

Around one third of the purchase decision for Allianz is driven by brand

Multi-year study confirms high Role of Brand

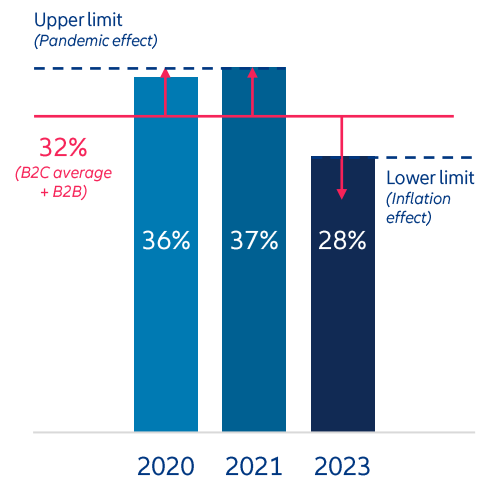
Allianz has conducted a Role of Brand study to measure the influence that brand has on customers' purchase decisions. For the B2C side of the business, studies have been run in 2020, 2021 and 2023 using discrete choice modelling – a method that simulates a real purchase decision situation and therefore is one of the most precise methods to derive Role of Brand – in a representative study in 6 representative countries across the globe using a set of different insurance products representing the different aspects of and involvement levels in the insurance business (motor, household / home, pension). Over the years, responses of over 15.000 respondents have been collected and analyzed for this purpose. In addition, a B2B study with 20+ B2B customers and insurance brokers has been conducted in 2021.

In 2020 and 2021, the Allianz Role of Brand values were found to be on a high level at 36% and 37% respectively for B2C customers. Further analysis of the data showed that an effect of the pandemic on the high value of Role of Brand had been likely, suggesting that Role of Brand had been higher than usual in these years due to a changed purchase behavior of consumers. In 2021, 59% of respondents agreed that they had become more conscious in terms of what products or services they purchased and 58% agreed that living in times of uncertainty had made them more risk averse.

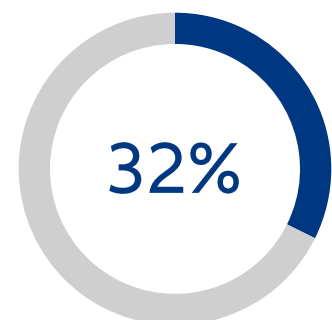
In 2023, the B2C study has been repeated to measure the Role of Brand "post-pandemic", since indicators as decreased Coronavirus infection rates (WHO) and lifted restrictions showed that Coronavirus had ended. However, in this year's study (2023), an inflation effect on Role of Brand manifested itself: Consumers purchase decisions for P&C products have been more influenced in 2023 by price and product details, indicating a stronger relevance of value for money. In the pension product, where there is no price, people chose to delay choice and not choose any of the available options at a higher degree than before. These findings can be explained by the fact that in times of inflation people become more price aware and try to reduce spending at the expense of quality, spending less, or delaying choice (Forbes 2021, Yales insights 2022, Nielsen IQ 2022, GfK 2023). As an example, Nielsen IQ finds that 61% of consumers indicate they will go through a lot of effort to purchase groceries at the lowest price (Nielsen IQ 2022).

Following these findings, it can be concluded that the Allianz consumer Role of Brand values measured in 2020 (36%) and 2021 (37%) represent the upper limit of the real value, whereas the value measured in 2023 represents the lower limit with 28%. Averaging these values to get to a more robust and stable actual value over time, and combining it with the B2B Role of Brand, which had been found to be 26%, the Role of Brand for Allianz can be assessed as 32%.

Role of Brand Results (B2C)
Comparison between 2020, 2021 and 2023



Actual Role of Brand
Averaged over years (B2C) and including B2B



External sources:

Forbes: How Is Inflation Changing Spending Habits? (2021): <https://www.forbes.com/sites/qai/2021/12/09/how-is-inflation-changing-spending-habits?sh=6cf56c9f36e88>
 Yale Insights (2022): How Does Inflation Change Consumer Behavior?: <https://insights.som.yale.edu/insights/how-does-inflation-change-consumer-behavior>
 Nielsen IQ (2022) [The dilemma of the European shopper in inflationary times - NIQ \(nielseniq.com\)](https://www.nielseniq.com/en/insights/2022/the-dilemma-of-the-european-shopper-in-inflationary-times-niq/);
 GfK (2023) [The shock of inflation: FMCG strategies to master shoppers' cuts - Shoppers' coping strategies \(gfk.com\)](https://www.gfk.com/en/insights/2023/the-shock-of-inflation-fmCG-strategies-to-master-shoppers-cuts-shoppers-coping-strategies-gfk.com)