



Strategic partnerships

How can you work strategically with other businesses to enhance your offering?

Strategic partnerships are essential to an insurer's success. Just 20 years ago insurers tried to be as self-sufficient as possible using "suppliers" for delivering non-core services. Some of the "legacy system" problems that inhibit the industry come from that type of thinking. Complex IT systems developed 'in-house' rather than leveraging specific external IT expertise.

We are part of an InsurTech revolution, with a vast range of consumer-focused ideas from new innovative partners from outside the traditional industry. We are also seeing growth in external platforms. These not only take away the "heavy lifting" from insurers but allow them to broaden their reach to meet the new needs of consumers.

'Insurtech' was originally seen as a "challenger" to the insurance world with new products or distribution models, for example, Lemonade or Cuvva seeking to disrupt the traditional insurer.

'Insurtech' has shifted to 'enablers', companies and platforms that focus on assisting established carriers to improve and innovate and grow often using techniques developed outside the insurance industry.

The next trend we predict is for a platform to platform ecosystems bringing services and use-cases together to meet changing

consumer needs. Today's consumers want flexibility, and personalisation, and are shifting from "owning" to "using", for example, the shift to mobility.

In the mobility use-case, we should be thinking of products beyond coverage and more about solving, for example, how to get from A to B in the most convenient, eco-friendly and flexible way. If a car insurance customer chooses to use an Uber, a scooter or even walk, we should consider how we deal with their needs even if it's not based on a traditional motor insurance product. Today's product and systems boundaries disenfranchise the car insurance customer every time they choose a different mode of transport. To meet the needs of this socio-economic phenomenon, insurers need to support insurance use cases and a high-quality mobility experience with added insurance protection.

Octo has developed strong strategic ecosystem partnerships with best of class software companies, analytics providers, CRM specialists, and niche service providers, allowing our insurer partners to constantly innovate via our IOT4Insurance platform ecosystem to boost the offering to their policyholders. ●

Vincent Bonnet,
Senior VP Revenue and Sales, Octo Telematics.