

New Market Research

EUROPEAN ASSURBANKING REVIEW 2007



Following the popularity of its publications on European Life Bancassurance and European Non-life Bancassurance in the last five years, Milliman is now publishing a first edition of its European Assurbanking Review.



Scope of the Report

In this new report, Milliman analyses assurbanking in Europe, defined as the distribution of banking products by insurance distribution networks to their retail clients.

Attempts to develop assurbanking first appeared in the mid-80s. Assurbanking then took off in the late 1990s and early 2000s with many of the largest European insurers developing assurbanking initiatives. To date traditional insurers still seem to be to some extent experimenting to find the winning strategy in terms of development objective, customer target, product range and distribution strategy and no clearly winning assurbanking model has emerged so far.

In this report, Milliman analyses the business models and the product and distribution strategies implemented by many of the largest assurbanking players in France, Germany, Italy, Spain, Switzerland and the United Kingdom.

Milliman also analyses the key success factors for the distribution of banking products through insurance networks and the sales approaches implemented by these networks.

Milliman analysis is supported by case studies of many of the largest and most innovative assurbanking players in Europe.

Prepared by Milliman's experienced European consulting team, the report provides essential information on key features and trends in European assurbanking.

Key Findings

- Assurbanking and bancassurance are based on comparable business rationales and assurbankers can build on several of the key success factors exploited by bancassurers: large customer bases, extensive distribution networks and similarities between life insurance products and some types of banking products. However significant differences between assurbanking and bancassurance create more barriers to the development of assurbanking than have been found by bancassurers.
- As in bancassurance, there are a variety of business models in assurbanking ranging from full ownership to open-architecture partnerships. The dominant model is the ownership of a bank by the insurance company.
- Some banking products require sophisticated underwriting processes (e.g. mortgages) or involve a high transactional activity (e.g. current accounts), which can make the integration of these products in the insurance networks' sales and servicing processes complex. Some assurbankers have developed a comprehensive product range and some have opted for a product strategy focusing on products with low transactional activity or on products with little underwriting required.
- Assurbankers tend to use their existing networks for the distribution of banking products, with the support of Internet and telephone platforms for distributors and clients. However some parts of their networks might be more difficult to leverage for example the independent distributors or those primarily focused on non-life insurance.
- Providing on-going support and training to the distribution networks and implementing integrated sales and servicing tools are key success factors for assurbankers.
- Assurbankers have implemented various commercial approaches for the distribution of banking products, some seeking to achieve high volumes through discounts and some focusing on profitability through a segmented offer. In all cases, packaged sales of insurance and banking products are a common approach.

Why You Need This Report

This report provides a unique in-depth analysis of European assurbanking, based on an extensive research of the assurbanking activity of many of the largest European insurers.

The report also provides detailed case studies of some of the largest assurbanking players in France, Germany, Italy, Spain, Switzerland and the United Kingdom.

Cost

The price of the report is € 750 (excluding VAT).

Target Audience

Whether you are an active player in the assurbanking market, analyse it, compete with it, or simply want to understand its dynamics, this report is essential for you and your business.

To order the report or to obtain further details please contact your local Milliman consultant or:

Corinne Legrand
corinne.legrand@milliman.com
Tel : +41 (0)793 67 78 85

Valérie Loizillon
valerie.loizillon@milliman.com
Tel : +33 (1) 45 25 23 35

Recent Publications:

European Life Bancassurance Review 2007 –
Published: June 2007 – Cost: € 750

European Non- Life Bancassurance Review 2007 –
Published: March 2007 – Cost: € 750

Unit-Linked Product Trends and Opportunities in Europe, including a special feature on variable annuities –
Published: November 2006 – Cost: € 750

Life and Pensions Opportunities in Central and Eastern Europe–
Published: June 2006 – Cost: € 4,800

Market Profile: Individual Life and Pensions in Spain –
Published April 2006 – Cost: € 750

The Role of the Internet in the Independent Distribution of Life Insurance across Europe –
Published: December 2005 – Cost: €790

* Note prices shown are exclusive of VAT

About Milliman

Milliman is one of the world's leading actuarial and strategic consultancy firms, providing services to the Life, Health, General Insurance and Employee Benefits Sectors. We have over 40 offices worldwide, including in the following countries in Continental Europe.

Madrid

Edificio Cuzco IV
Po de la Castellana, 141,
18 p
28046 Madrid
Spain

Tel: (+) 34 91 789 34 70
Fax: (+) 34 91 789 34 71

www.milliman.es

Milan

Via Monte di Pietà 21
20121 Milan
Italy

Tel: (+) 39 02 8633 7214
Fax: (+) 39 02 8633 7400

www.milliman.it

Munich

Maximilianstrasse 35a
80539 München
Germany

Tel: (+) 49 89 5908 2395
Fax: (+) 49 89 5908 1200

www.milliman-germany.de

Warsaw

ul. E. Plater 53
00-113 Warszawa
Poland

Tel: (+) 48 22 528 6962
Fax: (+) 48 22 528 6701

Zurich

Lavaterstrasse 65
8002 Zurich
Switzerland

Tel: (+) 41 44 287 80 60
Fax: (+) 41 44 287 80 81

For more information visit: www.milliman.com