

# **Travel Insurance and Assistance in the GCC Countries**

**Report Prospectus**

*January 2016*

# Prospectus contents

	<b>Page</b>
What is the research?	3
What methodology has been used?	4
How do organisations surveyed break down?	5
What is the report structure?	6
What are the key features of the research?	7
How can the research be used?	8
How can the PartnerBASE™ be used?	9
Who can use the research?	10
What are some of the key findings?	11-14
What is the cost and format?	15
How can the research be purchased?	16

## What is the research?

Finaccord's report titled *Travel Insurance and Assistance in the GCC Countries* investigates the market for stand-alone travel insurance and assistance in six countries, namely, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE. This market is predicted by Finaccord to rise to a value of over USD 150 million in gross written premiums by 2019 and it should prove to be resilient in spite of a challenging economic environment. Moreover, the competitive and distribution dynamics of the market continue to evolve with new channels emerging and partnerships with major distributors subject to regular change.

For the research, Finaccord investigated the distribution partnerships of over 600 travel trade, transportation and financial organisations across the region; it also analysed systematically the involvement in travel insurance in each country of other key distributor categories including automotive clubs, direct sales, online aggregators and brokers, other online brands, and retailers.

The report, which represents an update and expansion to a previous Finaccord study on the subject, is accompanied by an Excel PartnerBASE™ dataset that details the travel insurance partnerships of each of the travel trade, transportation and financial organisations covered, plus a convenient market data annexe, also in Excel format.

## What methodology has been used?

Finaccord's investigation into the travel insurance and assistance market in the GCC countries draws on several sources. First, the size, segmentation and dynamics of the underlying travel market are analysed, developing standardised data for the number of overseas trips in each country between 2011 and 2015, split between holiday and business travel.

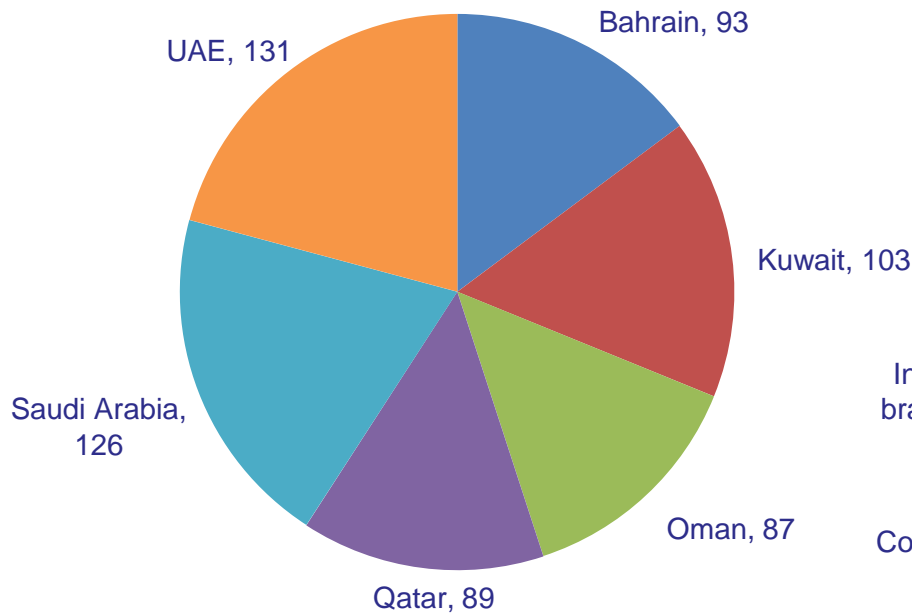
A further element is the extensive survey of the most important travel trade, transportation and financial organisations across this region. These were investigated during November and December 2015 to find out the following information: if they distribute travel insurance and assistance policies; if so, what operating model is used (e.g. external underwriter, external broker, captive underwriter etc.); and if so, who their insurance partner(s) is / are.

These organisations include airlines, banks, ferry / railway operators, insurance brands, online travel specialists plus specialised card providers and lenders, as well as mainstream travel agents and tour operators, thereby offering comprehensive coverage of these major distribution categories.

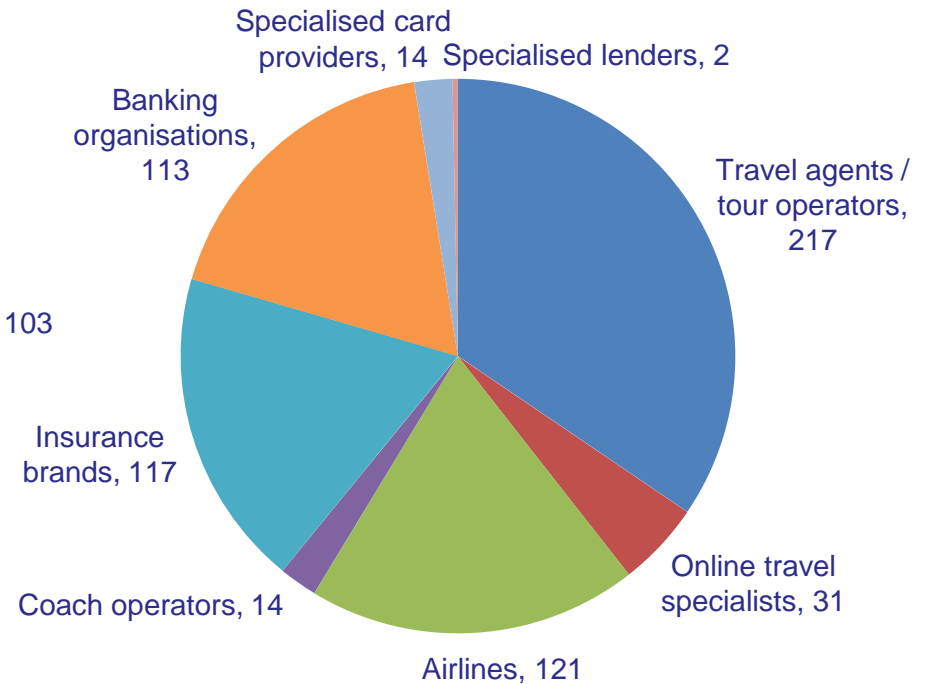
Finally, Finaccord combines the results of this survey with any public disclosures made by leading underwriters of travel cover in each country (or by national insurance trade associations or similar sources) in order to estimate the market shares of underwriters in 2015 with these data points expressed as a percentage range (e.g. 5.0% to 7.5%).

# How do organisations surveyed break down?

Segmentation by country



Segmentation by type of firm



# 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. *Regional Overview*: comprising an overview of the market for travel insurance and assistance in the GCC countries including: data spanning 2011 to 2015 for the underlying travel market with segmentations by type of trip, and for the size of the market for stand-alone travel insurance and assistance in terms of premiums and policies, with a segmentation between single-trip and annual cover; analysis of the supply structure for travel insurance and assistance including market share estimates; and forecasts for market drivers, values and volumes to 2019.

3. *Bahrain*: an in-depth study of the market for travel cover in Bahrain including: data spanning 2011 to 2015 for the underlying travel sector and for the value and volume of the stand-alone travel insurance and assistance market with similar segmentations to those in the overview chapter; analyses of the share of distribution relationships of travel insurance providers split between travel trade, transportation and financial organisations; a review of other direct and affinity distribution channels; market share estimates for the leading ten underwriters; and forecasts to 2019.

4 - 8: *Kuwait, Oman, Qatar, Saudi Arabia and UAE (structure as for Bahrain)*.

# What are the key features of the research?

Key features of this report include:

- quantification of the market size and segmentation for travel insurance and assistance across six countries: how much is the market worth and where is it forecast to grow most quickly?
- segmentation of travel insurance policies between single-trip and annual policies: to what extent are annual policies on the rise and what are the obstacles to their growth?
- competitor share of partnerships by number of relationships: which providers of travel insurance and assistance policies have the most relationships with travel trade and transportation entities, which have been most successful with financial organisations and how does this vary by country?
- estimated market shares of the leading travel insurance underwriters in each country and across the region as a whole expressed as a percentage range (e.g. 5.0% to 7.5%): what is the ranking of the market leaders across the six countries combined?
- availability of an accompanying PartnerBASE™ dataset that includes every travel insurance partnership traced by Finaccord across over 600 key distributors, plus a market data annexe, both in Excel format.

## How can the research be used?

You may be able to use this report and the PartnerBASE™ dataset and market data annexe that accompanies it in one or more of the following ways:

- to compare the size of stand-alone travel insurance and assistance markets across the GCC countries, their growth rates (since 2011) and their future prospects (to 2019);
- through the analysis of underwriter market shares in each country, to understand the supply structure for travel insurance and assistance, the operating models in use, the level of market concentration and the relative importance of national versus international companies;
- to appreciate the potential for establishing distribution relationships across a broad range of partner categories and view what the different competitors are doing in this context;
- to gain access to a comprehensive source of information that covers distribution arrangements for over 600 actual and potential distributors including airlines, banks, ferry / railway operators, insurance brands and specialised lenders, plus both traditional and online travel trade entities;
- use the unique statistics contained in the market data annexes to develop your own analyses and presentations on this subject.



# How can the PartnerBASE™ be used?

**Search by organisation**      **Select country**      **Appreciate ultimate holding companies**

Organisation	Category	Country	TRAVEL INSURANCE / ASSISTANCE			
			Offered?	Operating model	Immediate partner(s) / brand(s)	UHC(s)
Weqaya Takaful	Insurance brands	Saudi Arabia	Yes	Internal	Weqaya Takaful	Weqaya Takaful
World Travel Service	Travel agents / tour operators	Bahrain	Yes	External underwriter	AXA Insurance Gulf	AXA
Yaish Travel and Tourism	Travel agents / tour operators	Kuwait	Yes	External underwriter	Bahrain Kuwait Insurance	Fairfax Financial Holdings / Kuwait Projects Company
Yemenia	Airlines	Saudi Arabia	No			
Zahara Tours (Muscat)	Travel agents / tour operators	Oman	Yes	External underwriter	AXA Insurance Gulf	AXA

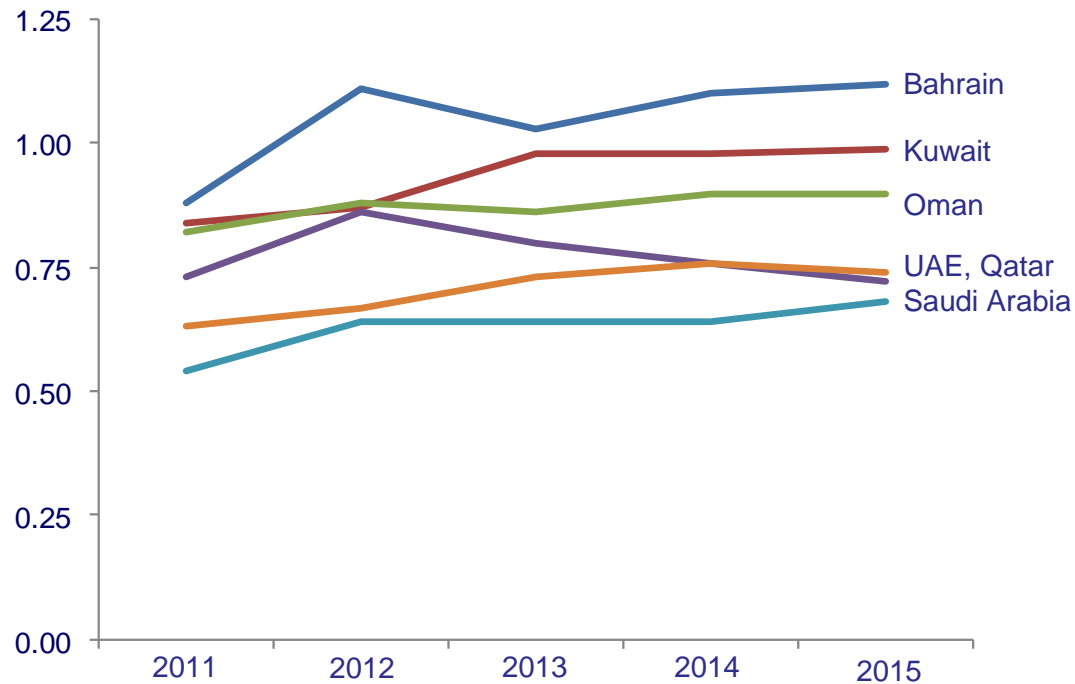
**Filter by category**      **See operating model**      **View partners**

## Who can use the research?

1. *Specialist travel insurance and assistance companies:* this study is a comprehensive source of information about an under-documented region, giving detailed and up-to-date information for six countries;
2. *Multi-line insurers:* although specialist providers dominate travel trade distribution, there are opportunities for other insurers to gain market share by using other channels, and this report provides guidance about these possibilities;
3. *Travel companies and other existing or potential travel insurance intermediaries:* sales of travel insurance are shifting away from traditional travel agents and tour operators - this report helps you plan how to respond to this and to consider what might be the channels of the future;
4. *Banking institutions and other card issuers:* evaluate the attractiveness of offering travel insurance as a stand-alone product or as an enhancement to payment cards or bank accounts;
5. *Management consultancies:* are you helping a travel company, assistance firm or insurer with its future plans for the travel insurance and assistance markets of the GCC countries? Save time researching the subject yourselves by accessing this publication.

# What are some of the key findings?

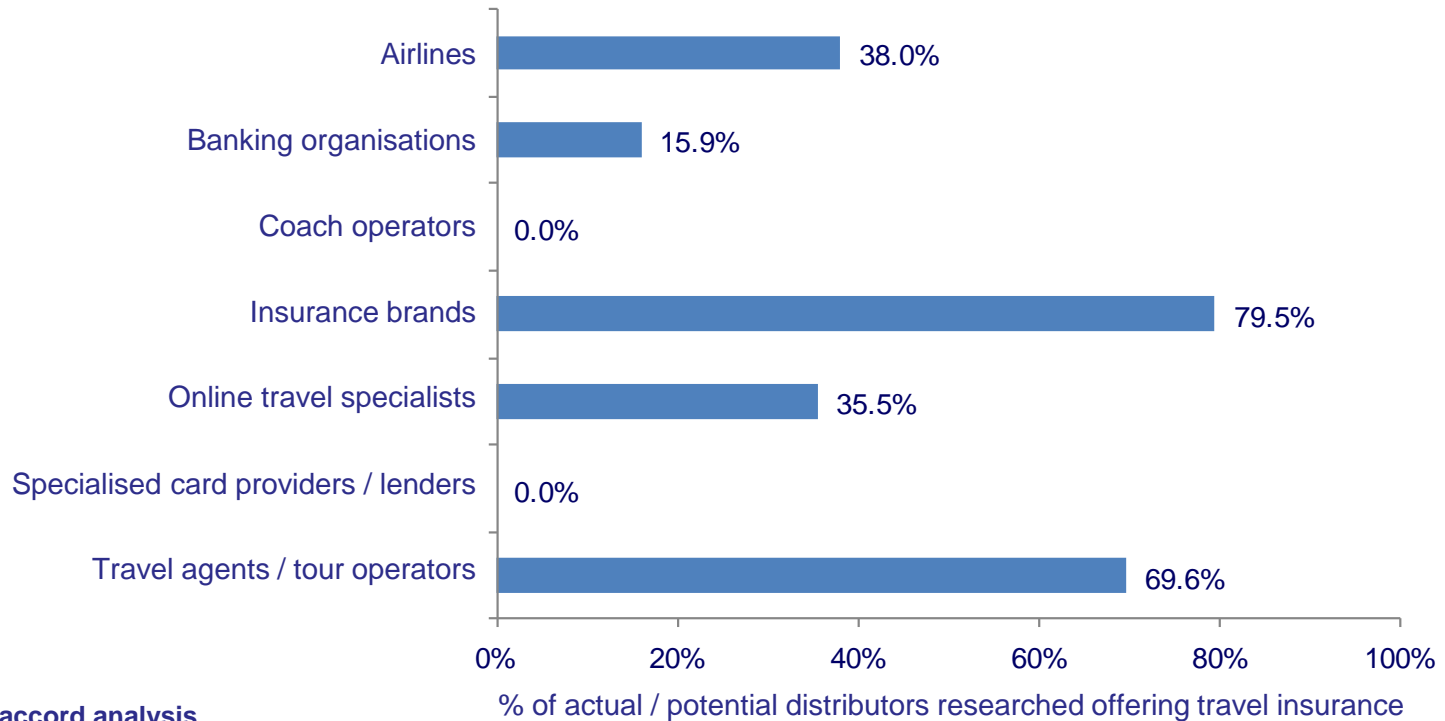
**1. Overseas trips per capita were consistently the highest out of Bahrain between 2011 and 2015**



Source: Finaccord analysis

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

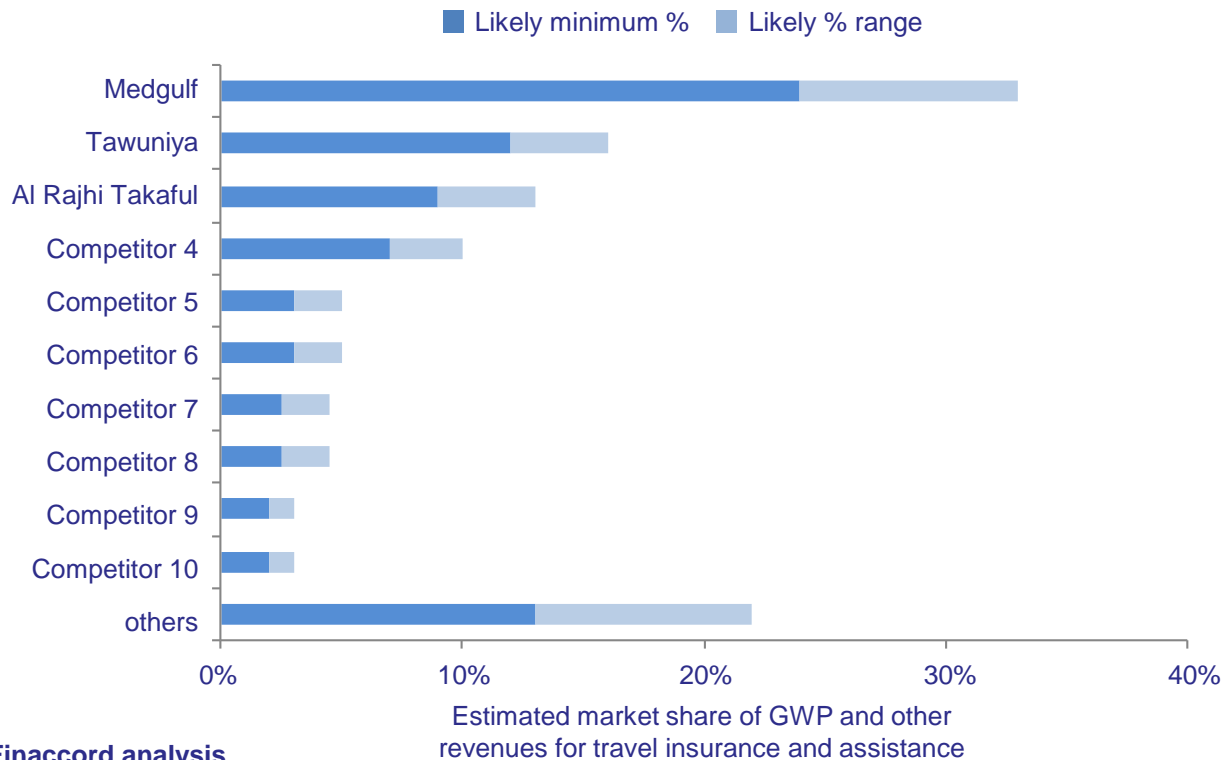
**2. Among actual and potential distributors researched, insurance brands and travel agents / tour operators are most likely to offer travel insurance across the GCC countries combined**



Source: Finaccord analysis

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

**3. In a fairly fragmented market, Medgulf is likely to be the market leader for travel cover in Saudi Arabia, followed by Tawuniya and Al Rajhi Takaful**



Source: Finaccord analysis

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

### 4. Key findings from the executive summary include:

- the number of foreign trips (lasting one night or more) across this region increased from 28.5 million in 2011 to 39.0 million in 2015 albeit with the strongest growth happening in 2012 and 2013 as national economies slowed in the following two years;
- in terms of premiums, Saudi Arabia hosts the largest travel insurance market among the GCC countries and accounted for an estimated 34.7% of the regional total in 2015;
- combining its distribution partnership research and market size estimates, Finaccord believes that AXA (through AXA Cooperative Insurance and AXA Insurance Gulf) is the leading provider of travel cover in the region;
- in spite of the uncertainty surrounding the economic outlook and the future direction of oil prices, a relatively strong rate of growth is predicted for the region's travel insurance sector up to 2019.

## What is the cost and format?

*Travel Insurance and Assistance in the GCC Countries* is available as a standard PDF document. The PartnerBASE™ and market data annexe that accompany it at no further charge are in Excel format. Costs for this research set and selected other titles on the same subject plus the related topic of international health insurance are as follows:

<b>REPORT</b>	<b>PRICE *</b>
Travel Insurance and Assistance in the GCC Countries	USD 2,795
Global Airlines: Strategies in Travel Insurance and Co-Branded Cards	USD 1,395
Global Business and Corporate Travel Insurance and Assistance: A Worldwide Review	USD 4,195
International Health Insurance for Expatriates and Students: A Worldwide Review	USD 3,495
Travel Insurance and Assistance in the Asia-Pacific Region	USD 4,195
Travel Insurance and Assistance in Europe	USD 8,395
Travel Insurance and Assistance in Latin America	USD 2,795
Travel Insurance and Assistance in South Africa	USD 1,195
Travel Metrics: Consumer Approaches to Travel Insurance and Assistance in Selected Global Markets	USD 8,395

*For Singapore-based clients, GST at the prevailing rate will be added to the basic price.*

*Costs quoted are for a single site user licence only.*

*For a corporate user licence, please see the next slide for further details.*

*Invoices can be paid in EUR or GBP, at the prevailing exchange rate, if preferred.*

## 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](mailto:order@finaccord.com), clearly stating the product(s) required, associated price(s) and billing details for eventual invoice or card payment receipt.