

Serving new market segments

Date

07/11/2018



Company context

- Equity Insurance Agency (EIA) is a subsidiary of Equity Group Holding Limited (EGHL)
- EGHL is a large financial services conglomerate headquartered in Nairobi (Kenya), with around **12 million customers in 6 East African countries**
- The group has entered a phase of its growth and evolution characterized by **technology and digitalization**
- EIA is lagging behind and needs to catch up in order to serve existing customers more effectively and expand to new segments

Identifying the desired future

Provide engaging and secure customer interactions across all digital touch points thus creating customer value and driving profitable growth



Everything Online



**Convenience
Mobile First**



Safe & Secure



Easy to Use



Instant Response



Go Paperless



Use Third Party Data



**Prepopulated
Information**



Big Data



Our digital journey....

...began by asking

1. WHY

 Revenue or  cost?

2. WHAT

Digitize sales or
processes?

3. HOW

Build, Buy or
Partner?

Why and What....

Why	Increasing Revenue	Reducing Cost
	by	by
What	Digitalizing sales	Digitalizing processes
Visibility	High, since customer facing	Low, mostly internal processes
Turn around	Faster; leverage Bank's digital platforms	Slower; due to dependencies on insurers
Competitive advantage	High	Low, since we are a broker
Impact	High; creation of new distribution channels	Low - Medium

How: Build, buy or partner?



Build

- Have basic capability
- Do we have the expertise?
- Time consuming



Buy

- Complete control
- Cannot experiment
- High exit barrier



Partner

- Quicker GTM
- Low exit barrier
- Can experiment with multiple models
- Culture clash
- Clarity on roles & responsibilities⁶

Key Digital Pillars

Enhance
**customer
experiences**

Build new
partnerships

Optimise
operations

**Systems
Technology
activated to
enable Digital**

**Innovate
through digital**

**Leverage Data
for better
decisions**

Initial focus areas

Enhance
**customer
experiences**

Build new
partnerships

Optimise
operations

**FIRST
STEPS**

Online sales portal

**Mobile
microinsurance**

**Decentralizing
processes**

**FUTURE
STATE**

**Online servicing &
claims portal**

**Leverage Bank's
channels &
government**

**Digitalize UW and
Claims processes**

Taking the first steps



Enhancing customer experience by using technology

Simple 4 step digital on-boarding platform

Buy online



- Tech savvy customers buy simple products on their phone/tab/laptop
- Reduce effort and time to buy insurance
- Expand market to non-Equity Bank customers

DIGITAL AS A DIRECT CHANNEL

Sell online



- 35,000+ Bank Agents & Contact Centre Agents sell insurance using their phones/laptops
- Increase reach and inclusiveness
- Cross-sell insurance to bank's customers

DIGITAL AS AN ENABLER

Key learnings

- **Channel conflict & fear of retrenchment** addressed by offering a “sell online” version of the digital platform
- **Integration** with core system critical for a seamless digital experience; however legacy core systems pose a challenge

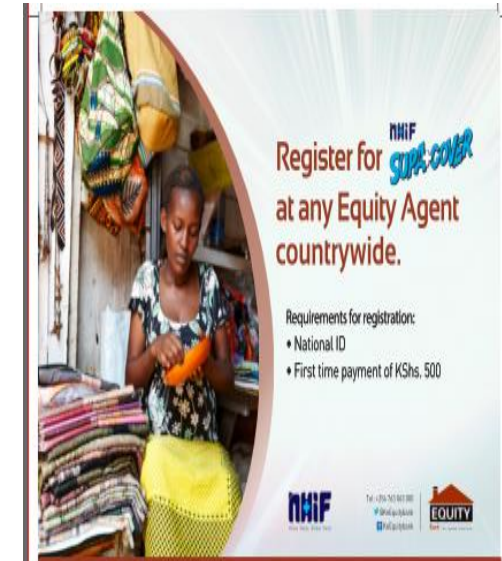
Building new partnerships



Insurtechs



Bank agents



Government

Key learnings

View partners as strategic stakeholders

- **Contracting** takes a long time, work started after signing a LOI
- **Commercials** have been a key point of failure in past partnerships. Nailed down before work began
- **Clarity** on roles and responsibilities is critical. Our contracts define them in great detail and connect them to remuneration

Optimizing processes

Decentralization

WHAT

Moved printing of motor insurance certificates from HO to branches

WHY

1. Improve customer experience
2. Reduce costs
3. Deploy more staff to revenue generating activities

HOW

1. Pilot with 10 branches ✓
2. Scale to 80 branches ✓
3. Achieve complete decentralization – 140 branches

....and aligning incentives

KPIs of HO staff

1

Aligned

with business
objectives

2

Measurable

using Oracle
Service Cloud

3

Fair

allocation of work
between members

Key learnings

- **Counter fear of change:** assured staff that decentralization would not result in retrenchment; alternate roles were created and discussed beforehand
- **Use a gradual approach to spread influence:** piloting allowed users to see the positive impact and spread the message to other colleagues
- **Establish a feedback loop** for all new initiatives, since change is a process and may need tinkering



Thank You

Omni-channel distribution strategy

Bank Branch

Agency Network

Technology

- Corporate & SME products
- Complex products
- Referrals from Agency Network

- Simple products
- Product leads and referrals
- Customized products for regions and segments

- Self service for tech savvy customers
- Cross sell simplified products on bank platforms
- Mass market products

Sell online

Buy online