

# African insurance market ripe for digitalisation

Insurance customers have new expectations, thanks to digitalisation. A growing number of disruptors are taking the stage and new megatrends, such as artificial intelligence (AI), voice-based smart assistants (i.e. Alexa), telematics, wearables and drones are fundamentally changing the traditional insurance model.



Andreas Berger, AGCS chief regions & markets officer; Delphine Traoré Maïdou, Allianz Africa COO; Oliver Bäte and Coenraad Vrolijk Allianz Africa CEO.

“We are completely rethinking the way we serve our customers, not least because of the competition posed by disruptors from the fin-/insurtech space, who have an impressive facility with mobile technology and analytics. Today’s customers will choose a product primarily because it’s easy to use, transparent in terms of price and quality, and personalised – and because it’s available to them via the digital channels they want it from,” says Oliver Bäte, CEO of Allianz SE.

## Digital comes naturally to African customers

“While traditional markets, such as Europe, are struggling with their digital transformation process, Africa is digital by nature. Mobile is the fastest growing sector and innovation enabler on the continent with an expected 1.2bn African subscribers by 2018.”

“By leveraging the internet and mobile penetration, African countries can leapfrog innovation. African customers will rightfully demand and drive insurance innovation in Africa as they expect offerings and channels to be fully digitalised. This, and the fact that rules and regulations are favourable for innovation in financial services, puts Africa in a great position to become the digital insurance leader of the future.”

## A Single Digital Agenda to meet disruption

Allianz’ Single Digital Agenda is a portfolio of change initiatives built on five pillars, the cornerstone being the Allianz Global Digital Factory, a place where experts from all parts of the company rethink customer journeys from our various business segments and make them globally scalable. The second is Global Digital Partnerships to foster collaboration with tech and sharing economy companies. The third is Digital Pure Play, the conception of 100% digital insurance and assistance offerings. The fourth is Advanced Business Analytics with the aim to increase customer satisfaction and the effectiveness of the business. And the fifth is Allianz X, a fund and incubator, for which the company has set aside \$500m ) over the next four years. The fund invests in promising start-ups that are part of ecosystems relevant to the business, such as connected property, connected mobility, health, asset and wealth management.

In Africa, where the group is already present in 16 countries, Allianz will focus its digital activities on increasing customer reach in key growing markets, where insurance penetration is still low, and efficiency in markets with higher penetration.

“Insurance companies have much to offer to the African economy. Digitalisation allows us to gain considerably better insights into our individual and institutional customers and thereby to better serve their needs. We believe deeply in Africa’s huge long-term growth potential and we will leverage our global footprint and extensive expertise to strengthen our market position and to attract African talent,” Bäte said in closing.

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