

Google Compare to be shut down on 23 March

On 22 February, Google announced officially its decision to close its comparison site, Google Compare, in the United States and in the United Kingdom on 23 March. The website allowed users to compare offers from mortgage lenders, credit card issuers and auto insurers. Google Compare was launched in the UK in 2012 and in the US last year, but did not live up to Google's expectations and failed to generate steady revenues, as explained by Google in an email sent to its partners. According to experts, in the UK, Google Compare was competing with leading and well-established insurance aggregators and failed to convince some big insurers and lenders to be part of Google Compare. In the US, the comparison tool did not really catch on with customers in a market where agents still play a crucial role in most insurance sales, especially for commercial and life insurance. American consumers are used to buying insurance from long-established brands that dominate the insurance industry. In 2013, Google tried a similar experience in France but gave up a few months later.

Even though Google says that it will now focus on AdWords*, where "insurance" is one of the most lucrative searched terms, there is much speculation among experts that Google will relaunch comparison shopping in the near future.

* Google AdWords is an advertising service that allows businesses to display ads on Google and its advertising network, and to pay only for the clicks that bring visitors to their websites.

Source: L'argus de l'assurance, article of 23 February 2016

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BIPAR Press articles:

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ag a promotes BIPAR Agents' Committee's Charter on digitalisation

In an interview with French insurance magazine "L'argus de l'assurance", the President of ag a (one of the French member associations of BIPAR), Patrick Evrard, promoted the Charter on digitalisation that was adopted by the BIPAR Agents' Committee on 28 January 2016. ag a along with 9 other insurance agents' associations (members of BIPAR) from 9 different countries signed this Charter, which accentuates the role of agents within distribution networks that are undergoing many changes. Patrick Evrard underlined that *"The Charter aimed at reminding that agents were not against digitalisation but that the latter should remain a tool at the service of the human relation between agents and their clients as well as between agents and their companies. Digitalisation is a means of modernising*

our agencies but it should not result in lower commissions and revenues". He also added that the Charter was the first joint position of agents apart from the actions undertaken by BIPAR to defend intermediaries' interests, and also the first document to be signed by all the agents' associations members of BIPAR, which showed the profession's determination to join forces. Mr. Evrard indicated that the Charter would be circulated to the media and public authorities at national level, also in order to point out agents' specificities and to promote the agents' distribution channel. ag a's President concluded by saying that he hoped that one day the Charter of agents' added value would be drafted.

Source: L'argus de l'assurance, article of 22 February 2016

BIBA's 2016 Manifesto "#Fairness for All"

The British Insurance Brokers' Association (BIBA, BIPAR member association) unveiled its 2016 Manifesto "#Fairness for All" on 19 January 2016 at the Houses of Parliament where Ministers, MPs, Lords, senior Government officials, insurance brokers, media and other stakeholders were present. BIBA's Manifesto includes 18 calls for action for the government and regulator, and 14 BIBA commitments on issues facing general insurance brokers. BIBA's key calls for action are:

- "Helping vulnerable customers access insurance
- Avoiding the advice gap – making sure that advice on general insurance is widely available to customers, so they can make informed decisions
- Helping the UK's SMEs insure against the risk of flooding

- Managing under-insurance for SMEs following the FCA's thematic review of insurance claims
- Improving recognition of the value, awareness and take up of cyber insurance protection
- Ensuring smooth implementation of the Insurance Act and the Insurance Distribution Directive (IDD)
- Achieving proportionate and cost effective regulation including reform of the Financial Services Compensation Scheme (FSCS)".

BIBA's Manifesto is available [here](#).

Source: BIBA's website

Motor insurance rose by over 30% in 2015 in Ireland

Figures from the Irish Central Statistics Office show that motor insurance premiums went up by 31% last year, and insurers are warning of further increases of up to 25% in 2016. According to a recent report by Standard & Poor's on the Irish Property and Casualty Insurance Sector, the industry incurred losses in 2014 and 2015, after getting involved in underpricing motor policies and failing to put aside sufficient reserves to meet claims. Motor claims have been rising due to increased economic activity, resulting in more traffic and accidents. S&P stated that Irish motor insurers needed to raise premiums again in 2016, even if they were to lose market share, if they wanted to return to acceptable levels of profitability. *"Although the industry continued to grow for the second year in a row, deterioration in the*

claims environment arising from changes in the legal, legislative and judicial framework in the past 18 months will likely make 2015 and 2016 loss-making years.", said S&P.

Irish Finance Minister Michael Noonan announced that his department had begun a review of the insurance sector, with a particular focus on the motor industry. He said that 7 out of 10 claims were settled out of court and that there was a lack of transparency around those settlements and a lack of consistency in court awards. Mr Noonan said the frequency of claims and their size had increased and that the claims environment was volatile.

Source: The Irish Times, article of 15 January 2016

Connected cars: how safe is our driver data?

A recent public survey *"What Europeans think about connected cars"* carried out for FIA, the International Automobile Federation, among 12,000 people in 12 European countries, showed that 76% of respondents were interested in connected cars (6% already owned one; 18% would buy one next and 52% were simply interested), mainly because of improved safety.

90% of respondents believed that vehicle data belongs to the owner or driver of the vehicle. Citizens were most concerned about the disclosure of private information (88%), commercial use of personal data (86%), vehicle hacking (85%) and vehicle tracking (70%). An overwhelming majority of 95% agreed that there was a need for specific legislation to protect their rights to their vehicle and driver data. The future General

Data Protection Regulation, which should enter into force in 2018, will contribute in establishing a legislative framework on data processing. For the moment, only vehicle manufacturers have access to this data for specific vehicle models. However, many questions need to be resolved, especially the one of knowing who will control the data generated by connected cars and who will have access to it. This is particularly important for intermediaries and their clients.

From April 2018 all new vehicles sold in Europe will be connected and fitted with eCall, a system that automatically communicates a car's exact location to emergency services in the event of an accident. As a result, the system will need to be continuously monitoring the car's position and have a mobile data connection.

FIA and its European members have launched the “My Car My Data” campaign (www.mycarmydata.eu) to raise public awareness on this issue. The campaign calls for “data privacy legislation, free choice of service providers for consumers and a fair aftermarket for connected vehicle services”.

FIA’s survey “What Europeans think about connected cars” is available in English and French upon request at the BIPAR Secretariat.

Source: L’argus de l’assurance, article of 1 March 2016; FIA’s website

FCA’s thematic review on whether long-standing customers in the life sector are treated fairly

The British Financial Conduct Authority (FCA) published at the beginning of March a thematic review entitled “Fair treatment of long-standing customers in the life insurance sector”. The objective of this review was to assess whether firms who have “closed-book” customers, i.e. who have life insurance products that are closed to new business, are treated fairly. These policies were set up at least 15 years ago, in a very different economic environment. FCA’s review focused on investment-based life insurance products sold before 2000.

“We want firms to recognise that long-standing customers may have different characteristics and needs than customers who have recently taken out a new product.

We want firms to take steps to ensure that all their customers receive fair outcomes, not just those who are most engaged or have had recent dealings with them.”, explained the FCA.

The FCA is consulting on its review until 3 June and seeking the input of life insurers who have closed-books, of firms that deal with customers who are of a long-standing nature, as well as of consumer groups and trade bodies.

FCA’s thematic review is available [here](#)

Source: FCA’s website