WHITE PAPER

Bancassurance 2.0:

designing user-focused insurance programs that drive value for banks & customers

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Introduction: the bancassurance revival

Bancassurance isn't new. For decades, banks have sold insurance to their customers, typically through traditional partnerships with established carriers.

But that model is starting to show its age. Today, as customers expect more seamless, personalised experiences, we're seeing a shift.

Competition from fintechs, digital platforms and even retailers, along with changing regulation, is pushing banks to diversify revenue streams and deliver more value. At the same time, many are rethinking their role in the insurance value chain, following a similar path to what we've seen in payments: moving from distributor to active enabler and, in some cases, full owner of the customer journey.

This includes designing insurance products, embedding them in digital channels and increasingly acting as orchestrators of the ecosystem.

We're seeing renewed interest in bancassurance, but not bancassurance as we know it. What used to be an add-on is now becoming a natural part of how people experience banking. A new approach – bancassurance 2.0 – is gaining traction.

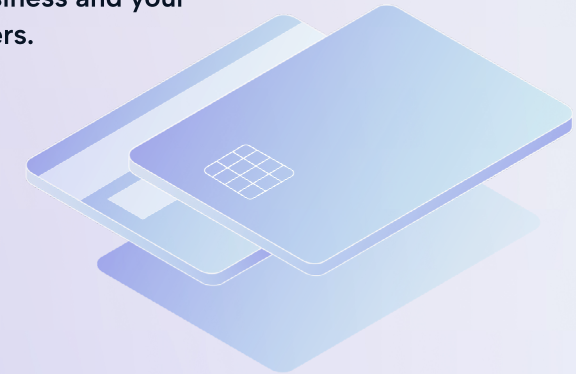
Bancassurance 2.0 reflects a move toward embedded, seamless and data-driven insurance experiences. These programs integrate insurance into the broader digital banking journey, putting customer needs front and centre to make protection simple, timely and relevant.

By leveraging customer data and technology, banks can offer tailored protection at the right moment. The result: a model that builds trust, drives revenue and enhances loyalty.

With consumers more connected to their banks than to insurance providers, there's a growing opportunity for banks to become central distribution channels for insurance, which can contribute to super app ambitions.

This white paper explores how bancassurance 2.0 is redefining the relationship between banks, insurers and customers. It offers guidance for financial services players looking to embed insurance more effectively and design customer-first programs – and how technology, data and AI fit into all of this.

You'll find practical ways to navigate today's challenges, rethink your approach and build bancassurance programs that actually work for your business and your customers.



Key definitions

Traditional bancassurance

Traditional bancassurance has revolved around **cross-selling insurance that is tied to a financial product or life event**.

Say a user recently changed their address. Their bank might call them up and try to sell them renter's insurance. You could also offer motor insurance when a user takes out a car loan or credit protection on a new mortgage.

Another option is the **standalone or marketplace model**, where banks offer an assortment of insurance products they think their users might be interested in. Think phone or pet insurance.

Banks have often approached bancassurance as just another distribution channel, which can underperform as it doesn't offer relevant coverage when users need it most.

Bancassurance 2.0

Bancassurance 2.0 is a move towards **more digital and dynamic insurance offerings**.

This includes protection embedded natively within payment cards or banking apps, such as protecting a user's recent purchase or upcoming travel plans. In this case, users don't even need to think about insurance because it's **already included in their banking experience**.

If they harness the right data and technology, banks can also add **transactional insurance** to their embedded portfolio – offering phone insurance to a user who just bought a new iPhone, for example. The closer the insurance is to the point of transaction, the better.

By making insurance a natural part of a user's life, bancassurance 2.0 has a better chance of success.

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Key challenges in traditional bancassurance

The classic bancassurance model typically revolved around cross-selling insurance alongside core banking products – think mortgage protection bundled with a home loan – or using banking data to push standalone policies to a wide customer base.

These strategies were once effective because they leveraged banks' strong distribution networks and customer trust.

But the landscape has changed. Customers now expect personalised, digital-first experiences. They want insurance options that are timely, relevant and embedded into their day-to-day banking journey.

At the same time, banks face rising pressure to diversify revenue and keep up with more agile digital players. Traditional bancassurance setups – with outdated systems and limited flexibility – struggle to meet these expectations.

Here are the recurring challenges with bancassurance as we've known it:

1. Lack of data-driven strategy

Many bancassurance programs rely on standardised insurance products that don't reflect the real needs or behaviours of their own banking customers. Despite having access to rich transaction and engagement data, banks often struggle to turn this information into actionable insights for insurance.

On top of that, insurers have very limited personal data.

As a result, offers are poorly timed, irrelevant or unappealing – leading to low conversion and limited long-term value.

A data-driven approach means more than tracking basic metrics. It involves analysing customer behaviour to predict life events and protection needs. Without this, banks miss opportunities to deliver the right cover at the right moment.

Embedded insurance powered by data can change that, but only if banks invest in the right tools and teams.

2. Limited digital expertise

Traditional bancassurance systems weren't built with digital in mind. Many banks still rely on outdated infrastructure and manual processes that make it difficult to deliver the seamless insurance experience that customers have come to expect – from sign up to claim.

Digital gaps are especially apparent when it comes to embedding insurance into mobile apps or online platforms. **Without internal tech capabilities, insurance offerings feel disconnected from the rest of the banking experience.** This frustrates users and limits adoption.

Another big part of this is having the right talent – from product managers and UX designers to data engineers and compliance specialists who understand how to build insurance programs for modern user expectations.

A McKinsey survey of 118 banks worldwide revealed that digital channels accounted for 19% of non-life bancassurance sales, an increase from 12% in 2015.

So while the pace is slow, banks are now recognising the need to either grow these skills internally or partner with organisations that bring this expertise to the table. Working with digital-first partners or insurtechs can help close these gaps and accelerate delivery.

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The biggest transformation in bancassurance is moving from face-to-face interactions to a relationship model that prioritises remote channels such as electronic banking, apps or video consultations.

This shift, driven by a variety of factors – such as consumer preferences, increased competition from new market players, and branch closures – is affecting the entire banking value chain and the way insurance is distributed by banks.

David F. Rueda

Bank Distribution - Head of Business Development at Zurich

'In several markets across Europe, bancassurance has been one of the most active distribution channels in terms of insurance products. But with branches shutting down and customers increasingly moving online to interact with their banking providers, bancassurance needs to revamp the way it operates. ***And it's not only a matter of digitising its current model, but building a digital-first model.****'*

Florian Graillot

Founding Partner at astorya.vc

3. Lagging with younger users

Neobanks, money apps and other fintechs have helped raise the bar for what people expect from digital financial services, including insurance. These digital natives have shown how embedded, real-time protection products can be delivered in a way that feels natural to the user journey, especially for younger audiences.

Retailers and e-commerce giants are also moving into the insurance space, using their customer insights and high-frequency engagement to offer targeted protection.

While many consumers continue to place their trust in larger, established banks, there's a clear shift in expectations.

Traditional players are now focusing more on modernising their offerings – rethinking product design, speed-to-market and overall user experience – to meet the needs of the next generation of customers.

4. Regulatory complexity & legacy systems

Regulation remains one of the most cited barriers in bancassurance – particularly when expanding to different regions or launching new product types. **Varying rules on insurance distribution, disclosures, licensing and data handling can make it difficult for banks to scale quickly or operate with agility.**

This challenge is often compounded by the need to coordinate across local and international teams. In traditional models, banks may work with different risk carriers in each country due to local licensing requirements. These relationships are often managed at the local level, which can lead to misalignment with group-level strategies.

If a bank wants to change its insurance partner in one country, it may be forced to upend the entire program in that market. To scale successfully, insurance programs must balance compliance with local regulation while also maintaining enough flexibility to evolve and expand across borders.

On top of that, legacy systems often limit what banks can implement. Siloed data, rigid workflows and manual compliance checks all slow down innovation.

> “ One of the biggest challenges when it comes to embedded insurance is integration. **Connecting to multiple insurers and systems without creating friction for the customer takes time and coordination.** That's where insurtechs can make a real difference – bringing the infrastructure and flexibility to help us deliver the experience we want, without reinventing everything internally.
>
> **Pieter-Bas Vos**
> Head of Insurance NL, ING Nederland

5. Misalignment with customer needs

Many bancassurance offerings still feel like an afterthought, with products pushed to customers without clear relevance or timing. This disconnect is often the result of designing programs around internal structures or insurer constraints rather than what the customer actually needs.

Banks often approach bancassurance as just another distribution channel for boosting revenue, while insurers may see it as a way to repurpose existing products. Neither mindset leads to success. Instead, both parties need to collaborate from the outset to build insurance solutions tailored to the bank's audience and delivery model.

To be effective, insurance needs to fit naturally into a customer's financial life. That means being available when it's most relevant, being easy to understand and offering real value when it's time to make a claim.

Without this alignment, not only does customer acquisition suffer, but the potential for real long-term engagement and loyalty is lost.

Watch the webinar:
why bancassurance is so hard to get right

'Offering insurance isn't just about having the right coverage, it's about how that coverage shows up when customers need it. We found that even with strong benefits, if the claims experience is slow or confusing, it undermines trust. ***The challenge has been making sure the end-to-end journey feels intuitive and reliable, especially in those high-stress moments when people actually rely on it.'***

MC Glover
VP Strategy & Operations at Yonder

Credit protection insurance: a product under pressure

Credit protection insurance (CPI) has historically been a key revenue driver for banks, particularly in markets like France and Germany where it's often bundled with loans. In some cases, penetration rates remain high and commissions are significant.

But growing regulatory scrutiny is putting pressure on this model. The European Insurance and Occupational Pensions Authority is pushing banks and insurers to make sure CPI offers fair value to consumers.

In Germany, for example, a mandatory seven-day cooling-off period after signing a financing agreement makes it harder to convert customers in the moment. In the UK and the Netherlands, CPI remains a sensitive topic due to past consumer protection concerns – leading to reputational risk and hesitation from brands.

In the UK, concerns around CPI are being compounded by wider regulatory action on financial products. A recent court ruling on undisclosed commissions in car finance has brought renewed focus on transparency and fairness – issues that are equally relevant for protection insurance.

This presents both a challenge and an opportunity for major bancassurers who have relied heavily on CPI as a revenue stream to diversify their product portfolio.

As regulators raise questions about value, fairness and transparency, banks will need to diversify their insurance portfolios and rethink how protection fits into the broader customer journey.

Key challenges in traditional bancassurance

Offering insurance is a powerful way to own more of the value chain.

Lack of data-driven strategy

Many banks have access to rich customer data but struggle to turn it into meaningful insights for insurance. Without personalisation or timing based on real behaviour, offers often feel irrelevant, resulting in low engagement and missed opportunities.

Limited digital expertise

Traditional bancassurance infrastructure wasn't built for today's mobile-first customers. Without internal tech capabilities or digital-savvy teams, it's hard to deliver seamless experiences. This leads to disjointed journeys that don't meet customer expectations.

Lagging with younger users

Fintechs, e-commerce giants and neobanks are setting the standard with embedded, real-time insurance products. Their speed, flexibility and contextual design make them especially appealing to younger, digital-first users – leading traditional banks to rethink their offering for the next generation.

Regulatory complexity and legacy systems

Scaling bancassurance across borders or products means navigating complex local regulation. Legacy systems, siloed data and manual compliance processes add further friction, making it hard to adapt quickly.

Misalignment with customer needs

Too often, insurance is designed to fit internal structures rather than customer lives. Banks see it as another distribution channel for revenue, while insurers see it as a way to recycle existing products.

Crédit Agricole Assurances: traditional bancassurance through deep banking integration

Crédit Agricole Assurances (CAA) pioneered the bancassurance model in Europe in the 1980s. With extensive experience in France and abroad, it has developed a bancassurance approach closely tied to its retail banking network.

Operating through a wide network of regional banks and brands, CAA's insurance distribution is strongly rooted in proximity. Unlike newer digital entrants, its physical presence across thousands of branches and local teams enables an advisory-led approach, offering guidance that helps customers feel more confident in their decisions, particularly around protection products.

Insurance products tied to core banking moments, such as credit protection on mortgages or loans, are fully embedded into CAA's in-branch journeys – making opt-in smooth and relevant. But for more complex, standalone products like motor or home insurance, the distribution model is evolving.

Providing these products in a more seamless, omnichannel way presents new challenges, particularly around tech infrastructure and timing within the customer journey.

CAA is actively evolving its model, enhancing digital touchpoints and increasing flexibility in how insurance is offered. CAA is steadfast in its mission to lead in customer satisfaction – not just today, but over the long term – by continuously adapting to customer needs and reinforcing the trust that defines lasting relationships between clients and their bank.

CAA also benefits from a multi-local structure, with both pan-European and local insurance entities (through partnerships with banks, leasing companies, OEMs, etc.). This allows them to offer scale on standardised products while also adapting more complex products to regional needs. The next step would be finding a way to orchestrate this complexity across systems and geographies without compromising customer experience.

Like many large bancassurers, CAA faces a pivotal moment: maintaining its established advisory approach while upgrading their tech and accelerating their digital capabilities.

For leaders like CAA, the path forward lies in finding the right partner to help them expand their product portfolio, connect better with digital users and build a more flexible, scalable insurance model.

Learn more about Crédit Agricole Assurances

Use case

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Leveraging embedded insurance for growth

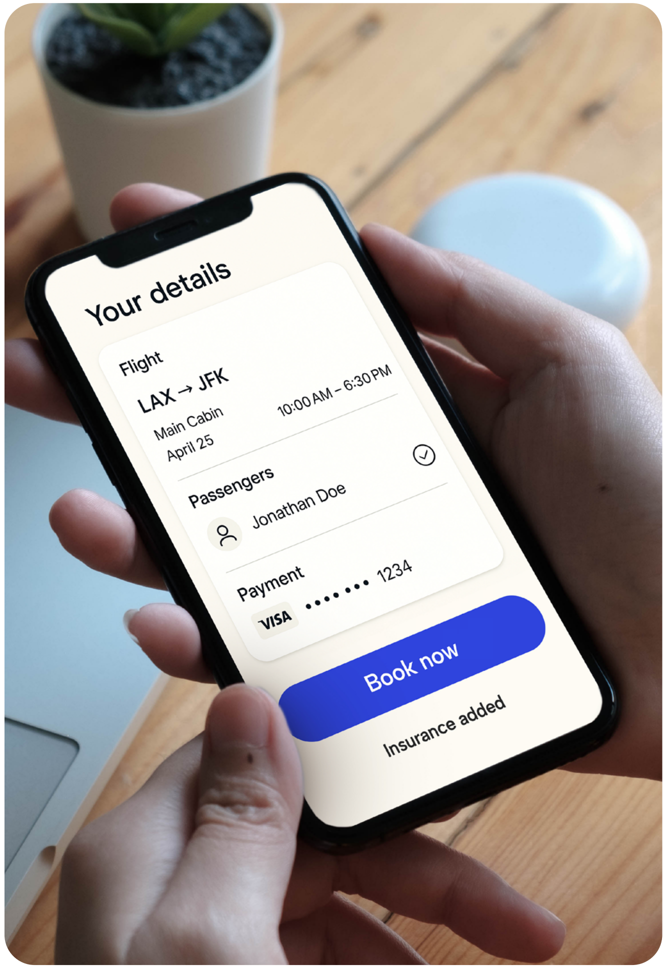
Embedded insurance is changing the standard for insurance that's delivered in context through digital channels.

The ideal distribution model is one where insurance is built into a payment card or app, so users don't even have to think about it. For example, rewards credit card Yonder embeds protection in its payment card. As a result, customers are covered for travel and accommodation expenses that are paid for with their Yonder card.

The future of bancassurance takes things a step further: using real-time data and context to push coverage at just the right moment. So instead of selling insurance as a separate product, you can embed protection directly into digital banking journeys to offer it at the most relevant touchpoints – for example, sending a push notification when a user books travel or makes a large purchase.

Another way banks can make insurance relevant is by fitting in into the right part of their banking app. Let's say there's a budgeting section that helps users keep track of their spending. Here, you could integrate bill protection insurance, offering to cover users in case they lose their job or become ill and can't pay their bills. By using the data points you already have about the user, you can streamline the process in the app and reduce the number of steps it takes to sign up for that insurance.

This type of embedded insurance is backed by APIs, real-time data and seamless back-end integrations to remove friction and make insurance feel like a natural part of the banking experience.



Why embedded insurance works

Customers trust banks: banks are still among the most trusted financial institutions. According to recent surveys, over 90% of consumers are open to buying insurance through their bank – with most of them citing trust and convenience as the main reasons for doing so.

Deliver convenience & peace of mind: customers don't want to shop around or fill out lengthy forms. Embedded insurance reduces complexity and offers peace of mind, all from within a platform they already use and trust.

Drive long-term revenue: when executed well, cross-selling embedded insurance drives meaningful income through policy-based commissions and increases customer lifetime value.

Boost engagement through timely, personalised offers: with data-driven insights, banks can send targeted push notifications or reminders about relevant insurance – like travel cover ahead of a trip or device protection tied to new purchases. This leads to better engagement and stronger conversion rates.

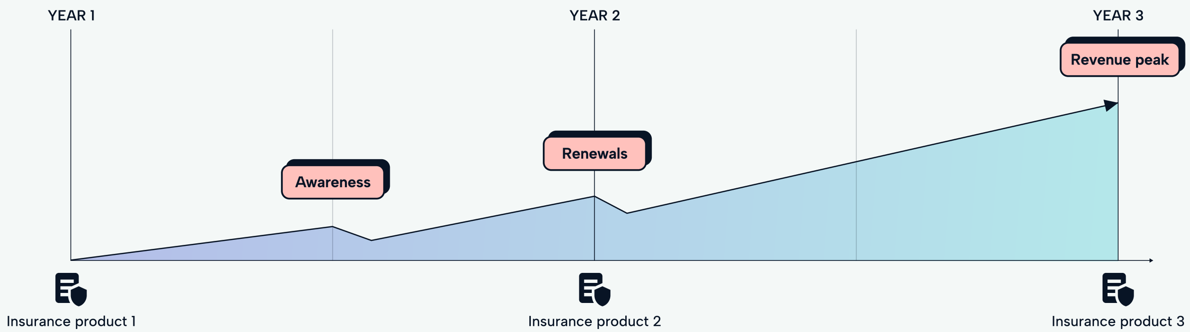
Europe is paving the way here: according to BCG, for leading European banks, bancassurance contributes 30% of earning before tax, compared to 20% in Latin America and just 7% in Southeast Asia.

Increase customer loyalty & wallet share: offering insurance strengthens the customer relationship by expanding the bank's service portfolio, increasing touchpoints and positioning you as a more complete solution provider or super app.

'In France, 60% of new account openings now happen online, reducing in-branch traffic and raising expectations for a seamless digital banking experience. To address this major shift, key bancassurance players are launching online banks and seeking innovative services to stand out in an increasingly competitive landscape. ***Embedded insurance is one of their best options – not only does it generate additional revenue, but it also strengthens their brand and truly meets customer needs through real-time subscription and by closing the insurance gap.*** *At Wakam, we see this as a key transformation in bancassurance, where agility and tech-driven solutions will define the winners of tomorrow.'*

Alexandre Morillon
CEO at Wakam SA

Cross-selling bancassurance takes time to build momentum



To ensure maximum revenue ramp up, banks can launch an array of insurance products in succession.

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With the rise of market demand for all-in-one financial solutions, insurance can certainly differentiate offerings by providing customers with comprehensive coverage. In this context, **insurtechs can help fintechs navigate complex regulatory environments and align insurance offerings with their core values**, for example, through transparent cost structures and tailored solutions or by seamlessly integrating with existing products.

At Qonto, it's crucial for us to incorporate peace of mind and financial security into our value proposition. Insurance is one of many elements that will help us forge long-term relationships with our clients and establish us as an all-in-one solution for business owners.

Corentin Brocard
Strategic Operations Manager at Qonto

03

How to design user-focused bancassurance packages

Today's customers don't just expect convenience – they expect relevance. In a world where services are increasingly personalised, off-the-shelf insurance will no longer cut it.

Modern bancassurance programs need to move beyond generic, one-size-fits-all products and instead deliver protection that feels timely, useful and easy to access.

That means starting with the customer journey. Instead of tacking insurance onto the end of a loan application or upselling it through a call centre, banks need to design insurance experiences that are embedded in day-to-day banking moments.

To truly deliver value, insurance needs to feel like it belongs – and that starts with designing it around the customer.

1. Audit & assess

The first step is understanding where you currently stand. Assess your existing insurance offering, identify the gaps and evaluate where opportunities lie. This involves reviewing performance metrics, gathering customer feedback and looking at internal capabilities.

Use transactional and behavioural data to gain insights into different customer segments and their protection needs. This analysis can reveal patterns, such as life events or spending behaviours, that point to when and where insurance might be most relevant.

The easiest way to create insurance products your users actually care about? Ask them. User surveys can be a highly effective way to see what services your customers expect and what they're willing to pay more for.

In a survey we ran of 5,500 fintech users, over half of respondents not only expressed interest in embedded insurance as a value-added service, but 60% said they would use their account more if offered coverage.

90%
of consumers
are open to buying insurance through their bank

60%
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Bancassurance is a powerful way to deepen the bond between banks and their customers – a strong relationship built on trust. **But trust is not a given.** It has to be earned through concrete commitments: a full suite of guided, advice-driven offerings; top-notch customer service, and, above all, high-quality claims handling. These are some of the key drivers that enable banks to expand their product portfolio and eventually move closer to becoming a true one-stop-shop for both banking and insurance needs.

Hugues Hénin

Head of International Business Development & Partnerships at Crédit Agricole Assurances

2. Prioritise customer experience

Embedding insurance into digital banking platforms is essential. This means making insurance visible and accessible at the right moment – such as when a customer is booking travel, applying for a loan or purchasing a product.

But relevance alone isn't enough. Ease of use and transparency are also critical. Customers should be able to understand, purchase and manage their insurance policies without leaving the app or encountering unnecessary friction.

That means complex terms and conditions, or clunky claims experiences won't cut it.

Many insurers are still stuck in legacy product thinking – recycling traditional structures instead of designing protection the way any other product would be built. To move forward, they need to break those habits and start thinking from the customer's point of view.

Learn how financial services companies are leveraging embedded travel insurance →

'At bunq, we're creating a product people truly love to use. From investing and budgeting to global travel insurance, a our approach is simple: listen and solve real problems. When developing travel Insurance, we focused on trust and clarity – making sure our users know they are always covered and understand what is going on. The response so far has been incredible.'

Tom Bilske

Head of New Products at bunq

'Innovation is key to building a superior customer experience for the remote/digital space. It's about convenience and personalisation: adapting the insurance offer to make propositions accessible to customers via their preferred channels, and offering solutions tailored to their needs.'

David F. Rueda

Bank Distribution – Head of Business Development at Zurich

How bunq built a seamless, embedded travel insurance experience

As digital banks push to differentiate their offerings and build loyalty, embedded insurance is emerging as a natural fit – especially when done right. bunq, a mobile-first bank designed to make life easy through a borderless banking experience, recently launched travel insurance as part of its Elite account. But rather than adding it as a bolt-on feature, bunq embedded insurance directly into its offering, making it effortless, relevant and timely.

The product activates automatically when users travel, with no need to notify the bank or complete additional steps. This means coverage – including medical expenses, trip cancellation and lost luggage – follows users wherever they go, without interrupting their journey. This setup shows that successful bancassurance solutions are designed with the customer in mind.

By embedding the claims process into the existing app interface, bunq created an insurance journey that feels intuitive and natural like the rest of its product experience. If users have a problem while traveling, they can file a claim in minutes.

The partnership with Qover behind the scenes enables user-friendly integrations, legal compliance across countries and access to real-time performance data to create an insurance program that revolves around bunq's global user base.

For banks exploring embedded insurance, bunq's approach shows what's possible: a tailored, scalable product that drives engagement, builds trust and delivers genuine value as part of a broader banking ecosystem.

bunq

See how bunq makes travel insurance effortless

Use case

3. Leverage strategic partnerships

Banks don't need to build everything themselves. In fact, trying to go at it alone can slow progress, drain internal resources and delay time-to-market. Building insurance capabilities in-house – from tech infrastructure to compliance, claims and servicing – requires not only budget but deep expertise across multiple domains. And even when banks have the appetite to build, they often have a hard time scaling quickly.

This is where partnerships can make the difference. Working with insurtechs or embedded insurance providers gives banks access to the kind of infrastructure, technical support and regulatory knowledge that would take years to develop internally.

Look for partners who offer flexible APIs, strong compliance frameworks and a collaborative mindset. **It's not about outsourcing insurance – it's about building a joint solution that works for your customers.**

A good partner brings the operational know-how; you bring the brand, the distribution and the customer insight.

The most effective partnerships are built on shared goals, openness and long-term thinking. Treating partners as part of your ecosystem rather than just vendors will lead to better integration, faster innovation and more sustainable results.

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Strategic partnerships between banks and insurers, particularly with a trusted name like Chubb, can dramatically enhance the customer experience by providing seamless access to insurance products. **These collaborations allow customers to secure coverage at the moment of need, without leaving their familiar banking environment.** Some initiatives demonstrate how integrating insurance into everyday banking activities can simplify the purchasing process and attract new customers. By seamlessly integrating insurance and collaborating closely with insurers like Chubb on product design, banks can enhance the customer experience and also boost customer loyalty.

Israel Rayán
SVP, Head of Accident & Health EMEA, at Chubb

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At Wakam, we believe that **speed and co-creation are essential to bringing innovative insurance products to market**. Design thinking means putting customers at the heart of the product creation process, ensuring crafted and flexible solutions that truly meet their needs. Without this, insurers risk launching yet another off-the-shelf product with limited value and adoption – something regulators are increasingly monitoring. To maximise success, speed of execution and a clear go-to-market strategy are key. Choosing the right embedded insurance partner also means selecting one with the best tech enablers and ecosystem to support rapid deployment and flexibility.

Alexandre Morillon
CEO at Wakam SA

Banks & the shift towards MGA-style control

Some banks are exploring a deeper role in insurance – moving beyond distribution toward models where they take on greater responsibility for the insurance value chain, even partially underwriting insurance products in partnership with risk carriers.

In the UK, this is often referred to as a managing general agent (MGA) model, where an entity has delegated authority from insurers to design products, manage distribution and sometimes handle claims.

While the term lacks a consistent regulatory definition across the EEA, it reflects a broader shift: banks seeking more control and flexibility in how they deliver insurance.

What's driving this shift?

Taking on an MGA, or MGA-like role, gives banks more control. After insourcing much of the payment value chain, becoming an insurance MGA is a natural next step for many financial players (if they're not going all the way and creating their own captive).

It allows them to tailor products to their customer base, differentiate in the market, and improve margins by capturing a share of underwriting profits - not just commissions. And with greater control comes greater visibility: MGAs have access to richer data, offering deeper insight into customer behaviour and performance that can fuel innovation and smarter decisions.

But this isn't something banks can or should do alone.

The right partner brings more than just technology: they offer scalable, API-first platforms, speed-to-market, regulatory know-how and full support for claims and customer service – without the bank needing to build it all in-house. Just as important, they provide advanced AI and data capabilities that help banks monitor, learn and adapt in real time.

Done right, the MGA model can give banks a powerful edge – offering the flexibility to create relevant, timely protection while owning more of the value chain. But success depends on the right foundations: strategic partnerships, modern infrastructure and a focus on what really matters to customers.

'Fintechs are digital-first players and retailers own customers. So ***banks need to rely on their major strengths: regular touchpoints with their customers and transaction data they process on behalf of their customers*** *to understand who they are, what their needs are and spot the right moment to engage with them. But to do so, they shouldn't try to do everything on their own – instead they should rely on external players to make sense of this data, build relevant products, etc.'*

Florian Graillot
Founding Partner at astorya.vc

4. Measure what matters

Open banking is making it easier than ever for banks to access and use customer data in responsible, value-driven ways.

With the right transparency and consent, banks can show users how sharing their data leads to more personalised protection and better service – building trust and encouraging adoption.

By putting customer needs at the centre – and using data to understand them – bancassurance can turn into a meaningful advantage.

This customer data can also enable program performance tracking through, real-time analytics tools and AI-powered dashboards.

Keeping up with key performance indicators like conversion rate, loss ratio, claims stats and servicing levels can help monitor trends, flag issues early and uncover hidden opportunities – all so you can continue to improve your program and make more confident decisions.

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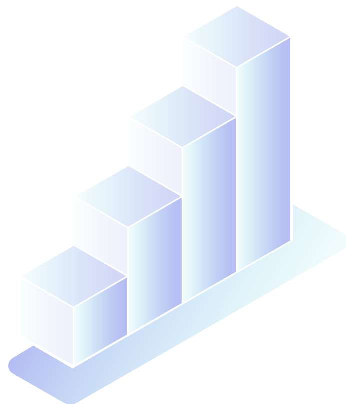
AI & automation are critical. **Bancassurance is all about data, and AI is the most powerful way to leverage that data across all aspects of the business:** claims, underwriting, product innovation, customer management, etc.

Simon Torrance
Founder & CEO at AI Risk



Monzo: embedding contents insurance into the banking experience

UK neobank Monzo recently launched a contents insurance product in partnership with global insurer Chubb. The goal was to make contents insurance more accessible to renters and homeowners – particularly a younger, mobile-first demographic of renters that often goes uninsured.

The product is embedded directly within the Monzo app and designed to be easy to set up, with a short onboarding flow and pricing updates based on the user's inputs.

Customers can customise their policy to cover high-value items and have the flexibility to manage or cancel it anytime. Claims can be initiated either through the app or over the phone.

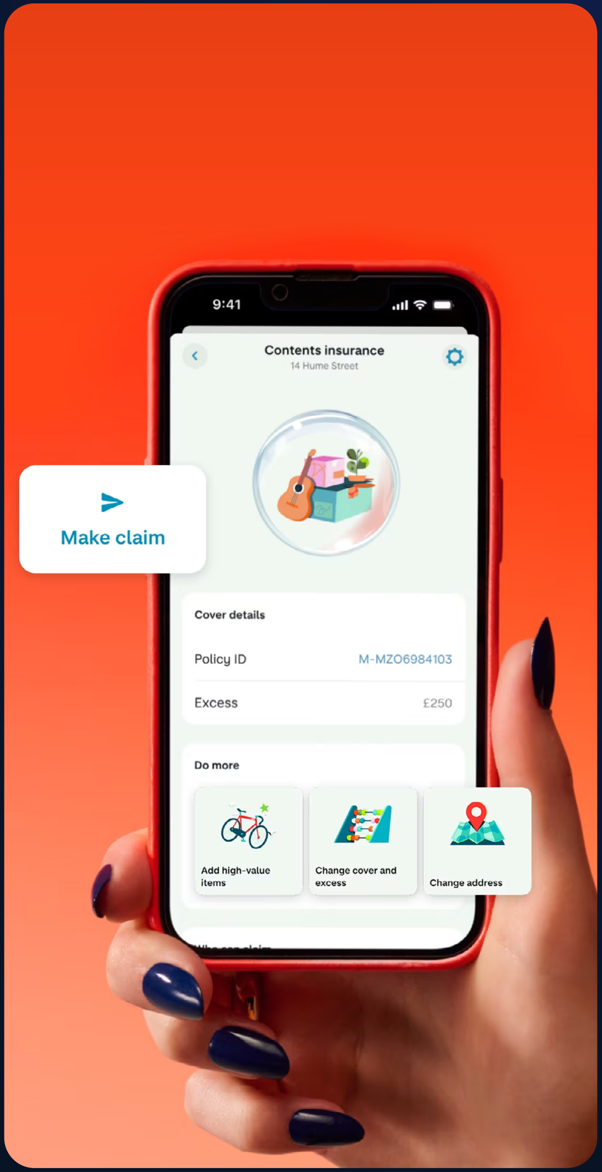
The offer is part of Monzo's broader paid plan ecosystem, positioned as an added benefit for customers who want extra convenience and financial protection in one place – particularly after hearing from customers that contents insurance can be confusing.

Rather than creating a separate user journey, Monzo integrated the experience into its existing app to keep the process simple and consistent.

By working with Chubb, Monzo brought in established underwriting capabilities while maintaining full control of the customer experience within its digital platform.

For digital banks considering embedded insurance, this example illustrates how a clear user experience, flexible design and smart integration can support adoption – especially when tailored to the needs and expectations of a specific audience.

Read more about Monzo's contents insurance



Bancassurance 2.0: steps to success

How to design user-focused bancassurance packages

Start by understanding where you are today. Use transaction data, behavioural insights and customer feedback to map protection needs across segments.

Benchmark against peers and fintechs to spot gaps and opportunities. This groundwork helps ensure your insurance offer is relevant, timely and designed around real customer needs.

Prioritise customer experience

Don't just throw insurance onto the end of a process – build it into the user journey from the start.

Make it easy to understand, simple to manage and embedded in moments that matter.

Focus on transparency, automation and seamless in-app flows to drive adoption and trust. If it feels intuitive, customers will use it.

Leverage strategic partnerships

You don't have to build it all yourself.

Working with insurtechs or embedded providers gives banks access to the infrastructure, regulatory expertise and scalability needed to move fast and deliver quality.

The best partnerships are collaborative, API-first and focused on long-term value, not just distribution.

Measure what matters

Success isn't just about sales. Use customer data in responsible ways to offer more personalised protection.

Then, use AI and real-time analytics to monitor key KPIs and claims data to adapt as needed.

The goal is to keep improving, because your customers' needs will evolve, and your insurance should too.

How AI can take bancassurance to the next level

AI is quickly becoming fundamental for banks and fintechs embedding insurance into their platforms. As customer expectations rise and competition intensifies, artificial intelligence offers a powerful way to personalise experiences and improve operational efficiency across the bancassurance value chain.

Smarter, faster customer experiences

In a world where people are used to instant decisions and self-service, AI helps bancassurance programs meet those expectations. From powering faster claims decisions to streamlining customer support through intelligent triaging and automation, AI ensures that service interactions are efficient and consistent.

When it comes to claims, AI can automate key steps like document verification, fraud detection and decision-making for straightforward cases. [AI-driven claims processing]() and the use of agentic AI is already helping give customers what they ultimately want: faster resolution times and a smoother, more trustworthy experience.

AI in claims processing is already leading to faster resolution times and a smoother experience.

At Qover, we've found that over 99% of claimants are happy for AI to resolve their claim, showing that people prefer a well-trained AI agent that delivers fast and accurate responses over a poorly trained human agent.

Turning data into action

Bancassurance is fundamentally a data play, and AI is the most powerful way to turn that data into action. By uncovering patterns and predicting protection needs, AI enables timely, relevant offers that boost conversion and improve long-term retention by offering value at key moments in a customer's life.

According to BCG, banks that implement AI-driven personalisation to get more value from their customer data can double bancassurance cross-sell rates, increase lead conversion by 3–5x and improve profitability by at least 4 percentage points.

Beyond personalisation, AI also plays a crucial role in improving operational efficiency behind the scenes – from underwriting automation to smart customer service workflows. By embedding AI in these processes, banks can boost both customer satisfaction and operational agility.

Preparing for the future

Looking ahead, the next big shift may come from agentic AI.

AI isn't just about making existing processes more efficient. It's a catalyst for rethinking how bancassurance operates – from product innovation and underwriting to claims, customer service and beyond.

> "Agentic AI will give embedded insurance and bancassurance providers the ability to dramatically increase their operational capacity, to do much more with fewer resources. Those who embrace this most effectively will gain a significant competitive advantage.

Simon Torrance
Founder & CEO at AI Risk

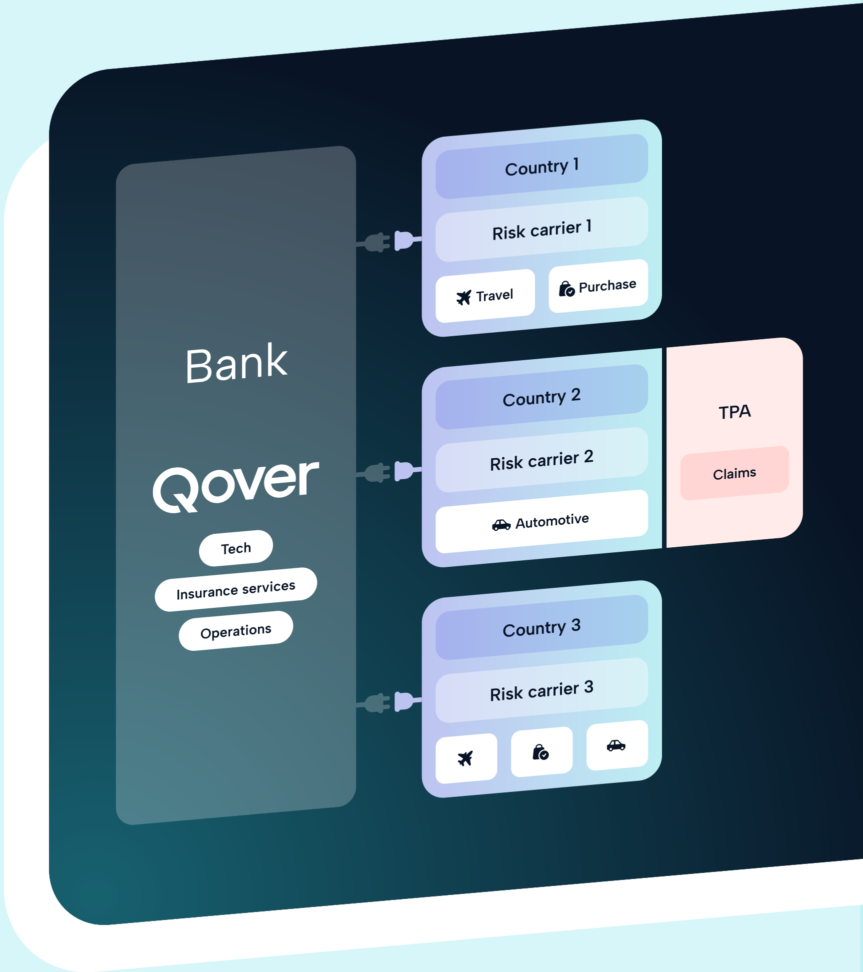
99%+
of Qover claimants are happy for AI to help resolve their claim

90%
customer satisfaction rate for AI agents, on par with human agents

Final thoughts

Bancassurance is changing.

The old model of pushing insurance through legacy systems and disconnected channels is giving way to something smarter: bancassurance 2.0.



Banks that succeed in this space will be those who think beyond distribution, prioritise the user experience and embrace embedded, tech-driven solutions. Some may evolve into MGAs. Others will find value in the right partnerships. All will need to stay close to their customers and let data guide their decisions.

This isn't just about adding insurance. It's about doing it better: embedded and built around what people actually want and need.

Book a meeting with one of our financial services experts
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About Qover

As an international pioneer in embedded insurance orchestration, **Qover enables companies and insurance providers to offer seamless insurance experiences across Europe.** Through a fully managed tech platform, AI-enabled claims and support, and legal and insurance services, Qover can accommodate any product, country and insurer.

Since it was founded in 2016, Qover's co-founders had a clear vision of the future of insurance: it must be simple, transparent and accessible across borders – a global safety net enabling people to live life to the fullest.

To that end, Qover's modular embedded insurance orchestration platform covers millions of users across 32 European countries, and works with longstanding partners like Revolut, Monzo, ING, Mastercard, Deliveroo and many others.

So whether your company is looking for end-to-end insurance orchestration, a powerful tech layer or anything in between, Qover can help you create seamless insurance experiences for your customers.

Thoughts? Questions? [Contact our team].

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