

Classification of Business Models of Italian Bancassurance by Balance Sheet Indicators

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Abstract : The aim of paper is to analyze business models of bancassurance in Italy for life business. The life insurance business is very developed in the Italian market and banks branches have 80% of the market share. Given its maturity, the life insurance market needs to consolidate its organizational form to allow for the development of non-life business, which nowadays collects few premiums but represents a great opportunity to enlarge the market share of bancassurance using its strength in the distribution channel while the market share of independent agents is decreasing. Starting with the main business model of bancassurance for life business, this paper will analyze the performances of life companies in the Italian market by balance sheet indicators and by main discriminant variables of business models. The study will observe trends from 2013 to 2015 for the Italian market by exploiting a database managed by Associazione Nazionale delle Imprese di Assicurazione (ANIA). The applied approach is based on a bottom-up analysis starting with variables and indicators to define business models' classification. The statistical classification algorithm proposed by Ward is employed to design business models' profiles. Results from the analysis will be a representation of the main business models built by their profile related to indicators. In that way, an unsupervised analysis is developed that has the limit of its judgmental dimension based on research opinion, but it is possible to obtain a design of effective business models.

Keywords : bancassurance, business model, non life bancassurance, insurance business value drivers

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