

To: Conduct of Business Committee, Economics & Finance Committee, General Insurance Committee, Personal Insurance Committee, Public Affairs & Communications Committee, Distribution PG, PRIIPs PG

EIOPA - Consumer Trends Report 2023

Latest developments

On 23 January, the European Insurance and Occupational Pensions Authority (EIOPA) [published](#) its 2023 [Consumer Trends Report](#) (CTR) along with its [summary heat map](#). Briefly, EIOPA, in its executive summary, outlines:

- The cost-of-living crisis and geopolitical events led to reduced disposable income, increased premiums, and concerns about financial health among consumers.
- The potential negative impact of current inflationary trends and rising interest rates on the returns of insurance-based products (IBIPs) and pension products in the EU, which could lead some consumers underinsured and more exposed to future risks.
- Certain types of consumers are inadequately served and/or treated due to their vulnerable conditions.
- The existence of a gender gap in insurance and pension access, with female consumers less confident about retirement.
- Value for money (Vfm) risks persist, especially with unit-linked and hybrid insurance products.
- Digital distribution in insurance has surged, but risks of inadequate disclosure and aggressive sales tactics exist.
- Improved transparency and disclosure as well as financial literacy initiatives at national level enhance pension awareness, but concerns about retirement persist.
- Increased availability and awareness of financial products with sustainability features but need to ensure sustainability claims are not misleading.
- Issues related to mis-selling, natural disaster protection gaps, and cross-selling practices continue to be reported by national competent authorities due to inducements, untimely pre-contractual disclosures and insufficient advisor training.

The report calls for ongoing efforts to enhance consumer awareness, substantiate sustainability claims, and address mis-selling issues.

Next steps

The secretariat will follow up with an in-depth analysis of the report in due course.

For more info

Titouan Langlois, Policy advisor, Conduct of Business, Langlois@insuranceeurope.eu, +32 2 894 30 61