

Road Assistance

Global series prospectus

**Austria – Australia – Belgium – Brazil – Canada – China – France –
Germany – India – Italy – Japan – Mexico – Netherlands – Poland – Russia –
South Africa – South Korea – Spain – Switzerland – Turkey – UK – USA**

Prospectus contents

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What is the research?

Finaccord's series of research studies about road assistance is principally about the market for this type of assistance – sometimes referred to as breakdown recovery insurance – acquired on a prepaid basis by individual consumers for passenger cars in 22 countries: Austria; Australia; Belgium; Brazil; Canada; China; France; Germany; India; Italy; Japan; Mexico; Netherlands; Poland; Russia; South Africa; South Korea; Spain; Switzerland; Turkey; UK; and the US.

This type of cover is distributed in several different ways, including via direct sales by automotive clubs and assistance firms, and via other affinity and corporate partners (e.g. professional associations), plus cover embedded in motor (auto) insurance policies, cover embedded in car manufacturer factory warranties, cover embedded in extended warranties (vehicle service contracts) and prepaid service contracts, cover packaged automatically with credit cards and bank accounts.

Across the 22 countries combined, the research is based on a primary survey of close to 2,000 actual and potential distributors of road assistance. For each of these organisations, it establishes whether or not they offer road assistance in any format and, if they do, the partner assistance firms with which they work if they do not report managing the service themselves on an internal basis. Together, the reports, PartnerBASE™ datasets and market data files provide a uniquely comprehensive analysis of road assistance for individual consumers in the 22 countries in question.

What is the rationale?

There are several reasons for producing these reports and their associated PartnerBASE™ datasets and market data files about road assistance for individual consumers in major global markets.

First, these are the most comprehensive studies of the subject ever published across the 22 countries in question in spite of the fact that the combined market is likely to be worth close to USD 20 billion in 2018. Secondly, it is a market about which published data is generally thin, even within specific countries: few insurance associations or financial regulators publish figures for road assistance revenues and, even where data is available, it does not distinguish at all between different segments within the market.

Thirdly, road assistance services are distributed through a number of competing but very different channels and the market can only be fully understood in detail by analysing each of these channels and by identifying each of the partnerships that exist for the organisations active in them. Uniquely, the PartnerBASE datasets that accompany the reports in this series contain data concerning these partnerships, building upon the pioneering methodology established during production of Finaccord's earlier series.

continued overleaf

What is the rationale? (cont.)

Finally, there are numerous competitors in the market. These range from long-established national automotive clubs and international assistance companies owned by major insurance groups to smaller road assistance providers that are usually focused on a single country and to local assistance firms to which breakdown recovery services are often outsourced. Because of this complex supply structure, quantifying the market shares of leading competitors in road assistance is a challenging task, but this is one of the outputs of this series of studies.

Which countries are covered?

Country	Date of publication	Country	Date of publication
Austria	Nov-17	Mexico	Dec-14
Australia	Aug-18	Netherlands	Nov-17
Belgium	Nov-17	Poland	Nov-17
Brazil	Aug-18	Russia	Nov-17
Canada	May-18	South Africa	Dec-14
China	Oct-18	South Korea	Dec-14
France	Aug-17	Spain	Aug-17
Germany	Aug-17	Switzerland	Nov-17
India	Dec-14	Turkey	Nov-17
Italy	Aug-17	UK	Jul-17
Japan	Dec-14	USA	Oct-18

An overview report for the 12 European countries was published in January 2018; note in this context that the 12 relevant country-specific reports are subsets of the overview.

What methodology has been used?

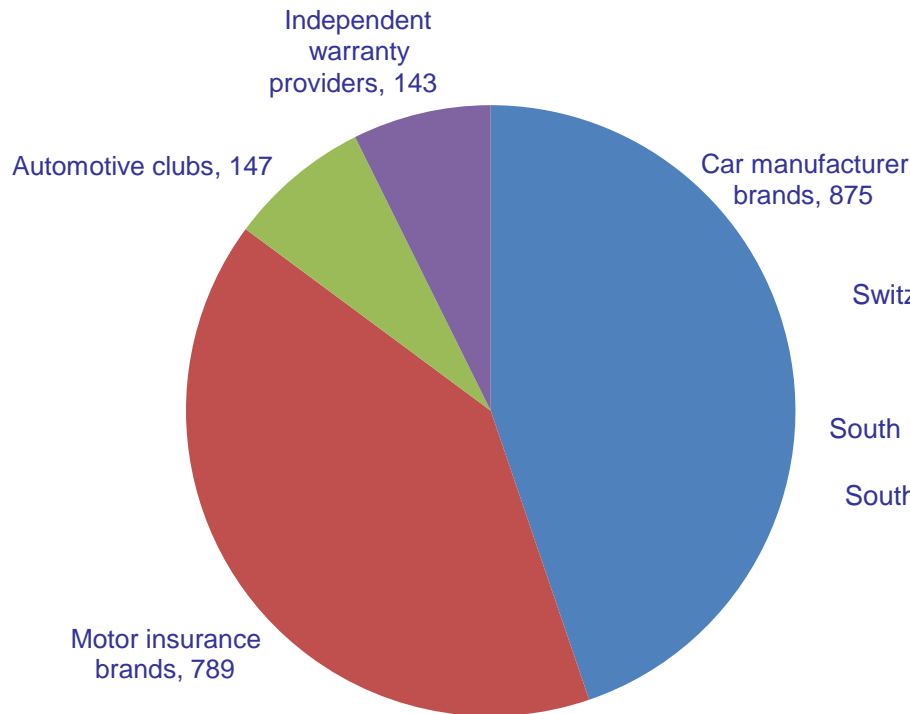
These reports are based on an extensive program of primary and secondary research conducted between April and June of 2018 in the case of Australia, Brazil, Canada, China and the US, between April and November 2017 in the case of the 12 European countries, and between June and November 2014 in the case of India, Japan, Mexico, South Africa and South Korea; splits of the organisations investigated by type and country are given in the two pie charts overleaf.

In order to establish the size, segmentation and probable future growth of the market in each country, Finaccord has constructed a model that incorporates the number of road assistance policies in force in each country split by distribution channel. This also takes into consideration the average price of a road assistance policy according to whether it is sold on a retail or wholesale basis, and incorporates results from Finaccord's parallel research into consumer automotive financial services in each country.

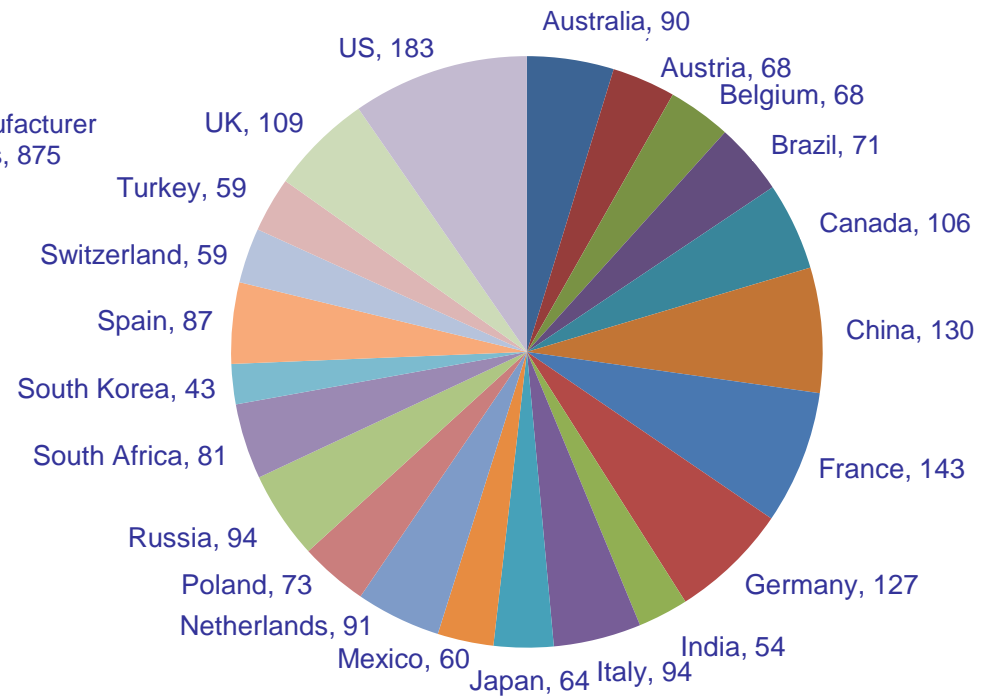
Moreover, the likely market shares of leading providers of road assistance in each country are calculated through a combination of public domain sources (e.g. the number of members of automotive clubs acquired both directly and indirectly) and analysis based on the number and importance of partnerships held by providers of road assistance with the main distribution channels, namely motor insurance brands, car manufacturer brands and independent warranty providers.

How do organisations surveyed break down?

BY TYPE



BY COUNTRY



What is the structure of each report?

Executive Summary: provides a concise evaluation of the report's principal findings.

Introduction: discusses rationale, research methodology, sample breakdown and definitions.

Market Overview: this chapter begins by presenting the penetration rates for road assistance across the main categories of distributor considered, namely automotive clubs, motor insurance brands, car manufacturer brands and independent warranty providers. It then compares the operating models used to provide road assistance by these distributors and quantifies the value and volume of the market for road assistance acquired by individual consumers owning passenger cars with a segmentation by distribution channel, plus the overall growth of the market value over a five-year time period. Other data points include the penetration rate for prepaid road assistance across the total number of individually-owned passenger cars and (for countries published about in 2017 and 2018) the value of the total market for road assistance, also including assistance for fleets and commercial vehicles. In addition, this chapter also provides estimates for the market share of road assistance revenues (expressed as a percentage range) attributable to the leading competitors. Finally, it provides forecasts for the future value of the market.

For Australia, Brazil, Canada, China and the US the time periods are 2013 to 2017 with a forecast to 2021, for the 12 European countries they are 2012 to 2016 with a forecast to 2020, and for India, Japan, Mexico, South Africa and South Korea they are 2010 to 2014 with a forecast to 2018.

What are the key features of the research?

Key features of these reports include:

- quantification of the market size for road assistance acquired by individual consumers owning passenger cars in each of the 22 countries: how much is the market worth in each country, how does it break down between the main distribution channels and how is it likely to develop in future?
- computation of the market share by revenues of leading providers of road assistance in each country, thereby illustrating whether challenger assistance firms are eroding the dominance of long-established, incumbent providers;
- availability of an accompanying PartnerBASE™ dataset that logs partnerships for road assistance identified by Finaccord across automotive clubs, motor insurance brands, car manufacturer brands and independent warranty providers in each country;
- review of other distribution systems used for selling road assistance including direct sales, cover bundled with payment cards and bank accounts, online aggregators and brokers, and other affinity and corporate partners – to what extent do these offer a credible means for challenger assistance firms to gain market share?

How can the research be used?

You may be able to use this research plus the accompanying PartnerBASE™ datasets and market data annexes in one or more of the following ways:

- to evaluate the size, segmentation and future prospects of the market for road assistance for individual consumers in each country, plus (for countries published about in 2017 and 2018) its value within the total prepaid market for road assistance (which also includes assistance for fleets and non-fleet commercial vehicles);
- to appreciate the overall penetration rate for road assistance across passenger cars driven by individual consumers in each country and the contribution made to this rate by policies acquired via each of the main distribution channels;
- to gain access to a single comprehensive source of information detailing partnerships between providers and distributors of prepaid road assistance in each country, and the extent to which these are drivers of the market share of revenues of the leading competitors;
- to understand the competitive position of established national assistance brands, international assistance providers and challenger assistance firms, plus the potential for new distribution models, such as on-demand road assistance apps, to disrupt the market.

How can the PartnerBASE™ be used?

Select country

Choose operating model

Distributor name	Country	Category	ROAD ASSISTANCE Offered?	Operating model	Partner(s)
VIVIUM	Belgium	Motor insurance brands	Yes	Single external provider	IMA Benelux
VKT (Vlaamse Kampeertoeristen)	Belgium	Automotive clubs	Yes	Single external provider	VAB
Volkswagen	Belgium	Car manufacturer brands	Yes	Single external provider	VAB
Volvo	Belgium	Car manufacturer brands	Yes	Single external provider	Allianz Global Assistance
Zelia	Belgium	Motor insurance brands	Yes	Single external provider	Europ Assistance

Look up specific distributors

Filter by category of distributor

Identify assistance providers

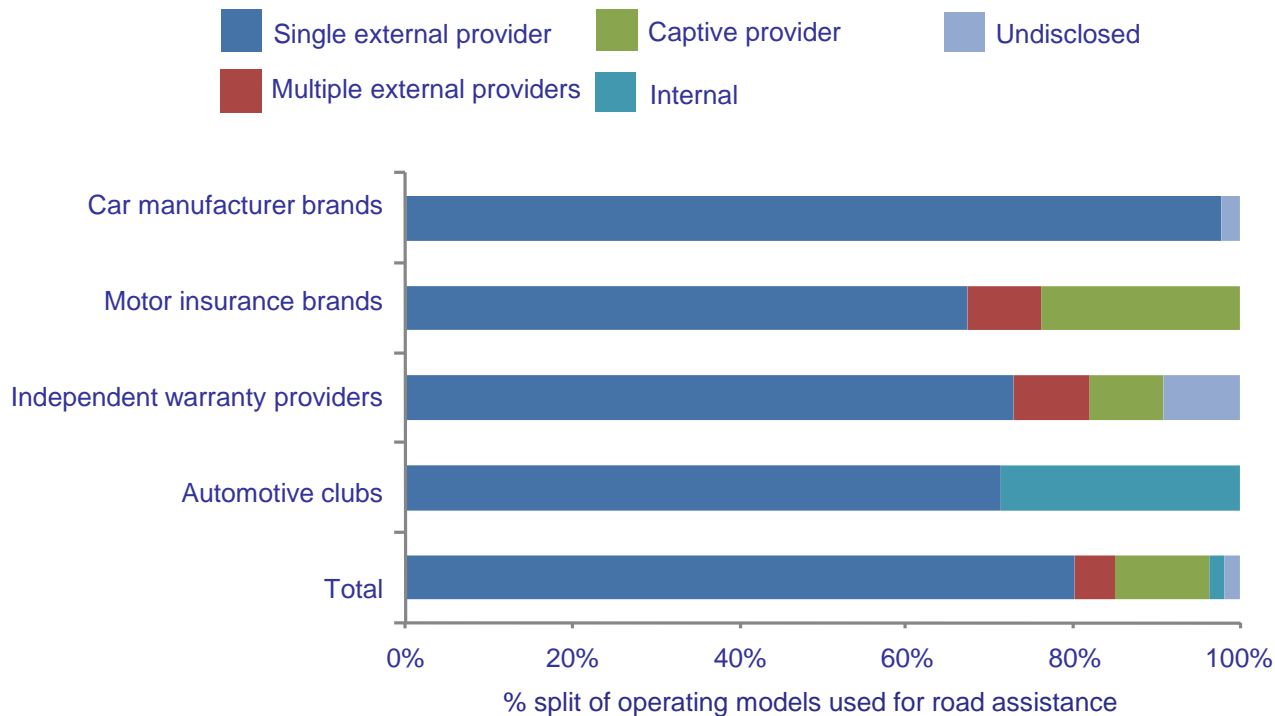
Source: Finaccord PartnerBASE for Road Assistance

Who can use the research?

1. *Assistance firms and automotive clubs:* tailor your company's strategy armed with the most in-depth research yet published about the markets for road assistance for individual consumers owning passenger cars in Austria, Australia, Belgium, Brazil, Canada, China, France, Germany, India, Italy, Japan, Mexico, Netherlands, Poland, Russia, South Africa, South Korea, Spain, Switzerland, Turkey, UK, and the US;
2. *Insurance companies:* sales of road assistance to consumers via motor (auto) insurance account for between around 8% to 94% of the total market value depending upon the country in question – could your company take a greater slice of this market?
3. *Automotive manufacturers:* most manufacturer brands include road assistance automatically with the factory warranties provided to buyers of new cars – however, the share of this distribution channel is less than 10% in most countries;
4. *Management consultancies:* are you helping a client firm to understand its own strategy with respect to road assistance in major global markets? These studies will provide you with rapid insight into the subject, saving time and effort on researching the subject yourself.

What are some of the key findings?

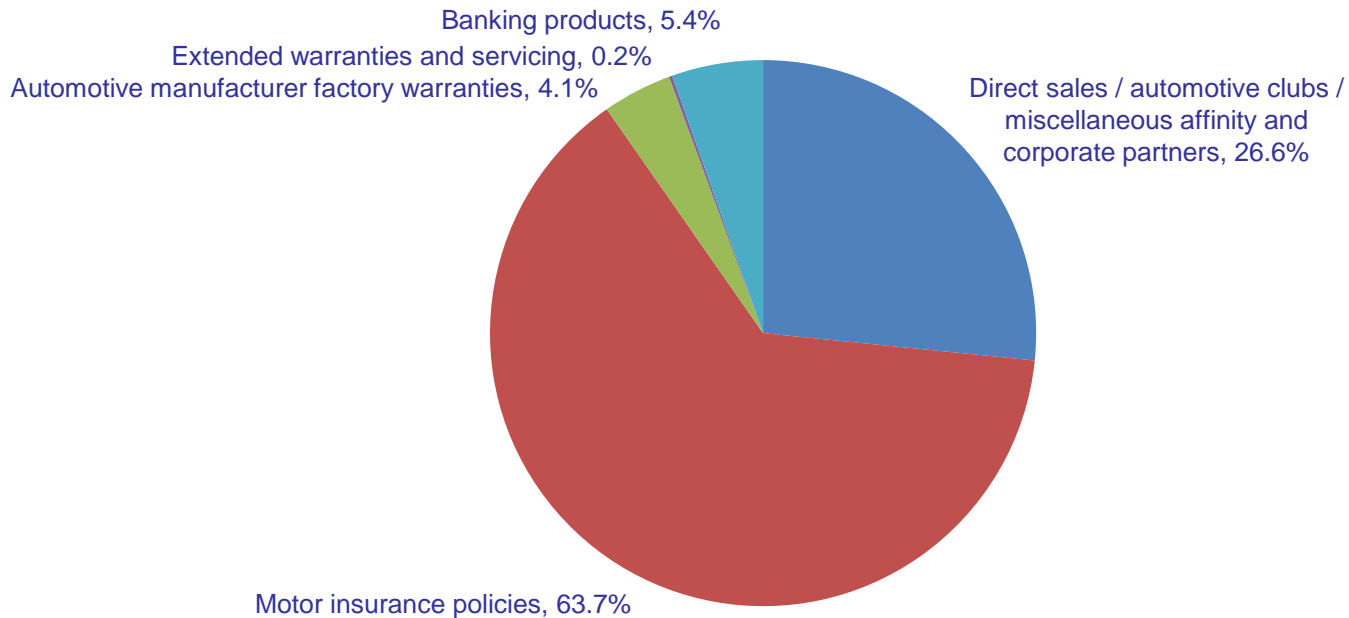
1. In the UK, most initiatives for prepaid road assistance for individually-owned passenger cars are organised by distributors in conjunction with a single external partner



Source: Finaccord PartnerBASE for Road Assistance

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

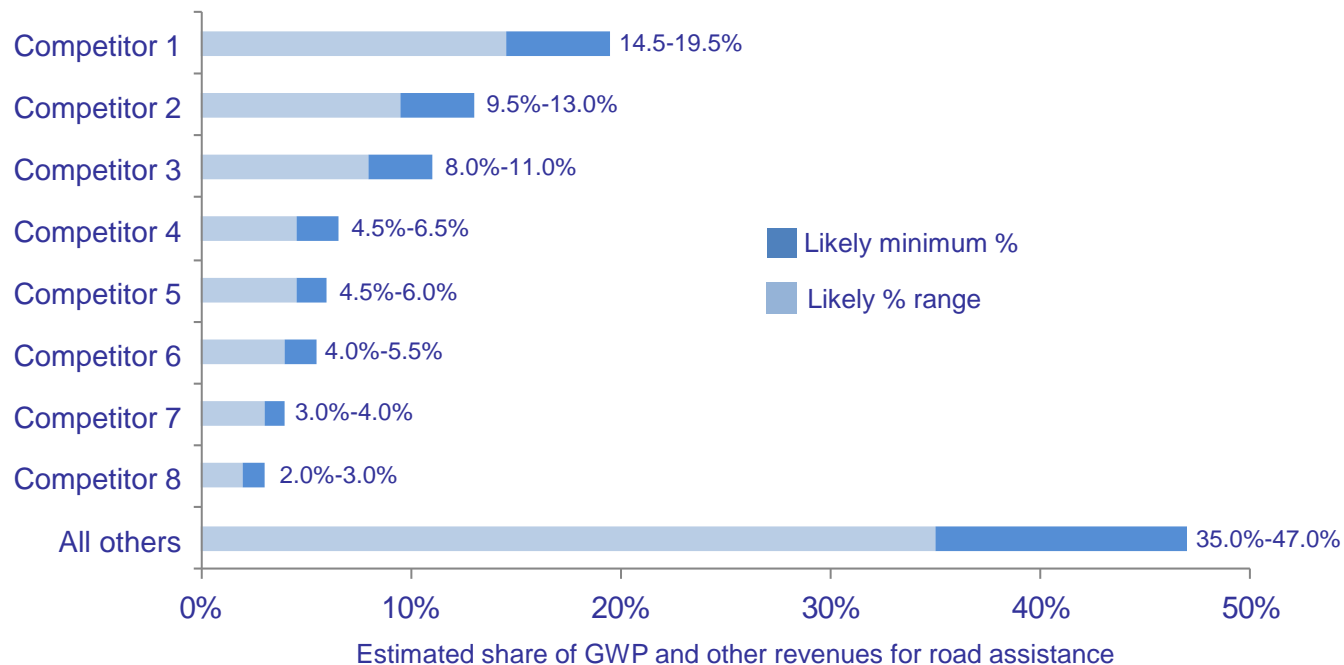
2. The value of the Polish market for road assistance acquired by individual consumers is concentrated mainly in the motor insurer distribution channel



Source: Finaccord analysis

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

3. As evidenced by Finaccord’s analysis of estimated competitor shares, the US market for road assistance for individual consumers is fragmented which is partly because the AAA is composed of a series of independent automobile clubs



Note – the identities of competitors 1 to 8 are disclosed in the report about the US

Source: Finaccord analysis

What are the costs and format?

These reports about road assistance are available as standard PDF documents. The PartnerBASE™ datasets and market data annexes that accompany them at no further charge are in *Excel* format. Prices for the country-specific research sets are as follows:

Country	Cost *	Country	Cost *
Road Assistance in Austria	GBP 795	Road Assistance in Mexico	GBP 595
Road Assistance in Australia	GBP 995	Road Assistance in the Netherlands	GBP 795
Road Assistance in Belgium	GBP 795	Road Assistance in Poland	GBP 795
Road Assistance in Brazil	GBP 995	Road Assistance in Russia	GBP 995
Road Assistance in Canada	GBP 995	Road Assistance in South Africa	GBP 595
Road Assistance in China	GBP 1,295	Road Assistance in South Korea	GBP 595
Road Assistance in France	GBP 995	Road Assistance in Spain	GBP 995
Road Assistance in Germany	GBP 995	Road Assistance in Switzerland	GBP 795
Road Assistance in India	GBP 595	Road Assistance in Turkey	GBP 795
Road Assistance in Italy	GBP 995	Road Assistance in the UK	GBP 995
Road Assistance in Japan	GBP 595	Road Assistance in the USA	GBP 1,295

In addition, an overview report for the 12 European countries is available for GBP 4,995.

** VAT at the prevailing rate will be added to the basic price for UK-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 USD, at the prevailing exchange rate, if preferred.*

How can the research be purchased?

Simple. Just go to the relevant area of the Finaccord web site available at www.finaccord.com/order_road_assistance.htm and fill in the online order form, clearly indicating:

- report required
- type of corporate user licence, if required *
- billing name
- address and e-mail address
- purchase order number, if applicable

Please allow up to one working day for the delivery of electronic copy by e-mail.

* For the **corporate user licence** please 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

VAT at the prevailing rate will be added to the price of any corporate user licence acquired by UK-based buyers.