



eiopa
EUROPEAN INSURANCE
AND OCCUPATIONAL PENSIONS AUTHORITY

EIOPA Consumer Trends Report

Frankfurt, 6 March 2018

- **EIOPA's Regulation:**

"to collect, analyse and report on consumer trends"

- **The objective is to:**

- o Monitor the **evolution** (trends) in consumer behaviour and other market developments in the insurance and pensions sectors
- o Identify possible **consumer protection issues** that could arise from such trends
- o Identify and highlight **developments**

Key novelties of the 2017 report



- Emphasis on **financial innovations and digitalisation**
- **Stakeholders interviews** are included for the first time
- In addition to consumer complaints and NCA consumer protection activities, the report also analyses other **Retail Risk Indicators** using Solvency II data

- **In the insurance sector:**

- **Consumer complaints considerably increased** and some lines of business such as legal expenses insurance present low claim ratios, high commission rates and high claims rejection rates.
- **InsurTech start-ups** including peer-to-peer insurers are proliferating, specialising in developing specific areas of the insurance value chain.
- **Usage-based insurance (UBI) continues to develop** bringing new personalised products and services to market, but concerns continue over access to insurance for high-risk consumers.
- **Some NCAs are actively promoting financial innovation** through a series of initiatives, such as Innovation Hubs, regulatory sandboxes, or public-private partnerships such as start-up accelerators.

- In **the pensions sector**:
 - o **YoY increase in the number of active members** both in the personal and occupational pensions sectors.
 - o **Life-cycle funds** are quickly gaining momentum in some national pension markets.
 - o The use of digital technologies such as **mobile phone applications or robo-advisors** in the pensions sector is still moderate.
 - o NCA's consumer protection activities in the pension sector predominantly focused in **information and transparency issues.**

OPSG questionnaire for the 2018 report



- The OPSG is invited to provide **feedback on the questionnaire attached by 30 March 2018**, which covers the following:
 - o **Product-related trends** (and non-product related trends)
 - o Specific topics:
 - **Sustainable finance**
 - **Pan-European Personal Pension Products (PEPP)**
 - **Disclosure of information to beneficiaries**