



# International Takaful Summit Digitizing Insurance



InsurTech In Action  
11<sup>th</sup> July 2018

# InsurTech

## what is the problem?

High operating expenses driven by legacy systems, workflows and heavy intermediation frustrate customer experience and undermine profitability



## how does it help?

an eco-system of technology services and solutions that reduce operating costs and optimise financial resources to generate tangible business/customer value

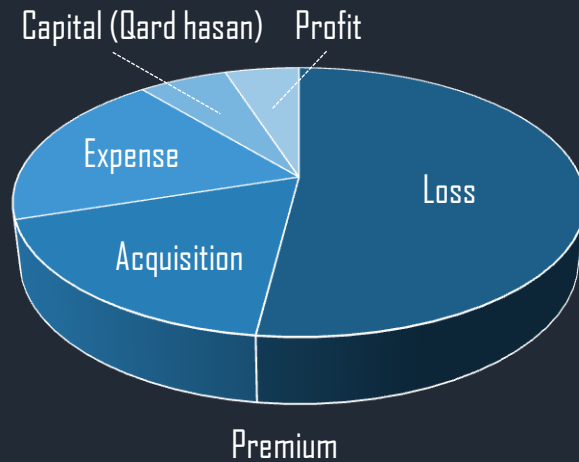


## what can InsurTech offer?

combining domain expertise with the latest technologies, InsurTech can offer practical solutions that can help insurers offer better service at improved margins

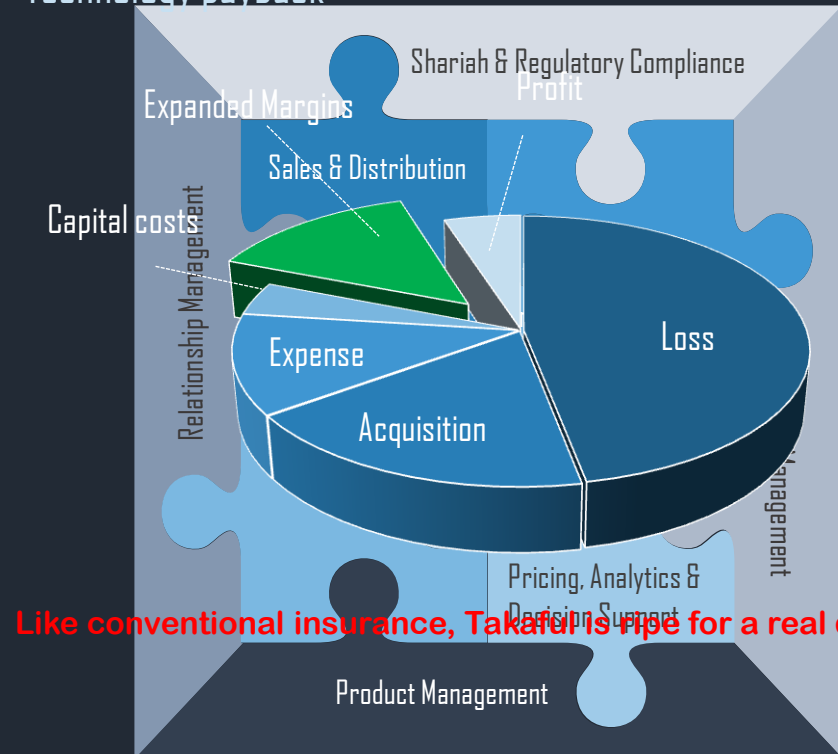
# staying relevant

Takaful business model also faces many challenges :



- **Product differentiation & Scale**
- **Loss volatility**
- **Shariah-compliant Investments**
- **Operational efficiency**

Technology payback



**Like conventional insurance, Takaful is ripe for a real disruption !**

# ready for disruption?

## DLT, RPA

- Operational Efficiency: reduced costs, improved quality, etc.

## Cloud Computing, Big Data, & IoT

- Loss prevention, risk mitigation, etc.

## AI, Machine Learning, Deep Learning

- Risk insight /foresight, rating and cycle management, product differentiation, etc.

## Smart Contracts

- KYC, Fraud, Policy issuance / Claim settlement, etc.

## Data science, etc.

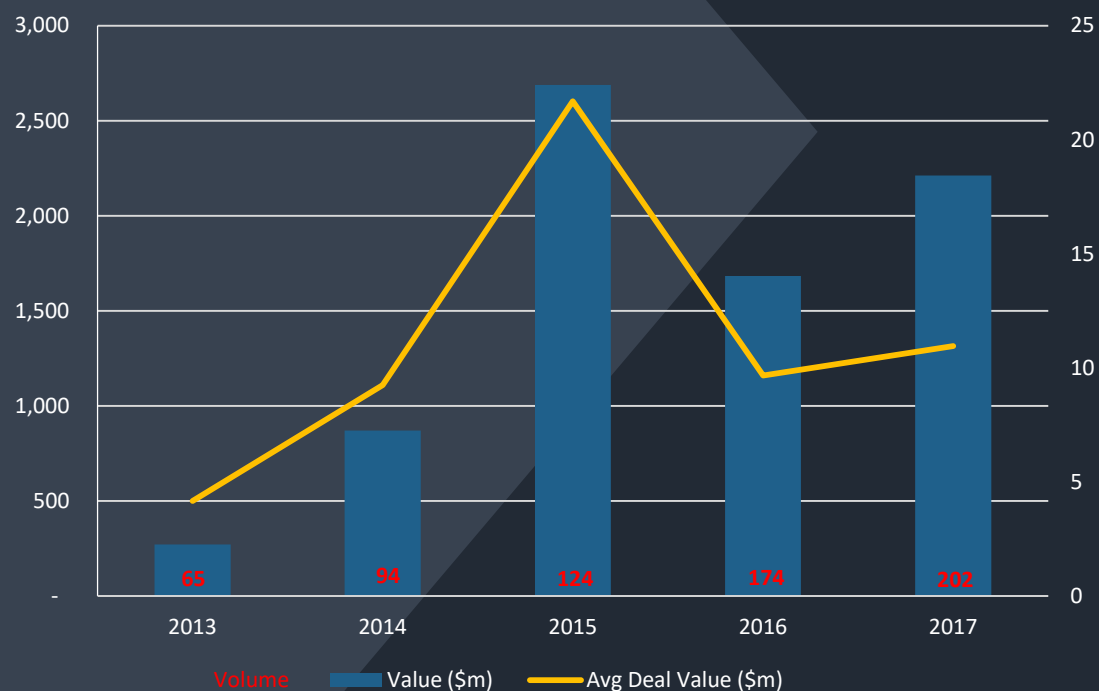
- Advanced analytics, technical provisioning, portfolio optimisation, risk capital utilisation, etc.

## Tokenisation

- Funding: policyholders vs shareholders

# InsurTech trend 1

Deal flow



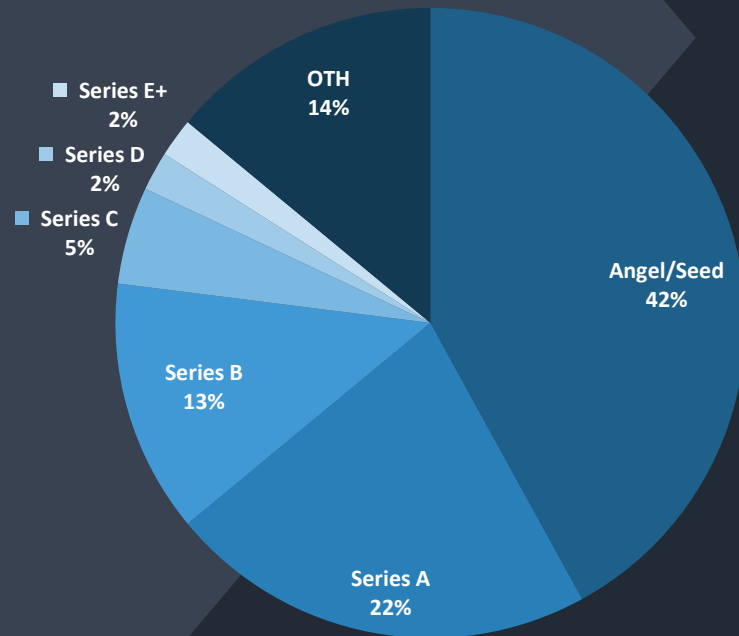
## Increasing Activity

- Insurance still perceived ripe for “disruption”
- Number of deals continue to rise
- Rebound in value yet not back to 2015 levels
- Expect 2017 trends to continue in 2018

Source: CB Insights

# InsurTech trend 2

Funding Stage (2013-2017)



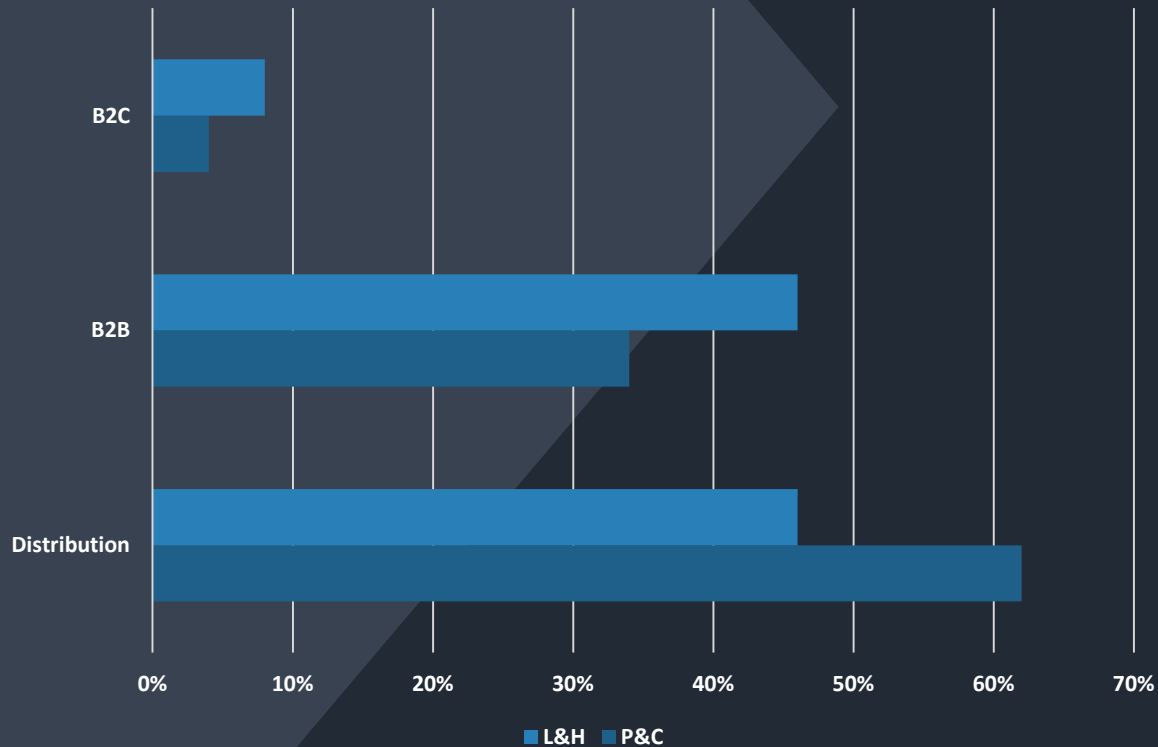
## Healthy appetite

- Investors still involved in early stage but more selective
- Increasingly moving towards Series A & B
- Still predominantly USA driven (60%) although rising stars in UK and China
- More involvement from incumbents to continue in 2018

Source: CB Insights

# InsurTech trend 3

Focus Areas (2013-2017)



## How disruptive ?

- Heavy concentration in Distribution (Customer Experience)
- Business models proved more complex
- High barriers to operate as full carriers

No breakthroughs yet!

Source: CB Insights

# conclusion

## Takaful underperforming

takaful has consistently underperformed with high expenses and combined ratios over 100%



## TakafulTech?

build an eco-system of technology services and solutions that generate tangible participants value at much lower cost



## business model change

Takaful model needs to be re-engineered as a platform leveraging the community network at a large scale



# contact information



verge360



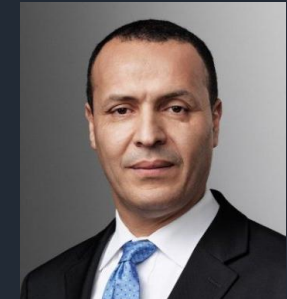
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## Thank You!