

# TARGET MARKET STATEMENT



## Packaged Retail and Salons

### Introduction

The purpose of our Target Market Statement is to provide clear information about who our products are designed for and how they should be distributed.

### Product Information

The core Packaged Retail and Salons policy provides cover for:

- Property Damage
- Money and Assault
- Business Interruption
- Public, Products and Employers Liability

The following optional covers are also available:

- Deterioration of Stock
- Terrorism
- Loss of Licence
- Legal Expenses

### Target market

The Packaged Retail and Salons policy is a comprehensive All Risks product that is designed to specifically meet the insurance needs of shops and salons.

### Types of customers for whom the product would be unsuitable

- Customers who do not have properties used as a shop or salon
- Larger (more than 10 properties) or more complicated risks that would be better suited to our regionally traded products

### Any notable exclusions or circumstances where the product will not respond

None – standard policy exclusions apply.

### Information for our distributors

Distributors are expected to have considered the customer's needs and characteristics to ensure that the product and coverage selected meet their requirements. They should also consider any aspects that may make the customer be deemed vulnerable, such as poor health, resilience, or capability.

Any commission, fees or charges passed onto the customer must be proportionate to the service provided and provide fair value to the customer.

## Our annual review process and assessment of fair value

As part of the annual review process and fair value assessment of our Packaged Retail and Salons product we ensure that:

- We understand the value to customers in providing the products
- The products provide value for money within the market they support
- The products deliver high quality service and customer experience
- The level of sales, renewals and cancellations are in line with expectations, with no adverse trends identified
- Our products remain in line with market benchmarking and target market suitability
- Product performance is analysed, including claims and complaints data
- There are no barriers to making a claim

Our robust process identifies any improvements and follows a rigorous sign off process. Further information regarding our product approval process can be found [here](#)

## 2024 Product Review and Fair Value Assessment Outcome

Our Packaged Retail and Salons review and fair value assessment process was completed during Q4 2024. The assessment has shown that our Packaged Retail and Salons product meets the fair value requirements under PROD 4.3.

Please see below for the outcome of the review.

VALUE PRINCIPLE	MEASUREMENTS
<b>Understand the value to customers in providing the product</b>	<ul style="list-style-type: none"><li>• This product continues to address customer needs in line with target market expectations and market benchmarking</li></ul>
<b>Ensure product delivers high quality service and customer experience</b>	<ul style="list-style-type: none"><li>• A comprehensive review of annual claims and declinature data was analysed which indicated that performance and service were as expected with no barriers to claim</li><li>• Consistent claims levels against cover sections and perils indicating key cover areas in place</li><li>• Complaints analysis completed with no trends or issues identified</li></ul>
<b>Ensure level of sales are in line with our &amp; customer expectations</b>	<ul style="list-style-type: none"><li>• Sales of our products continue to fall in line with sales expectations with no issues highlighted</li><li>• Our products demonstrate high retention rates and low cancellation rates which indicates ongoing customer satisfaction</li></ul>
<b>Provide a product that offers cover that is in line with target market suitability</b>	<ul style="list-style-type: none"><li>• A full market comparison exercise was completed to benchmark our products and that we continue to offer market comparable cover and services</li></ul>

**ASSESSMENT DATE:** Q4 2024

**NEXT ASSESSMENT DATE:** Q4 2025

### COVEA INSURANCE PLC

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