



## ● In Holland those without health insurance will be fined

In Holland, according to the draft law proposed by the Minister of Health Edith Schippers and approved by the senate, those who do not make health insurance will be fined. According to the new law which took effect on March 15, those without health insurance will be tried to be detected and those people will be a send a letter of warning by the Life Insurances Council (CVZ) reminding them that it is obligatory to be insured. Those who do not enlist in an insurance company in three months after the first warning will be fined to 340 euro.

## ● TekstilBank became agency of Somp

Somp Japan Sigorta signed agency agreements with Tekstilbank following Finansbank, MilleniumBank, ING Bank. The first policy prepared under the framework of the contract was formed on March 1, 2011. According to the agreement signed between the two companies, at Tekstilbank branches the sale of all the products issued within Somp Japan Sigorta in automobile, traffic, home, fire, personal accident, travel, compulsory earthquake insurance and health branches will be realized.

## ● Turkcell-Generali Sigorta cooperation

Turkcell and Generali Sigorta have signed a cooperation providing special benefits to public workers between March 04, 2011 and April 04, 2011. Considering the needs of the public workers, Turkcell and Generali Sigorta provide them opportunities under the framework of a special campaign for the members of Turkcell Yasasin Kamu Club, a supplier of appropriate advantages and discount, in the form of discount and payment. To benefit from the campaign it is required to be a member of Turkcell Yasasin Kamu member. Yasasin Kamu Club, which provides free membership by only writing "KAMU" and text messaging it to 2222 without any charge, provides its members with free information services and discounts in many brands special for public workers.

## ● In BES, the number of retired surpassed 3 thousand

In the Private Pension System (BES) total fund size reached 12,243 million TL and the number of contributors reached 2,337,118 people as of March 4, 2011. The number of retirees of BES reached 3,061 persons. Making a remark on the issue, EGM President and AvivaSA CEO Meral Eredenk said, "While the system continues its fast growth, the increasing number of retirees builds stronger trust for the system. Surveys indicate that Turkish people have to make an additional saving of 200 euro monthly to meet their retirement expectations. We tell people to enter the system even with 100 TL and build savings discipline even with small payments. We also tell them that BES will complement the existing social security system of the public and they will meet better economic condition when they are retired."

## Premium production of the first 10 companies in health branch in the first 11 months

Company name	Premium production (TRY)	Market share (%)
Yapı Kredi Sigorta	337.430.078	19,78
Allianz Sigorta	303.737.673	17,81
Anadolu Sigorta	175.851.933	10,31
Mapfre Genel Sigorta	144.218.097	8,46
Aksigorta	137.734.411	8,08
Acıbadem Sigorta	123.751.578	7,26
Groupama Sigorta	96.230.796	5,64
Axa Sigorta	63.257.834	3,71
Güneş Sigorta	56.208.419	3,30
Ergo Sigorta	54.688.285	3,21
Total	1.493.109.103	87,55

TSRSB

## Performance of PPS (January 21th)

Company name	Number of participants	PPS contribution amount (TRY)	Total invested amount (TRY)
Aegon Emeklilik ve Hayat	56.115	88.437.522	84.807.432
Allianz Hayat ve Emeklilik	64.992	431.219.363	421.856.837
Anadolu Hayat Emeklilik	519.763	2.090.441.438	2.025.619.732
AvivaSA Emeklilik ve Hayat	366.576	2.106.569.130	2.035.265.022
Deniz Emeklilik ve Hayat	32.333	47.535.990	46.839.454
Ergo Emeklilik ve Hayat	15.363	58.798.432	57.842.258
Finans Emeklilik ve Hayat	44.018	56.297.646	54.053.203
Fortis Emeklilik ve Hayat	76.580	342.145.301	331.904.342
Garanti Emeklilik ve Hayat	466.002	1.595.572.201	1.552.522.572
Groupama Emeklilik	88.698	510.209.860	501.835.857
Ing Emeklilik	167.479	532.077.448	513.901.775
Vakıf Emeklilik	165.705	584.614.410	575.685.247
Yapı Kredi Emeklilik	280.515	1.577.048.332	1.512.539.502
<b>Sektör Toplamı</b>	<b>2.344.139</b>	<b>10.020.967.072</b>	<b>9.714.673.235</b>

EGM

# Premiums will rise in the insurance industry in near future

Hulusi Taşkiran : 'In my opinion, the premium will rise a little in near future but I expect more disruption in several branches.'

Turkish insurance industry closed 2010 in loss though it achieved a higher growth rate than inflation. Association of Insurance and Reinsurance Companies of Turkey (TSRSB), announced the 2010 figures of the industry. According to these, insurance companies generated premium of 14,129 million TL last year realizing a growth of 13.62 percent compared to previous year. Compared to the CPI of 6.40 percent, the real growth of the industry came out as 7.22 percent. In terms of policy sales, the insurance companies sold 40.1 million policies realizing a growth rate of approximately 19 percent in comparison to the previous year. Although the insurance companies grew at a rate much higher than inflation according to the announced figures, they made loss in automobile, traffic and

health insurances where the highest amount of production emerges.

### Loss is high in automobile insurance

According to the figures of TSRSB, the companies collected premium totaling 3.1 billion TL selling approximately 3.9 million policies in automobile insurance last year. While a growth of 16.67 percent appeared in automobile insurance, real growth realized as 10.47 percent compared to previous year. But in 2010, the damage figure of the companies in automobile insurance came out as 3.4 billion TL. Thus in spite of the growth in real terms in automobile insurance, the collected premium was not sufficient to meet the damage.

Likewise in traffic insurance the companies sold 11.7 million policies last year receiving premium input of 2,214 million TL

in return. The real growth in this branch appeared as 8.31 percent. In spite of this growth, damage payments reaching 2,572 million TL has been realized in traffic insurance. In traffic insurance, the collected premium again did not meet the damage as in automobile insurance thus leading the insurers to loss both in traffic and automobile insurance. In fire branch which has been one of the profit making branches of insurance industry in recent years, an unexpected development occurred in 2010. The companies generated premium totaling 1,979 million TL from fire insurances realizing a growth of only 2.82 percent in comparison to the previous year.

Saying that the insurance companies left a severe year behind, Association of Turkish Insurance and Reinsurance Companies

(TSRSB) Chairman Hulusi Taskiran told the following: "Currently we cannot collect the premium which is a requirement of our business. In the balance sheet profitability of the industry, there appears to be an income of 2.2 percent in terms of assets. Currently the citizens can get interest income of 7 to 8 percent even from the bank. This picture is not a very good picture for the capital holders. The premiums are 5 to 10 percent lower than what is required. In my opinion, the premium will rise a little in near future but I expect more disruption in several branches. Most of the premium comes from automobile insurance. Here you get 100 lira premium and pay 88.5 lira as damage. When you put 15 to 17 percent agency commission and overheads on top of this, it becomes clear that this cannot happen." *Hürriyet*



## GSSigorta HDI branded concept agency in Ankara

As a result of the cooperation between Galatasaray and HDI Sigorta, the first GSSİGORTA HDI branded concept agency has started operating on Ankara Hosdere Street in Ankara. The official opening of the agency occurred on March 13, 2011 with the participation of Galatasaray club management, football and volleyball players and HDI Sigorta top management. HDI Sigorta General Manager Enis

Talasan told the following regarding the issue: "The supporters will be living the spirit of being a fan of Galatasaray in this specially designed agency while being able to realize all their insurance transactions easily. In the concept agency with a customer centric structuring a service quality fit for Galatasaray brand is provided reaching from the policy draw up to damage payment."

## Radiation leaks will not hurt Japanese insurance industry

Swiss Re announced that it was too early to make damage predictions concerning the earthquake in Japan. Swiss Re, recorded that the radiation leak following the earthquake would not cause a serious injury on the Japanese insurance industry. The company announcing its readiness to provide any kind of support required for Japan to refrain from the situation it is facing expressed the following in its statement: "In Japan, the conditions of the earthquake insurance are quite complicated. Cause damage results from three different reasons: Earthquake, post-quake fires and tsunami. In Japan, the earthquake and tsunami damage is met by the government and not the insurance

companies. The fires taking place after the earthquake are under the security of insurance and reinsurance companies. The earthquake, post-earthquake fire and tsunami provisions of commercial and industrial corporations are covered by special insurance companies. The damages caused in nuclear plants by earthquake, post-earthquake fire and tsunami are generally not under the coverage of policies. In such cases, the appearing damage is not covered while the damage to the environment is also not under liability insurance. Thus the radiation leak occurring after the earthquake is thought to cause no serious damage for the Japanese insurance industry."

## Change in the regulation regarding the financial body

Change has been made in the Undersecretary of Treasury's regulations regarding the internal systems of insurance, reinsurance and pension companies and the regulations regarding their financial structures. The referred regulation changes took effect after being published on the Friday issue of Official Newspaper. According to the change in the Regulation Regarding the Financial Structures of Insurance and Reinsurance and Pension Companies, the definitions for financial holding and insurance group have been added to the regulation. Ac-

ording to the change, keeping the issues concerning the assets meeting the technical provisions and provisions exclusive, the macro asset investment policies will be set annually meeting the defined conditions, approved by the board of the companies and kept within the company. Changes have also been made in the article titled "derivatives" of the regulation. In this context, all the risks caused by derivatives and other financial investment transactions will be monitored as part of the risk management systems of companies as a whole and on risk basis.

# The world of the satisfied customer

If I must list the players in the insurance sector players in order: the insurance company, the agent, the broker, and following a loss or damage, the adjuster, the restoration company and the insured. From this corner, I want to touch upon the subject of customer satisfaction from the point of view of the last member of the chain – the insured.

You have insured the things of value that you own, you renew your policy faithfully each year, and the day comes when "Murphy's Law" comes into play. At the "time when you need them most", years of wear and tear take their toll or damage occurs and your valuables are not as they used to be. Following the event, you are paid the amount as promised within the framework of your insurance policy. If the insured is able to return their valuables to their previous condition with this amount they are

happy and their faith in the insurance sector grows. However, if this amount is not sufficient to return their valuables back to normal the nightmare begins. I believe it is the duty of all the players in the sector to get involved at this point and not leave the outcome to chance.

This brings me talk about the necessary arguments one needs to be able to venture into the world of customer satisfaction: people, respect, trust, emotion, knowledge and education. If all these are present, we can begin our journey.

**PEOPLE:** this is the main element on our journey. I believe that the return on the investment made in people is always very large. The good results that come with this belief always push one to do even better. When one embarks on this journey there is no place for the traits naturally present in human nature like feelings

of superiority, aggression, selfishness, and indifference. The clothing we all wear to temper these feelings are what I call QUALITY.

**RESPECT and TRUST;** an individual who is clean-smelling and neatly-dressed, first and foremost shows respect for him or herself. People who have self-respect can easily transfer this respect to the customers they serve with their body language. With this, trust begins to form and once trust is established serving the customer becomes much easier.

**EMOTION;** it is necessary in our work. It is dangerous to mix emotions with work, and in most areas it is a firm rule not to mix the two. However, understanding the emotional effects of what an unplanned event has caused is important. If I may explain with an example; picture a woman with a 1-year-old baby in her arms in the middle of winter with a hole in the

pipe of her boiler and a plumber that comes to repair the hole who can understand the feelings of this woman and can look at his job from that point of view.

**KNOWLEDGE;** this is what raises the profile of the person performing a service. In today's world it has also become absolutely necessary to put technology alongside knowledge. Only a knowledgeable person can ensure customer satisfaction while following the predetermined framework of a job. This is the only way to provide the good service we all want in a cost-effective manner.

**EDUCATION;** it should spread like a contagious disease. As education and training develop and expand, our journey to the world of customer satisfaction will gain speed.

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