

WHAT DOES PROSPEO OFFER?

Brand performance describes the brand's range and the resulting benefit for the target group. It is the basis for the definition of the brand's marketing mix (see pages 28 to 34).

PROSPEO'S BRAND PERFORMANCE

Prospero offers insurance and financial products including the entire range of the Allianz Group's business fields: protection (Non Life), provision (Life & Health) and performance (Asset Management).

Via this broad range of solutions, Prospero customers have one-stop shopping for financial products.

Prospero's products are more customized than those of its direct sales competitors.

Prospero offers the Navigator support in finding the right insurance and financial solution by providing in-depth, objective, relevant information. Prospero's main principles are transparency and clarity.

WHAT SETS PROSPEO APART?

Brand differentiators set a brand apart from the competition. These differentiators are the reason why Navigators prefer Prospero to the competition.

PROSPEO'S BRAND DIFFERENTIATORS

Prospero is clearly positioned as a premium brand on the competitive field for direct sales.

Prospero has the quality leadership in direct sales. It is not just a "shop-and-go discounter."

Prospero products and services are easy to understand, easy to calculate and easy to use.

Prospero's range of products is characterized by clarity and understandability.

For the consumer, Prospero is a trustworthy partner backed by the Allianz Group.

MARKETING STRATEGY

KEY QUESTIONS ADDRESSED IN THIS SECTION:

Which products should Prospero offer?

Which prices should Prospero set?

Which services should Prospero offer?

Which distribution channels should Prospero use?

To launch Prospeo, the first goal must be enhancing brand awareness. Over time, Prospeo's communications objectives will become more product driven (consolidation and maturity phase).

A detailed definition of communications objectives (e.g. unaided brand awareness of x% in y years) must consider the specific market environment and should be specified locally.

BRAND COMMUNICATION COMMUNICATION CONTENT

WHAT SHOULD BE COMMUNICATED?

The specific substance of any communications depends on the advertising concept, which will be developed locally. Nevertheless, the content should be in line with Prospeo's positioning and values. It also should be relevant to Prospeo's Navigator target group.

The communications content should make clear why Prospeo is the right choice for Navigators. The following key aspects should be considered:

BRAND MISSION

Prospeo's goal is to be the leading brand in the direct insurance and financial services market, offering easy-to-understand, easy-to-calculate and easy-to-handle products and information in the fields of protection, provision and performance.

CORE COMPETENCE

Prospeo's core competence is offering financial and insurance services via all direct sales channels (Internet, call center, mail, fax).

BRAND CORE VALUES

Prospeo's brand core values are the human touch, innovation and trust.

CUSTOMER BENEFITS

The rational benefits for customers are enjoying convenient, unbureaucratic management of insurance and financial matters. Feeling independent and smart and having a sense of security provides an emotional benefit.

SUPPORT/REASON WHY

- In-depth, objective, understandable insurance and financial information
- High-quality, fair-priced, customized insurance and financial products
- Information, tools, products and services that are easy to understand, easy to calculate and easy to handle
- Round-the-clock accessibility through all direct channels
- The longstanding experience and financial clout of the Allianz Group

COPY DEVELOPMENT STRATEGY

KEY QUESTIONS ANSWERED IN THIS SECTION:

What are the key aspects of the agency briefing?

The copy development strategy (CDS) summarizes the agency briefing for the development of advertising. Its purpose is to provide helpful direction to the creative team and serve as a basis for judging the strategic relevance of advertising.

A copy development strategy for Prospeo is outlined on the next page as a foundation for the agency briefing.

FOUNDATION FOR THE AGENCY BRIEFING

Copy, Country, Date

Approved by: Head of Marketing, Marketing Manager, Advertising Manager

BRAND POSITIONING

What is the target audience, what is our brand's customer benefit, what sets Prospeo apart (tends to be rational)?

To the "Navigator", self-confident and independent customer, Prospeo is the preferred insurance and financial services provider in the direct market. Prospeo offers in-depth information as well as customized insurance and financial solutions that are easy to understand, easy to calculate and easy to handle — all at a fair price.

BRAND ESSENCE

A vivid articulation of the unique relationship customers have with the brand. How do they feel about the brand and what are its intangible attributes?

Prospeo is human and unbureaucratic because it understands the needs and requirements of its customers. As an innovative and dynamic brand, Prospeo offers tailor-made insurance and financial solutions based on state-of-the-art technology and knowledge. Prospeo is an expert, trustworthy provider because it can draw on the resources of the Allianz Group.

CUSTOMER INSIGHT

- a) What is the target group (e.g. basic demographics and psychographics)?
 - b) Why do we believe target group members will be interested in and motivated by our message?
- a) Target:
 - Prospeo's target group is the Navigator. The Navigator can be found among internet users worldwide and is the most attractive customer for Prospeo.
 - The Navigator is between 20 and 40 years old, has comparatively high professional qualifications and is financially secure.
 - b) Interest and Motivation:
 - The Navigator's key preferences for financial services: unbureaucratic, friendly, credible.
 - To help ensure a pleasant lifestyle, financial security is an important issue in the Navigator's life.
 - The Navigator is fascinated by multimedia and internet opportunities. As an independent and self-directed consumer, the Navigator gravitates naturally to the internet as a medium for communication, as well as taking care of business.

THE BRAND VALUES

Prospero core values are...

- **Humanity**, because it understands the needs and requirements of the Navigator.
- **Innovation**, because it offers tailor-made insurance and financial solutions based on state-of-the-art technology and knowledge.
- **Trust**, because it is backed by the Allianz Group.

CORPORATE DESIGN

The following preconditions are valid for Prospero's corporate design:

- **The global Prospero brand strategy is aimed at an internationally uniform brand image.**
- **The Allianz flagship brands are used at national market, target group and product range levels.**

This allows for the development of characteristic and globally standardized media channels. However, these are designed to offer the local OEs enough flexibility for regional requirements.

The design of Prospero is effective at functional and emotional levels.

The Prospero design:

- **ensures equal emphasis on the brand values at all times and in all national markets.**
- **is convincing due to its ease of use.**
- **stages Prospero as a trust-worthy brand personality.**

WEB PRESENTATION FRAMEWORK

A clear, uniform brand framework with enough space for national requirements must be developed for the conception of the Prospero Web site.

In order to separate Prospero from the flagship brands — which are generally addressed at the service-oriented "Strategists" target group — Prospero focuses on the "Navigator" target group, which prefers direct sales.

Interests that can be addressed within this target group:

- **Self-service orientation**
- **Unbureaucratic procedures**
- **Friendly form of address**

The combination of a user friendly, transaction-oriented, simple approach and the security of an "Old Economy" company via the Internet helps to solidify the Prospero brand values:

- **Humanity > Competence (Social competence)**
- **Innovation > Convenience (Usability)**
- **Trust > Trust (Trust-building measures)**

While many insurance start-ups vanished from the Internet almost as quickly as they appeared, the Allianz Group and its flagship brands present trustworthy, safe and competent offers.

The modular structure of the design allows for the independent use of the individual units (context and/or application). These units can be used as context marketing elements whenever the need arises.

Customers decide what information they want to receive in the product and service area. Context-sensitive assistance and easy, intuitive product access simplifies transactions.

Prospero can make use of personalization tools in its direct sales Internet presentation in order to better address the needs of users. This in turn solidifies brand value claim innovation/convenience.

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The objective of this strategic concept is to:

Supply

all those involved in developing
a consistent Prospeo Web presence
with strategic and operational guidelines.

Guarantee

uniform implementation of
the Prospeo brand values for use in the internet.

Bring expectations

of the promise of new media into line
with the strategic goals of Prospeo.

The Brand Values

Prospeo's core values are:

- *Humanity*, because Prospeo understands and respects the individual needs of its customers.
 - *Innovation*, meaning that Prospeo is committed to using the latest technology and ideas to offer innovative products.
 - *Trust*, because this is the foundation for a long-term partnership.
- (MBO Brand Strategy Manual - Prospeo)

IN THE INTERNET

The brand values are focused in a Web specific manner for use with Prospeo in the internet:

- **Humanity > Competence**
- **Innovation > Convenience**
- **Trust > Trust**

Competence

This term describes more than the professional, purpose-oriented behavior of a supplier during a business transaction. It is mostly understood as social competence (satisfying behavioral conventions and rules). The characteristics expected from insurance companies are proof thereof: friendliness and unbureaucratic procedures.

Convenience

This functional aspect is of special importance in the internet and is proved by Prospeo's Web presentation.

Trust

Trust and the feeling of safety are created in the mind of the user by the interplay of a number of factors:

- Clear communication of the image transfer from national flagship brands and/or the Allianz Group to the Prospeo Web site.
- Trust building measures in the following fields:
 - > Information Presentation
 - > Support
 - > Technology
 - > Security/Privacy

The Target Group

Prospeo's target group is the Navigator. The Navigator can be found worldwide among internet users and is the most attractive consumer for Prospeo.

(MBO Brand Strategy Manual - Prospeo)

THE INTERNET NAVIGATOR

Sociocultural traits of the Navigator that are relevant to Prospeo:

- Tendency toward direct sales insurance products
- Preferred insurance provider characteristics: a bureaucratic, friendly, believable
- Security in the field of insurance and prevention, according to the motto "As much as necessary and as little as necessary"
- Selective consumer hedonism
- Open-mindedness in terms of brand offerings and conscientious handling of a budget
- Self-image as an informed and critical consumer
- Minded price-performance orientation
- Interest in "objective" information
- Good knowledge of the market

(Stat. Sozialwiss. - Weidburg November 1997)

Consequences for Prospeo

The Prospeo Web presence addresses the Navigator's direct sales affinity and thus separates itself from the respective flagship brand's home page, which primarily addresses service-oriented users.

Prospeo must take the following orientations into consideration, which are gained via socialization:

- **Information offering: The demand for assessment-ready, comparable, easily received information**
- **Intelligent creation of credibility**
- **The demand for social competence ("friendliness"), while taking national behavioral conventions**

In addition, the self-service orientation of Prospeo addresses the general self-service orientation of the internet. Self-service orientation is addressed via:

- **Self-organization/self-monitoring offerings and the resulting price advantages**
- **Convenience that leads to less strain on the user**

Trust/Competence

Prospeo is... trustworthy and competent, because it is backed by the Allianz Group.

(I&O Brand Strategy Manual - Prospeo)

BUILDING TRUST ON THE INTERNET

Trust is the basis for every long-term customer relations. This is also true on the Internet.

Time Dimension

Every positive experience strengthens confidence. On the internet, just as in face to face contact, trust is developed over time.

Structural Dimension

Depending on the quality, every Web presentation element either encourages or impairs the building of trust. A lack of trust can hinder the completion of a transaction and reduces the desire on the part of the user to do business with the company and product again. For this reason, the five most frequent motivations for the interruption of a transaction can be considered a lack of confidence:

1. Lack of product information
2. Technical problems
3. Hidden costs, lack of pricing understandability
4. Inadequate and/or unclear security and privacy measures when transmitting personal data
5. Fulfillment difficulties

Consequences for Prospeo:

Trustworthiness should be communicated from the very first contact to the successful implementation of basic functionality on the Internet. The trust building measures and effects used in this sector lead to relief for the target group and therefore increase the amount of trust associated with the Web site.

TRUST BUILDING MEASURES

A variety of measures were discussed related to transaction interruptions. Those relevant to Prospeo are:

- Information
- Technology
- Hidden costs
- Security/Privacy
- Brand
- Presentation
- Support
- Additional Measures

Note: If trust-building measures also cover convenience requirements, a reference leads to the respective page of the convenience chapter.

INFORMATION

1. PRODUCT INFORMATION

Complete and user friendly product information minimizes the number of interrupted transactions.

2. COMPANY BACKGROUND

When establishing a brand, it is important to make all relevant information on the sender available. The connection between Prospeo, Allianz and Flagship must be quickly communicated.

Consequences for Prospeo:

2.1 Sender systematics: When to use which logo on the Web site?

Strategy: Everything will become Allianz. Prospeo should be established to assist in the reduction of brands under the Allianz roof.

- a) Brand building timeframe:
- Prospeo (features "A Company of the Allianz Group")
 - Flagship

b) The brand is established:

- Prospeo
- Allianz Group

Strategy: Prospeo will also remain linked to the flagship brand in the future.

Brand building timeframe/The brand is established:

- Prospeo (features "A Company of the Allianz Group")
- Flagship

2.2 Linking systematics: Where do link/legos and their explanatory "learn more" texts lead?

- Prospeo > Prospeo Home page
- Flagship > Flagship Brand Home page
- Member of Allianz Group > "About us" at "allianz.com"

3. ADDITIONAL POSSIBILITIES FOR USING INFORMATION FOR TRUST-BUILDING MEASURES:

- Permanent access to general information (AGB, privacy-statement, etc.)
- Content-specific assistance at every transaction level
- Depiction of a transaction sequence during a guided tour
- Proactive information on procedures in the case of damages (see also "Convenience, easy to handle")
- Prominent location of the contact modalities (beginning, duration, exceptions, cancellation rights, etc.)

Prospeo is...

> human and unbureaucratic.

> innovative and dynamic
by offering customer-tailored
insurance and financial
solutions using state-of-the-
art technology and
knowledge.

> trustworthy and
competent, because it is
backed by the Allianz Group.

The Logo

is derived from a symbol used in the financial world. The bull is familiar as a symbol of rising stock prices. Prospeo signals wealth and security. This positive connotation is emphasised with a picture taken from plant life: a blossoming bud, which symbolizes growth, wealth and affluence.

Prospeo, as in prospering.

The shape

is derived from the logo. This is the individual formal language that has developed becomes recognizable.

Prospero must be easily identifiable as a Direct Sales Brand and possess a strong personality in order to have the necessary impact to prevail in an aggressively priced environment. Prospero's entire brand communication occurs via media (Stationery/Web/Advertising) and is not supported by representatives (Salesmen, Advisors).

The logo is also the trademark.

The shape is, as mentioned, derived from it: A characteristic part is taken from the logo and used throughout the entire language of forms.

This gives the Prospero brand consistent support and reinforcement.

Prospeo is defined by the colour green.

Yellow and orange are popular colours used frequently in the brand environment. Thus the green underlines Prospeo's special placement as Premium Discount with understatement.

PSYCHOLOGICAL AND SYMBOLIC EFFECT

- > Green has a pleasant temperature. Green is calming without being tiring. Green stands neutrally between hot red and cold blue. It represents sensuality between all extremes. It is controlled and secure.
- > Green is the most independent of the mixed colours. It does not betray its origins from blue and yellow.
- > Green is the colour of nature. Green is thought of as natural.
- > Green is the symbolic colour for life and the spring season. The symbolism arises from the plant growth

experience. Green is the opposite of wilted, dried out and dead.

- > Green is also the colour of confidence. The idea of green contains hope, because green is related to the experience of spring.
- > Something green is thought to be fresh. "Healthy things" are green, because green is associated with fresh vegetables (e.g. "spring greens").
- > The functional effect conveys a "green light" and free access (emergency exit signs are green).

Source:
Dr. Hildegarde Witt: Farben wahren, Farbpsychologie,
Farbsymbolik, Exakte Farbwissenschaft,
Verlag bei Hamburg, 1993

COMPOSITIONS

THE OBJECTIVES

Development of a modular system, the shapes of which allow for flexibility.

Prospeo is based on a building block system for all areas, which is open to many countries and can be used understandably.

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THE OBJECTIVES OF THE BRAND STEWARDSHIP MANUAL (BSM) ARE:

> to provide those involved in the brand-building and brand management process with strategic and operational branding guidelines for Prospeo,

AND

> to ensure a globally consistent brand image and a common understanding of the Prospeo brand.

KEY QUESTIONS ADDRESSED IN APPENDIX:

How to decide which brand to use for direct sales/e-commerce?

-> Branding decision tools

How to select and design suitable products for direct sales/e-commerce?

-> Product Online Feasibility (ProOF®) Check

How to select the right online advertising tools?

-> Online communication tools

HOW TO DECIDE WHICH BRANDS TO USE FOR DIRECT SALES/E-COMMERCE?

To create a limited brand portfolio, all OEs must decide whether or not to use Prospeo for their e-commerce/direct sales activities. Corporate Marketing provides appropriate tools to support the branding decisions of OEs.



**TO MEET THESE OBJECTIVES,
THE BSM DESCRIBES THE PROSPEO BRAND IN DETAIL.**

Prospero is the direct sales brand of the Allianz Group. All OEs should use Prospero for their direct sales and e-commerce activities unless they can achieve the same ends with their flagship brands (e.g. Allianz, ACF, RAS, etc.).*

BRAND ENVIRONMENT

Chapter I, "Brand Environment," examines Prospero's environment and the challenges it faces. A short summary of global e-commerce trends and prospects is included in this section. A profile of global Internet users offers insight into traits of projected consumers.

BRAND IDENTITY

Chapter II, "Brand Identity," defines the Prospero brand. This chapter answers questions about the brand's strategy, target group and positioning. It also gives a detailed description of the brand's essence and marketing mix.

BRAND COMMUNICATION

Chapter III, "Brand Communication," targets communication for the brand. This chapter deals with objectives, communication content and recommendations for the media mix and media investment. Last but not least, a copy development strategy is offered as a foundation for all Prospero communication activities.

APPENDIX

The appendix provides a branding decision tool, a "Product Online Feasibility" (ProOF®) check and an overview of online communication tools. All of these tools are meant to support local marketing in the launch and management of Prospero.

* See also "Branding Decision Tool", page 48.

BRAND ENVIRONMENT

KEY QUESTIONS ADDRESSED IN THIS CHAPTER:

How big is the global e-commerce market?

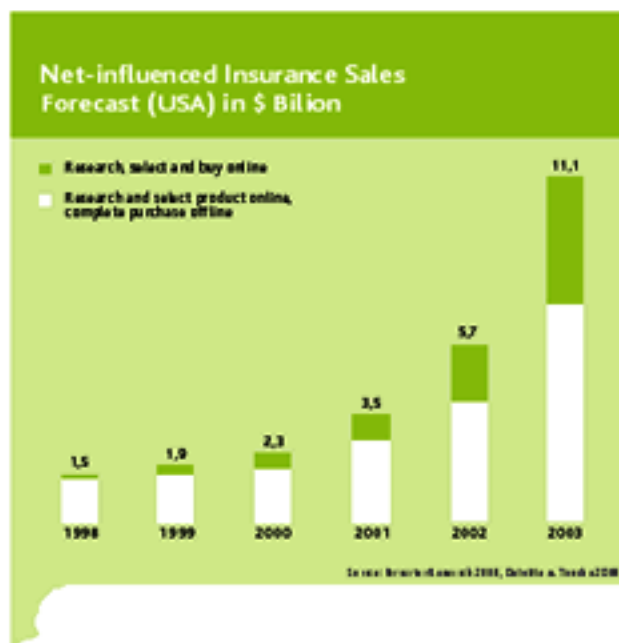
Who are the Internet Users?

What are the key challenges for the Allianz Group?

HOW BIG IS THE GLOBAL E-COMMERCE MARKET?

According to Forrester Research the online market is showing enormous growth worldwide, despite its many ups and downs.

Where financial services are concerned, the Internet has already established itself as a distribution channel for online brokerage. Although insurance sales on the Internet are not yet significant, E-sales in this area are expected to become more important as customers become more familiar with online shopping.



WHAT ARE THE KEY CHALLENGES FOR THE ALLIANZ GROUP?

GROWING ONLINE MARKET

Although the online market for insurance products is still small, growth is expected globally.

INCREASING NUMBER OF COMPETITORS

- A new online financial service provider enters the online market nearly every day.
- Traditional brick-and-mortar companies are also entering the online business area.

KEY INITIATIVES

The Allianz Group is aware of the challenges of the new economy and has developed a clear strategy to meet these challenges.

The key initiatives* are:

- Setting up a global Allianz portal
- Organizing systematic and continuous knowledge transfer within the Group
- Creating a lean, empowered group-wide e-business task force for quick implementation of strategic innovations and efficient promotion of strategic processes
- Targeting annual investment of hundreds of millions of Euros for product and service innovations, technology platforms and application developments
- forging strategic partnerships with companies from the "new economy"

Driven by the third key initiative, a new global direct sales brand, Prospeo was developed to be used by the entire Group for e-commerce and direct sales activities.

*As designated by Dr. Hans-Joachim Schulte-Rudolph at the Annual General Meeting of Allianz AG, July 12, 2009

BRAND IDENTITY

KEY QUESTIONS ADDRESSED IN THIS CHAPTER:

What is the strategic background of Prospeo?

What is Prospeo's brand strategy?

What is the essence of Prospeo?

What are Prospeo's core values?

What is the recommended marketing mix for Prospeo?

WHAT IS PROSPEO'S RAISON D'ÊTRE?

In the past, several Allianz Group OEs entered the e-commerce and direct sales market under a new direct sales brand. As a result of this development, approximately nine direct sales brands are currently in force for the Allianz Group.

It is obvious that if this trend continues the Allianz Group will face the challenge of significant growth in direct sales brands unless it begins using synergies.

In order to maximize synergies by creating and managing a limited portfolio of direct sales brands, Corporate Marketing was asked by the Board of the Allianz holding company to develop a new global direct sales brand.

WHAT IS PROSPEO'S
BRAND MISSION?

Prospeo's goal is to be the leading brand in the direct insurance and financial services market, offering easy-to-understand, easy-to-calculate, easy-to-handle products and information in the fields of protection (Non Life), provision (Life & Health) and performance (Asset Management).

WHAT IS PROSPEO'S
TARGET GROUP?

Prospeo's target group is the "Navigator." The Navigator can be found worldwide within the internet community and is the most attractive consumer for Prospeo.

SOCIODEMOGRAPHICS

Sex: Normal split between men and women

Age: Mainly between 20 and 40 years old

Education: Higher education

Occupation: Executives and well-qualified employees with average to higher incomes

PSYCHOGRAPHICS

The Navigator places a premium on openness, kindness, flexibility and credibility. To ensure that life remains as pleasant as possible, the Navigator considers financial security an important issue.

The Navigator is fascinated by multimedia and internet opportunities. As an independent and confident consumer, the Navigator naturally gravitates toward the internet for communication, as well as for doing business.



WHAT IS THE NAVIGATOR'S MOTIVATION FOR CHOOSING PROSPEO?

THE NAVIGATOR'S MOTIVATION FOR CHOOSING PROSPEO (CONSUMER INSIGHT)

Financial issues are complex, but they're also extremely important to me. So I like to manage my financial and insurance matters on my own — if necessary, with the support of a trustworthy and competent provider. Without spending a lot of my precious time, I want clear, well-informed advice I can trust, so I can decide what's best for me. That's why I choose Prospeo.

Prospeo gives me the information and tools I need to find solutions for my individual financial and insurance needs. With in-depth, objective information; clear, easy-to-follow

advice; easy-to-handle calculation tools; and quick, expert responses to all my questions, Prospeo knows what's important to me.

Prospeo provides insurance and financial solutions that meet my individual needs — at a fair price. The most convenient way to manage my financial matters is with Prospeo. Online claim management, as well as unbureaucratic, ad hoc services — whenever and wherever I need them.

As a member of the Allianz Group, Prospeo can draw on the longstanding experience and financial strength of the entire Group. For expertise and security, I can rely on Prospeo whenever I need to

BRAND IDENTITY BRAND POSITIONING

WHAT IS PROSPEO'S POSITIONING?

When it comes to online financial services, five consumer-relevant performance aspects are the key motivators for business:

INFORMATION: understandable, objective financial information

ONE-STOP SHOPPING:

a broad range of products

INDIVIDUALIZATION:

customized financial solutions

PRICE: fairly priced online offers

FUN TO USE: added bonuses and features

Experience from direct sales competitors show that the "price" and "fun-to-use" arguments are not suited to building relationships with customers. In fact, a focus on in-depth information, a broad range and customized financial solutions is what leads to long-term customer partnerships.

Benchmark analysis shows that most direct sales brands position themselves as "shop-and-go cost cutters" focusing mainly on "price" and systems that are "fun-to-use".

This is why Prospeo takes advantage of its quality leadership and premium price positioning in the direct sales and e-commerce market, with the focus on the performance aspects of information, one-stop shopping and individualization. This quality leadership positioning is also driven by the positioning of the Allianz Group. To gain the trust of the Navigator, Prospeo is also identified as a member of the Allianz Group.

