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Pakistan with a population of 240 million, two-thirds of which are under the age of 30 years – the youth bulge – all point towards a market full of potential for life and health insurance. Let me touch upon a few important areas which I believe will help us unlock the true potential in the next five years.

The Two A's of insurance – Awareness and Acceptance

Lack of awareness about insurance is a major impediment to growth and a significant factor contributing to the low penetration rate. The insurance industry, within its current capacity, must continue to invest in marketing and awareness campaigns. Utilizing mainstream media, digital platforms, and on-ground engagements can fully leverage the potential of this untapped market.

Collaboration

Fostering cooperation between SECP, insurance companies, and other stakeholders creates fertile ground for collective problem-solving, knowledge exchange, and innovation. Collaboration can support various areas of insurers' business models, including distribution, payments, data analytics, financial literacy, and advocacy, augmenting insurers' efforts.

The two S's of insurance – Solutions for Segments

The insurance sector must develop tailored financial planning solutions to tap into different segments of the socio-economic pyramid. The one-size-fits-all approach needs to evolve, with solutions varying greatly across different income segments. Data segmentation will play a fundamental role in shaping the insurance solutions of the future.

EFU Life's efforts, combined with industry-wide initiatives focused on awareness, outreach, collaboration, and tailored solutions, are poised to elevate insurance and maximize growth potential in

Pakistan. By embracing innovation and inclusivity, the insurance industry can create a brighter and more secure future for all Pakistanis.

Increasing outreach

To have any meaningful impact on the insurance penetration rate, the benefits of insurance need to reach every corner of Pakistan. This involves bridging the protection gap and empowering marginalized communities. While insurers continue to invest in distribution capabilities, including building agency sales forces and expanding bancassurance ties, mass-level outreach is essential. Key performance indicators should focus on the number of lives insured, not just premium income.

Customer journey

At the heart of the insurance sector's strategy lies an unwavering commitment to safeguarding policyholder interests. Robust regulatory frameworks, enhanced consumer protection measures, and transparent claim settlements will foster trust and confidence in the insurance system, encouraging individuals and businesses to embrace the transformative power of insurance.

Technology as an enabler

Encouraging technology adoption, data analytics, and artificial intelligence will enable the development of personalized, cost-effective products and streamlined processes, catering to the evolving needs of policyholders. Prudent use of technology to add value to the business model will define the direction of the insurance sector.

EFU Life's Journey Towards Innovation and Inclusivity

Building Insurance Awareness by Activating the Youth

We as a Company believe that awareness for insurance is key to growing the insurance pie. The youth of this country will only opt for insurance if they are able to connect with a brand, that aligns with their beliefs and adds value in their life. They cannot be sold an insurance plan the traditional way.

Our Youth is online, they are reading reviews, they are influenced by their peers and are constantly searching. EFU Life over the last 5 years has invested considerably not only in traditional media but has built its presence on digital platforms and continues to invest by creating awareness via its socials and on ground efforts.

Shaping Pakistan's Wellness Landscape

Taking the Company's vision forward of providing financial security to every household in the country through affordable saving and protection solutions, EFU Life is now positioning itself as a holistic wellbeing partner by ensuring not only the financial, mental & physical wellbeing of its clients.

EFU Life has made significant headway towards this vision. A landmark development has been the commencement of Health Insurance via acquisition and amalgamation of EFU Health into EFU Life. This

strategic step marks an important milestone in EFU Life's commitment to address its customer's holistic financial and personal health needs, by offering integrated Life and Health Insurance, and Takaful solutions under a single ecosystem.

The creating of mHealth unit in 2023 reinforced our commitment to revolutionizing healthcare accessibility, by providing individuals access to experienced medical professionals and affordable plans, safeguarding both their health and financial well-being.

Our journey to wellness has been further cemented with our partnership with dacadoo, a Swiss healthtech and Insurtech Company for the Next-Gen Wellness Program, based on an innovative model derived from over 300 million person-years of scientific data, aggregating principles from seven different areas, including measuring physical and mental health, resulting in an overall health score.

These initiatives have echoed our mantra of embracing wellness throughout an individual's life journey.

Empowering Millions: EFU Life's Digital Innovations & Inclusive Insurance Expansion

EFU Life's digital initiatives have also been instrumental in expansion of the insurance safety net to individuals across Pakistan. In 2023 alone, EFU Life reached a significant milestone, extending insurance coverage to over 8 million lives, with more than 5.5 million lives being insured through digital and inclusive insurance schemes. It reflects our vision of creating a more inclusive insurance landscape by offering low ticket sized financial planning solutions, partnering with Telco's, branchless banks, microfinance institutions and technology platforms.

Future Outlook

The journey towards a thriving insurance sector in Pakistan will not be without its challenges. Evolving demographics and technological disruptions demand a sector adept at adapting and innovating. Deeper collaboration of industry stakeholders will facilitate supportive policy making and provide a regulatory framework geared for development of the sector and improving the insurance penetration rate in the medium term.

As a Company, we are optimistic about the growth aspects of the insurance and Takaful industry stemming from its tremendous untapped potential. More importantly, it's the belief in the youth of this country, which will be key to unlocking future growth.