



- In 2021, revenues earned worldwide from insurance marketplace activity had a value of over USD 6.7 billion

- many groups operating in this sector have achieved strong growth rates but a continuation of this positive trajectory is not certain

- doubts concern the optimum ownership model for insurance marketplaces plus how well they will compete against a new generation of digital intermediaries

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According to a ranking and analysis completed by Insuramøre (see www.insuramøre.com/rankings/marketplaces/revenues), revenues earned worldwide by insurance marketplaces (a.k.a. insurance comparison sites or aggregators, as defined overleaf) are likely to have had a value of around USD 6.74 billion in 2021. Globally, the research identified 339 online brands wholly or partly focused on insurance marketplace activity with over 250 groups found to own one or more of these. However, the leading 100 of these groups are believed to have accounted for 97.6% of the worldwide market value in 2021 with Guernsey-headquartered BHL Holdings (operator of ComparetheMarket.com among other brands) the probable market leader.

Insurance marketplace brands are most numerous in the US albeit this is driven more by the outright size of the US insurance sector than by the distribution share or influence of this model there, which lags several other countries. The US is followed on this measure by France, the UK, Germany and India. Collectively, these five countries host 126 brands. Furthermore, just over 70% of the global total of 339 brands are dedicated purely to providing comparisons for insurance products with the rest splitting between some that also aggregate other financial products (e.g. deposits, loans) and others that act as marketplaces not only for insurance and banking services but also for non-financial services (e.g. energy, telecoms).

Insurance marketplaces have become an established and growing feature of insurance distribution systems since the first pioneers in this field developed in the early years of the 21st century. Nevertheless, the extent to which they will continue to thrive in future is not certain.

One element of that uncertainty concerns the nature of groups that are best-placed to own insurance comparison site activities. As of May 2022, in addition to many marketplace groups owned privately (including by private equity), owner groups include not only insurance underwriting groups (e.g. Covéa, Legal & General) and broking groups (e.g. APRIL, ASSITECA) but also media companies (e.g. Bauer Media, DPG Media), e-commerce enterprises (e.g. Alibaba, Rakuten), broader fintech competitors (e.g. Gruppo MutuiOnline, LendingTree) and other types of owner (e.g. Petco, Way.com). Moreover, notable merger and acquisition activity in the sector in recent times has seen the divestment by Admiral (an insurance underwriting group) of most of its marketplace brands to RVU (a privately-owned enterprise), the acquisition of Gabi (a California-based provider of insurance comparisons) by Experian (an international data insights group), and the purchase of marketplace brands GoCompare and Mozo by Future (a media and publishing group).

In fact, this question of the optimum ownership model for insurance marketplace activities is not a new one; Tesco (a UK-based supermarket brand) used to run its own comparison site as did Google.

The other doubt concerns the competitive landscape and the extent to which established insurance marketplaces will be impacted by the emergence of a new generation of AI-powered digital intermediaries. While not promising to provide whole-of-market comparisons across all or most insurance providers, such intermediaries are designed in part to leverage their technology to establish a marketing advantage. Put another way, they may turn out to be better than some marketplaces at providing the right product in the right (digital) place at the right price and with the most effective promotion for any given customer, especially for customers whose insurance needs may deviate even slightly from the mainstream.

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www.insuramøre.com

Media enquiries: media@insuramore.com

Notes to editors:

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Definition of insurance marketplaces and insurance marketplace revenues

Insuramore defines insurance marketplaces as B2C enterprises whose primary purpose is to provide digital price comparisons – and sometimes product feature comparisons – of all or a substantial selection of insurance policies in any given sector / country, plus facilities for customers to go on to acquire such policies digitally. Such marketplaces are also sometimes referred to as 'comparison sites' or 'aggregators' and, in some cases, their offer may extend to comparisons of other services such as bank loans, credit cards, cell phone contracts or electricity tariffs. However, the definition excludes digital insurance agents or brokers who are only able to provide quotes on behalf of one or a limited panel of insurance providers. Insurance marketplace revenues are defined as revenues specifically due to sales of insurance by groups running such marketplaces.