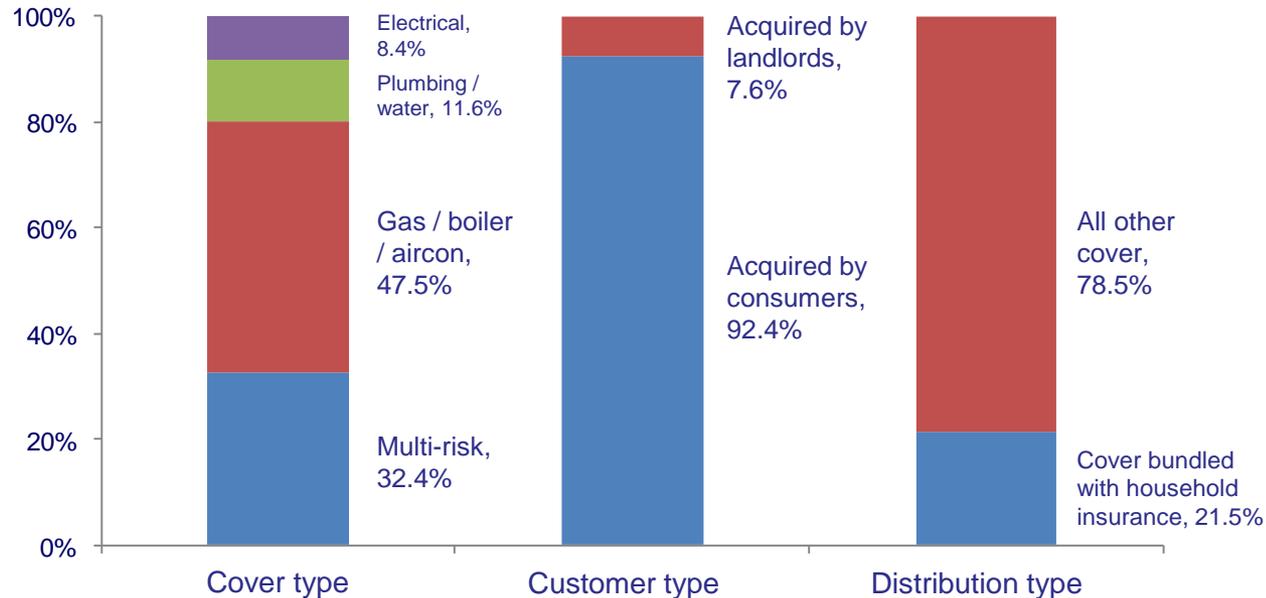
Who can use the research?

1. *Assistance companies:* these studies constitute a unique guide to an under-researched yet significant and continually evolving market – be fully appraised of what growth in these markets could mean for your organisation;
2. *Insurance companies:* as a concept that can be made distinct from regular household and landlord insurance, home emergency insurance and assistance can either be sold stand-alone or packaged within household / landlord insurance policies;
3. *Utilities companies and manufacturers of boilers / air conditioning systems:* growth in the market for home emergency cover, allied to apparently high profit margins, presents a revenue enhancement opportunity for electricity, gas and water companies plus product manufacturers as well as insurance and assistance firms;
4. *Management consultancies:* are you helping an insurance or assistance provider to develop its business in Europe, or are you advising an energy or water firm with regards to how it can improve its profitability? If so, this research will provide you with important insights into the market for home emergency insurance and assistance.

What are some of the key findings?

1. By cover type, the value of the market across all ten countries is mostly due to gas / boiler / air conditioning policies and by customer type, to cover acquired by consumers

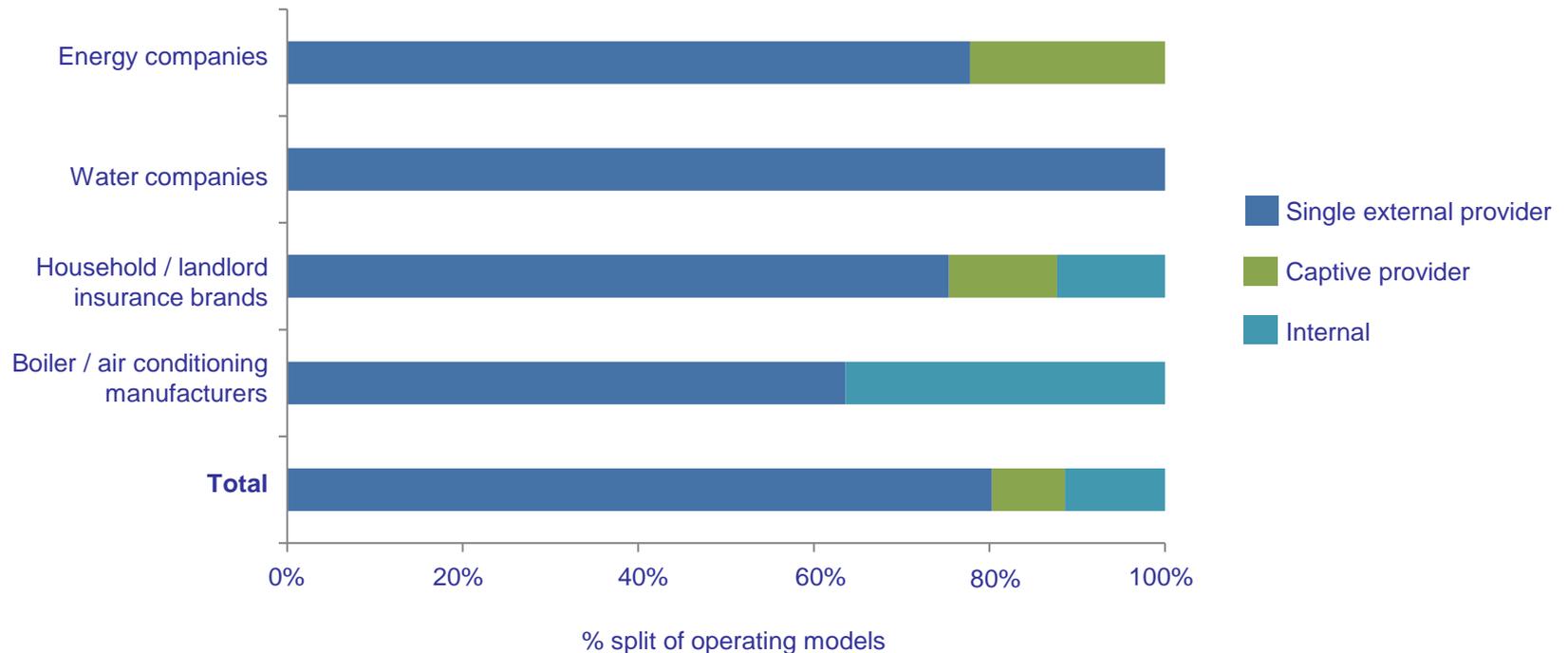
% split of market value



Note – the same splits by both market value and volume are available for each of the ten countries included in the series
 Source: Finaccord analysis

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

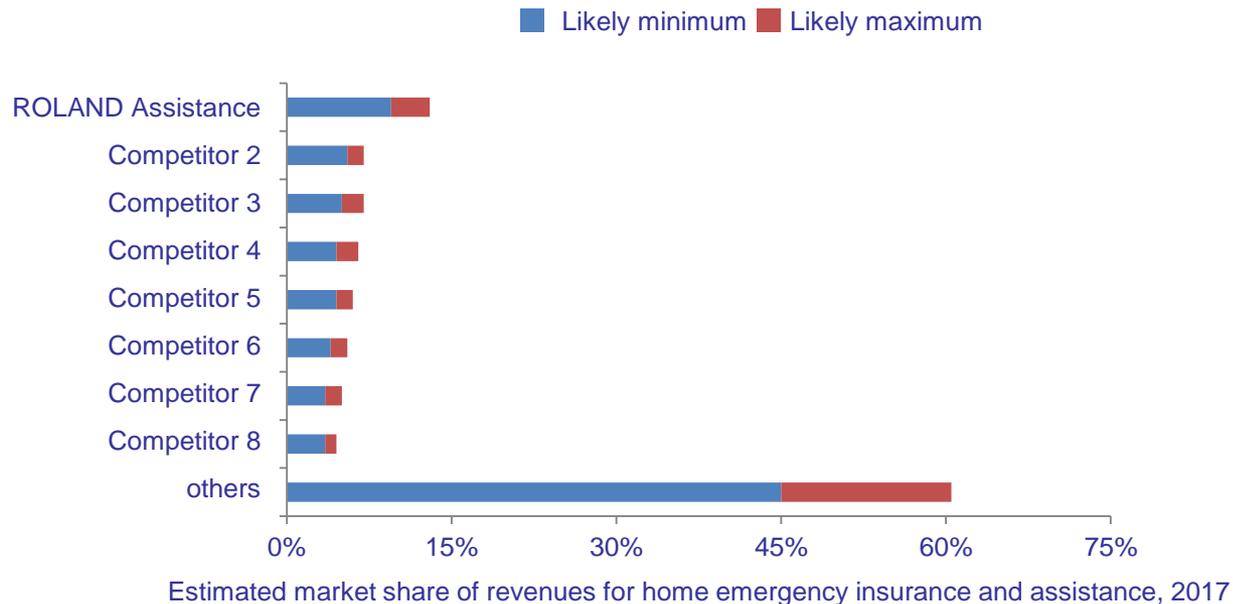
2. Distributors of home emergency cover in the UK employ three main operating models to organise it



Source: Finaccord PartnerBASE

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

3. By market share of total revenues, ROLAND Assistance is the likely leader in the fragmented German market for home emergency insurance and assistance



Note – the identities of competitors 2 to 8 are revealed in the report

Source: Finaccord analysis

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

4. Key findings from the executive summary of the overview report include:

- the value of prepaid home emergency insurance and assistance across the ten countries in scope was around EUR 4.02 billion in 2017, up from around EUR 3.51 billion in 2013, meaning that it grew at a compound annual rate of 3.4% in nominal terms between the two years;
- by distribution channel, the market value segmented in 2017 between around EUR 866 million to cover bundled with household or landlord insurance and EUR 3.15 billion to all other types of cover, including stand-alone policies, cover provided automatically by certain energy and water companies, and cover packaged automatically with banking products;
- the overall penetration of home emergency cover is highest in France and the Netherlands (where, in 2017, close to 90% of occupied dwellings are believed to have been covered by one or more policies) but lowest in Italy, at less than 20%;
- looking ahead, the development of 'smart homes' featuring devices connected through the so-called 'Internet of Things' has important implications for home emergency cover and should lead to increasing demand for home assistance services, both on a prepaid and pay-as-you-go basis.

What is the cost?

Home Emergency Insurance and Assistance in Europe and the related country-specific reports are available as a standard PDF document. The PartnerBASE™ datasets and market data files that accompany them at no further charge are in Excel format. Costs for this research set are as follows:

Report	Cost *
Home Emergency Insurance and Assistance in Europe	USD 6,995
Home Emergency Insurance and Assistance in Austria	USD 1,195
Home Emergency Insurance and Assistance in Belgium	USD 1,195
Home Emergency Insurance and Assistance in France	USD 1,395
Home Emergency Insurance and Assistance in Germany	USD 1,395
Home Emergency Insurance and Assistance in Ireland	USD 1,195
Home Emergency Insurance and Assistance in Italy	USD 1,395
Home Emergency Insurance and Assistance in Netherlands	USD 1,195
Home Emergency Insurance and Assistance in Poland	USD 1,195
Home Emergency Insurance and Assistance in Spain	USD 1,395
Home Emergency Insurance and Assistance in the UK	USD 1,395

GST at the prevailing rate will be added to the basic price for Singapore-based buyers.

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 GBP, at the prevailing exchange rate, if preferred.

Does Finaccord have any consumer research on this subject?

Yes, we do. The reports listed below are based exclusively on consumer research commissioned by Finaccord and covering a representative sample of respondents in each country covered, hence c. 1,000 in all apart from the US where the sample size is c. 2,000. These will be helpful for understanding other metrics such as consumers' usage of distribution channels and claims frequency, as well as take-up rates.

Report	Cost *
Home Assistance Metrics: Consumer Approaches to Home Emergency Insurance in Selected Global Markets	USD 4,195
Home Assistance Metrics: Consumer Approaches to Home Emergency Insurance in Australia	USD 1,195
Home Assistance Metrics: Consumer Approaches to Home Emergency Insurance in Canada	USD 1,195
Home Assistance Metrics: Consumer Approaches to Home Emergency Insurance in France	USD 1,195
Home Assistance Metrics: Consumer Approaches to Home Emergency Insurance in Germany	USD 1,195
Home Assistance Metrics: Consumer Approaches to Home Emergency Insurance in Italy	USD 1,195
Home Assistance Metrics: Consumer Approaches to Home Emergency Insurance in Spain	USD 1,195
Home Assistance Metrics: Consumer Approaches to Home Emergency Insurance in the UK	USD 1,195
Home Assistance Metrics: Consumer Approaches to Home Emergency Insurance in the USA	USD 1,195

How can the research be purchased?

Simple. Just go to the relevant area of the Finaccord website, create your account (if you do not have one already) and place your order online. Products paid for online by card will be delivered immediately by e-mail but please allow up to one working day for delivery by e-mail if you choose to pay on receipt of invoice.

With regards to the **corporate user licence**, you will be asked to 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

Alternatively, you can place an order by sending your request to order@finaccord.com, clearly stating the product(s) required, associated price(s) and billing details for eventual invoice or card payment receipt.