

Are personalised insurance products 'insuring' growth in SA's short-term insurance industry?

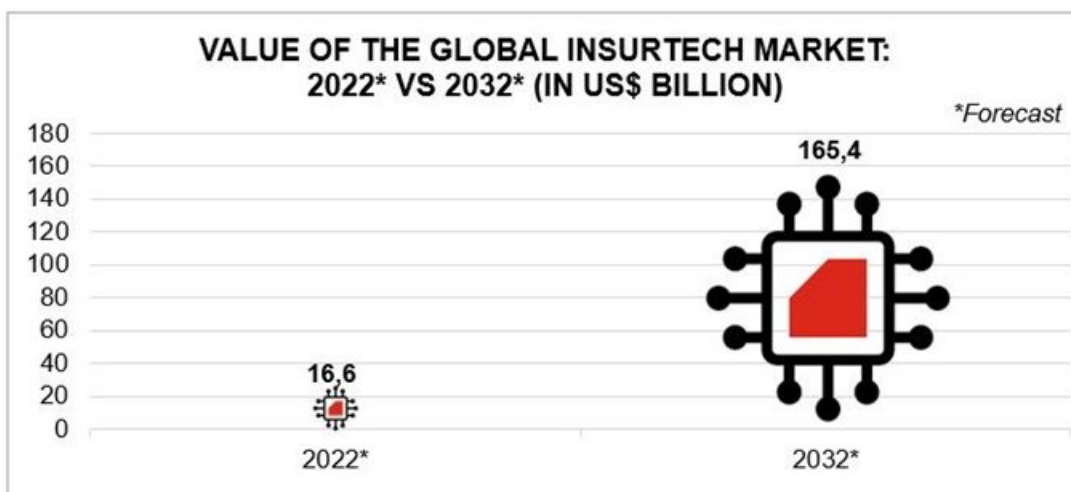
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Over the past few years, the short-term insurance landscape has significantly evolved in response to a dynamic market environment, with a 'one size fits all' approach no longer being sufficient in meeting market and consumer demands. This has resulted in the introduction of innovative, personalised short-term insurance offerings, driven by insurtech, to meet the complex demands of younger consumers in particular, based on an accurate picture of each individual's needs and preferences.

Insight Survey's latest South African Short-Term Insurance Industry Landscape Report 2022, carefully uncovers the **global and South African short-term insurance landscape (including the impact of Covid-19)**, based on the latest intelligence and research. It describes the latest global and local market trends, innovation and technology, drivers and challenges, as well as a detailed competitor analysis, to present an objective insight into the South African short-term insurance market environment and its future.

In terms of the global insurtech market specifically, significant growth is expected, with the market projected to reach \$16.6bn in 2022* and forecast to grow at a massive compound annual growth rate (CAGR) of 25.9% to reach \$165.4bn in 2032*, as illustrated in the graph below. Growth of the global insurtech market is being driven by technologies that enable real-time surveillance and monitoring of the activity of insured clients, as well as tailored consumer experiences.



Source: [FM](#). Graphics by Insight Survey

This has been evident across the global short-term insurance industry, with personalised solutions, such as Usage-based Insurance (UBI), on-demand Insurance, and 'all-in-one' Insurance products becoming increasingly popular. For example, 'pay-as-you-drive', 'pay-how-you-drive', and 'pay-as-you-farm' solutions are becoming increasingly popular, as it becomes more consumer-friendly.

Additionally, telematics-based solutions are being launched into the market, such as Aviva Journey's new mobile app-based telematics product for auto insurance, as well as an on-demand comprehensive telematics-based motor insurance solution, called Switch, and Tesla's new insurance solution that calculates premiums based on real-time driver behaviour data.

According to the InsurTechnews website, Africa will be the emerging insurtech market to watch between 2022 and 2025, with a total of 57 operational insurtech startups in 2021. Within Africa, South Africa is Africa's most insured market, and is the most active in terms of insurtech, with 30 active insurtech startups.

In South Africa specifically, the demand for customised offerings is continuing to increase, resulting in a growing number of companies introducing usage-based products, such as 'pay-as-you-drive' insurance. This offering was popularised by Discovery Insure's Vitality Drive programme, which utilises telematics to gain driving behaviour data, and offers rebates or cash back based on good driving behaviour. Additionally, moving beyond car insurance, King Price now offers a usage-based 'pay-as-you-farm' agricultural insurance solution which provides year-round cover for agriculture vehicles, linked to an annual rebate based on the amount of time the vehicles and equipment are actually used.

Moreover, industry players are increasingly introducing tailored insurance solutions that meet the specific needs of local businesses. For example, the Australian insurtech firm, BizCover, recently entered the South African market with its Bi-me marketplace. This marketplace targets small, medium, and micro-enterprises (SMMEs) by assisting these businesses with obtaining its exact insurance requirements. Additionally, Bryte launched its JewelStart bespoke cover for entrepreneurs and businesses, offering entry-level cover for new, smaller jewellery businesses.

Furthermore, insurance solutions designed specifically for the South African market are being introduced, including cyber insurance solutions, designed to address the rising risk of cyber threats locally. For example, MRB Data Protection Services introduced i-TOO's Comprehensive Cyber Insurance cover for small and medium enterprises, offering affordable and accessible cover for cyber-attacks. Moreover, Discovery Insure introduced its new power surge benefit that covers the full cost of damage to insured items caused by loadshedding, introduced due to the ongoing local electricity crisis, thereby addressing a specific South African problem.

The **South African Short-Term Insurance Industry Landscape Report 2022** (152 pages) provides a dynamic synthesis of industry research, examining the **South African and global short-term insurance industry** from a uniquely holistic perspective, with detailed insights into the current market dynamics and stakeholder positioning – market environment and size, industry trends, industry innovation and technology, industry drivers and challenges; as well as key competitor and product analysis.

Some key questions the report will help you to answer:

- What are the current market dynamics (overview, market environment, and key regional markets) in the global short-term insurance industry?
- What are the latest news and developments in the South African short-term insurance industry, as well as the current market dynamics (overview, market environment, and key industry statistics)?
- What are the latest Global and South African short-term insurance industry trends (including tech and insurtech), innovation, drivers and challenges?
- How did South African short-term insurance companies perform in 2022?
- What is the latest company news for each South African short-term insurance player, in terms of products, services, new launches, and marketing initiatives?
- What is the latest marketing and advertising news for each of the key short-term insurance players?

Please note that the 152-page report is available for purchase for R47,500.00 (excl. VAT). Alternatively, individual sections for the report are also available, including our Global/South African Industry Section for R17,500.00 (excl. VAT), or our detailed South African Competitor Analysis Section for R30,000.00 (excl. VAT).

For additional information, please email info@insightsurvey.co.za or call our Cape Town office on (021) 045-0202 or Johannesburg office on (010) 140- 5756.

For more information or a brochure: [SA Short-Term Insurance Industry Landscape Report 2022](#).

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