

Mobile Gadget Insurance and Extended Warranties in Europe

Report Prospectus

October 2014

Prospectus contents

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What is the research?

Mobile Gadget Insurance and Extended Warranties in Europe is about the market for insurance and extended warranties sold in conjunction with mobile gadgets in 20 countries: Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Ireland, Italy, Netherlands, Norway, Poland, Portugal, Romania, Russia, Spain, Sweden, Switzerland, Turkey, and the UK.

Mobile gadgets are defined as camcorders, cameras, portable (laptop or notebook) computers and portable media players with no conventional mobile telephony facility. Mobile gadget insurance and extended warranties can cover one or more of accidental damage, loss, technical breakdown and / or theft.

The report draws on extensive primary and secondary research covering 1,165 organisations involved in the production and distribution of mobile gadgets including manufacturers, specialised retailers of consumer electronics, mobile network operators (where they sell mobile gadgets as well as phones), supermarkets and other types of retailer (e.g. department store / variety retailers).

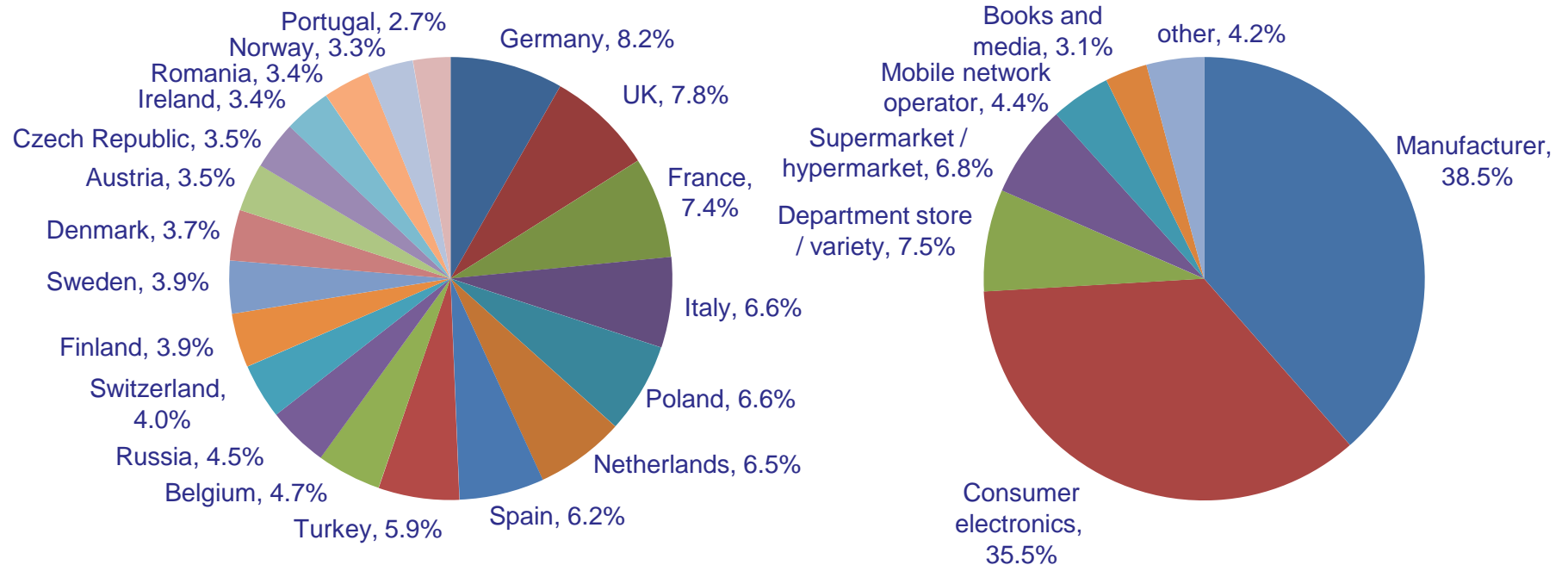
The PartnerBASE™ dataset that accompanies the report logs each of almost 600 schemes for manufacturer or retailer extended warranties or insurance, showing both the operating model used and partners employed for programs that are not managed internally.

What methodology has been used?

The majority of the research for this report, in addition to the associated PartnerBASE™ dataset and market data annexe, was undertaken during a 16-week period from May to August 2014. The research extended to a total of 1,165 organisations in total, breaking down by type and country as depicted in the graphics overleaf, and should account for most significant entities involved in the production and distribution of mobile gadgets in each country. In particular, the research answers the following questions:

- whether extended warranties and / or related insurance are provided in association with the mobile gadgets manufactured or sold by these organisations;
- if so, whether cover includes protection in the event of accidental damage, loss and / or theft in addition to technical breakdown;
- if so, how... through captive or internally-managed schemes, through a single partner, through multiple partners or through a combination of these?
- if through external entities, the identity of the partner(s) used in each instance.

How do organisations surveyed break down?



Source: Finaccord

What is the report structure?

Executive Summary: providing a concise evaluation of the principal findings of the report.

Introduction: offering rationale, description of methodology and some definitions.

European Overview: comprising an overview of the market for mobile gadget insurance and extended warranties across all 20 countries including a calculation of the value of this market in 2013, an assessment of how it has developed since 2009 and a forecast for the likely evolution up to 2017. In addition, this chapter analyses comparative penetration rates for insurance and extended warranty schemes among the manufacturers and retailers surveyed in each country and compares the operating models that they use for these programs.

Specific country chapters (20): an in-depth analysis of the market for mobile gadget insurance and extended warranties in each country including: introduction to the market for the underlying mobile gadgets; survey results for manufacturers; survey results for retailers; analysis of risks covered by all schemes (i.e. mechanical / technical breakdown only or also other insurable risks); existence of independent distribution channels; and estimates for the market size for mobile gadget insurance and extended warranties in 2009 and 2013, with forecasts to 2017.

What are the key features of the research?

Key features of this report include:

- quantification of the market size for mobile gadget insurance and extended warranties: how much is the market likely to be worth across the 20 territories considered in Europe and how does it break down by country?
- analysis of extended warranty and insurance underwriters and brokers in each country that have established scheme relationships with manufacturers and retailers of mobile gadgets, including their unweighted and weighted share of partnerships;
- consideration of the potential for cross-selling stand-alone insurance and extended warranty policies through independent channels that are separate from either manufacturers or retailers: in which countries does a market exist for this form of distribution?
- forecasts for the market size for mobile gadget insurance and extended warranties up to 2017: assuming no significant changes in the number of manufacturer and retailer schemes, what factors will cause this sector to grow or decline in the next few years?

How can the research be used?

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

- appreciate the size of the opportunity in the market for mobile gadget insurance and extended warranties in Europe: in aggregate, this is a substantial market;
- understand how fast-moving competitors are thriving in a number of countries in spite of the fact that the dynamics of this market have changed substantially in recent years;
- assess the position of national and international competitors such as ACE, AIG, Allianz Global Assistance, AmTrust International, Assurant Solutions, Asurion, AXA, BNP Paribas Cardif, Domestic & General, Europ Assistance, EWP, Garanzia3, itonia, Moderna Försäkringar, Solid Försäkringar, SPB, SquareTrade, The Warranty Group, UK General and Wertgarantie;
- consider how the value of the market for mobile gadget insurance and extended warranties in Europe may reasonably be expected to evolve up to 2017.

How can the PartnerBASE™ be used?

Organisation	Country	Category	Sub-category	Distribution model	Extended warranty or insurance offered?	Operating model	Partner(s)
Boulangier	France	Retailer	Consumer electronics	Mixed	Yes	Internal + external partner	Boulangier, EGA Innoserve
Bouygues Telecom	France	Retailer	Network operator / retailer	Mixed	Yes	External partner	Asurion / Liberty Mutual
Bow.it	Italy	Retailer	Consumer electronics	Mixed	Yes	External partner	GARANZIA3
Box Jumbo	Portugal	Retailer	Consumer electronics	Mixed	Yes	External partner	AIG
Brack	Switzerland	Retailer	Consumer electronics	Mixed	Yes	Internal	Brack

Select country (points to France)
Filter by category and sub-category of distributor (points to Retailer and Consumer electronics)
View operating model (points to Internal + external partner)
Look up specific distributors (points to Box Jumbo)
Filter by distribution model (points to Mixed)
Identify distributors with schemes (points to Yes)
Identify extended warranty and insurance providers (points to AIG)

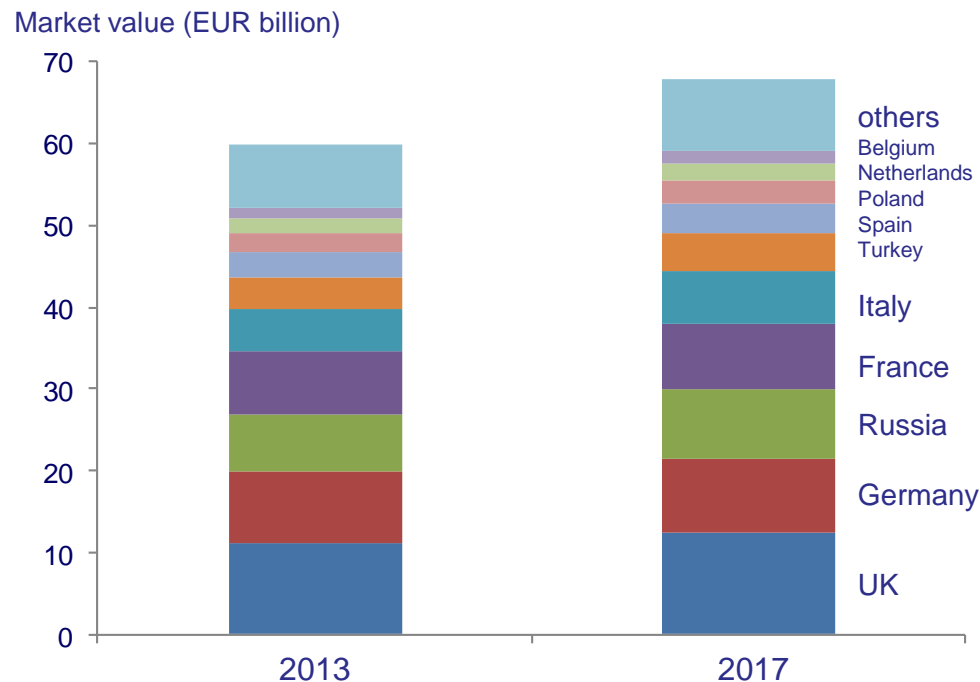
Source: Finaccord PartnerBASE

Who can use the research?

1. *Extended warranty and insurance underwriters and brokers:* this study is a unique guide to an under-researched yet significant and evolving market with pan-European potential – be fully appraised of what developments in this sector could mean for your organisation;
2. *Manufacturers and distributors:* the magnitude of the market for mobile gadget insurance and extended warranties, allied to apparently high profit margins, presents a revenue enhancement opportunity not only for the extended warranty and insurance providers but also for their partner organisations;
3. *Management consultancies:* are you helping an extended warranty or insurance provider to develop its business in Europe, or are you advising a manufacturer or retailer with regards to how it can improve its profitability? If so, this research will provide you with important insights into the market for mobile gadget insurance and extended warranties;
4. *Administration and repair firms:* a variety of other organisations can also benefit from the development of the market for mobile gadget insurance and extended warranties – this study offers a comprehensive picture of the current state of this sector.

What are some of the key findings?

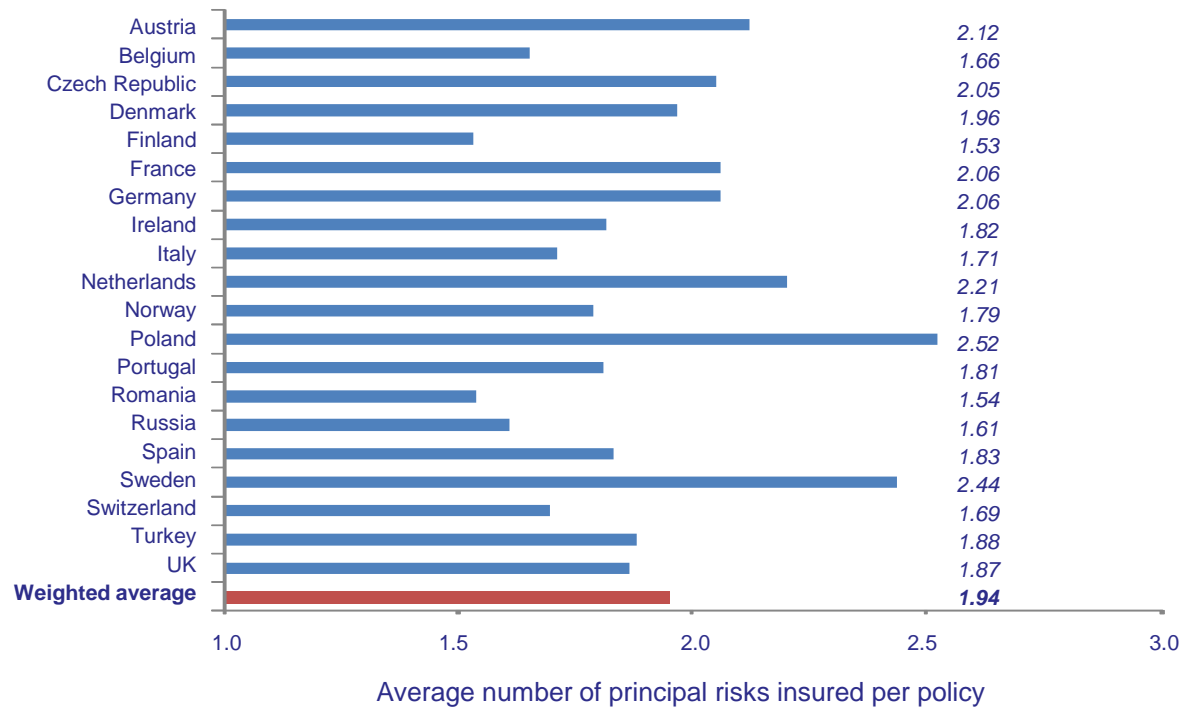
1. Sales of the underlying mobile gadgets are forecast to expand by around 13% between 2013 and 2017 which augurs well for the associated insurance and extended warranty market



Source: Finaccord analysis of multiple data sources

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

2. On average, the risk coverage of mobile gadget policies sold in Finland and Romania is most limited and that in Poland and Sweden the most comprehensive

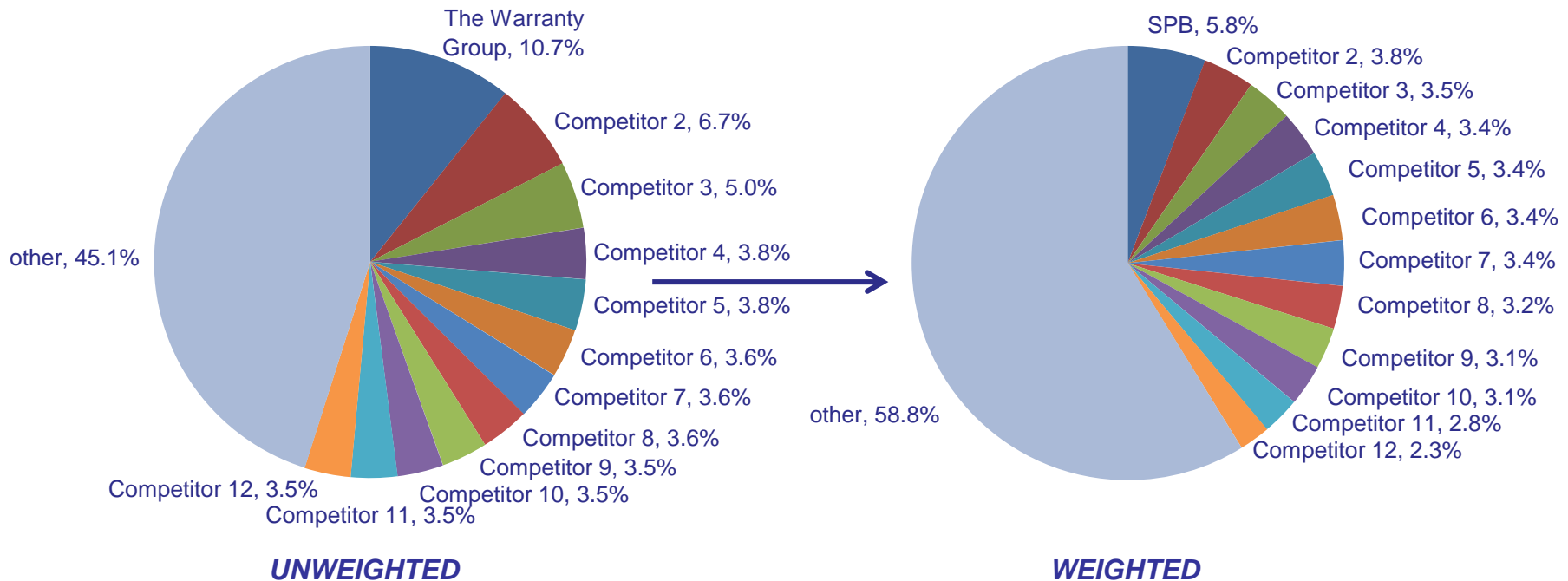


Note – principal risks are defined as technical breakdown, accidental damage, loss and theft

Source: Finaccord PartnerBASE

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

3. At the pan-European level, the supply structure for mobile gadget insurance and extended warranties is fragmented whether viewed in unweighted or weighted terms



Note – the identities of competitors 2 to 12 in each chart are revealed in the report itself

Source: Finaccord PartnerBASE

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

4. Key findings from the executive summary include:

- the market for extended warranties and insurance linked to mobile gadgets across 20 countries in Europe was worth around EUR 1.13 billion in gross written premiums and other revenues in 2013 and is expected to have risen in value by 2017;
- out of a total of 574 manufacturer and retailer extended warranty and related insurance schemes identified, 231 (40.2%) were managed entirely internally by the manufacturer or retailer, 258 (44.9%) were wholly dealt with by one or more external partners, and 85 (14.9%) were based on a combination of these two approaches or an alternative one (such as a captive provider);
- falling take-up (attachment) rates have been counter-balanced by a general shift away from purchase of pure extended warranty cover to policies that also comprise insurance elements, notably protecting consumers from accidental damage and / or theft (or, occasionally, loss);
- this is significant because extended warranties tend to be purchased for a single payment to cover a number of years whereas insurance policies generally last one year with greater potential to bring in premiums over multiple years when it is time for them to be renewed.

What is the cost and format?

Mobile Gadget Insurance and Extended Warranties in Europe 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 other titles in this series are as follows:

REPORT	COST *
Extended Warranties and Insurance for Brown Goods in Europe	USD 2,795
Extended Warranties and Insurance for Grey Goods in Europe	USD 2,595
Extended Warranties and Insurance for White Goods in Europe	USD 2,795
Mobile Gadget Insurance and Extended Warranties in Europe	USD 3,495
Mobile Phone Insurance and Extended Warranties in Europe	USD 3,495
Extended Warranties and Insurance for Mobile and Non-Mobile Consumer Products in Austria, Belgium etc. *	USD 1,195 to USD 1,395

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

Costs quoted are for one office / one country user licence only.

For other 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.

What about consumer research on this subject?

The reports listed below are based exclusively on consumer research commissioned by Finaccord across a representative sample of respondents in each country covered. These will be helpful for understanding metrics such as consumers' usage of distribution channels and claims frequency, as well as take-up rates. Separate tables of contents and a series prospectus are available for these which can be downloaded either from the relevant pages of the Finaccord website or by contacting Finaccord directly.

Mobile Metrics: Consumer Approaches to Mobile Gadget and Phone Insurance and Extended Warranties in Selected Global Markets	USD 8,395
Mobile Metrics: Consumer Approaches to Mobile Gadget and Phone Insurance and Extended Warranties in Australia	USD 1,395
Mobile Metrics: Consumer Approaches to Mobile Gadget and Phone Insurance and Extended Warranties in Brazil	USD 1,395
Mobile Metrics: Consumer Approaches to Mobile Gadget and Phone Insurance and Extended Warranties in Canada	USD 1,395
Mobile Metrics: Consumer Approaches to Mobile Gadget and Phone Insurance and Extended Warranties in China	USD 1,395
Mobile Metrics: Consumer Approaches to Mobile Gadget and Phone Insurance and Extended Warranties in France	USD 1,395
Mobile Metrics: Consumer Approaches to Mobile Gadget and Phone Insurance and Extended Warranties in Germany	USD 1,395
Mobile Metrics: Consumer Approaches to Mobile Gadget and Phone Insurance and Extended Warranties in Italy	USD 1,395
Mobile Metrics: Consumer Approaches to Mobile Gadget and Phone Insurance and Extended Warranties in Spain	USD 1,395
Mobile Metrics: Consumer Approaches to Mobile Gadget and Phone Insurance and Extended Warranties in the UK	USD 1,395
Mobile Metrics: Consumer Approaches to Mobile Gadget and Phone Insurance and Extended Warranties in the USA	USD 1,395

** 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 final 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, clearly stating the product(s) required, associated price(s) and billing details for eventual invoice or card payment receipt.