

The Digital Mutual

Episode 6,
HUK-COBURG (Germany)



HUK-COBURG



15 April 2020, 3pm BST

The Digital Mutual: HUK-COBURG (Germany)

Moderator: Ben Telfer, Vice-President, Business Intelligence, ICMIF

Detlef Frank

Board Member, HUK24



HUK-COBURG



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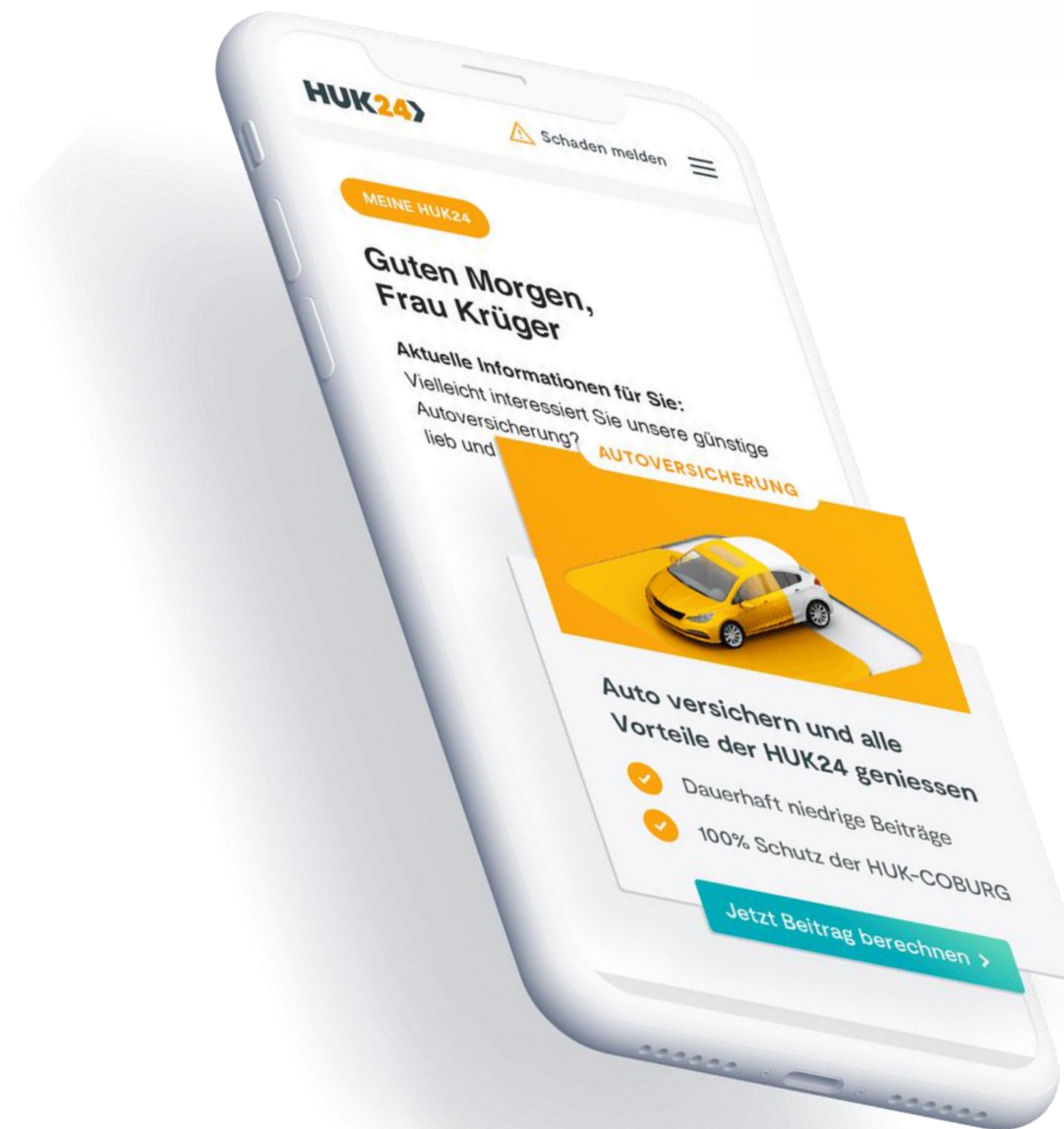
International Cooperative and Mutual Insurance Federation

#ICMIFwebinar

The digital mutual: HUK-COBURG and HUK24

Detlef Frank
Member of the Executive Board, HUK24

International Cooperative and Mutual Insurance
Federation (ICMIF)



Agenda

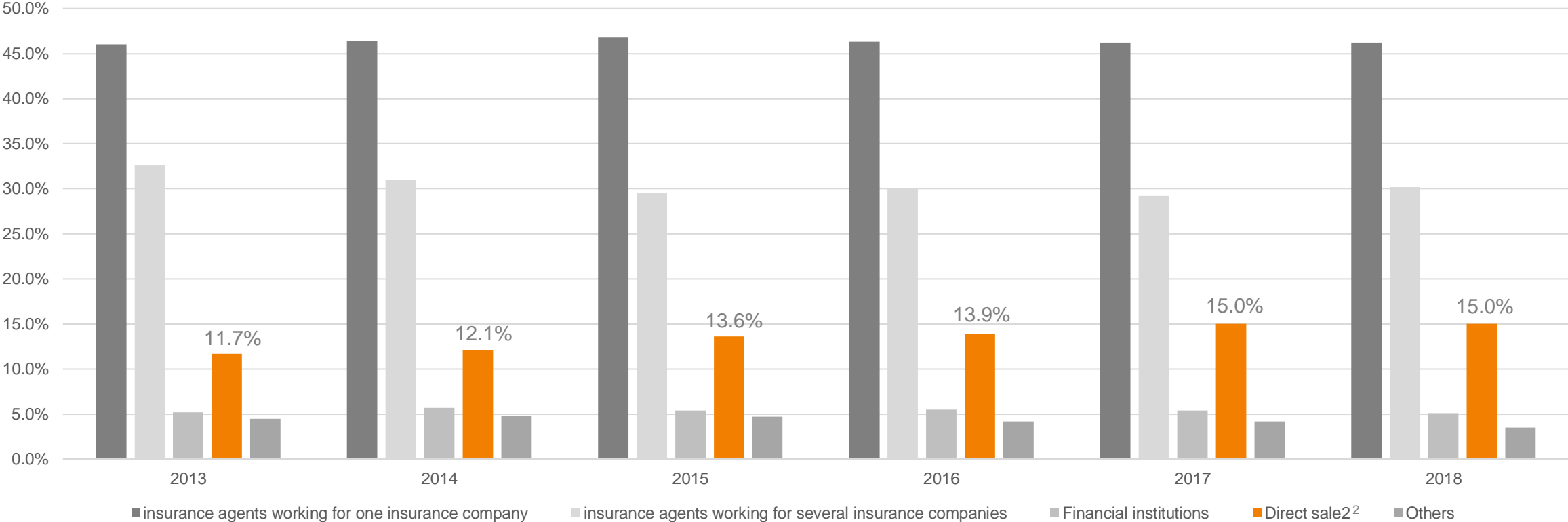
1. HUK24 – Facts & Figures

2. HUK24 – Vision and Guidelines

3. HUK-COBURG Group – Digital Transformation

In Germany, 15% of new motor, property and casualty insurance policies are already signed directly

Market shares in new policies¹



1 property/accident/liability/motor/legal expenses insurance

2 including comparison platforms

HUK24 is a risk carrier for motor, liability/accident/property and legal expenses insurances

Motor insurance

Passenger cars

Motorbikes

Motor homes

Vans

Trailers

Liability/Accident/ Property insurance

Personal liability
insurance

Household insurance

Accident insurance

Residential building
insurance

Glass insurance

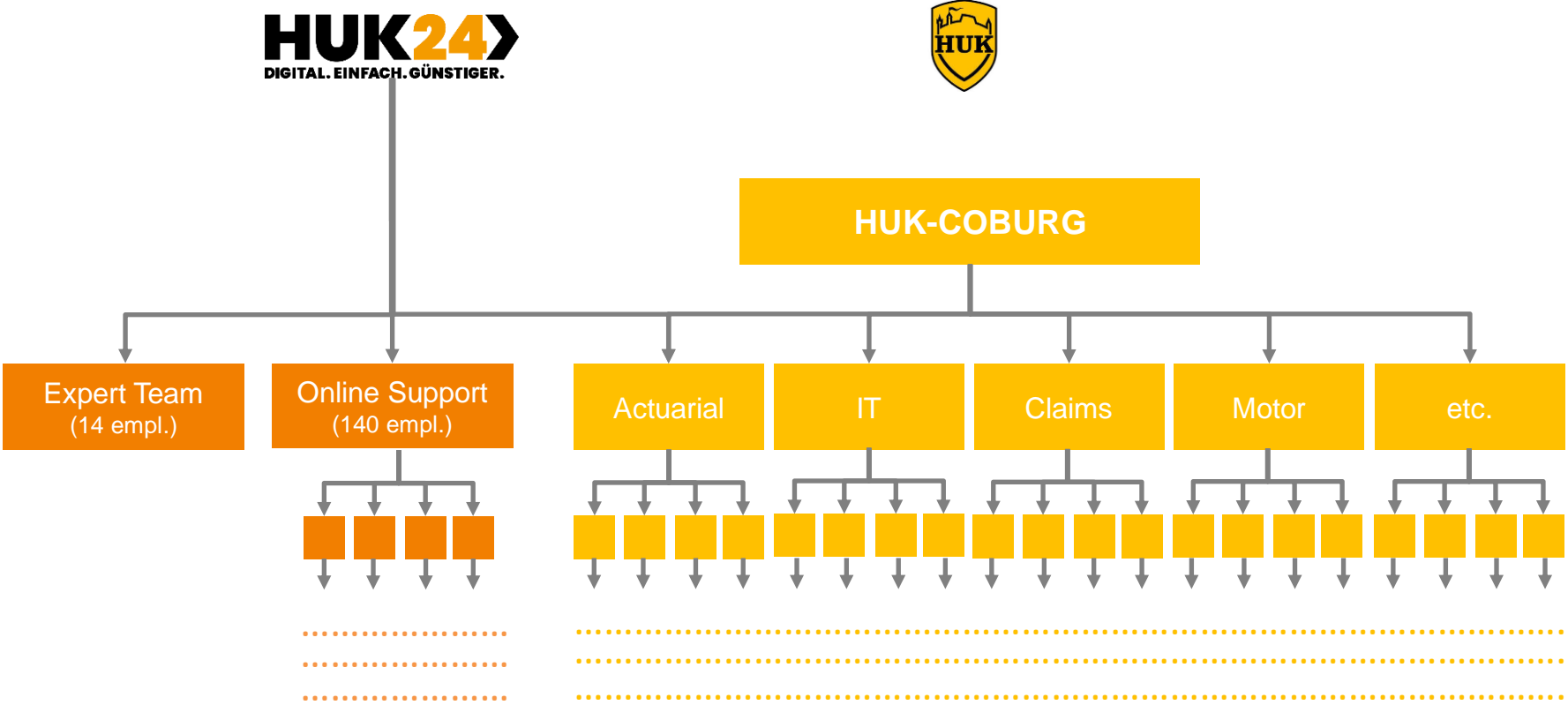
Legal expenses insurance

Personal, professional
and motor legal
expenses insurance









Motor legal expenses
insurance

Only acting as
intermediary for HUK-
COBURG for health and
life insurance policies

HUK24 uses overheads and therefore synergies within the group



Our position as online-only insurer is unique

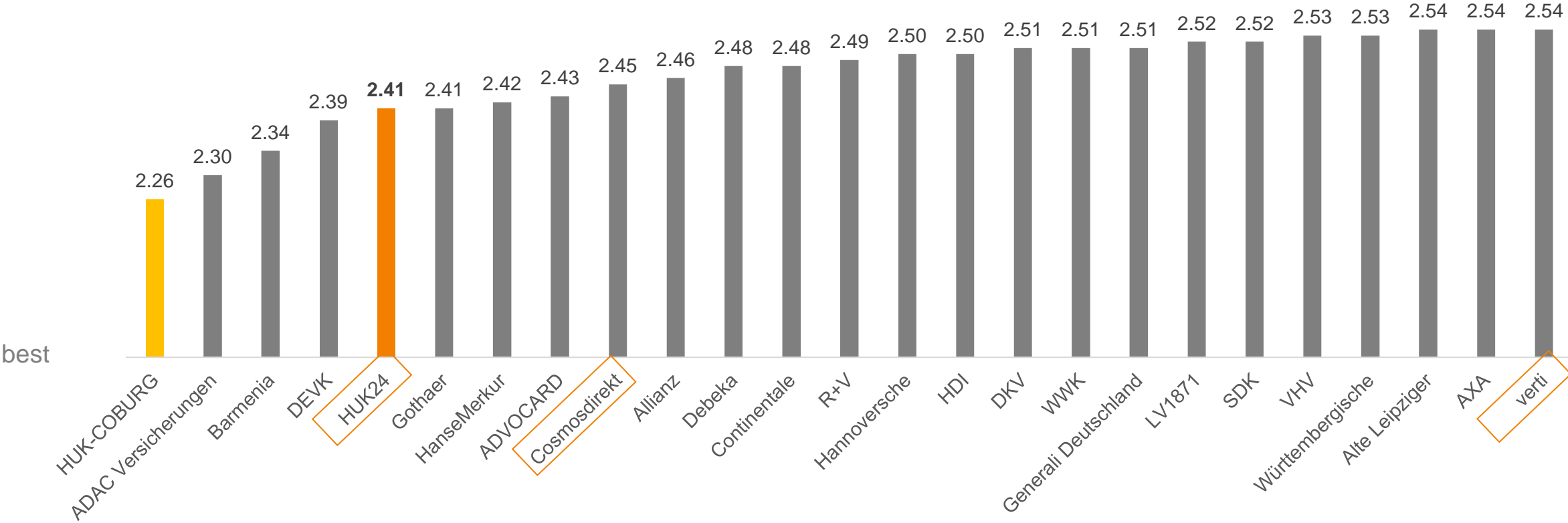
	 Service insurers	German direct insurers (e. g.) 	 Online insurer
At home service 	✓	✗	✗
Network of branch Offices 	✓	✗	✗
Telephone support 	✓	✓	✗
Online (self-)service 	✓	✓	✓
Personal support in the event of a claim 	✓	✓ *	✓

* support only via telephone, not in a branch office or similar

Customer satisfaction with HUK24 is highest rated among **direct insurers** - even without telephone support

worst

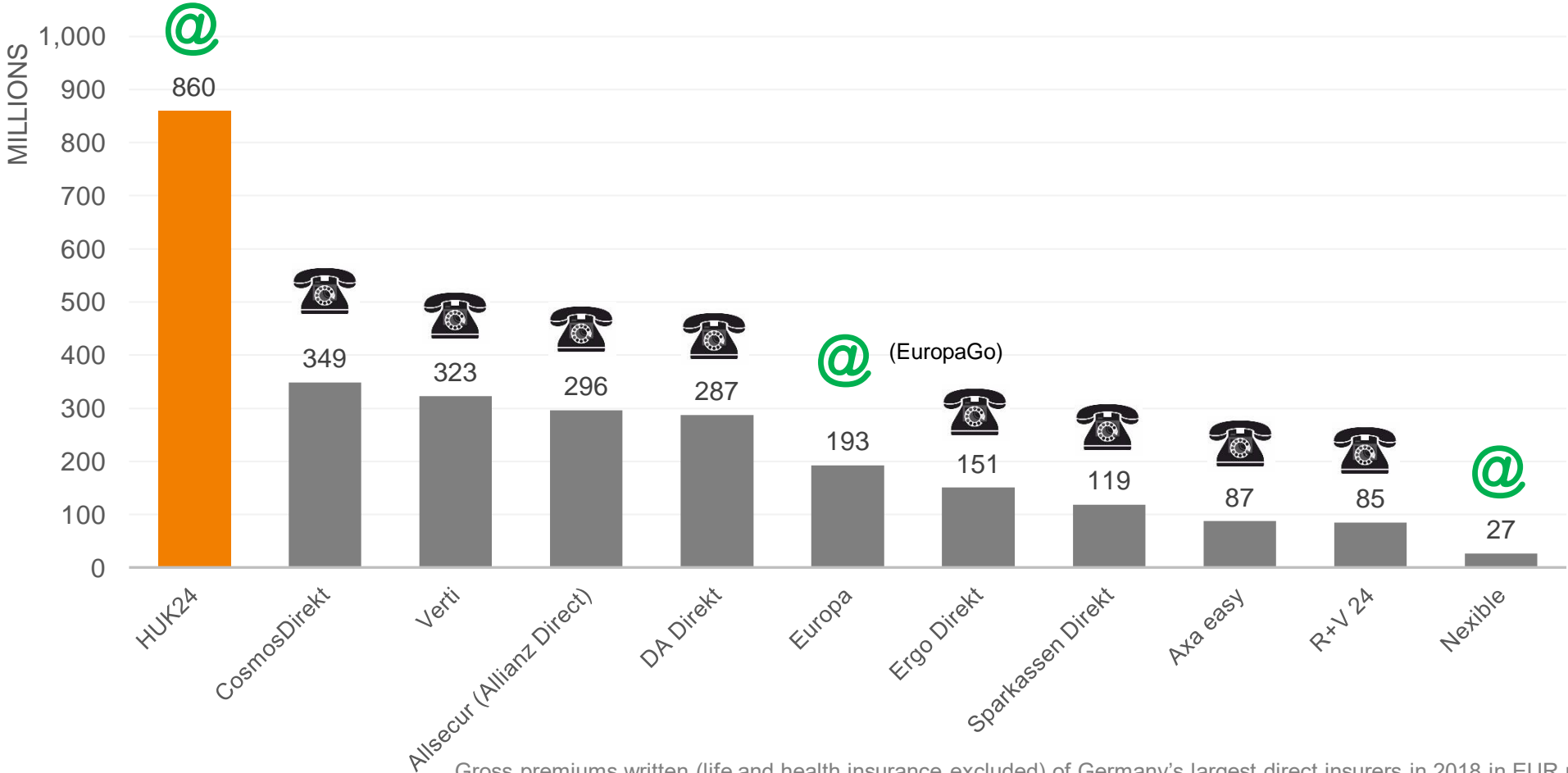
Customer satisfaction (Top 25 insurers)



Source: Servicevalue: "Deutschlands Lieblinge"; insurers and direct insurers, 2020

Direct insurer

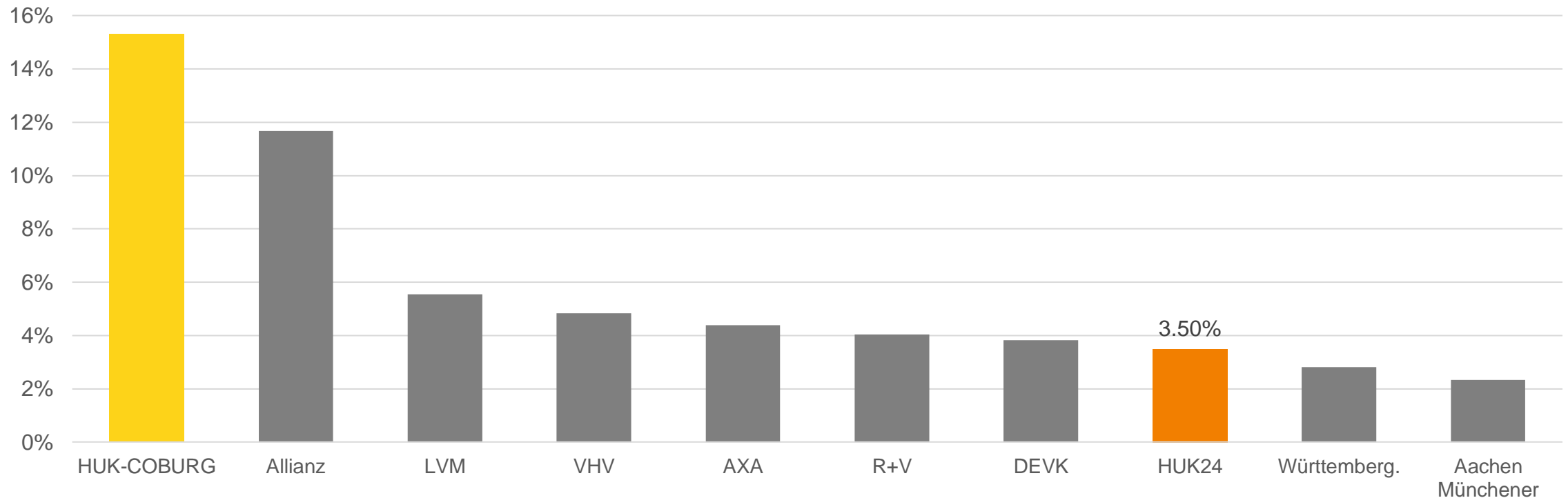
Today, we are by far Germany's largest direct insurer



Gross premiums written (life and health insurance excluded) of Germany's largest direct insurers in 2018 in EUR million

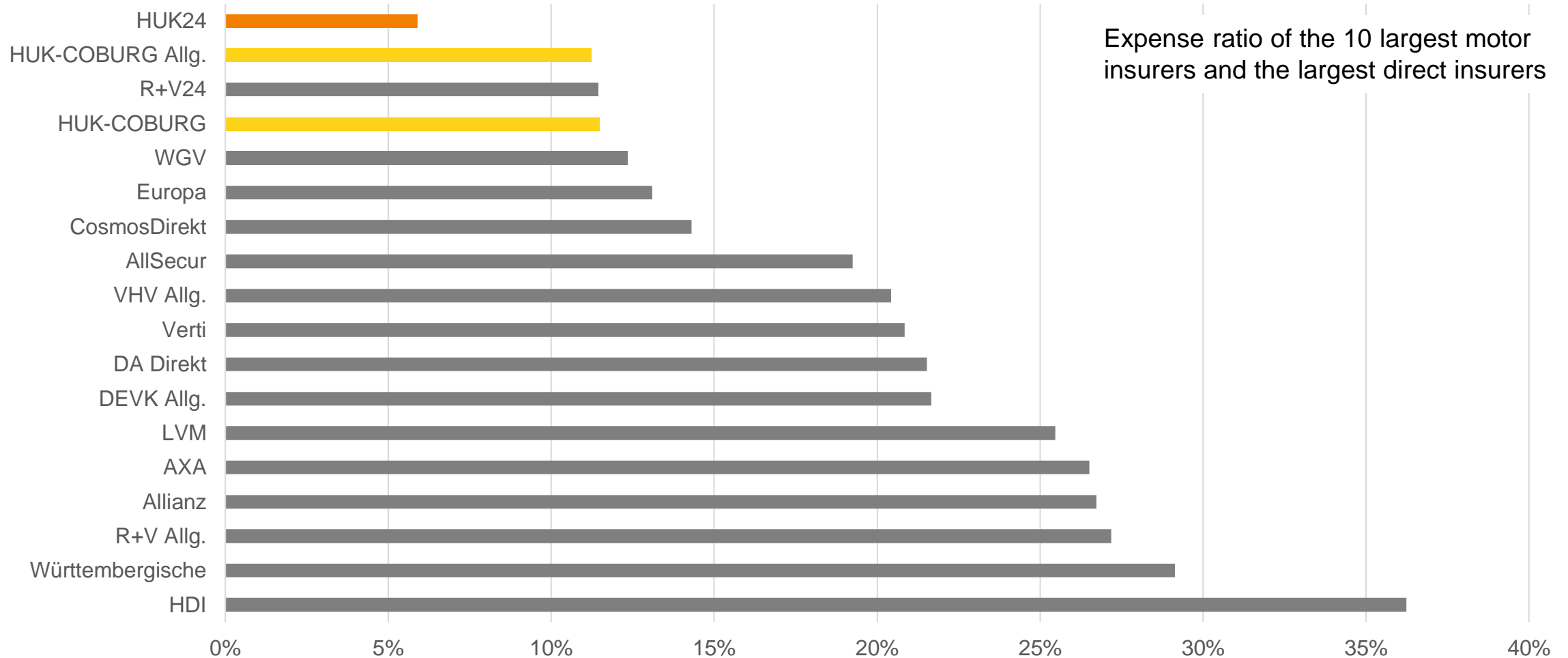
... and **Top 8** among all motor insurers with far more than 2 million insured cars

Market shares of the top 10 motor insurers as at 31/12/2018 (insurance policies)



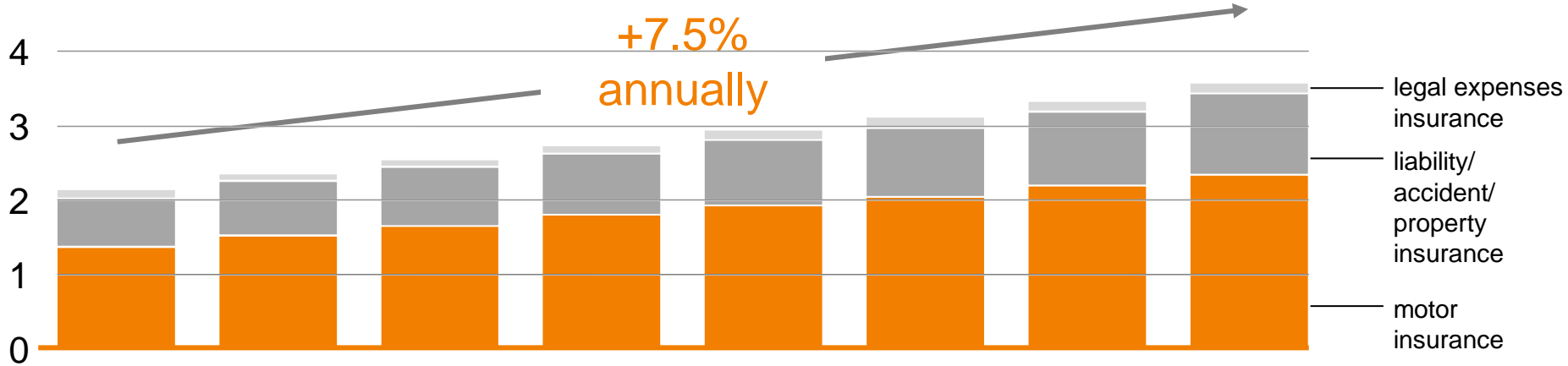
Source: Farny Zahlenband 2018, Market shares by motor third party liability (MTPL) insurance policies

We are price leader in motor insurance – because we are cost leader

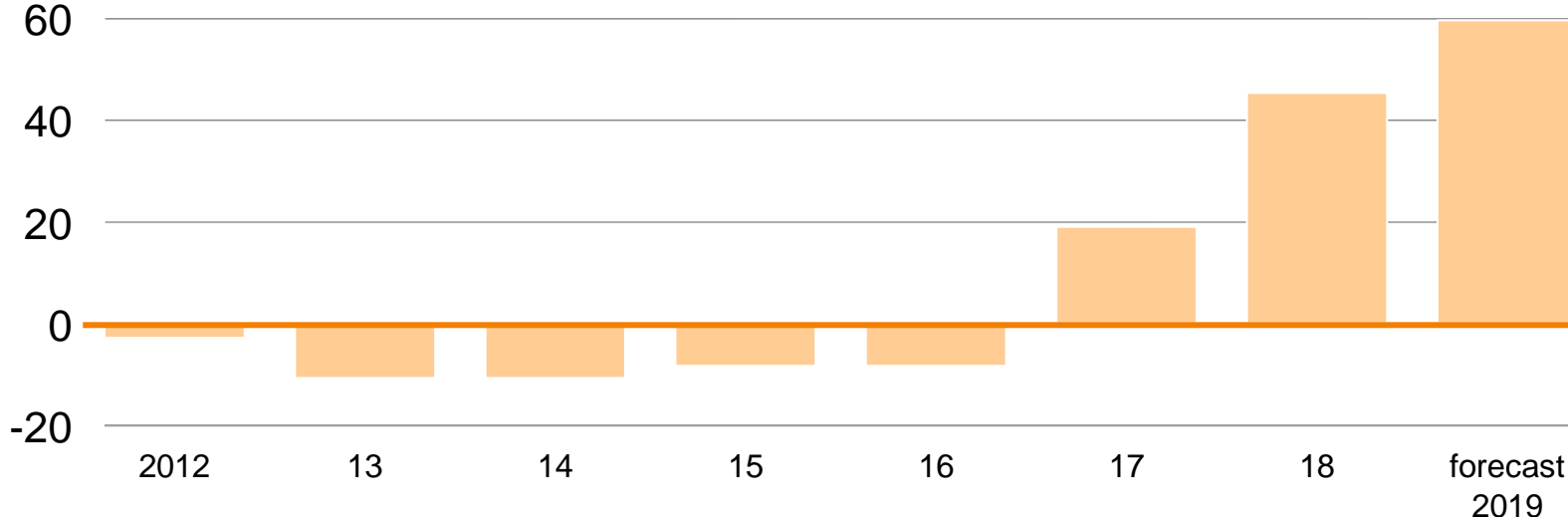


Overall, we are growing strongly and profitably

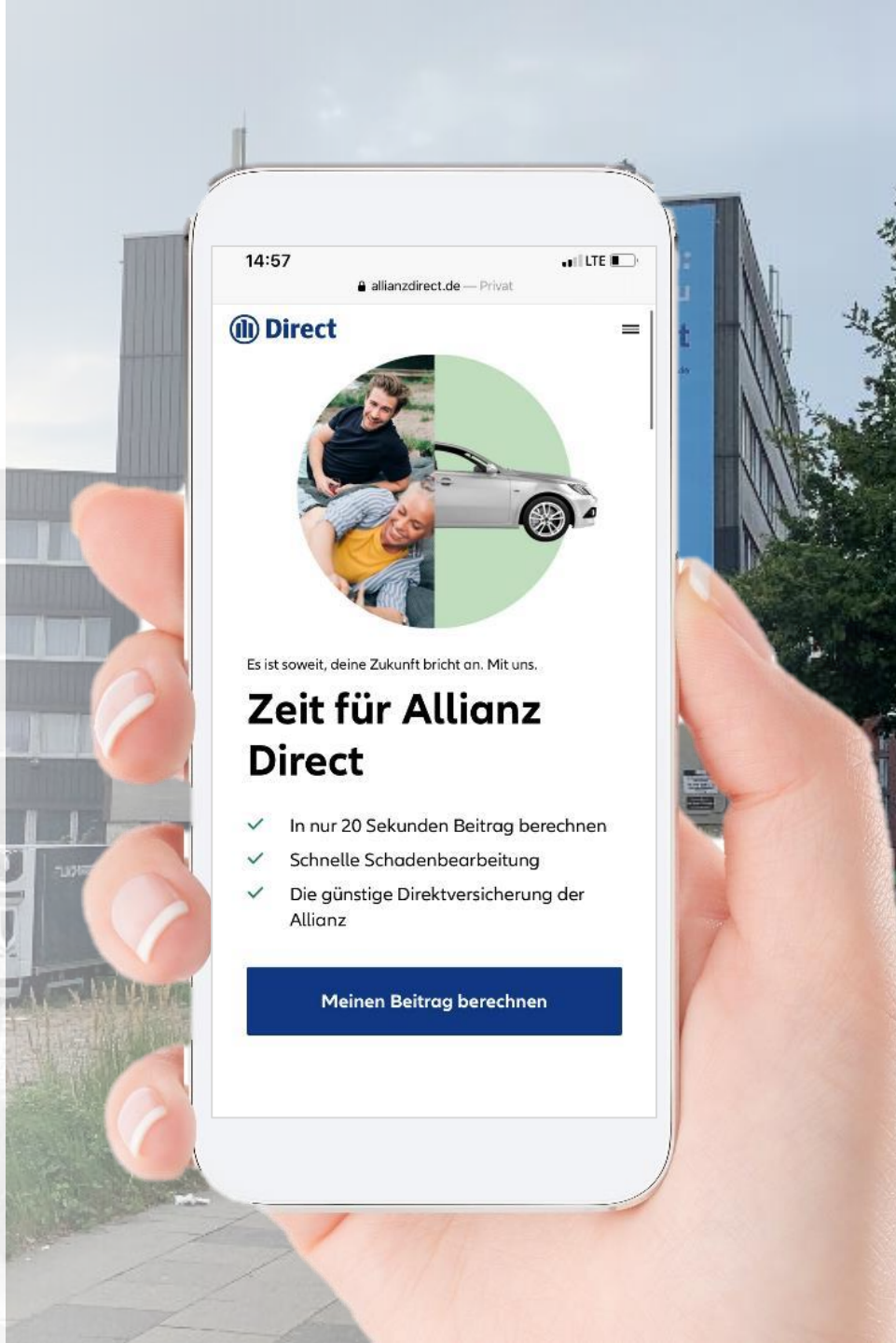
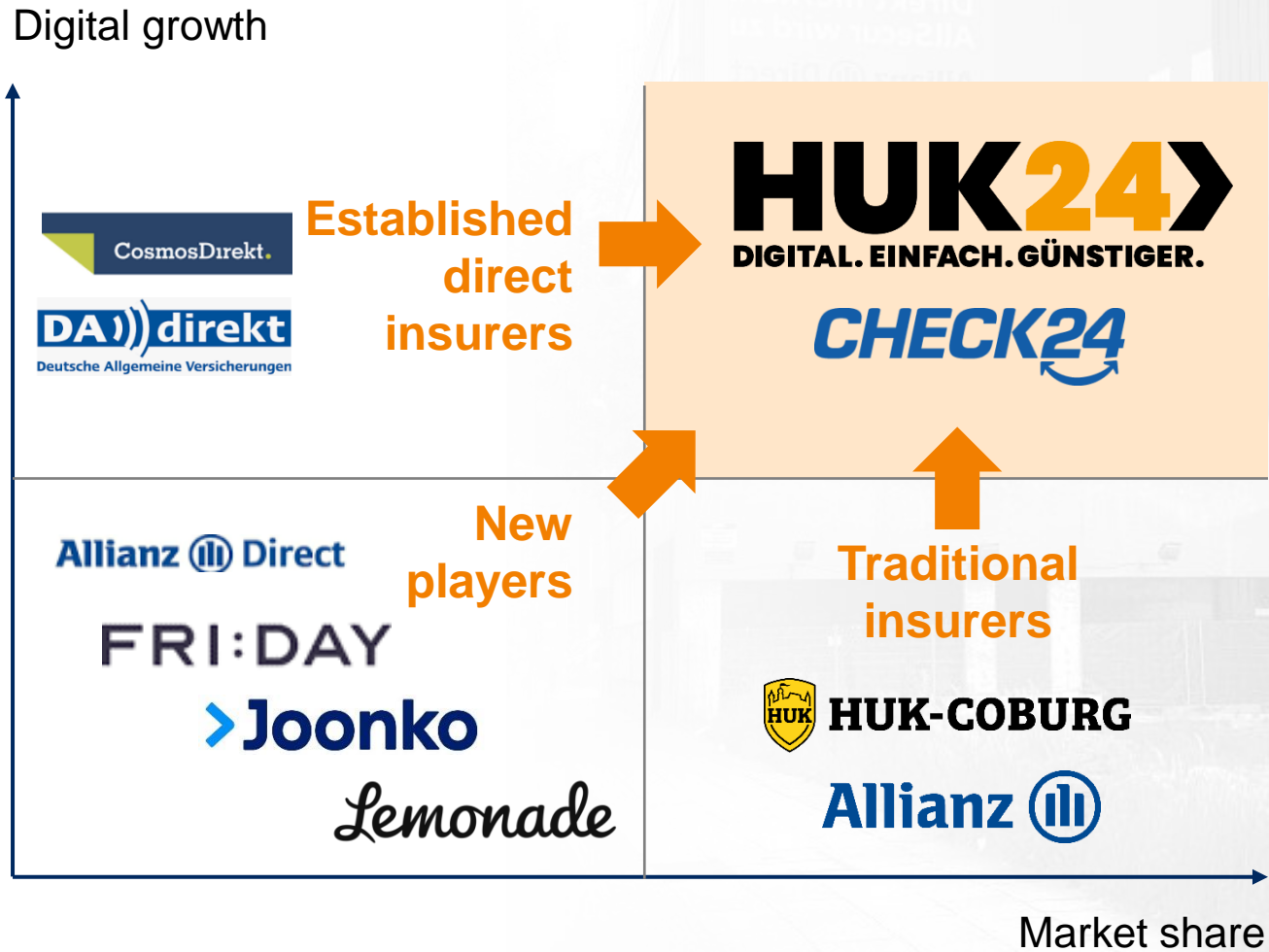
Trends in the HUK24 portfolio in million policies



Trends in HUK24's annual profit (after tax) in EUR million



But our competitive position is under attack



Agenda

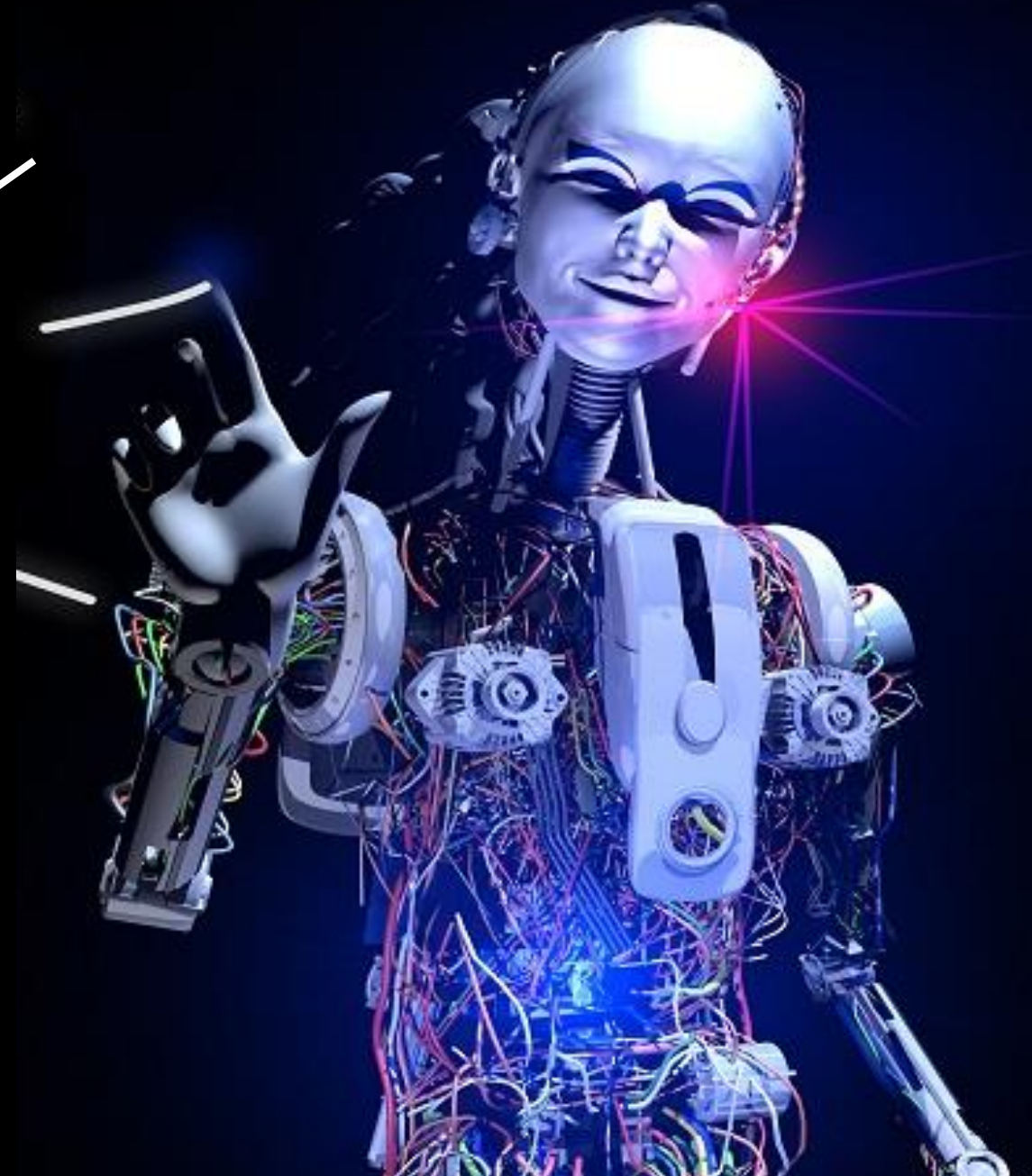
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2. HUK24 – Vision and Guidelines

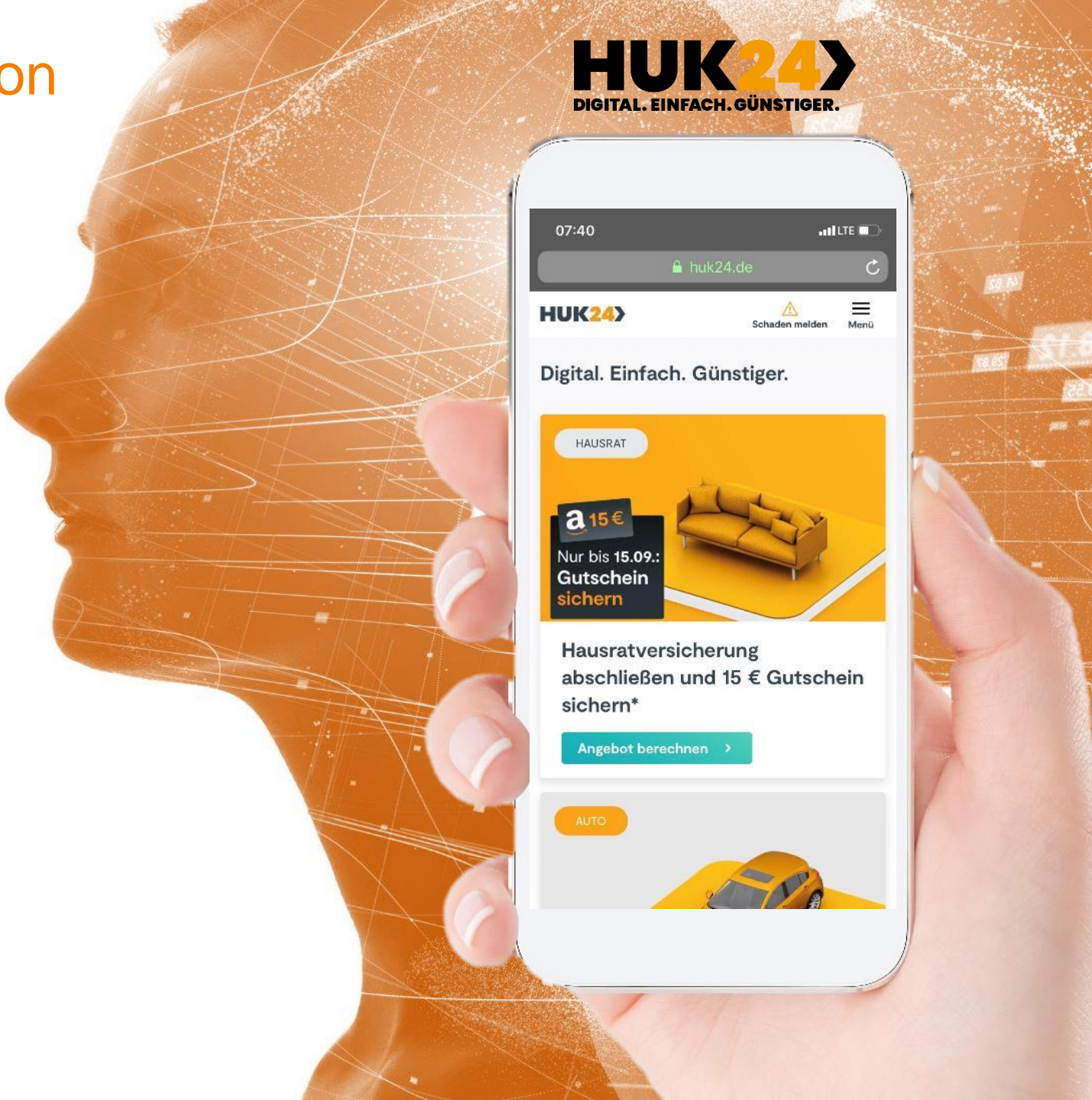
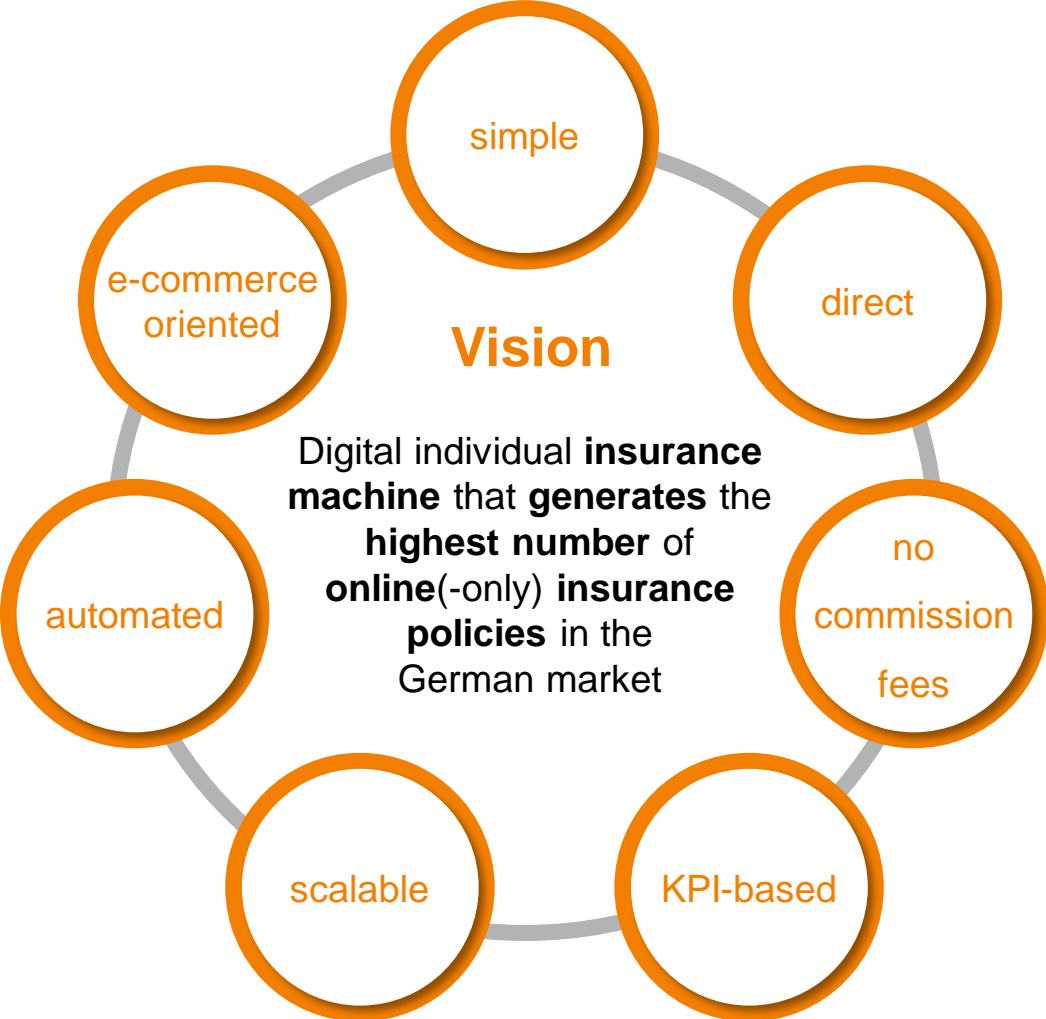
3. HUK-COBURG Group – Digital Transformation

Our vision 2025

Digital individual
insurance machine that
generates the **highest**
number of **online(-only)**
insurance policies in
the German market



Guidelines to implement this vision



HUK24
DIGITAL. EINFACH. GÜNSTIGER.

07:40 LTE

huk24.de

HUK24 Schaden melden Menü

Digital. Einfach. Günstiger.

HAUSRAT

15 €
Nur bis 15.09.:
Gutschein sichern

Hausratversicherung abschließen und 15 € Gutschein sichern*

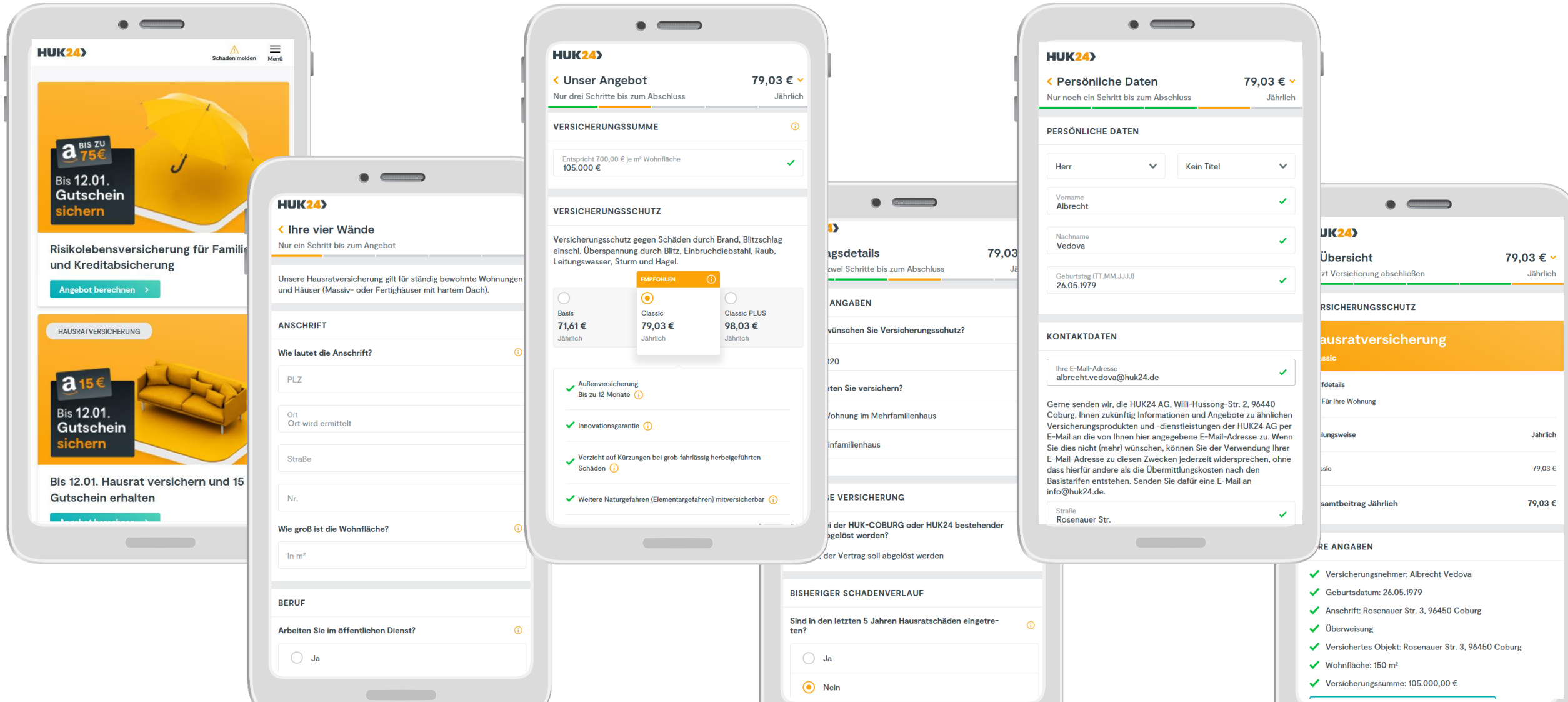
Angebot berechnen >

AUTO

Simple: Segment-specific approach simplifies the search for information and products



Simple: Simplified user experience with quick quote and application processes



... and an easy to understand offer (developed through KPI based optimization)



HUK24
DIGITAL. EINFACH. GÜNSTIGER.

Unser Angebot

Nur drei Schritte bis zum Abschluss

42,90 €
Jährlich

Ihre Privathaftpflicht | **Angebot** | Antragsdetails | Persönliche Daten | Übersicht

VERSICHERUNGSSCHUTZ

Leistungen	EMPFOHLEN ⓘ		
	Basis 40,75 € Jährlich	Classic 42,90 € Jährlich	Classic PLUS 50,90 € Jährlich
Versicherungssumme	10 Mio. €	50 Mio. €	50 Mio. €
Drohnen und andere Fluggeräte ⓘ	✓ bis 250 g	✓ bis 250 g	✓ bis 5 kg
Gebrauch von Fahrrädern und Pedelecs ⓘ	✓	✓	✓
Schutz bei Verlust fremder Schlüssel ⓘ	✗	✓	✓
Forderungsausfalldeckung ⓘ	✗	✓	✓
Absicherung für Vermieter ⓘ	✗	✗	✓

[Weitere Leistungen anzeigen](#)

HUK24

Unser Angebot

Nur drei Schritte bis zum Abschluss

79,03 €
Jährlich

VERSICHERUNGSSUMME

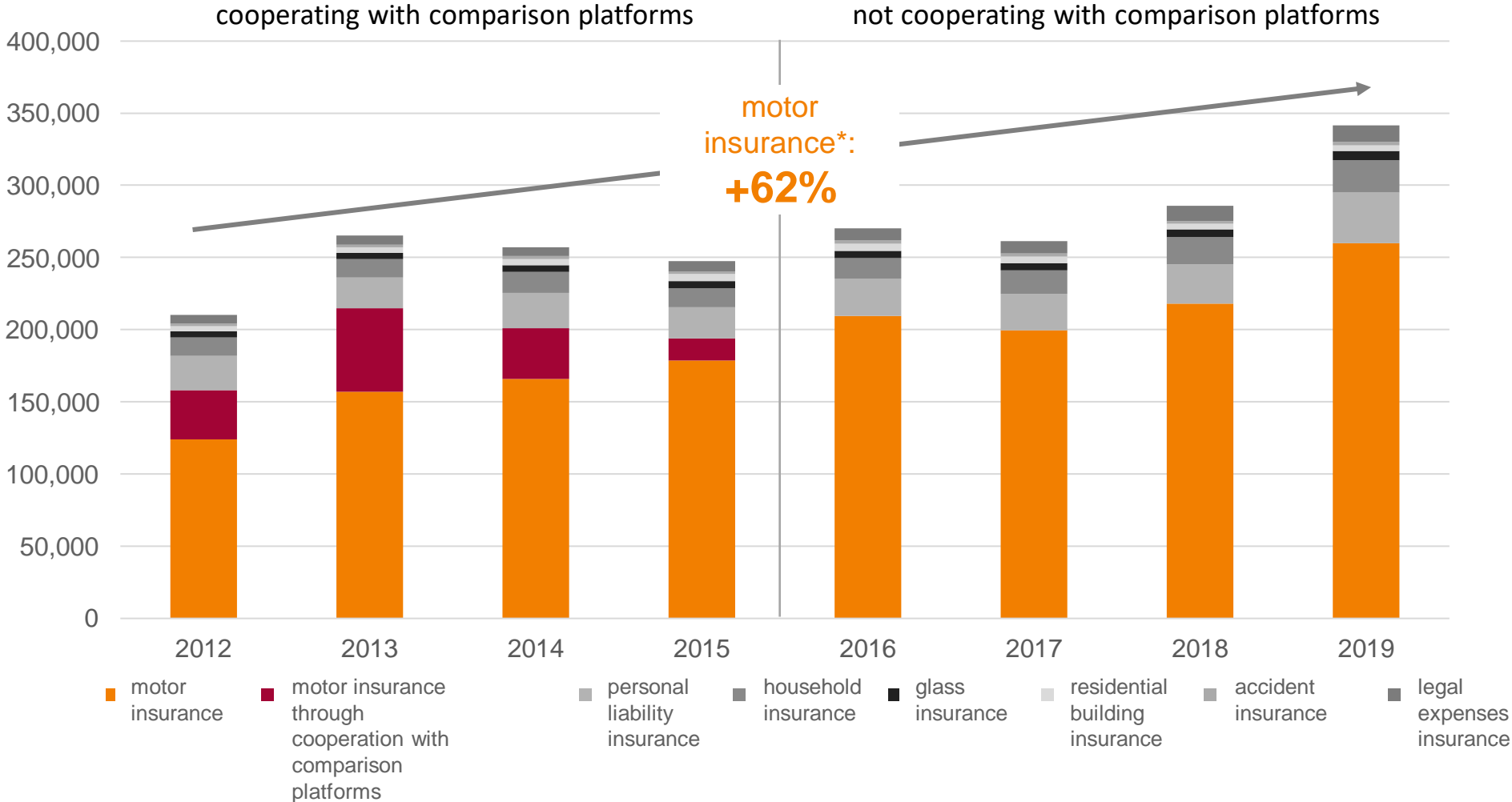
Entspricht 700,00 € je m² Wohnfläche
105.000 € ✓

VERSICHERUNGSSCHUTZ

Versicherungsschutz gegen Schäden durch Brand, Blitzschlag einschl. Überspannung durch Blitz, Einbruchdiebstahl, Raub, Leitungswasser, Sturm und Hagel.

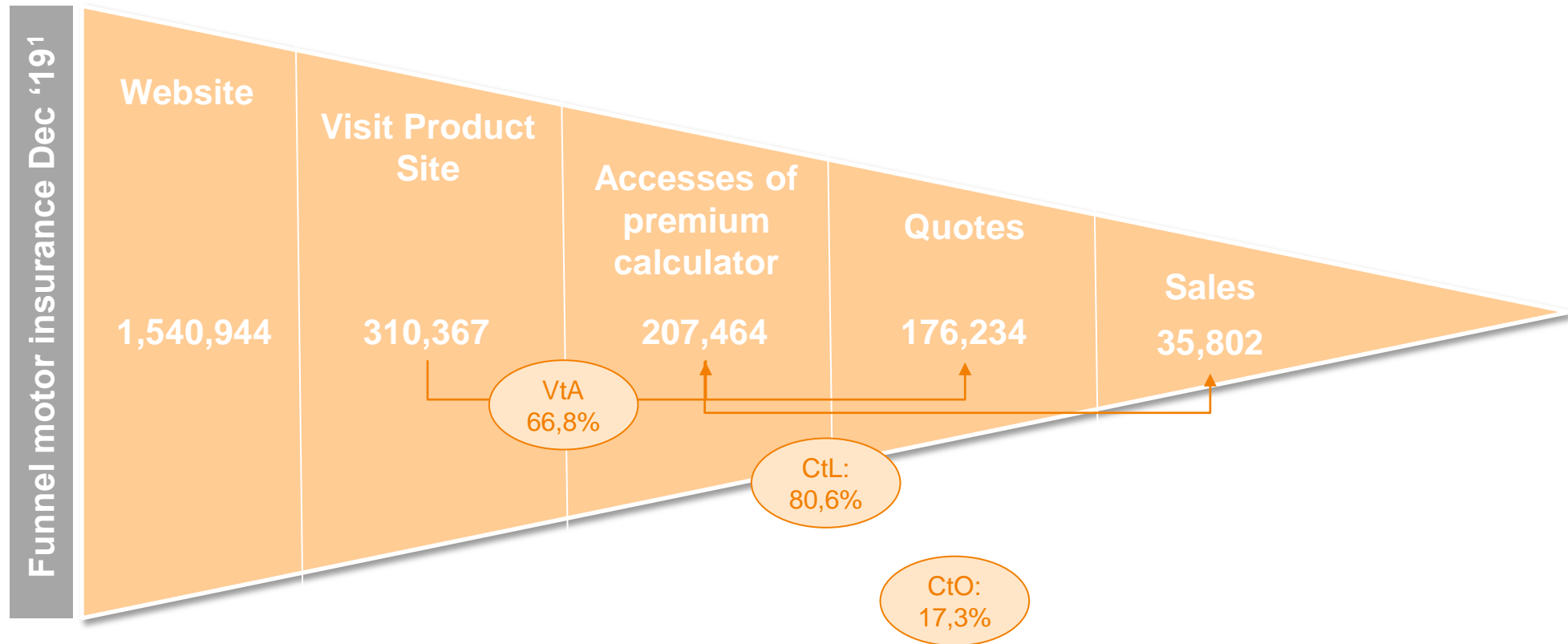
Leistungen	EMPFOHLEN ⓘ		
	Basis 71,61 € Jährlich	Classic 79,03 € Jährlich	Classic PLUS 98,03 € Jährlich
Außenversicherung Bis zu 12 Monate ⓘ	✓	✓	✓
Innovationsgarantie ⓘ	✓	✓	✓
Verzicht auf Kürzungen bei grob fahrlässig herbeigeführten Schäden ⓘ	✓	✓	✓
Weitere Naturgefahren (Elementargefahren) mitversicherbar ⓘ	✓	✓	✓

Direct: We do not cooperate with comparison platforms or other intermediaries and pay no commissions



* new business, first half of the year including turn-of-the-year-business

KPI-based: Data is the basis for controlling our online success. Consistent thinking along the Website-Funnel is key

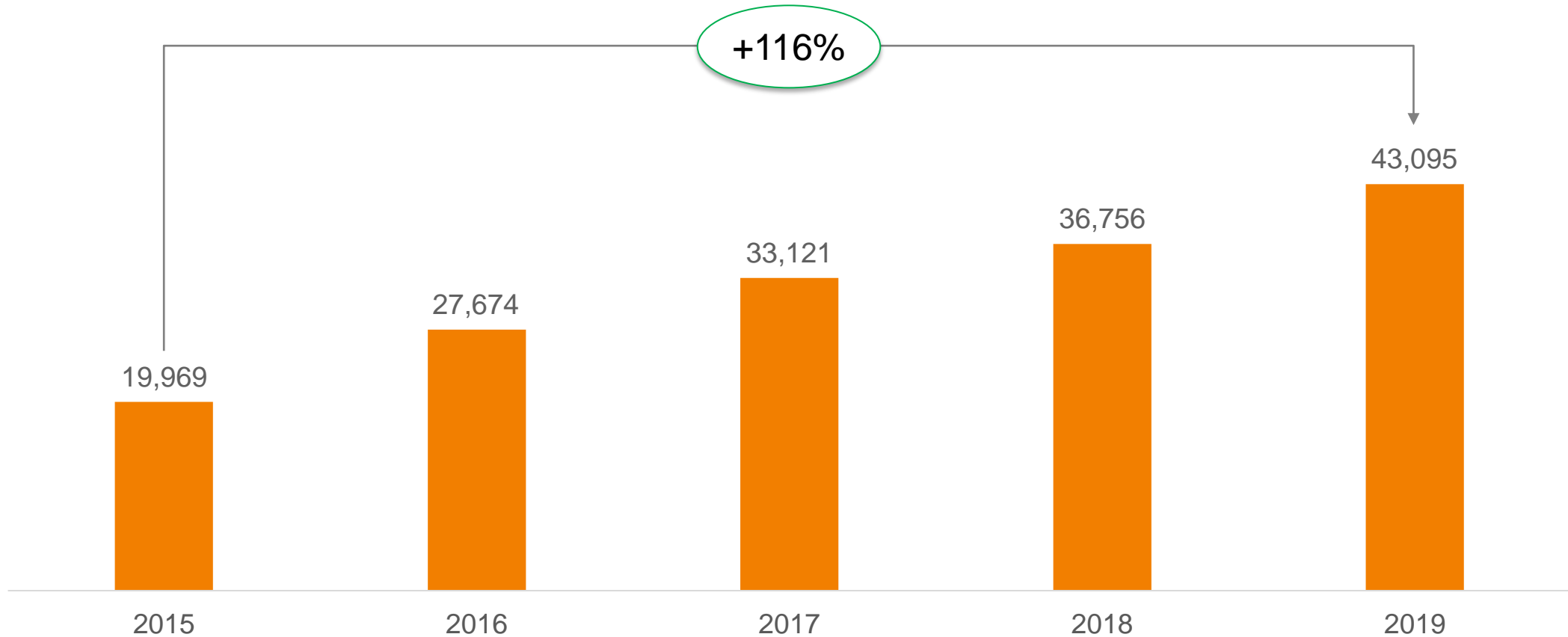


1) Visits using product site before entering premium calculator, not included: visits entering from other sites, e.g. customer portal

Scalable: Our distribution strategy focuses on scalable products such as household insurance



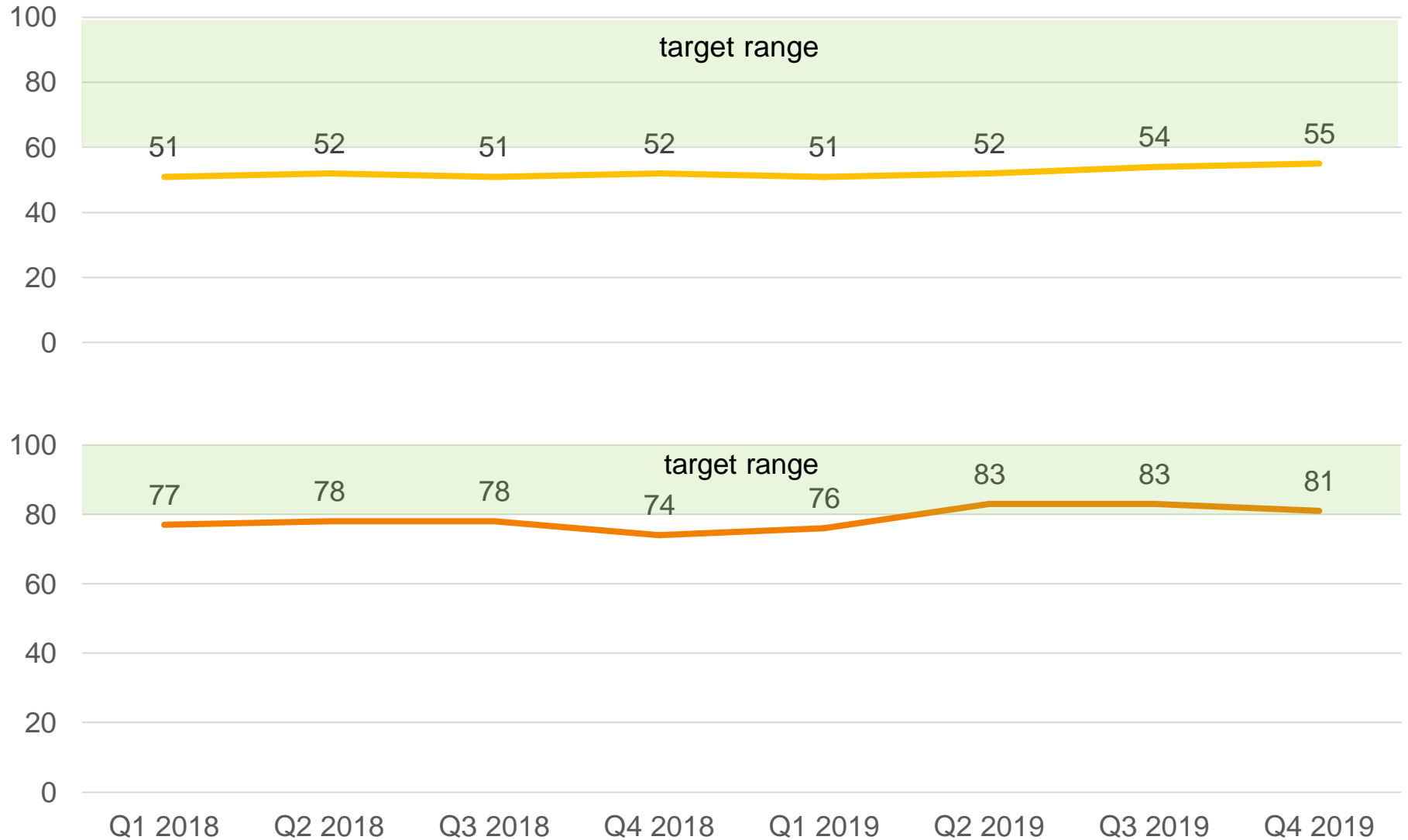
New business household insurance



Automated: Full automation of key processes is decisive



Full automatically processed household-applications in %



Automated: Digital Assistant supports customers automatically



HUK24
DIGITAL. EINFACH. GÜNSTIGER.

Produkte ▾ Service & Kontakt ▾

⚠ Schaden melden 🔒 Anmelden 🔍

🏠 KONTAKT

Wie können wir Ihnen helfen?

🔍 Finden Sie Ihre Antwort ... [Suchen >](#)

- Wie beantrage ich eine elektronische Versicherungsbestätigung, die eVB? +
- Ich habe meine Zugangsdaten zum Kundenbereich "Meine HUK24" verloren. Wie erhalte ich neue Zugangsdaten? +
- Wie kann ich ein gespeichertes Angebot wieder aufrufen? +
- Wie kann ich meinen Vertrag ändern? +
- Wie kann ich mit meinem Fahrzeug zur HUK24 wechseln? +
- Wann erhalte ich die Beitragsrechnung für mein versichertes Fahrzeug? +

[Weitere häufige Fragen sehen >](#)

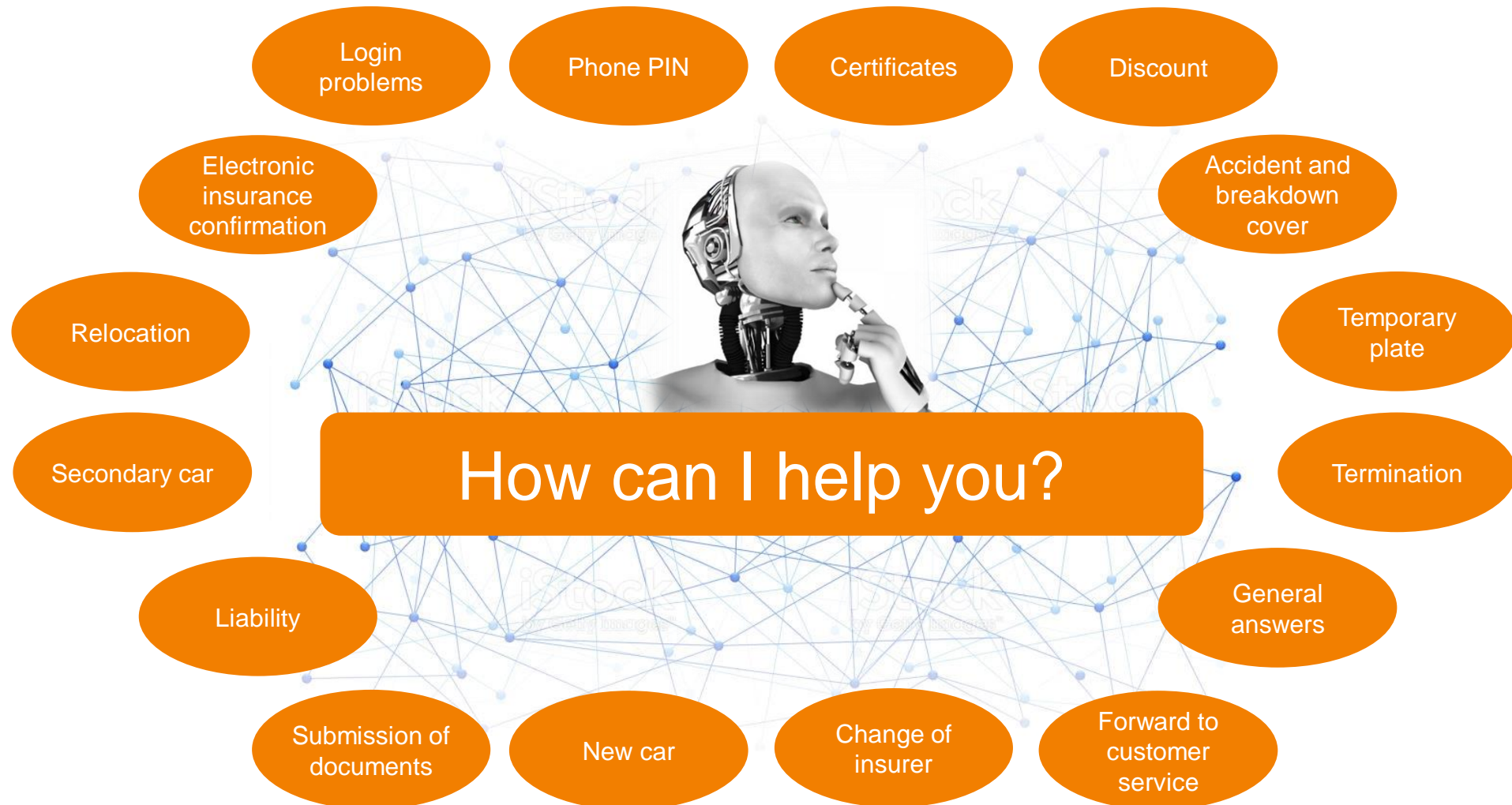
Hallo! Ich bin Ihr digitaler Assistent und unterstütze meine menschlichen Kollegen bei Fragen zur Versicherung. Wie kann ich Ihnen helfen?



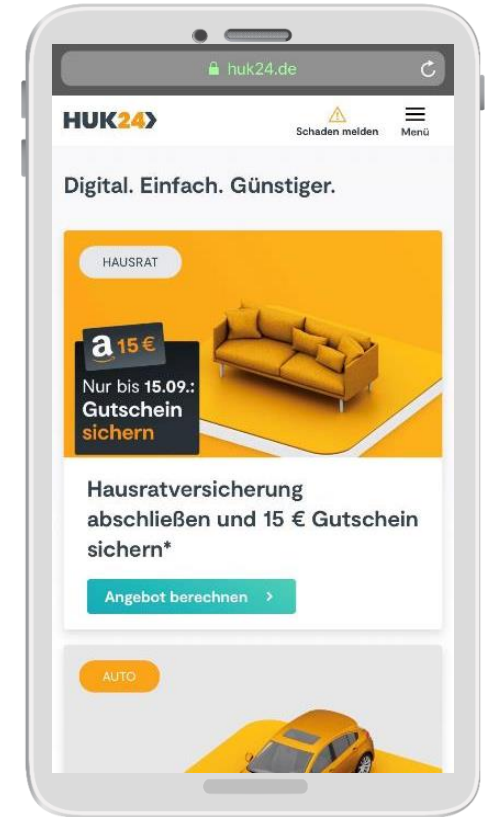
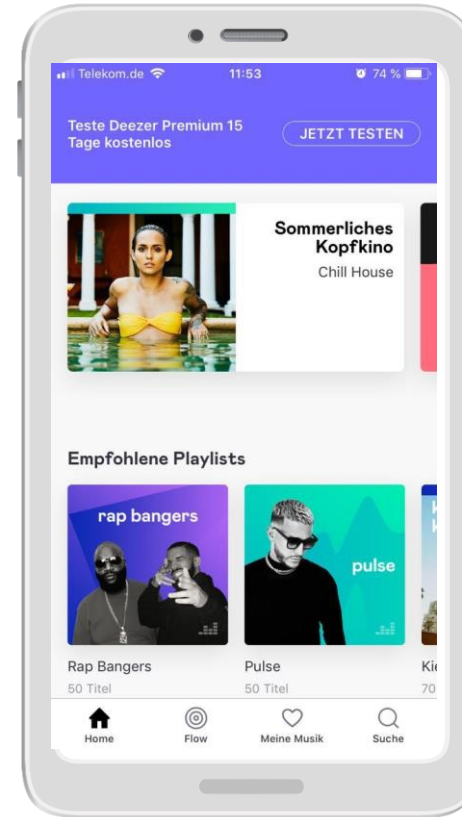
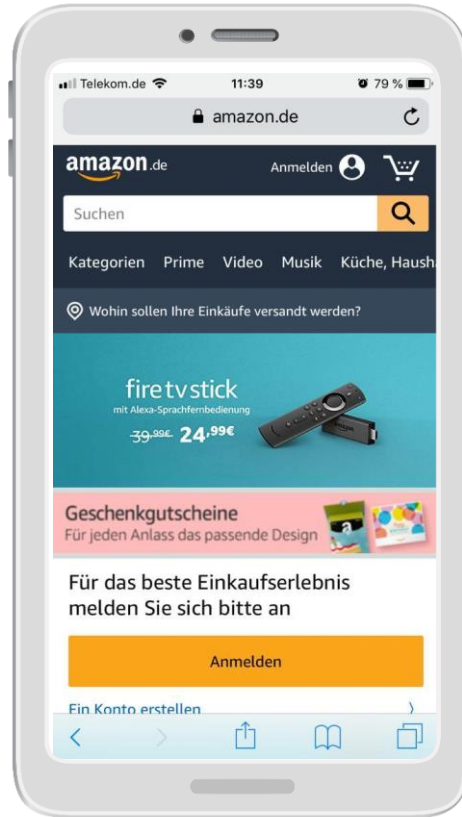
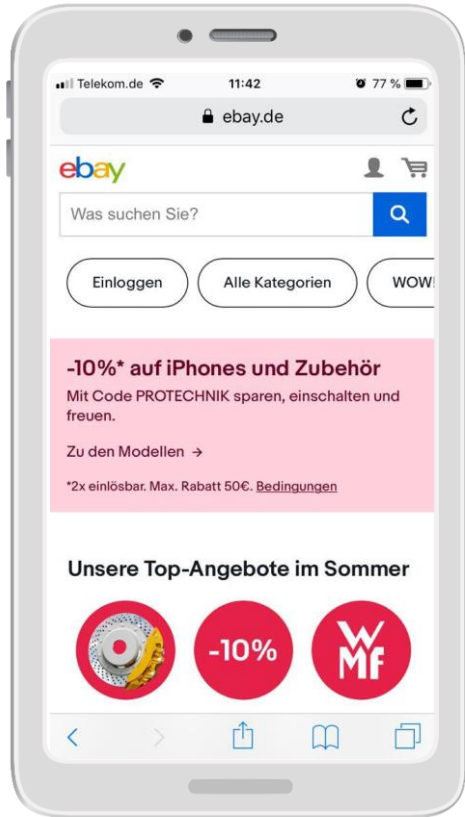
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... and can already help in many cases



E-commerce oriented: Our website is not modelled on other insurers' websites but on the websites of top online brands



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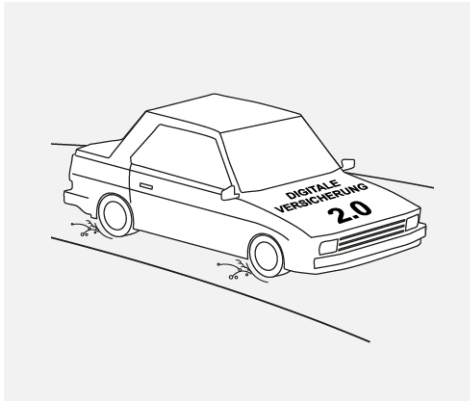
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One digital motor for the HUK-COBURG group

Digital 2.0



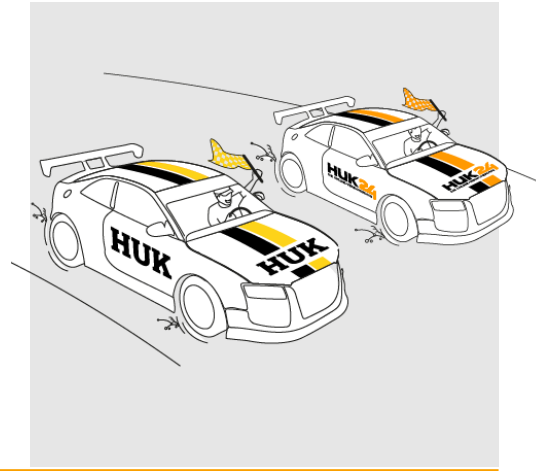
Digital First



Adaption



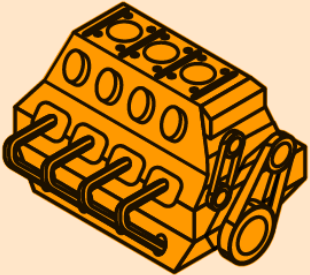
Ambition



Ambition

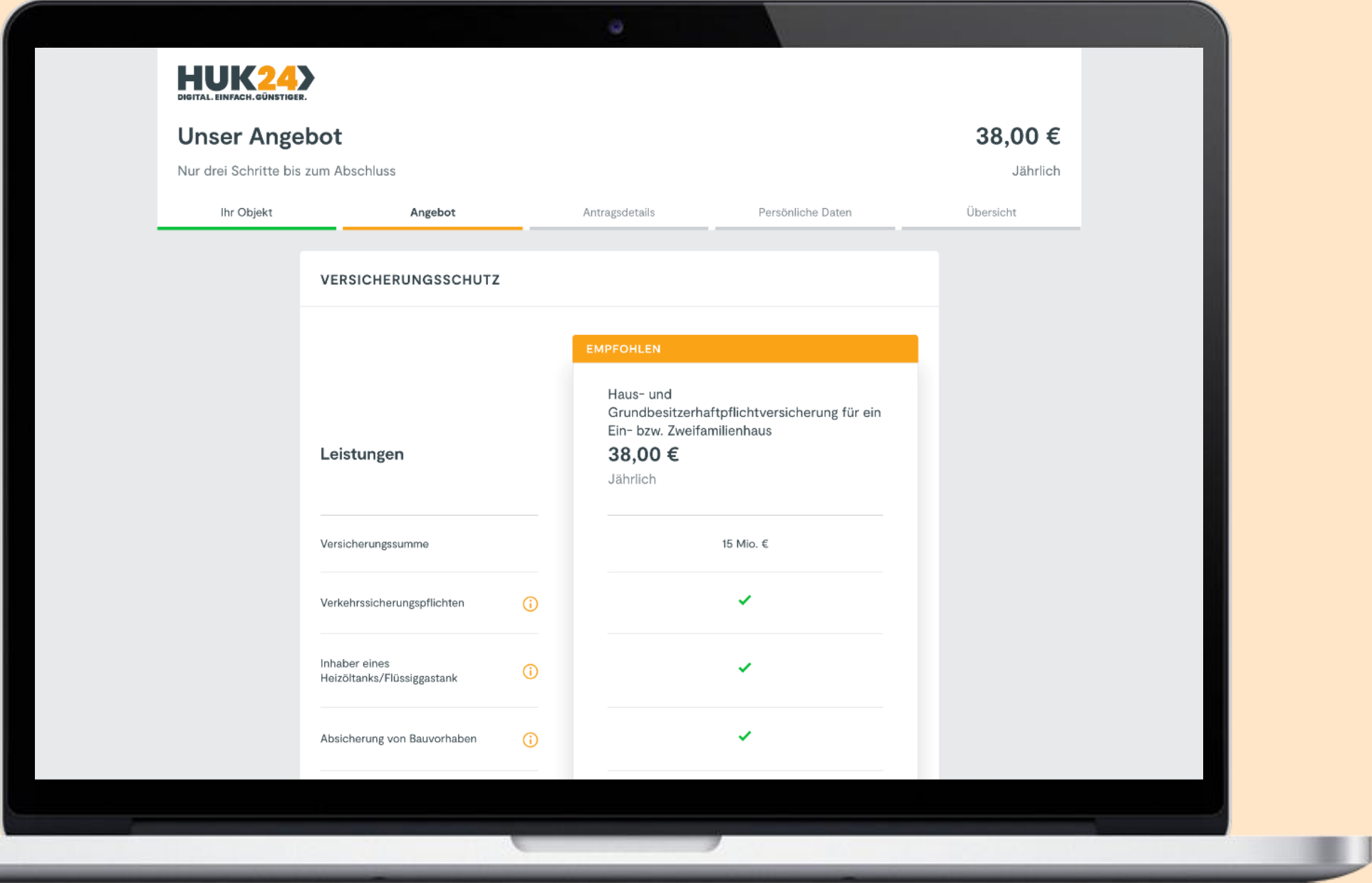
- Adaptable, future-proof platform with a common vision for the group
- Focusing on the HUK24 business model, digital innovations are developed, tested and implemented
- Principle: Develop once, use multiple times in the group - adapting to the respective business models or channel requirements

Digital motor as basis for excellent customer journeys

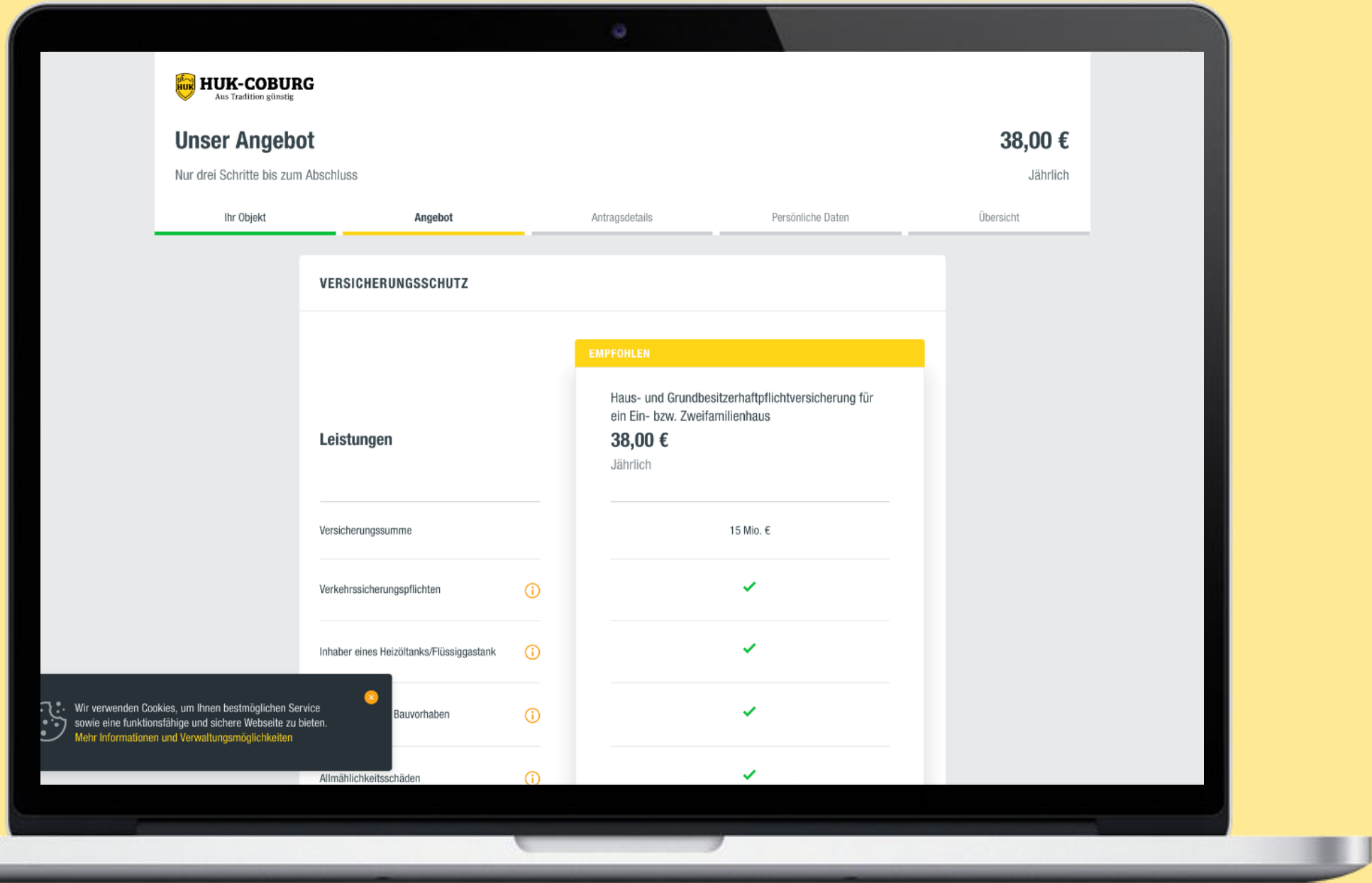


- ✓ Data Automatic and KPI-based optimisation and personalisation
- ✓ Tools Web-Tools for personalised content
- ✓ IT-Architecture Flexible APIs & dynamic frontends
- ✓ IT-Processes Continous delivery
- ✓ Collaboration Agile, cross-functional teams

HUK24 as digital pilot...



...for a common digital motor in the HUK-COBURG group





5

Takeaways

- 1. Online only + direct only**
- 2. Keeping things simple for the customer**
- 3. Data-based optimisation and personalisation**
- 4. Consistent online oriented way of thinking “along the funnel”**
- 5. Digital speedboat as pilot for group digitalisation**

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- Episode 5**, LB Group (Denmark)
- Episode 4**, Securian Financial (USA)
- Episode 3**, P&V (Belgium)
- Episode 2**, The Co-operators (Canada)
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assessing
innovation

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about climate risk
to taking action

30 April



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mutual of the
future

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