



# Luxembourg life pulse check

## *European private banks' perceptions of the Luxembourg life insurance market*

Survey 2017

14 November 2017

Extract



# Luxembourg life pulse check

## European private bank survey on Luxembourg life insurance

Dear wealth management professionals,

Périclès Group and its Luxembourg office are very happy to present the second edition of our survey on European private banks' perceptions of the Luxembourg life insurance market, ***Luxembourg life pulse check***.

We asked the banks in top countries for the Luxembourg life insurance business (France, Switzerland, Italy, etc.) forty questions.

The following are some key conclusions from our survey.

Luxembourg life insurance rests on a solid and proven regulatory foundation recognized by Europe's principal distribution hubs. In 2017, Private Banks are more optimistic than in 2015. They largely believe in a rise of the market, and they showcase three main assets : strong skills to manage customer mobility management, financial offer, and fiscal neutrality of Luxembourg. Besides, private banks point out a slight improvement on the classical weakness in Luxembourg : the quality of operating services. They encourage life insurers to improve the quality and updating of data, as well as onboarding and transactional digitalization and reporting and digital tools.

There are differences of perception between the distribution countries. We encourage the reader to notice them throughout the survey.

Our opinion is that life insurance companies in Luxembourg should experience substantial growth in the years to come, especially if they advance in service quality and in the digital field.

Thank you for reading. Sincerely,

Yohann Niddam

Périclès Group - Luxembourg Office Managing Partner

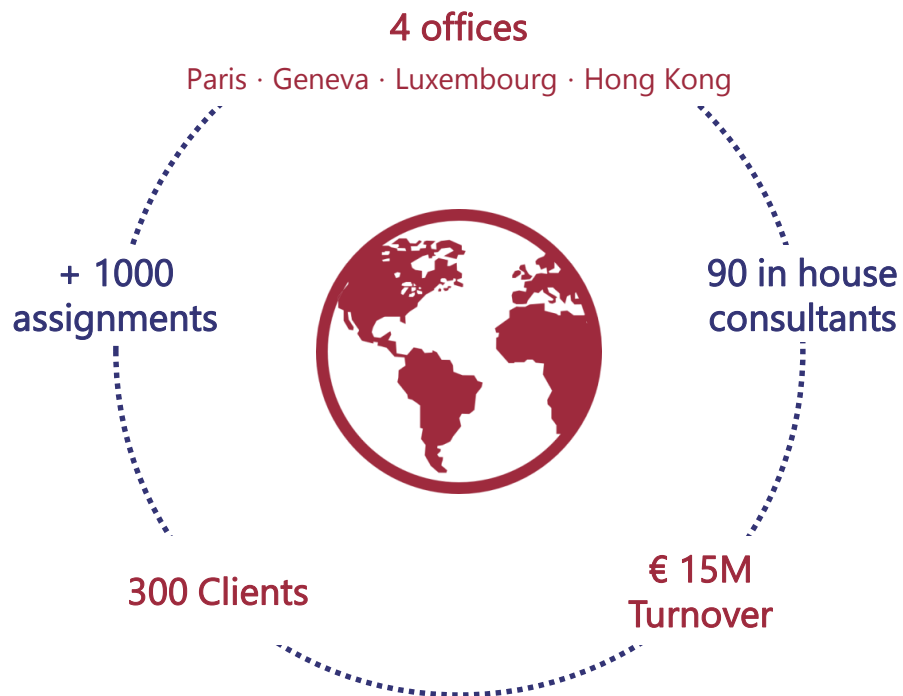
# Luxembourg life pulse check

Périclès Group, an Independent Expert Specialist Consulting Group

## Providing Expert Solutions

Banking – Finance  
Insurance – Social Welfare

## From Innovative Strategy to Successful Implementation



### ■ Facts & figures

- ▶ Périclès Consulting Luxembourg has conducted a survey on European private banks' perception of the Luxembourg wealth management insurance market.
- ▶ The survey was conducted between end-2016 and summer 2017.
- ▶ 42 respondents in 3 main countries: France, Switzerland and Italy.
- ▶ Assets under management of the private banks surveyed stand between hundreds millions and hundreds billions of euros.

### ■ Main objectives

- ▶ The main objective of this survey is to serve as a barometer for the Luxembourg insurance market and to help stakeholders fulfill brokers' needs.
- ▶ Launched in 2015, this survey is meant to be repeated.

Périclès conducts approximately 30 surveys a year on different topics: wealth management, life insurance, asset management, social welfare, employee benefits, banking, etc.

# Luxembourg life pulse check

## Preliminary remarks

This document corresponds to an extract from the Périclès group survey.

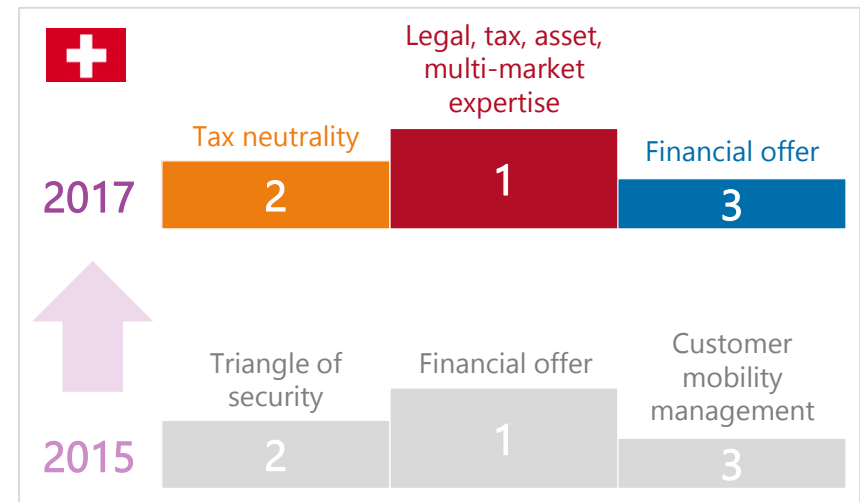
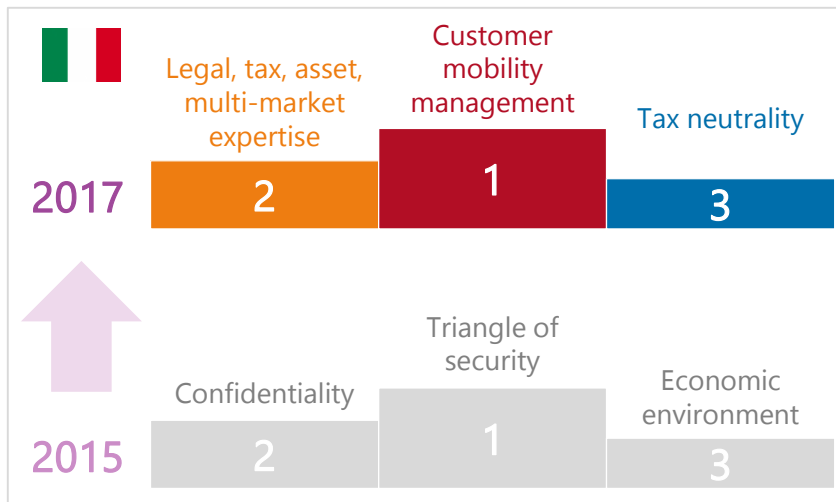
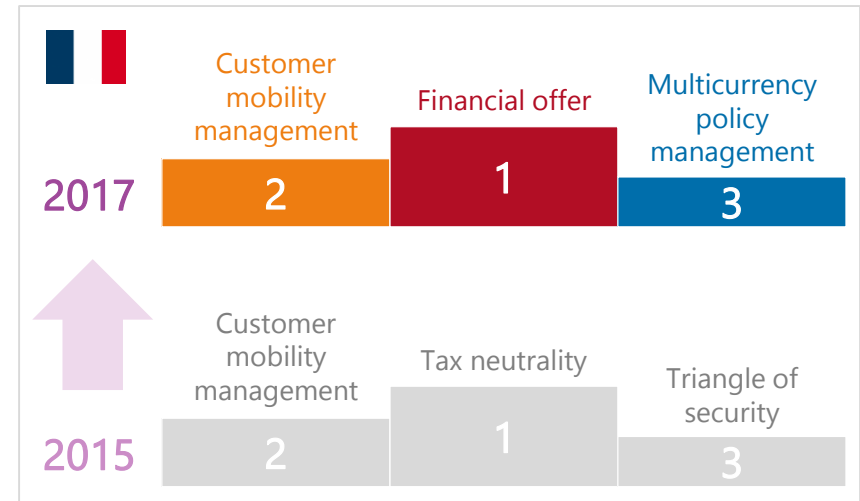
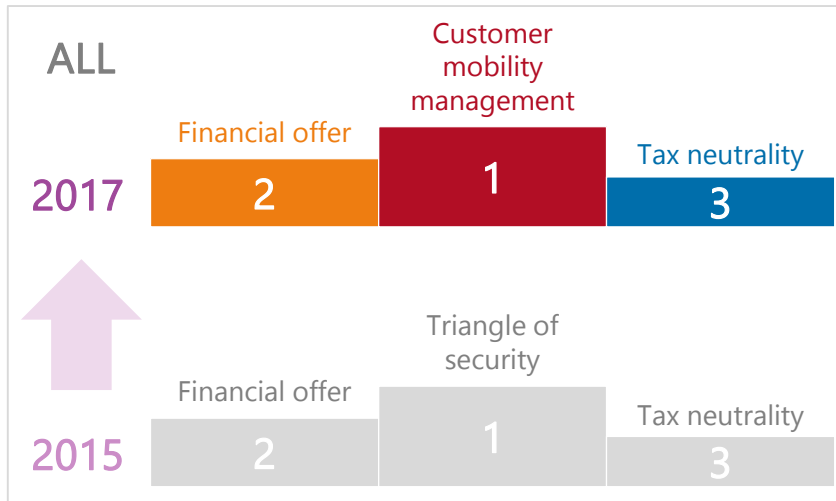
## Results of the survey

- ▶ Respondents analysis
- ▶ Part 1 - Life insurance market in Luxembourg
- ▶ Part 2 - Insurance companies in Luxembourg
- ▶ Part 3 - Selection criteria to choose insurance companies

## Périclès Group Presentation

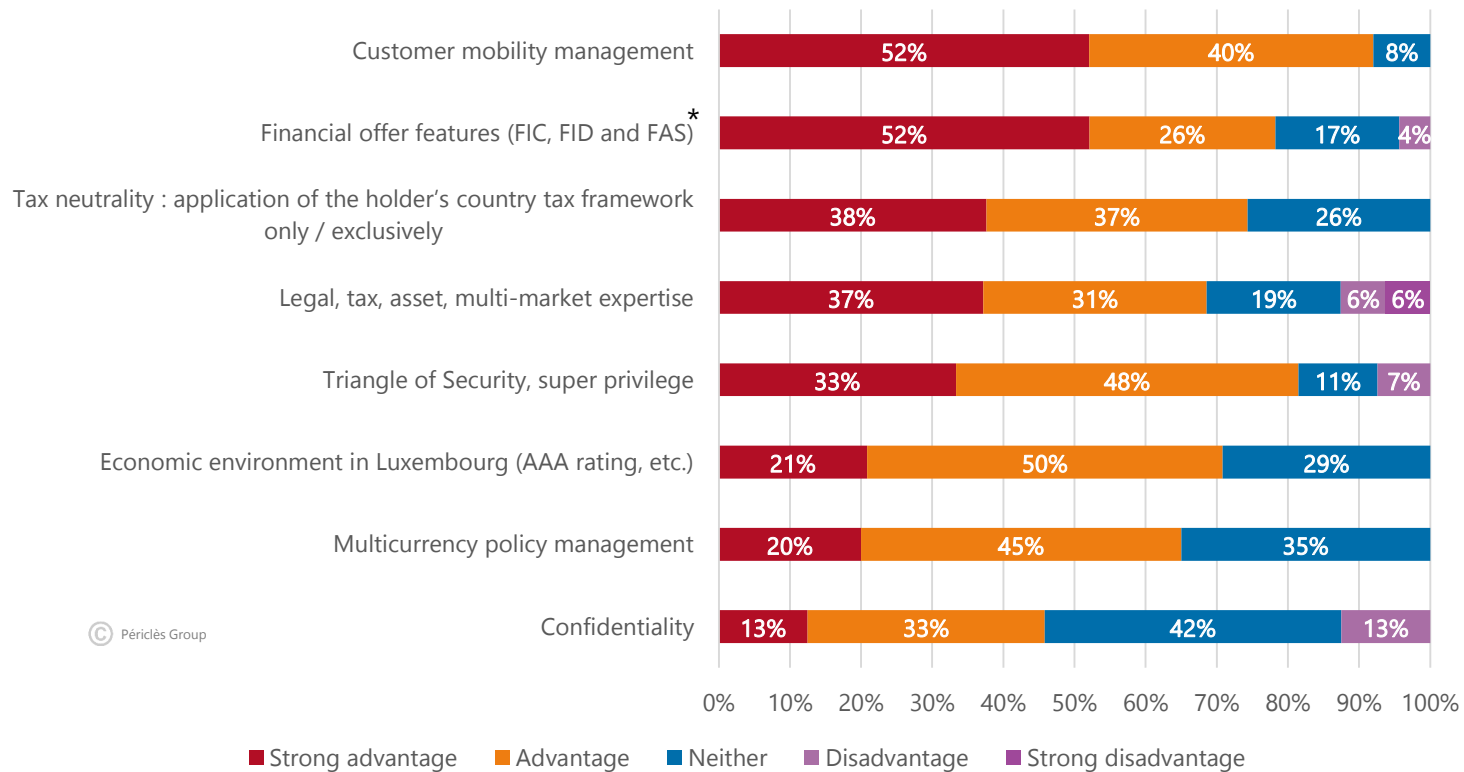
# Part 1 - Life insurance market in Luxembourg

1. What are Luxembourg's main advantages compared to your local area ?



# Part 1 - Life insurance market in Luxembourg

## 1. What are Luxembourg's advantages / disadvantages compared to your local area

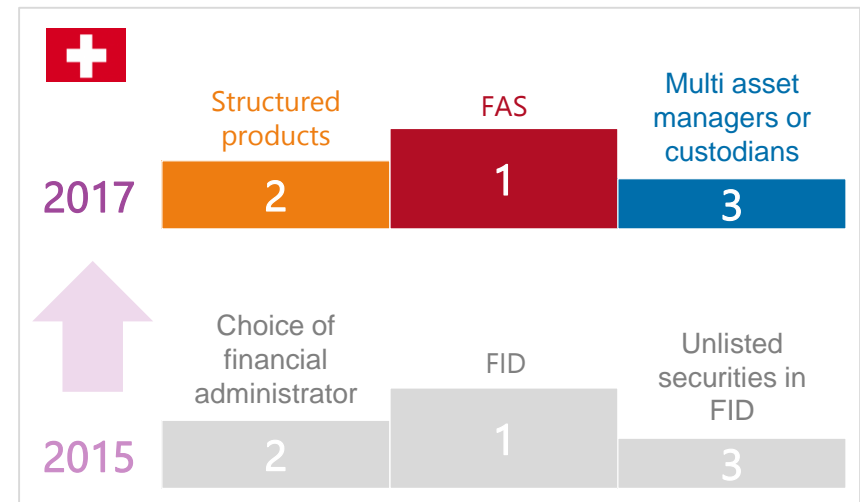
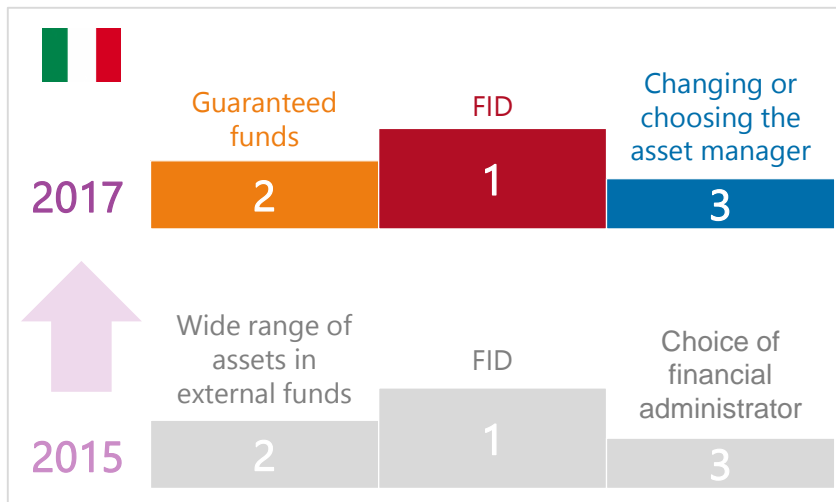
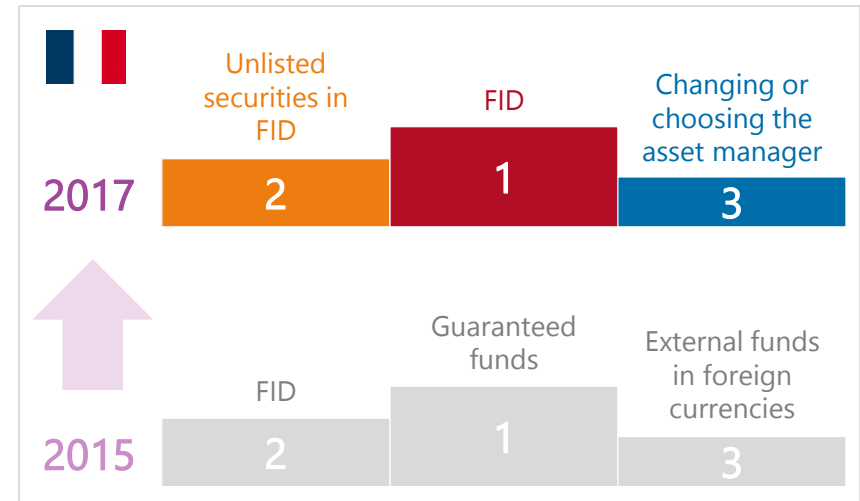
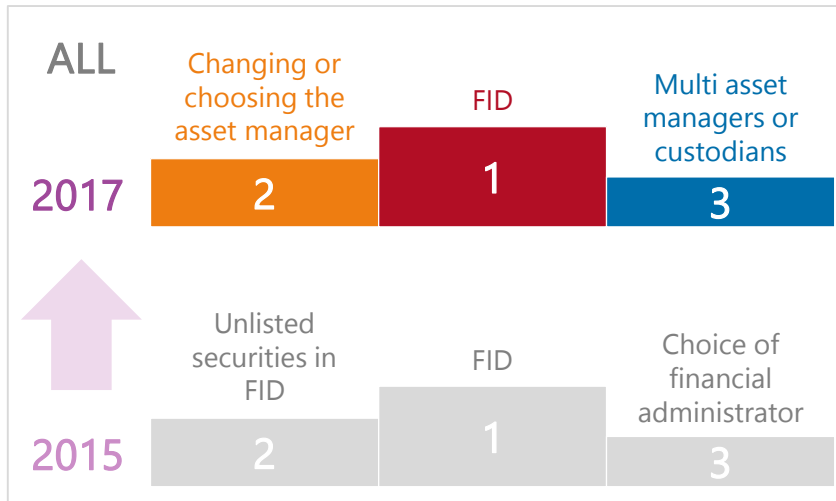


- Strengths of Luxembourg life insurance: customer mobility management, financial offer features and tax neutrality



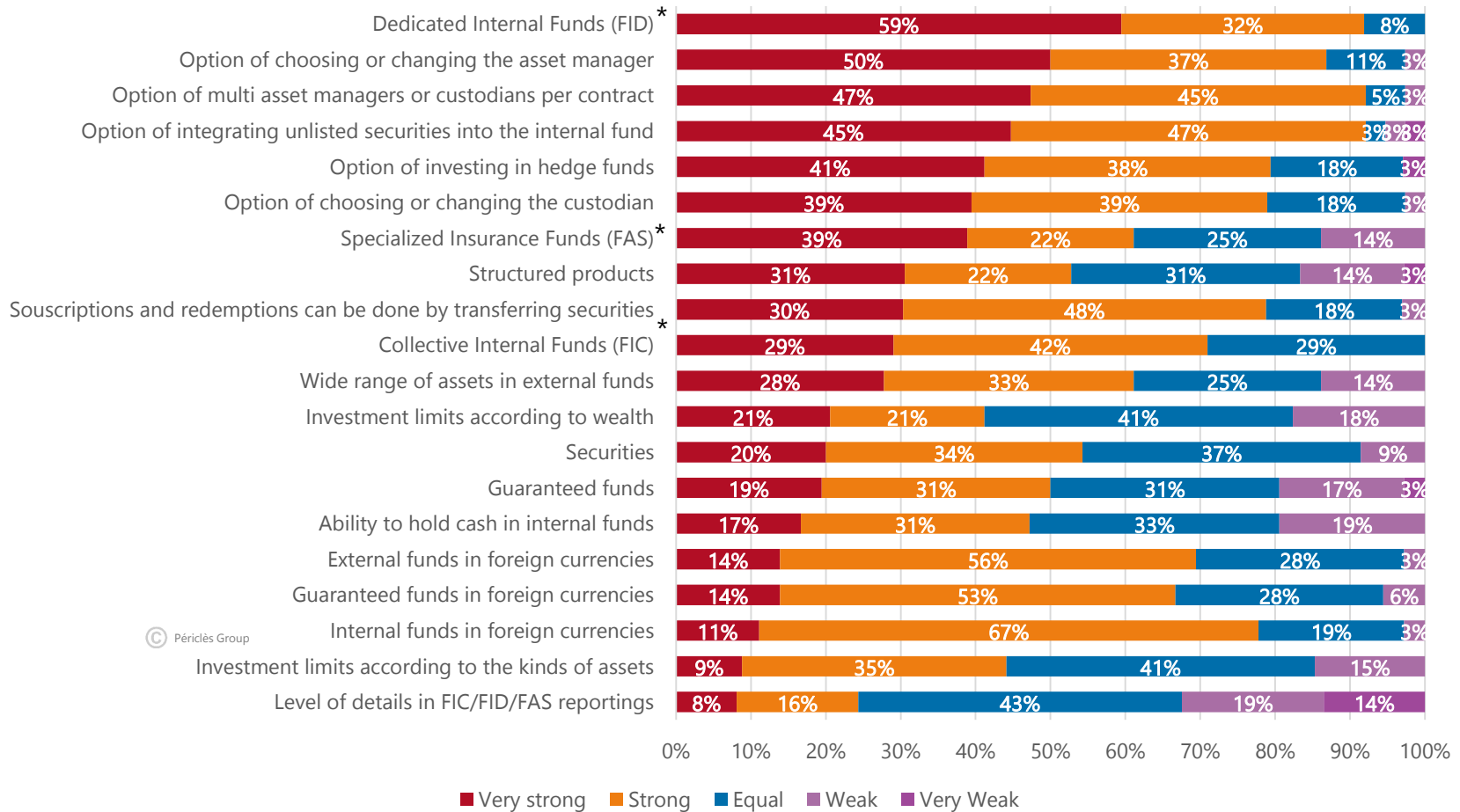
# Part 1 - Life insurance market in Luxembourg

7. What are the strongest points of Luxembourg policies compared to local ones for financial offer ?



# Part 1 - Life insurance market in Luxembourg

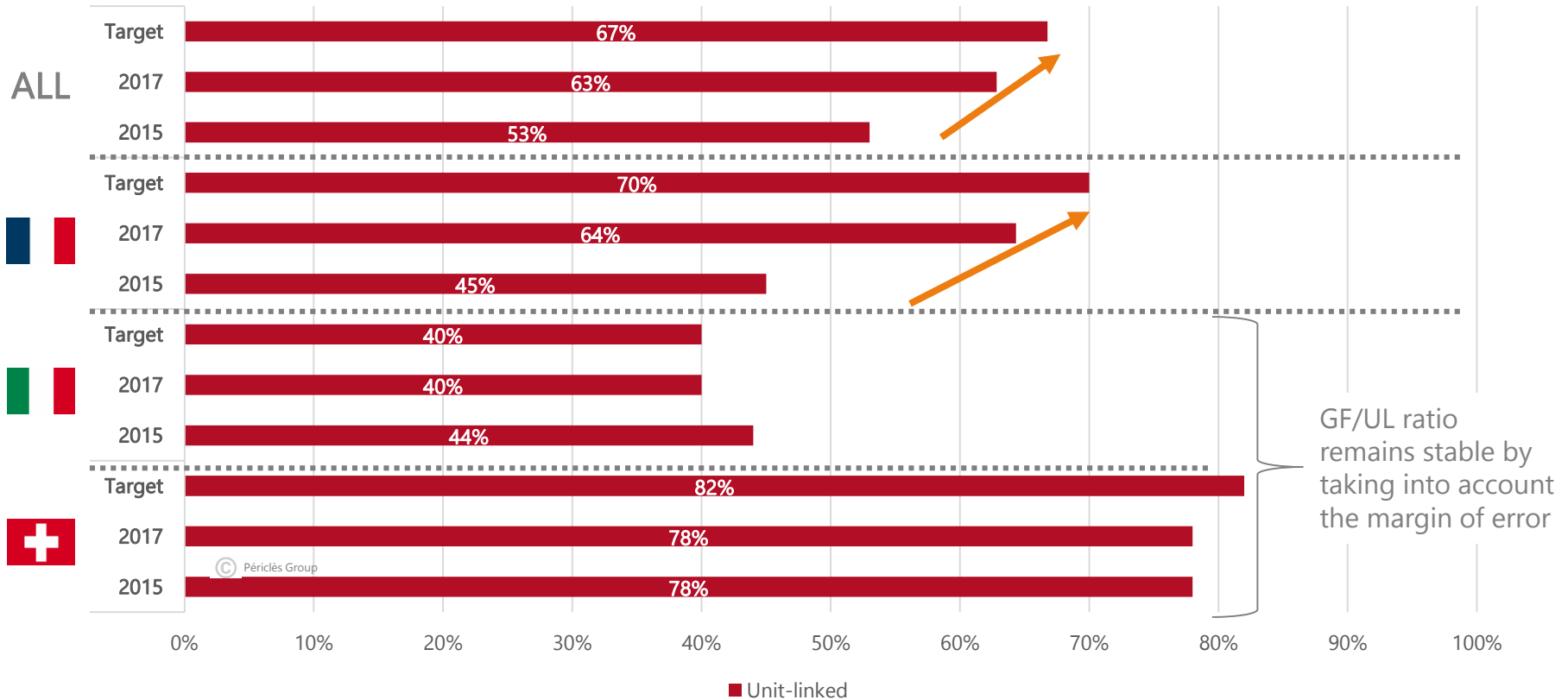
7. What are the strong and the weak points of Luxembourg policies compared to local ones for financial offer ?



- Strong points of Luxembourg policies : dedicated internal Funds (FID), possibility of choosing or changing the asset manager, possibility of multi asset managers or custodians per contract

# Part 1 - Life insurance market in Luxembourg

What is the average % unit-linked (UL) in your Luxembourg book of business ? / What would be your target ?



- Italy remains very conservative on its Mix GF/UL which stayed at a very high level for the GF.
- On the other hand, France is reducing exposure to the GF. Switzerland is always ahead of France in these matters.

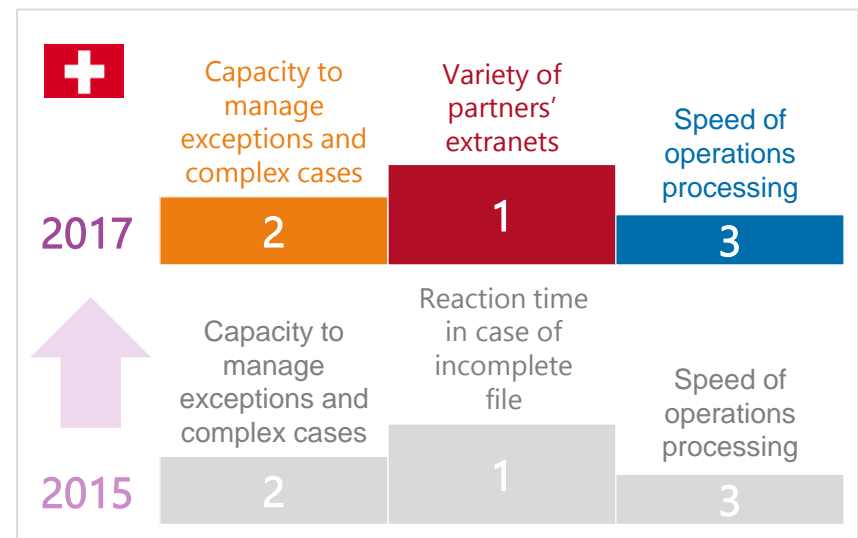
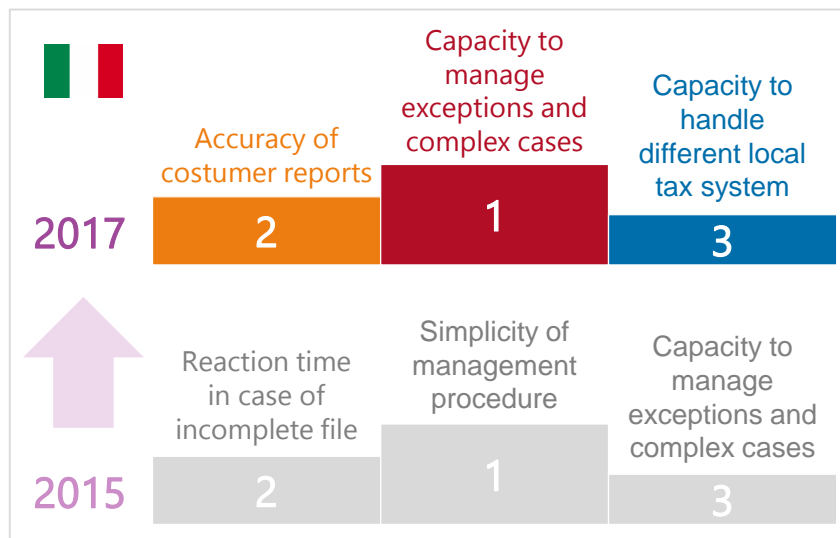
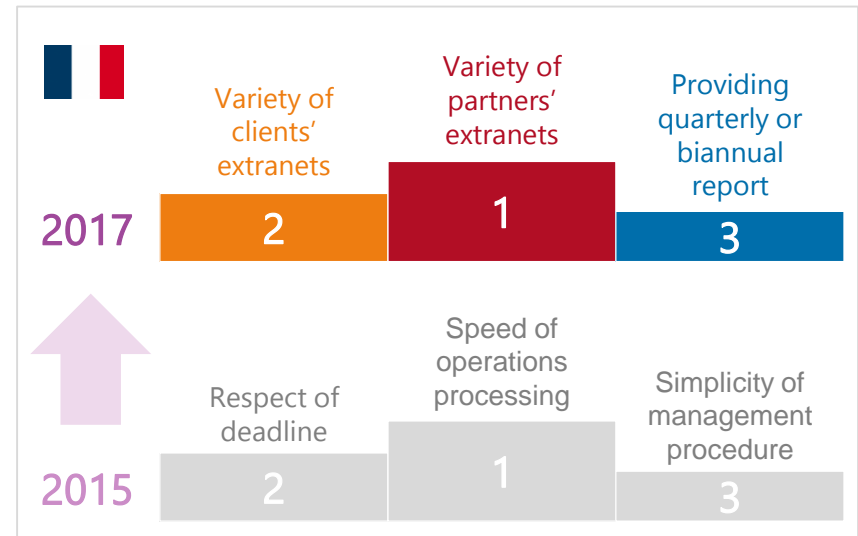
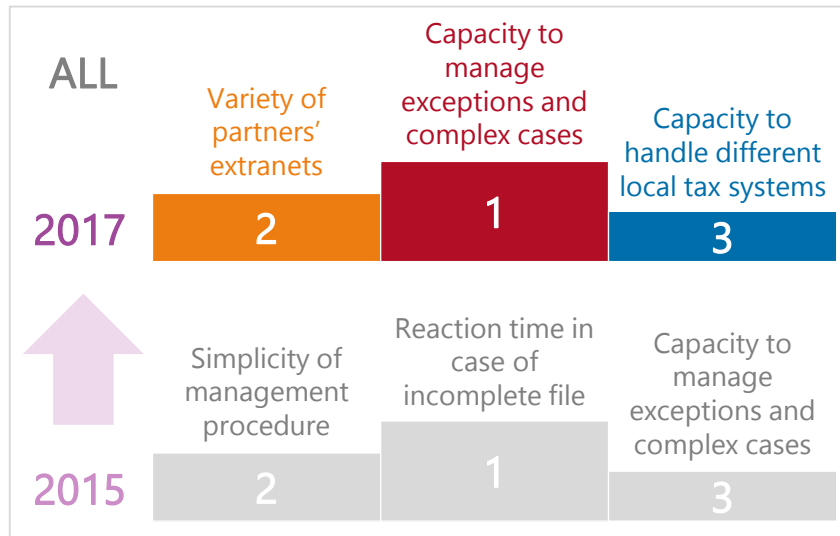
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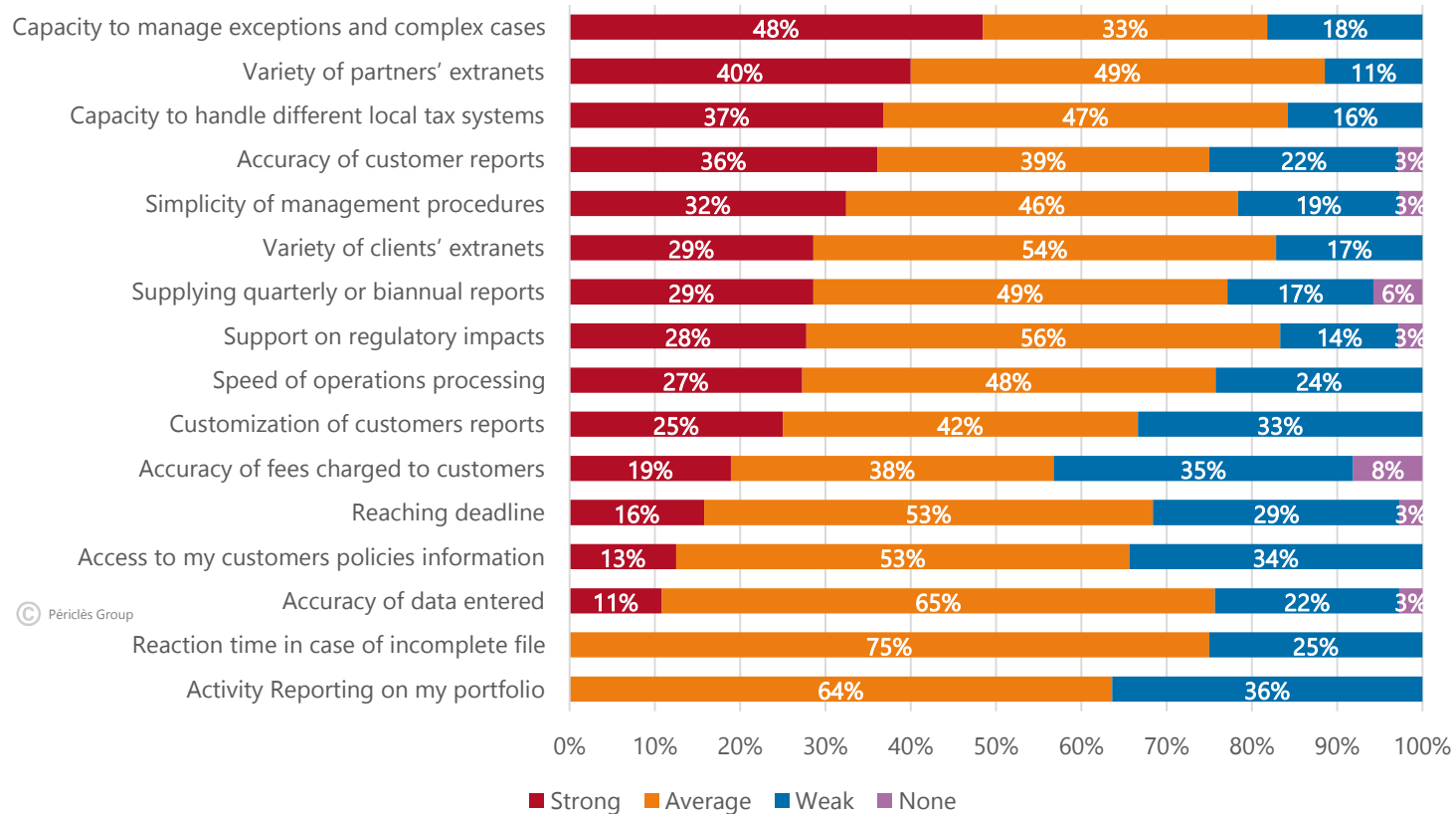
## Part 2 - Insurance companies in Luxembourg

22. Regarding day-to-day transactions, can you classify the standards on which the insurers in Luxembourg can improve themselves ?



## Part 2 - Insurance companies in Luxembourg

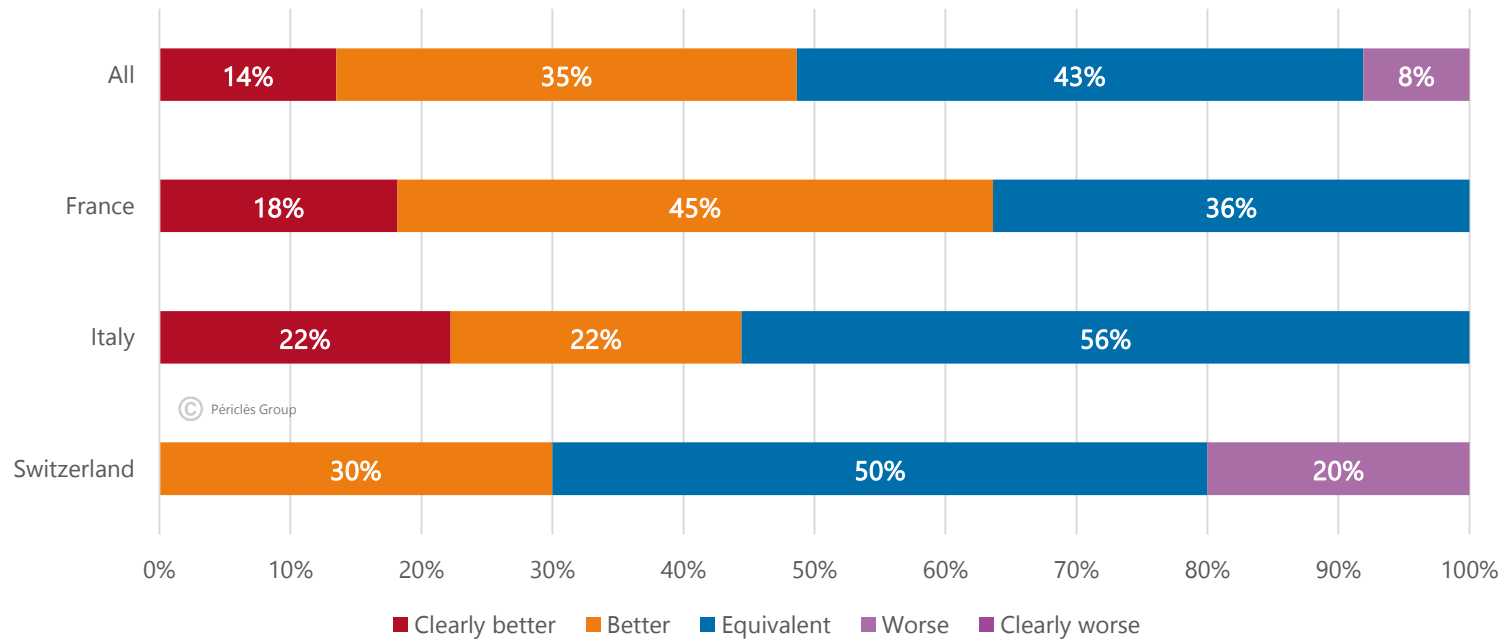
22. Regarding day-to-day transactions, can you classify the standards on which the insurers in Luxembourg can improve themselves ?



- Areas of improvement are : capacity to manage exceptions and complex cases, richness of partners' extranets and capacity to handle different local tax systems

## Part 2 - Insurance companies in Luxembourg

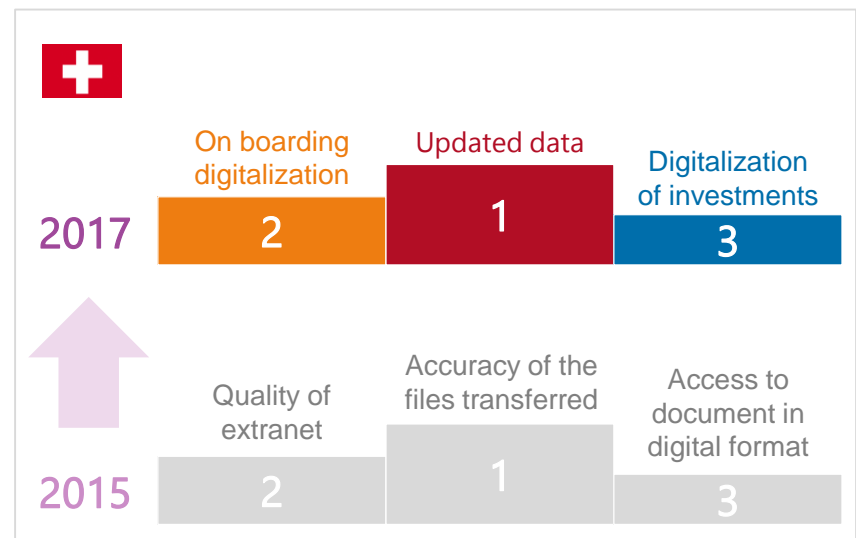
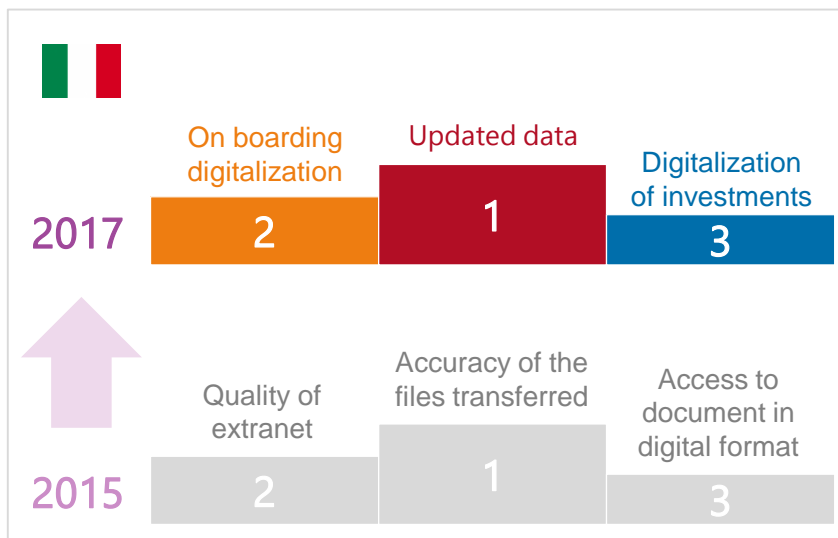
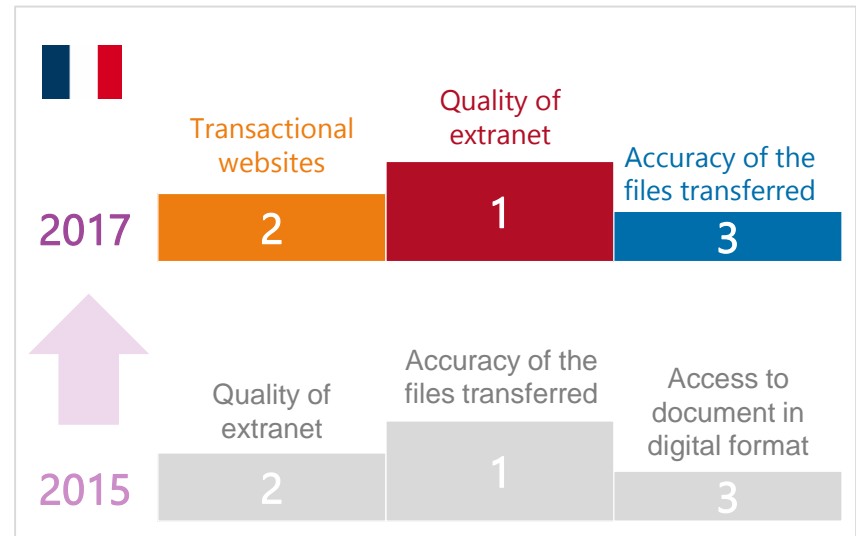
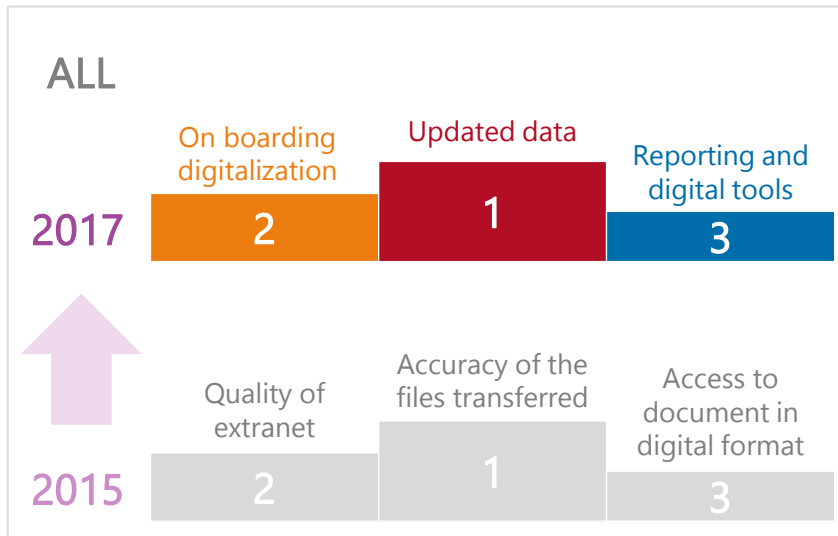
24. How would you assess the quality of service in Luxembourg compare to previous years ?



- Many private bankers (49%) notice improvements of the quality of services.

## Part 2 - Insurance companies in Luxembourg

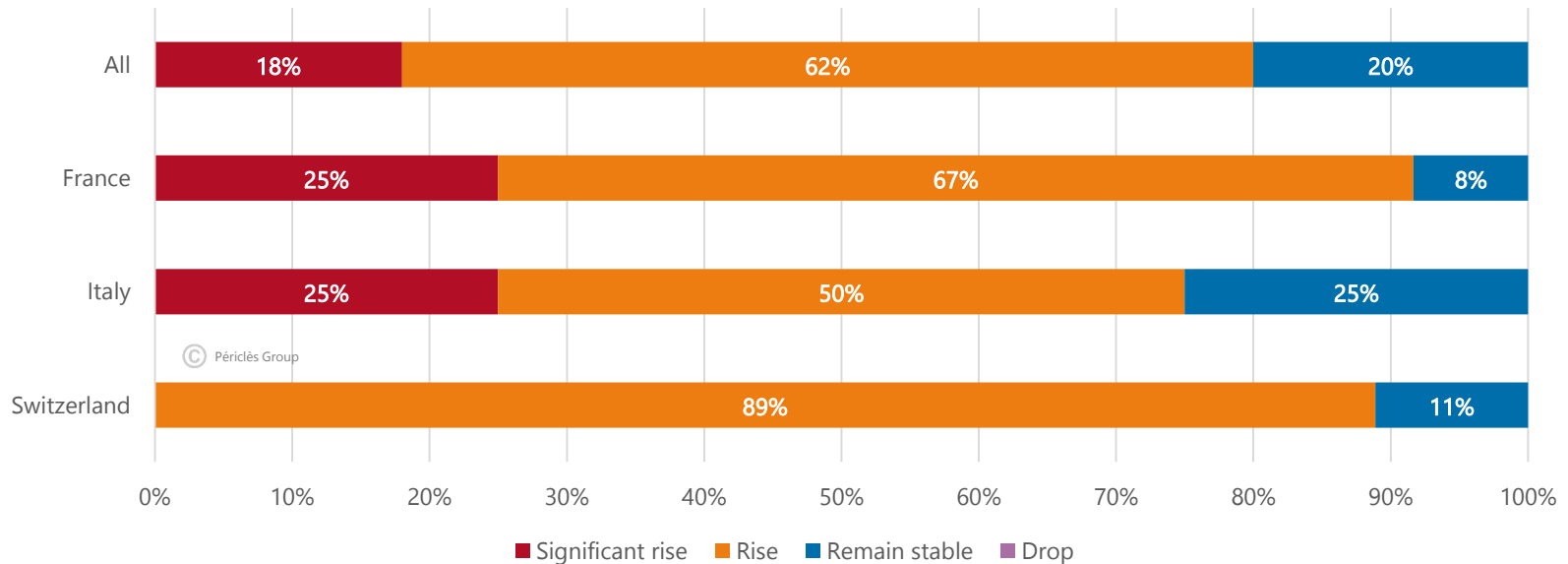
25. What do you expect from Luxembourg insurers related to digital offering ?





## Part 2 - Insurance companies in Luxembourg

27. How do you see the evolution of Luxembourg life insurance policies sales in the next 3 years?



- Most private banks surveyed are more optimistic about the evolution of sales in the next 3 years, 80% in 2017 against 55% in 2015.
- A quarter of private banks surveyed in Italy state that sales will remain stable.

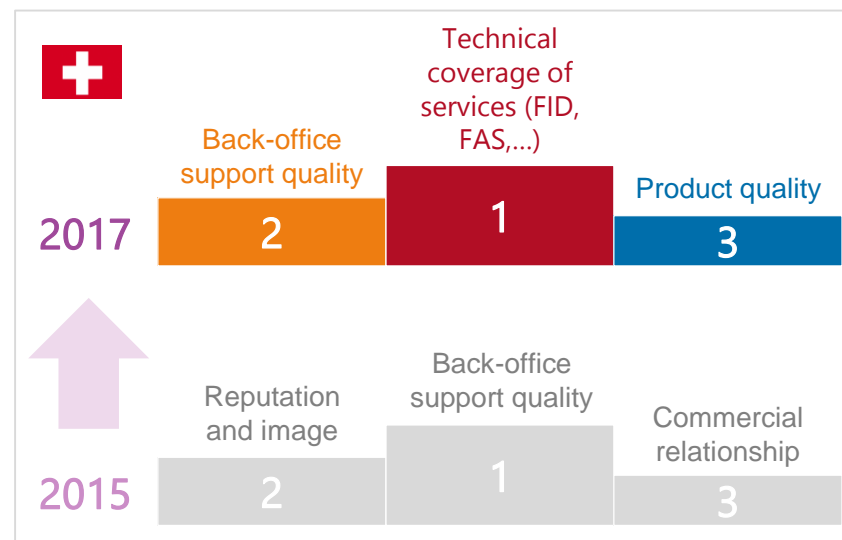
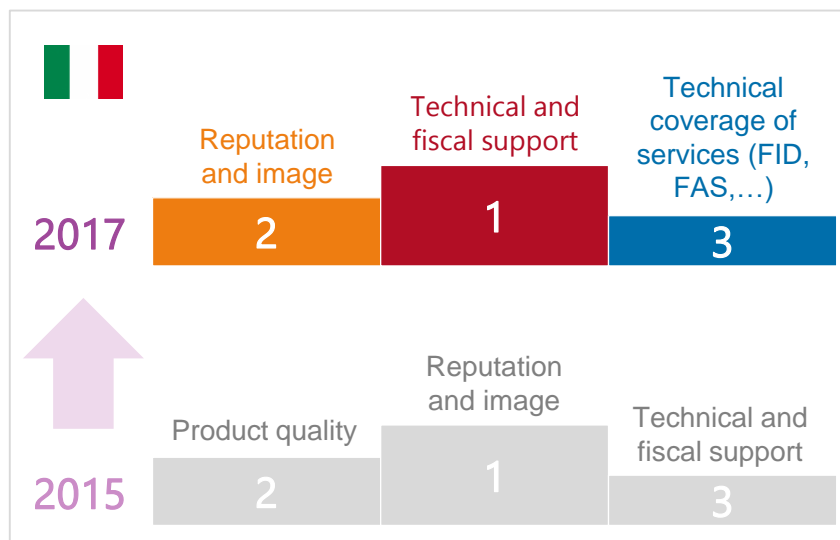
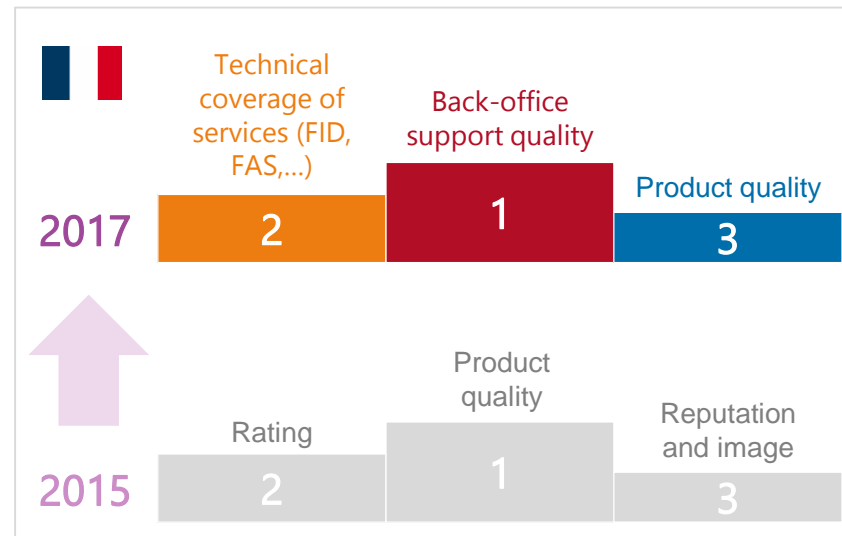
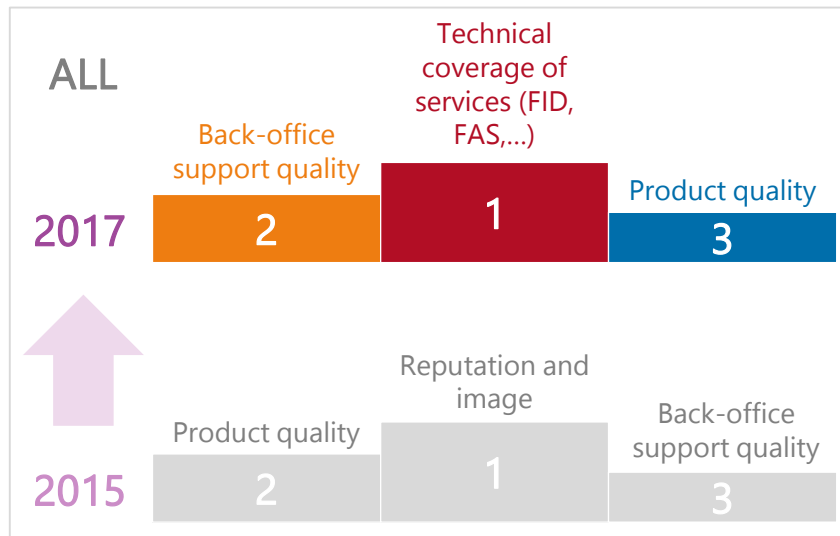
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## Périclès Group Presentation

## Part 3 – Selection criteria to choose insurance companies

37. What criteria are the most important when choosing a life insurance partner ?



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## Périclès Group Presentation

**4 offices**

Paris · Geneva · Luxembourg · Hong Kong



**+ 1000  
assignments**

**90 in house  
consultants**

**300 Clients**

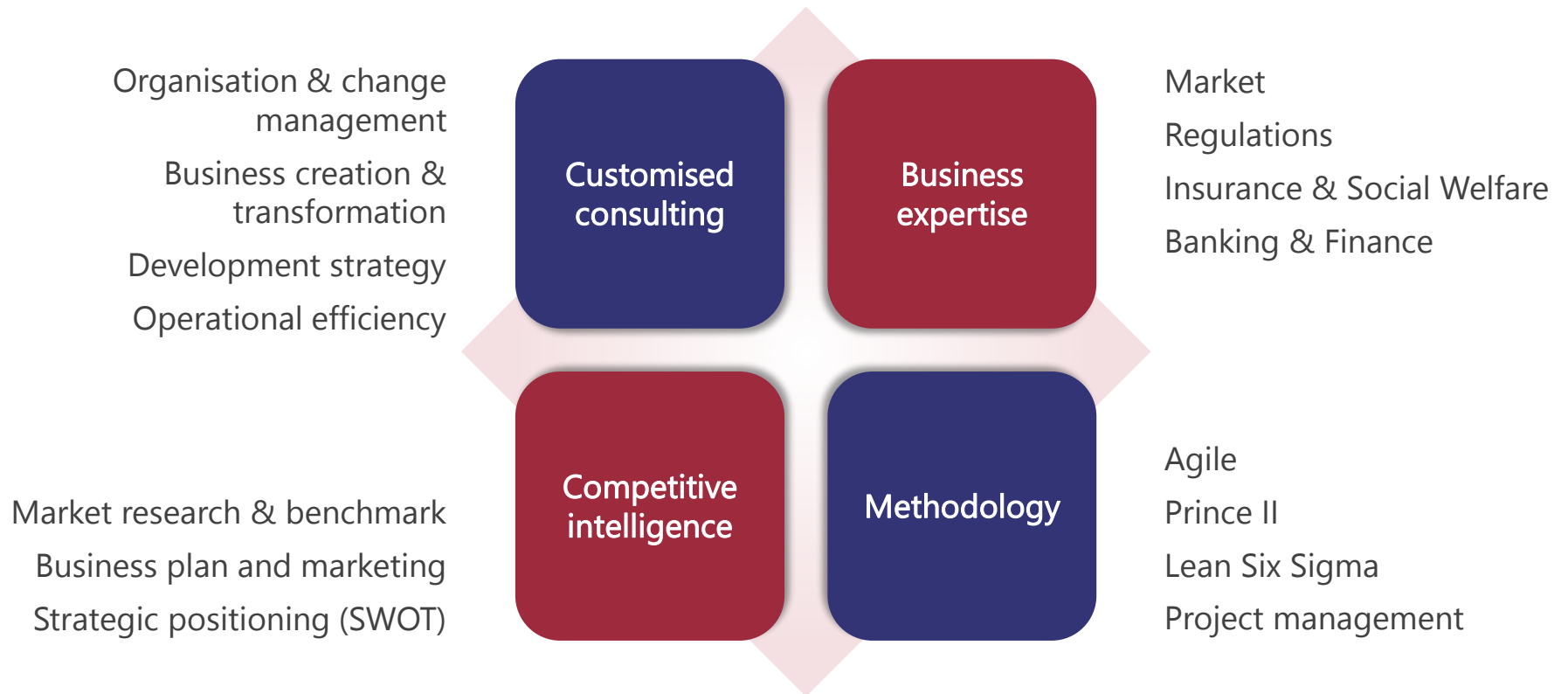
**€ 15M  
Turnover**

**Providing Expert Solutions**  
Banking – Finance  
Insurance – Social Welfare

**From Innovative Strategy  
to Successful Implementation**

# Périclès Group

## Know-How & Competencies





### 7 leading Think Tanks

Life Insurance  
Partners Club  
P&C Insurance Club  
Pension Club  
Healthcare Insurance  
Club  
Employee Saving Club  
Fund Administration  
Club  
Middle Office Club



### Conferences & Press releases

More than **200 conferences** and  
interventions held  
About **300 press communications**  
**Videos interviews**  
named One Week  
One Tech



### Training Forums

Institutional  
Corporate  
Schools and  
universities  
Support of  
internships and  
thesis

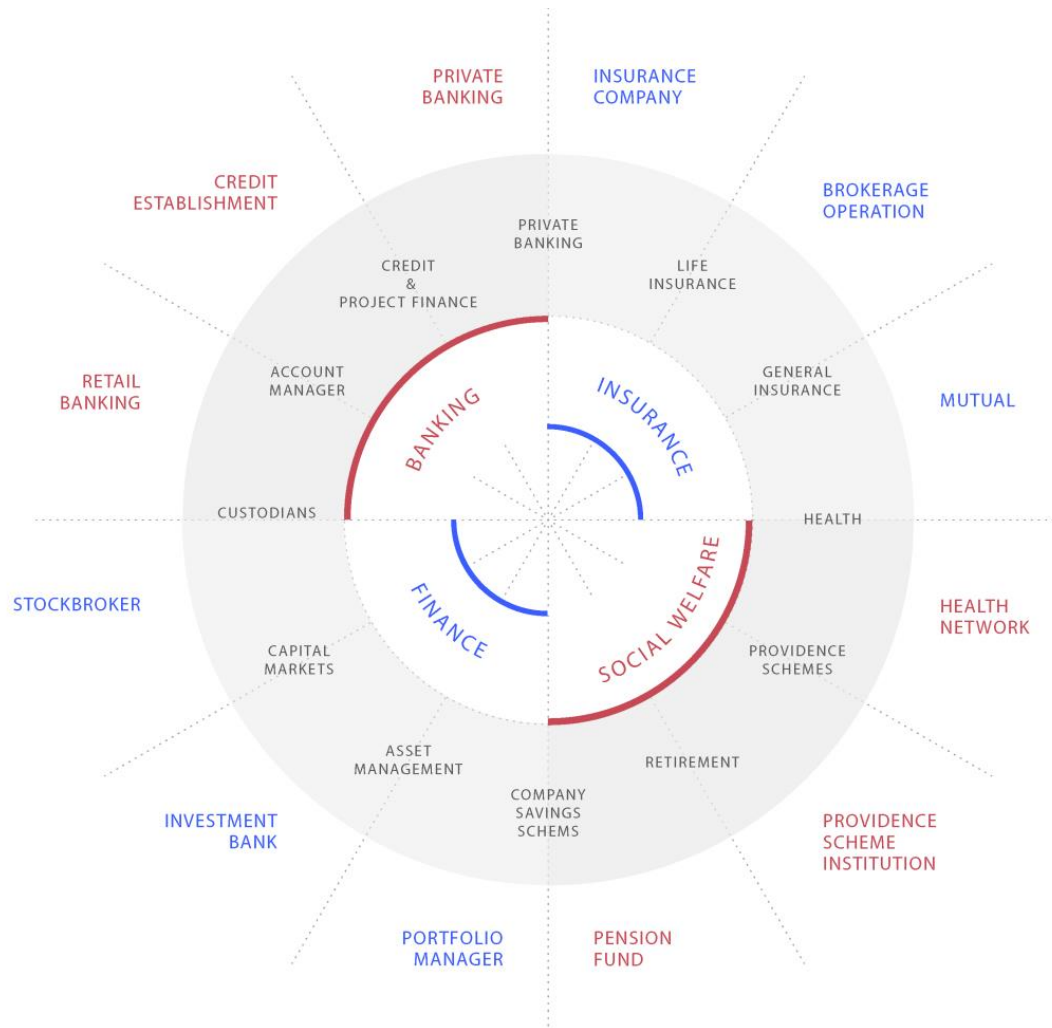


### Surveys, Insights & Debates

**60 surveys** and **20 benchmarks** a year  
Jury member of Life  
Insurance and  
Mutual Funds prizes  
(Agefi Actifs)  
Debates on various  
topics and issues  
faced by clients

# Périclès Group

## Our customer references



### STRATEGY AND ORGANIZATION



By relying on the specialised expertise of our teams, we support our clients in their strategy and the implementation of their organization's transformation or evolution projects.

### INFORMATION SYSTEM



Our working relationships with both traditional and cutting edge software tool providers allow us to independently help our clients choose and implement the best IT solutions.

### ACTUARIAL



Driven to be unique, with diverse skills and a dynamic approach, we work closely with our clients on solving actuarial issues related to technical and strategic projects.



# Périclès Group and Périclès Consulting Luxembourg History

2001

Périclès Group has  
carried out many  
assignments in the  
Grand Duchy of  
Luxembourg

2014

Périclès Consulting  
Luxembourg is  
chartered

2017

Périclès Consulting  
Luxembourg develops  
its:

- Expertise
- Market research
- Contributions to trade  
journals





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