MOTOR FLEET

General trends

Motor fleet insurance has been seeing a gradual underwriting recovery since the end of 2018 with the application of a new market doctrine: motor insurance is no longer a loss leader and must contribute to profitability in the same way as other insurance lines.

This fundamental shift, which has since been implemented by all insurers in the market, is not weakening for the 2023 renewal campaign. Introduced for structural reasons, it persists in a market affected by a number of economic events with significant impacts.

- The COVID health crisis, despite its impact on the 2020/2021 loss ratio, is not likely to change this trend. It is still thought to have had a one-off effect, while the market is focused on the search for long-term structural stability.
- On the other hand, with the economic recovery that followed, the COVID crisis kick-started a period of inflation that heavily impacted the automotive ecosystem, leading to shortages of parts which could not be resolved in the short term.
- The Ukrainian crisis intensified this phenomenon in 2022, with a particularly marked impact on the automotive sector.
- The spring and summer weather events have, to date, also worsened the 2022 balance sheet.

Market capacity

The legal constraints around compulsory third party liability motor insurance do not encourage the emergence of challengers whose numbers remain very limited and who maintain a cautious approach fostered by the reduction in supply.

It is always worth noting:

- no variation in the capacity offered by the major players in automobile risks from one year to the next, due to the very nature of the risk,
- the number of players remains particularly limited in activities with a high risk of loss.

Developments in coverage

The legal requirements for motor vehicle insurance are hampering innovation and creativity.

We can see that the phenomenon of large accounts opting for self-insurance on contractual coverage and/or the implementation of high deductibles which greatly reduce the volume of premiums being transferred to insurance companies is beginning to significantly affect medium-sized fleets.

Pricing trends

Despite the positive 2022 renewals for corporate clients with balanced underwriting results, the new inflationary situation points to the ongoing pursuit of a price effect in 2023. This phenomenon has already been announced by the majority of insurers in the market.

It should be noted that pricing pressure continues to increase on risks that do not appeal to insurers (rental, transportation, and substandard risks). The increasing scarcity of supply weighs heavily on the balance of power in negotiations, with most room for maneuver sitting with the major intermediaries in the market (due to the weight of their portfolio with the insurers).

THE IMPACT OF NEW MOBILITY AND (TELE)WORKING PRACTICES

Do you know how your employees are getting around with the growth in new ways of commuting and teleworking?

The French Mobility Orientation Law 2019, which applies in particular to Motorized Personal Mobility Devices (MPMDs), and the boom in teleworking accelerated by the health crisis, have had a major impact on the means of transportation your employees are using.

However, you should be aware that all of your employees' work-related journeys can affect your company's third party liability **OR its third party liability motor insurance.**

This is because MPMDs include motorized land vehicles which are subject to compulsory automobile insurance, which is by definition excluded from general third party liability coverage. This is for example the case of electric scooters or gyro-motorcycles, but not electrically assisted bicycles.

It is this distinction that is important to grasp in order to map the company's usage and vehicles and make the necessary changes to the General Liability or Motor Liability coverage. A mobility policy is also a key tool to help keep this issue of liability boundaries under control.

DIOT-SIACI’S EXPERTISE

What is our operational technical expertise?

Diot-Siaci has been a major player in the Motor Fleet insurance market for over 30 years, working with the largest French fleets.

We assist and support our clients with the coverage of their 500,000 vehicles, and manage almost 50,000 claims per year.

How do we assist and support you?

Our goal is to design a solution that best meets the needs of each of our clients for all their automobile risks in terms of insurance, self-insurance, and associated services. Assisting and supporting our clients with their self-insurance arrangements currently represents more than a third of the Motor Fleets department’s activity. This is complemented by the selection of the best partners: approved repairers, experts, prevention specialists, start-ups within the automotive ecosystem, auto glaziers, and more.

What can we offer you?

We provide assistance and support based around 2 pillars:

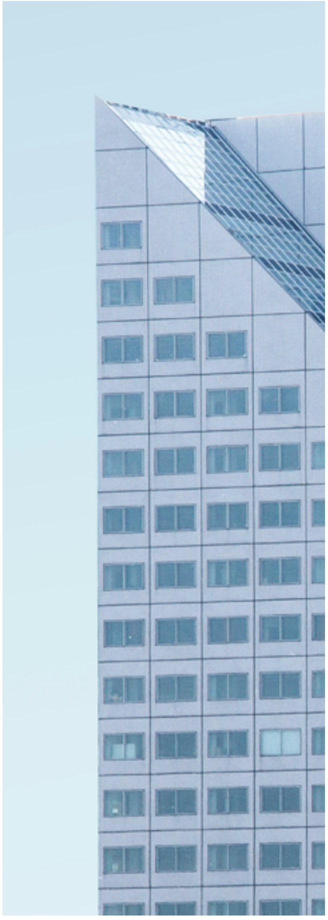
- Our people, with teams of dedicated specialists made up of employees trained in-house (3-year process) or recruited in the market from brokerage firms, insurance companies, and fleet managers.
- Our digital services, with a full range of tools available to risk managers, fleet managers, and employees.

What makes us different?

Our greatest pride is the loyalty of our clients, often over several decades, and some for more than 30 years.

Based on this history of partnership and continuity, we have developed a service offering focused wholly on the personal relationship with our clients. Each member of the team is identified by name, can be reached directly on their phone or by email, and benefits from the support of a partner and their local management (team of less than 10 employees).

Florent Lebigot
Director of Motor Fleets



65 specialists

645 clients

More than 400,000 vehicles at head office and 500,000 for the Group nationwide

50,000 claims handled per year