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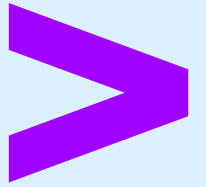
Fédération des Courtiers en assurances
& Intermédiaires financiers de Belgique



Votre Courtier
Votre meilleure
Assurance

INSURANCE BROKER MARKET STUDY **2021**

Findings and trends on the Belgian market



Broker Market Pulse Study 2021 for Insurance

Reframe for growth

How making interactions easier and advice even more tailored can help insurers & brokers grow together

A quantitative study on the insurance broker market in Belgium

In 2021, Accenture & Benthurst performed a quantitative study on the Belgian insurance broker market.

A total of 249 completed the survey, incomplete surveys are not taken into account.

This research provides an overview over the generic broker landscape and shapes trends and creates insights about the issues the Belgian insurance broker are currently facing.

This study was conducted by

 **accenture**

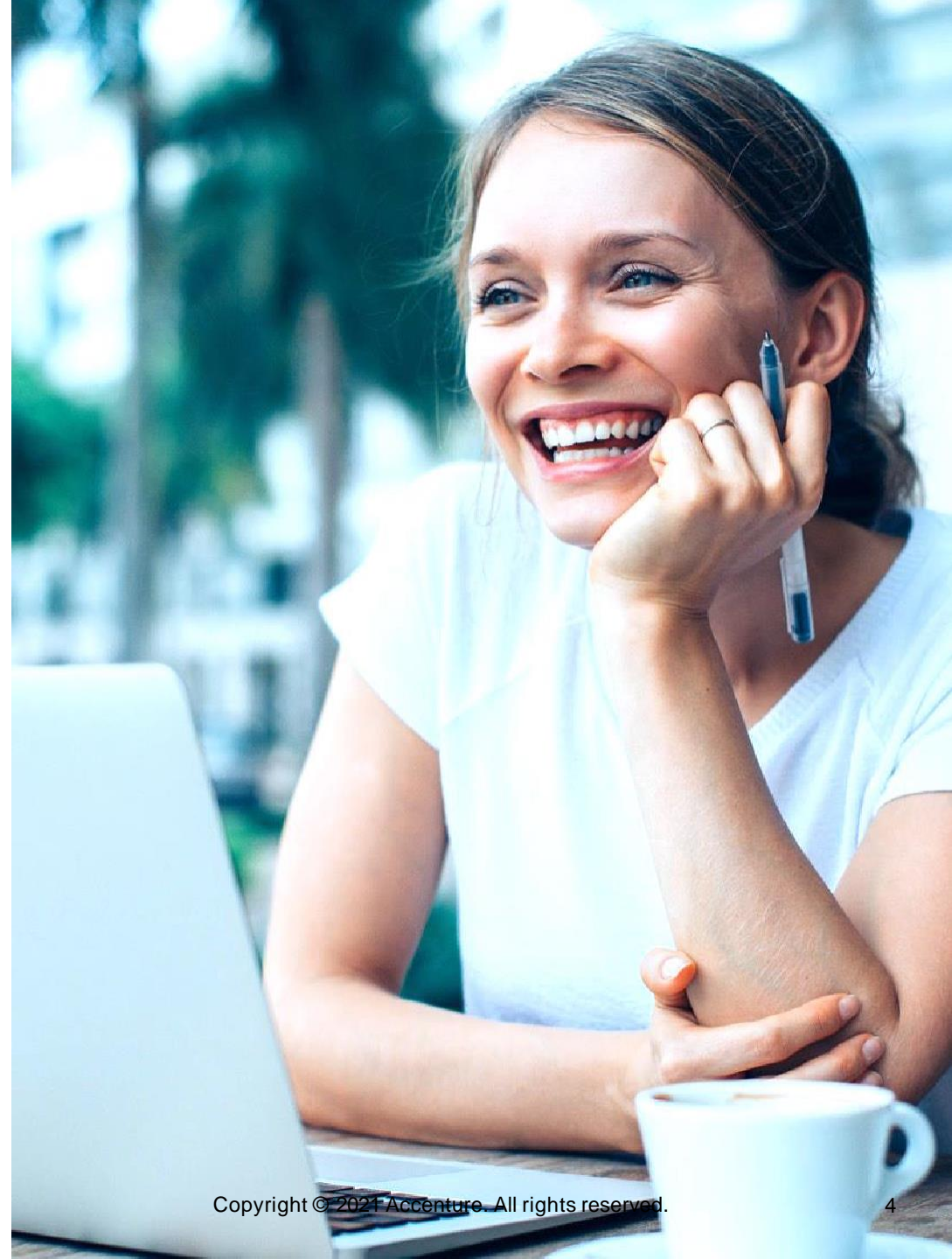
 **Benthurst & Co**
Strategy Realization

With the appreciated support of

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The broker landscape



The broker landscape evolved in favor of the digital broker

The broker still heavily relies on insurance carriers to bring a seamless and high-value customer & broker experience. For the insurer, the broker market continues to be the primary distribution channel in Belgium.

1.

Broker satisfaction stays stable



2.

The consolidation trend continues



3.

Co-existence digital/physical broker



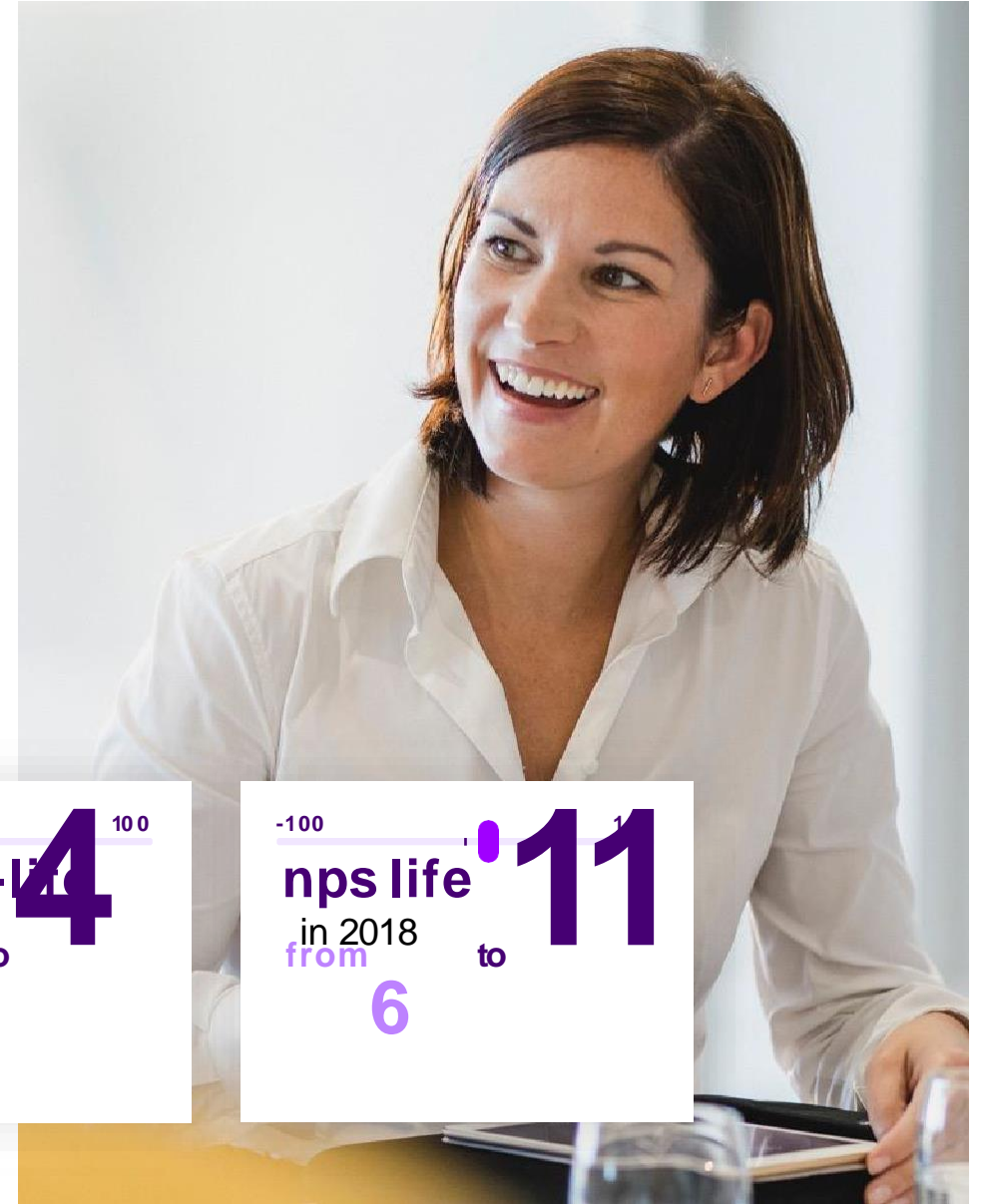
#1 Satisfaction stays stable

Broker satisfaction stays stable

There is even a slight increase in the industry average satisfaction from brokers towards insurers.

“How likely are you to recommend these insurance companies to your fellow brokers?”

249 Brokers responded

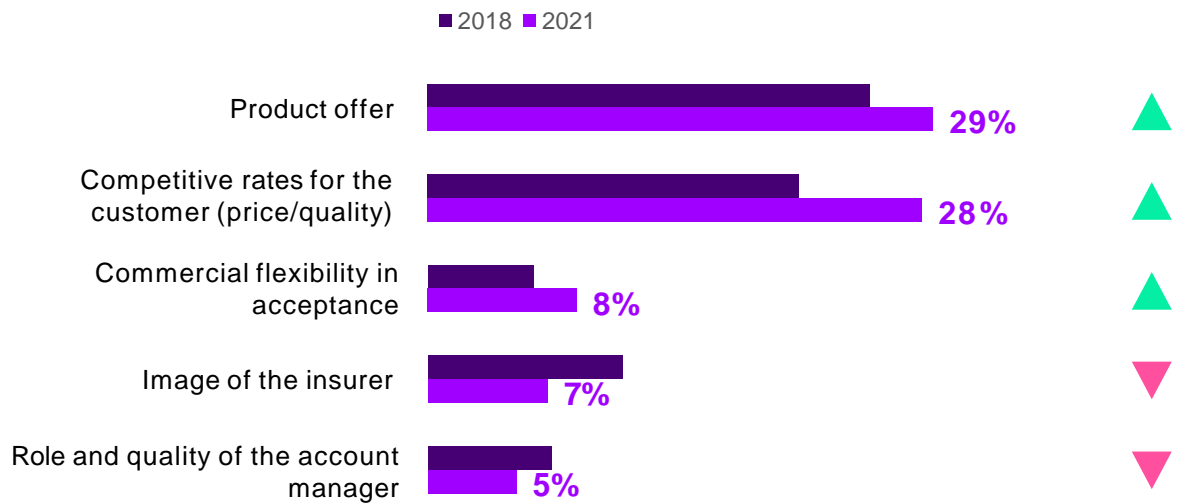




#1 Satisfaction stays stable

Value for money & product offering are key reasons to collaborate

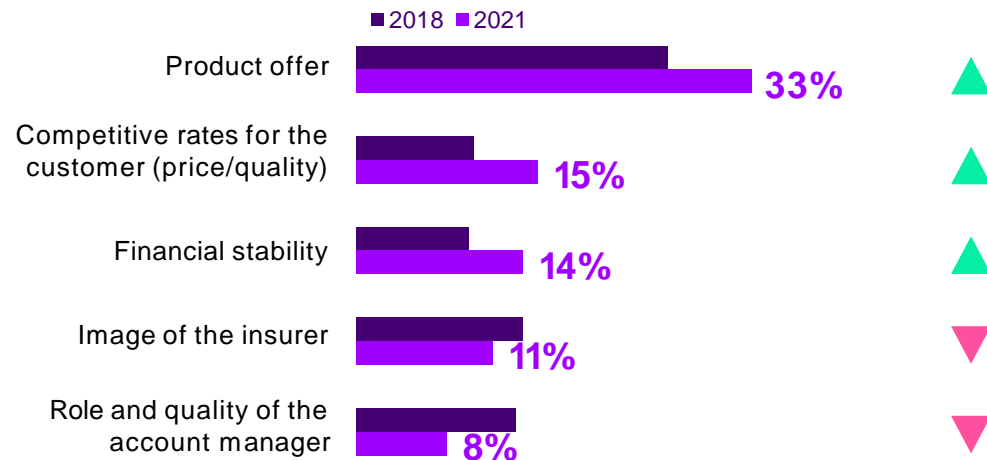
Top 5 collaboration reasons between broker and insurer for Non-Life



#1 Satisfaction stays stable

Value for money & product offering are key reasons to collaborate

Top 5 collaboration between broker and insurer reasons for Life



#2

The consolidation trend continues



17%

Average M&A in the past two years

Similar trend compared to 2018 (22%)

31%

Consider acquiring a broker office in the next 2 years

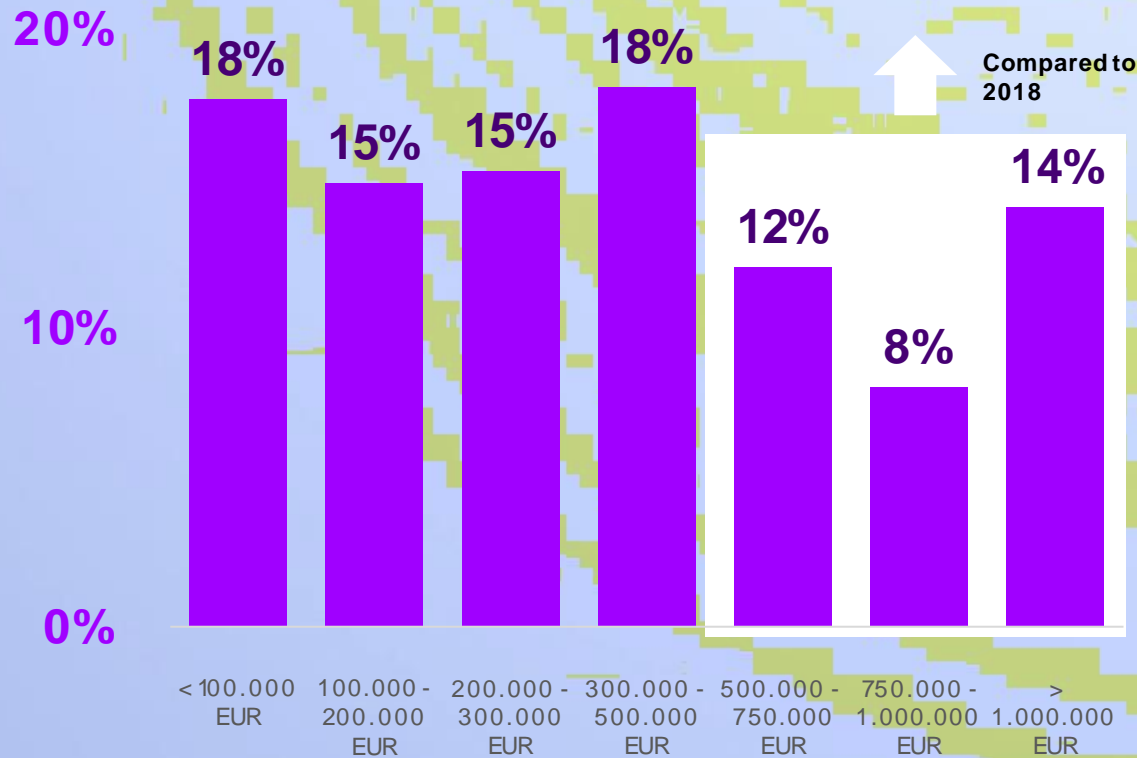
13%

Consider selling in the next 2 year

Brokers that plan to sell their broker office in the next 2 years are looking more to a third-party buyer than family.



#2 Continued consolidation



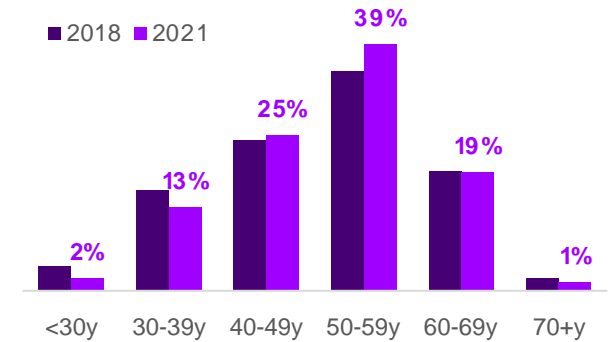
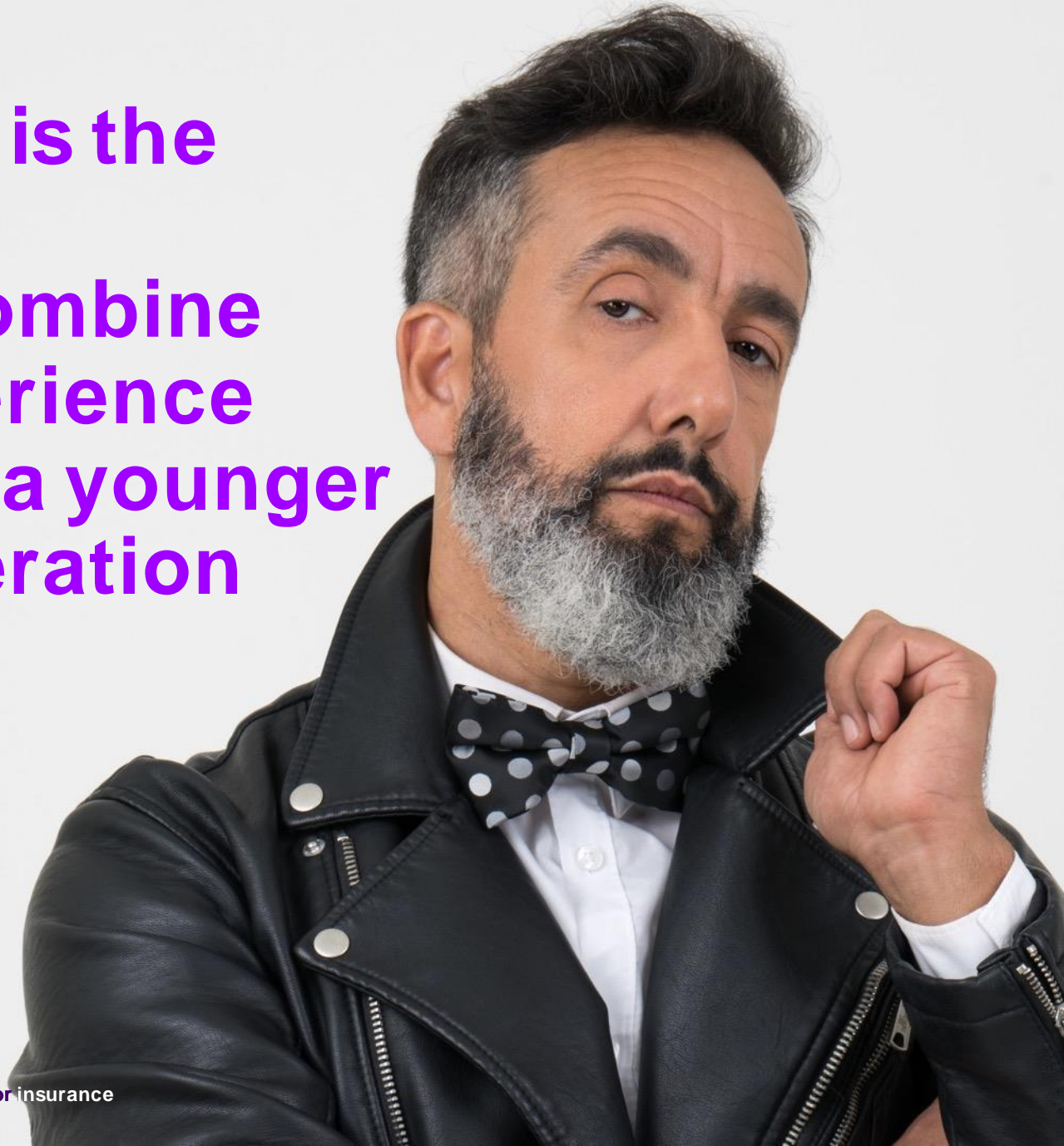
Annual Turnover Broker Office

Medium and large broker offices are becoming more visible

Representation of the annual turnover (insurance related remuneration) of the respondents: ~30% of brokers offices have a turnover of less than 200.000 now, whereas this used to be 50% of the respondents in 2018, showcasing the trend towards larger offices.



Now is the time to combine experience with a younger generation



51 year

Average age of the broker manager

Compared to an average of 50 year in 2018, no decreasing trend can statistically be noticed during the study. Majority of the broker managers (59%) is > 50+ years. However, when looking at a broker office with multiple managers, we see that the average age of the 2nd/3rd manager decreases compared to the first.



70%

of the brokers has a maximum 5 employees

Compared to 2018 there is a shift of the biggest category from <2 to currently 4-5 employees.



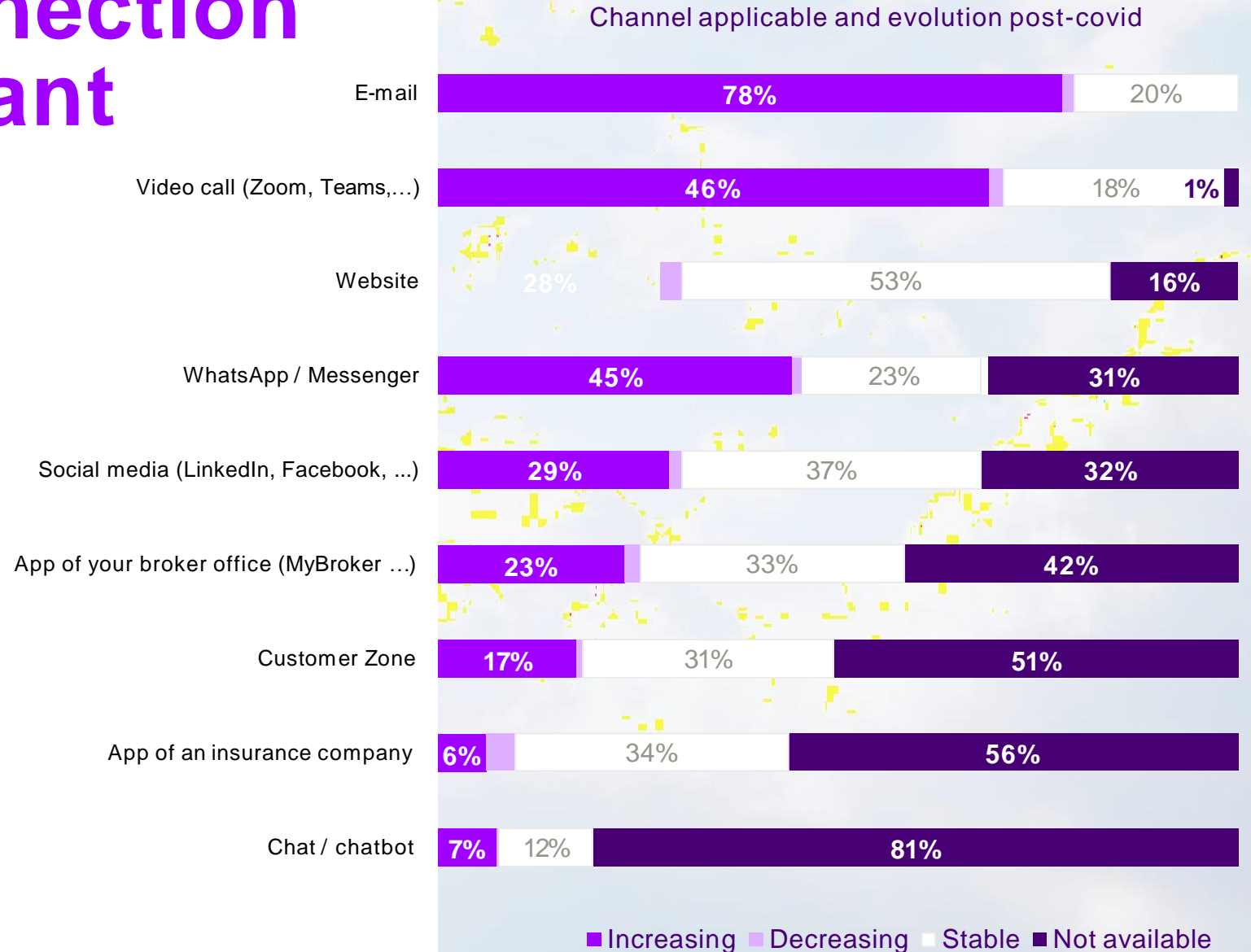
#3 Co-existence digital/physical broker

The human connection remains important

Due to COVID-19, the face-to-face interactions were replaced and are still done through mostly 'first-generation' type of digital interactions (video, email, whatsapp,...).

This confirms the need for brokers to engage still personally and have one-to-one interactions with their clients. More advanced ways of interaction such as Chatbot, App and Customer Zone, are in majority not available indicating the margin towards more innovative digital interactions.

Now that the world is slowly coming back from the pandemic brokers will have to find the right balance between physical and digital channels.





#3 Co-existence digital/physical broker

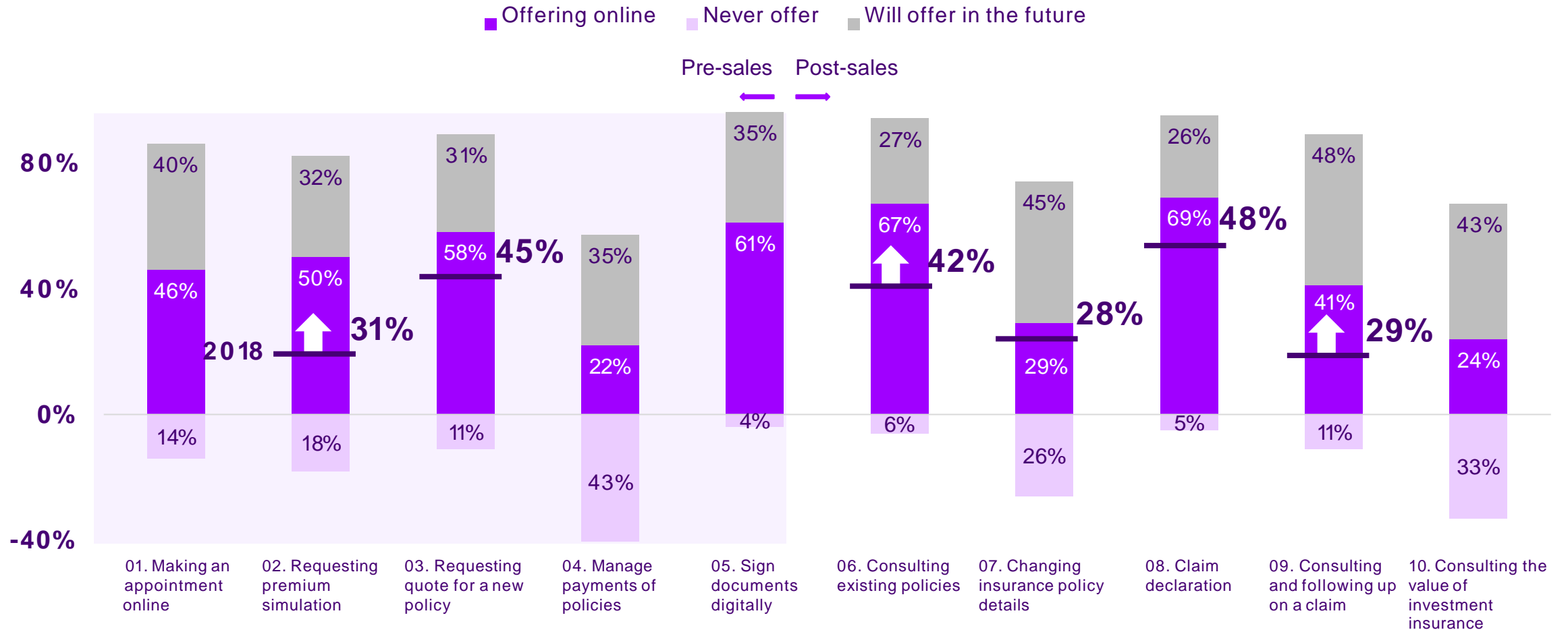
General increase in offering of online features

The biggest increase is noticed in claim declaration, consulting policy and premium simulation.



#3 Co-existence digital/physical broker

General increase in offering online features



Broker growth



How will tomorrow's broker market look like?

As the world emerges from the COVID-19 crisis, higher demands from the brokers for the insurers is one of those changes that are likely to stick. Under the pressure of ever-increasing consumer demands, technology-driven evolution and a highly competitive market landscape, brokers will heavily rely on insurance companies and broker technology providers for bringing high-service levels for their customers. Data reveals the following four focus areas for the brokers:

1.

**Focus on
advisory role**

2.

**Open mindset
towards
technology
partners**

3.

**Main growth
margin in client
specialization**

4.

**Interest in
services close
to traditional
business**

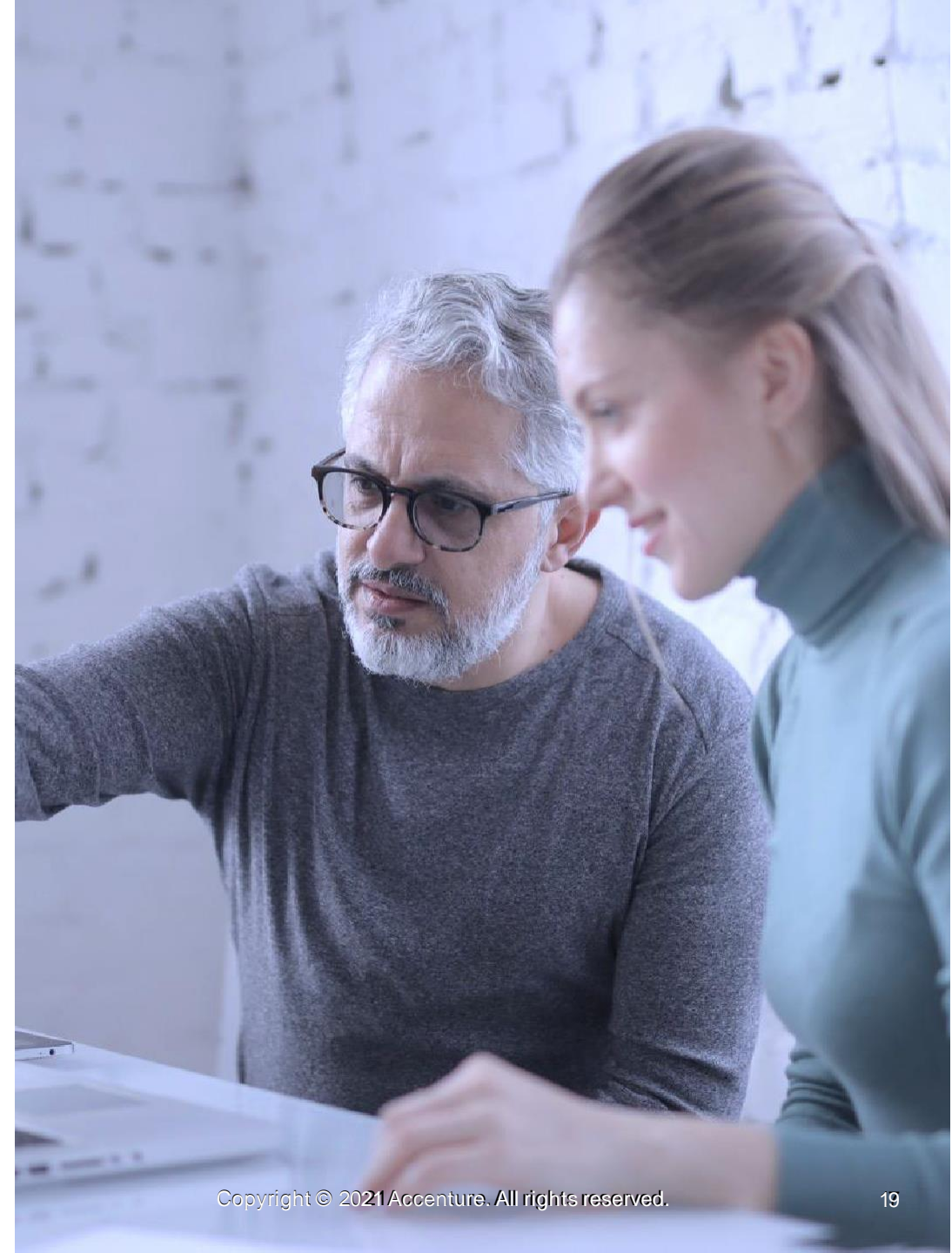
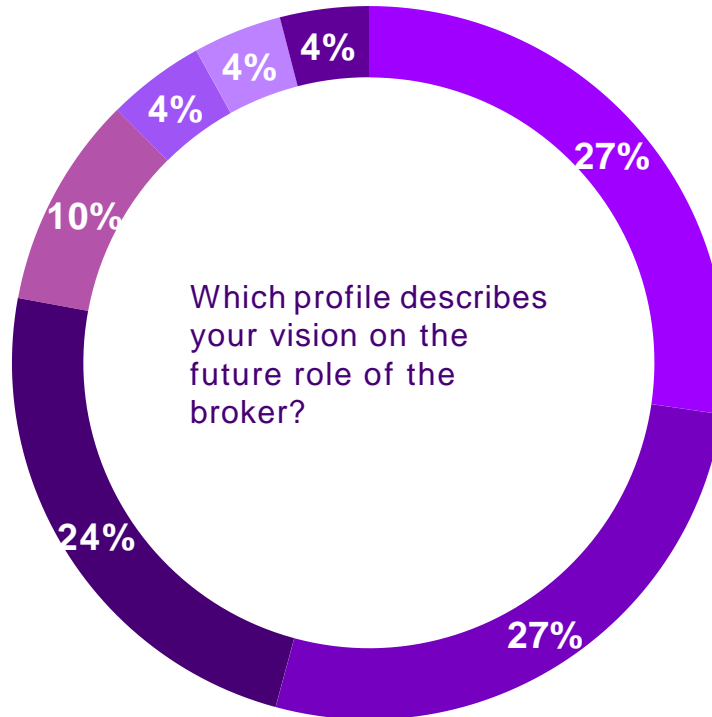


#1 Focus on advisory role

Brokers are seeking admin support from insurers

Brokers want to focus and stay close to their clients.

- Problem solver
- Local proximity
- Insurance specialist
- Digital proximity
- Proactive advisor
- Broader services provider for full advisory

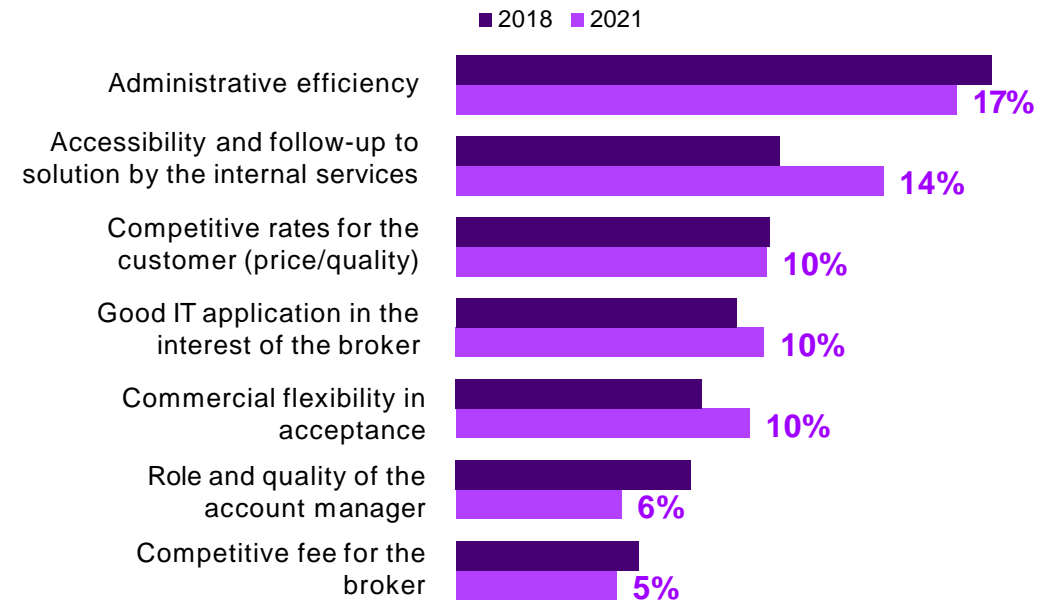




#1 Focus on advisory role

Administrative efficiency & transparency remain the biggest burden

Top 7 improvement areas between broker and insurer

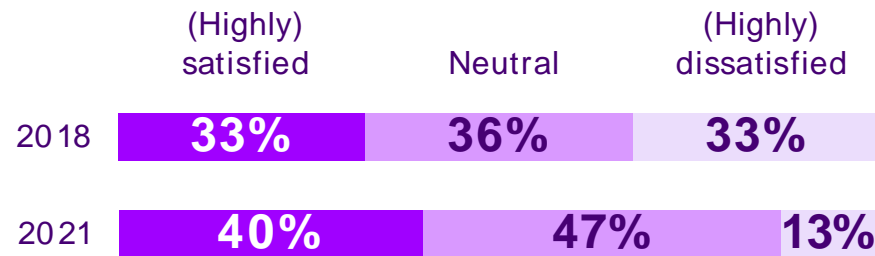


#2 Open mindset towards technology partners

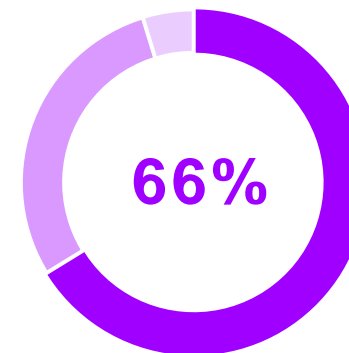
For the first time, brokers perceive insurtechs positively



Compared to 2018, brokers are now more open towards insurtechs, however their solutions are not (yet) used on a day-to-day basis (64% of the respondents is not using insurtech).



Brokers are highly satisfied with the current usage of different BMS systems.



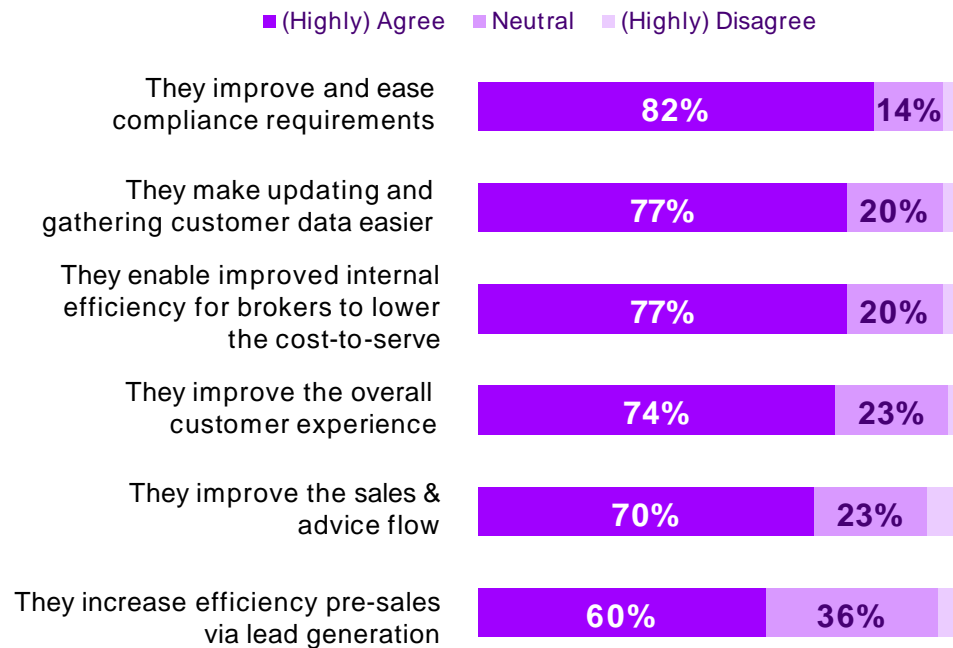
66% of the brokers is (highly) satisfied about their BMS, main reason for switching from BMS would be price or technical difficulties.



#2 Open mindset towards technology partners

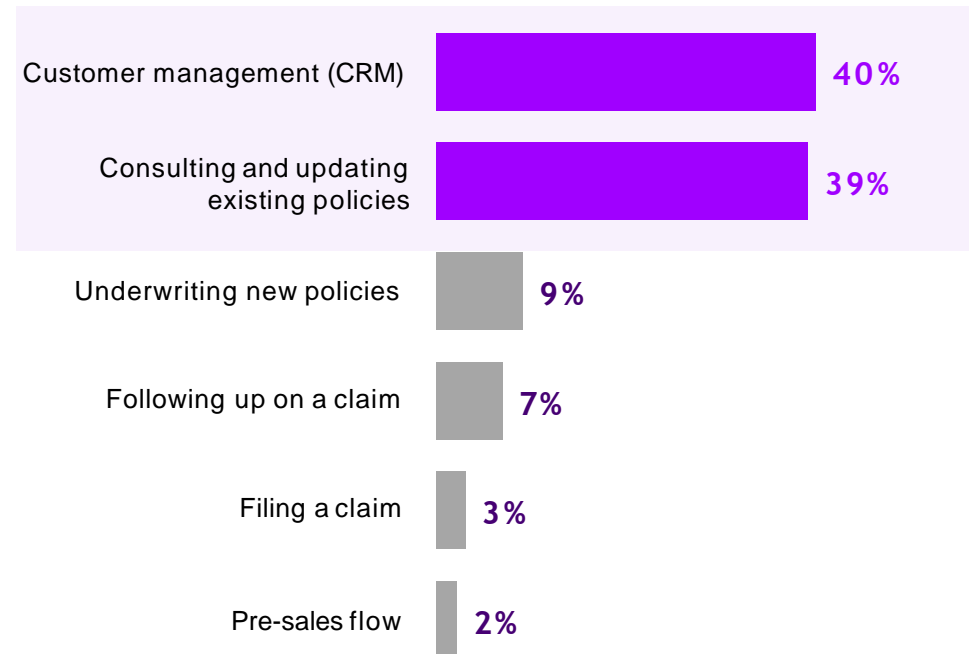
Different value proposition between tooling: Insurtech improving efficiency vs BMS as CRM

Main strength and added customer value of insurtechs on the ease of regulation compliance



VS

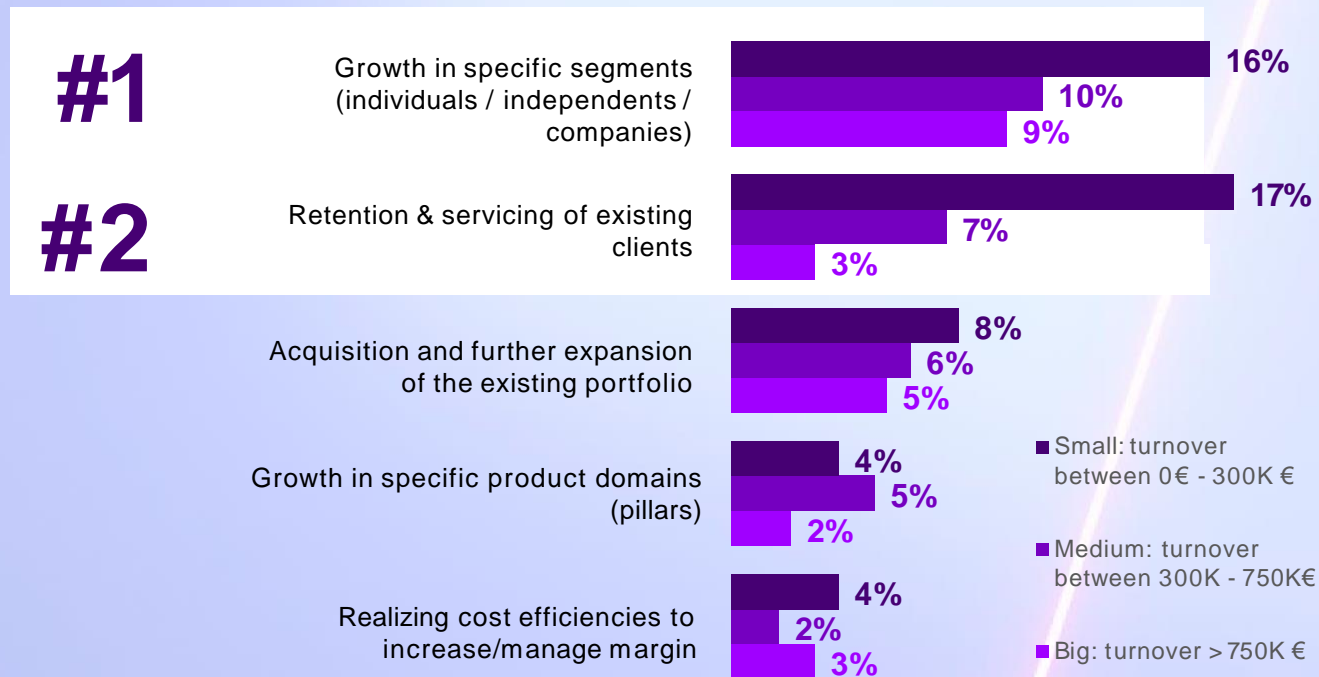
Main value of BMS on CRM and management of policies



#3 Main growth margin in client specialization

Niche growth is key, but retention is equally important for smaller offices

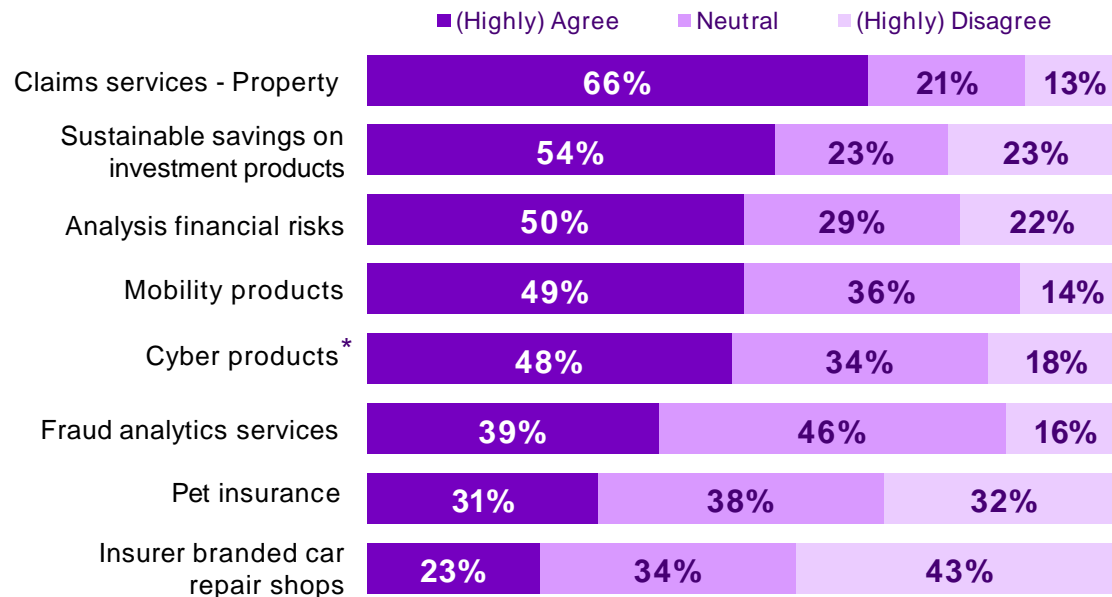
Where do you see most potential in the future for your broker office?



#4 Interest in services close to traditional business

Most interest goes to claims services

How interested are you in the following underwriting / policy related products or claims related services?



***Cyber products and analysis of financial risk are only positively perceived by medium/big offices.**



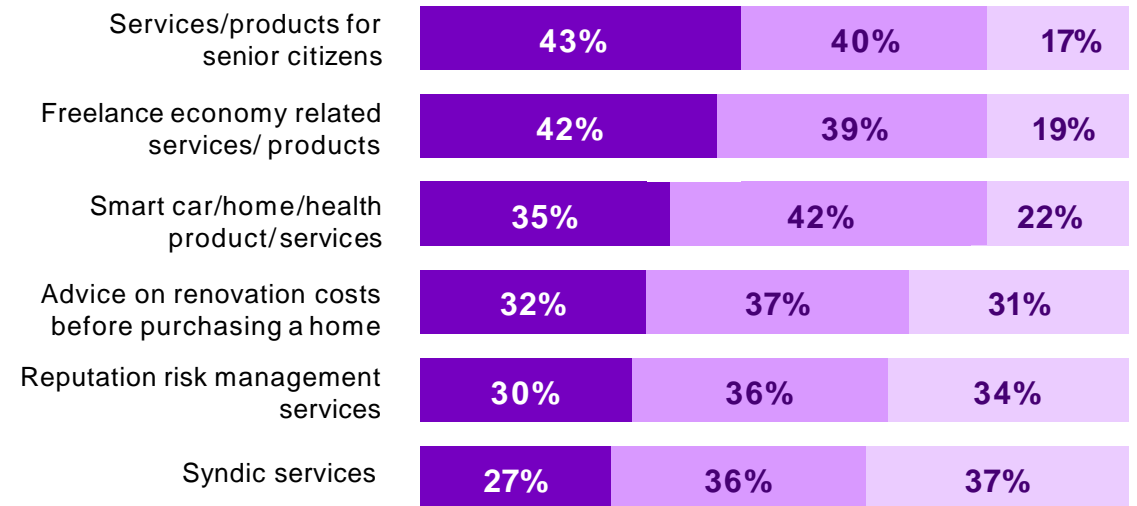


#4 Interest in services close to traditional business

Beyond insurance, products for freelancers & seniors are most relevant

Which of the below new services or products that go "beyond" traditional insurance would you be ready to sell to your customers?

■ (Highly) Agree ■ Neutral ■ (Highly) Disagree



Unlocking new value with brokers



Unlocking new value with brokers

The insurer partnership which excels in aligning their services and products for today's broker and customer needs will be key for further growth and creation of trust with broker.

The following four strategies are key to further strengthen the insurers position with the brokers:

1.

**Empower
brokers with
the right tools**

2.

**Play a key role
in the
ecosystem**

3.

**Create
flexibility in
your workforce**

4.

**Simplify
offering and
enhance
experience**



How do you strengthen the broker-insurer partnership?



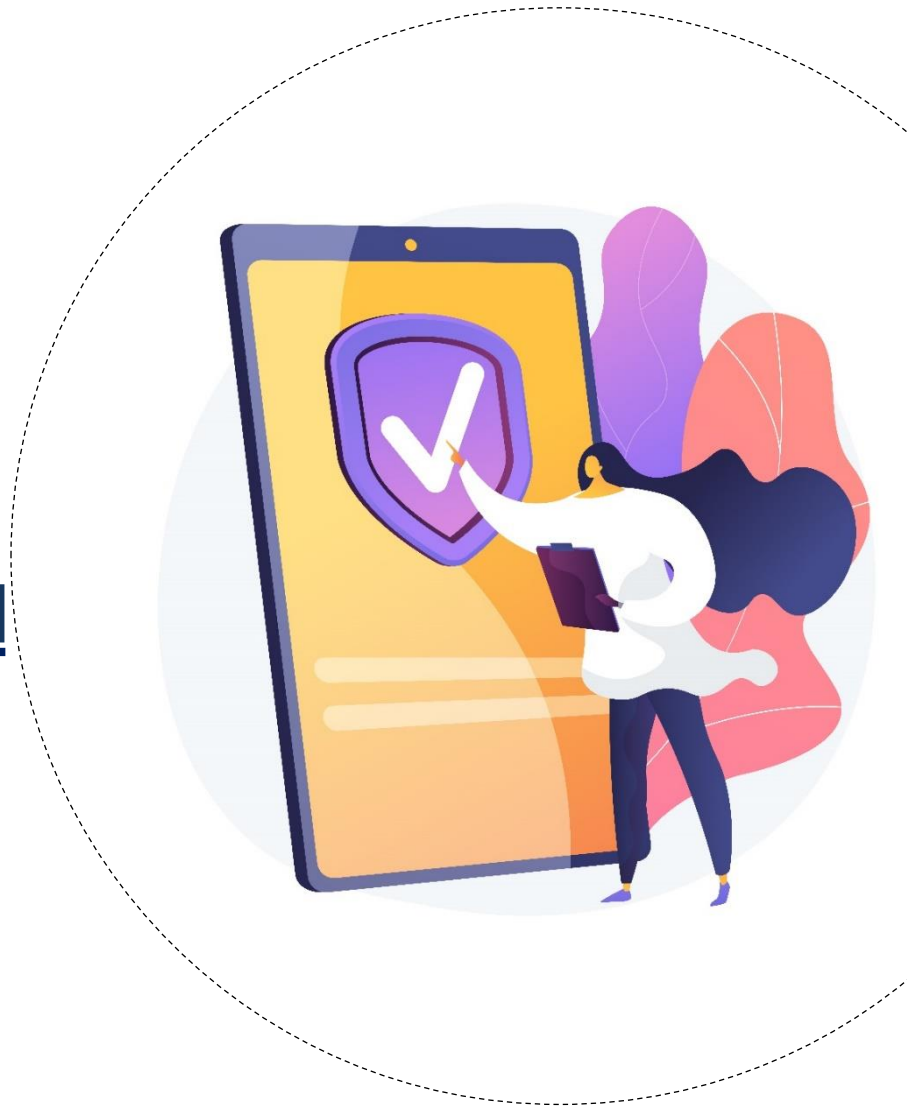
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