

Will 'climate change' keep SA's short-term insurance industry in the doldrums in 2018?

Issued by [Insight Survey](#)

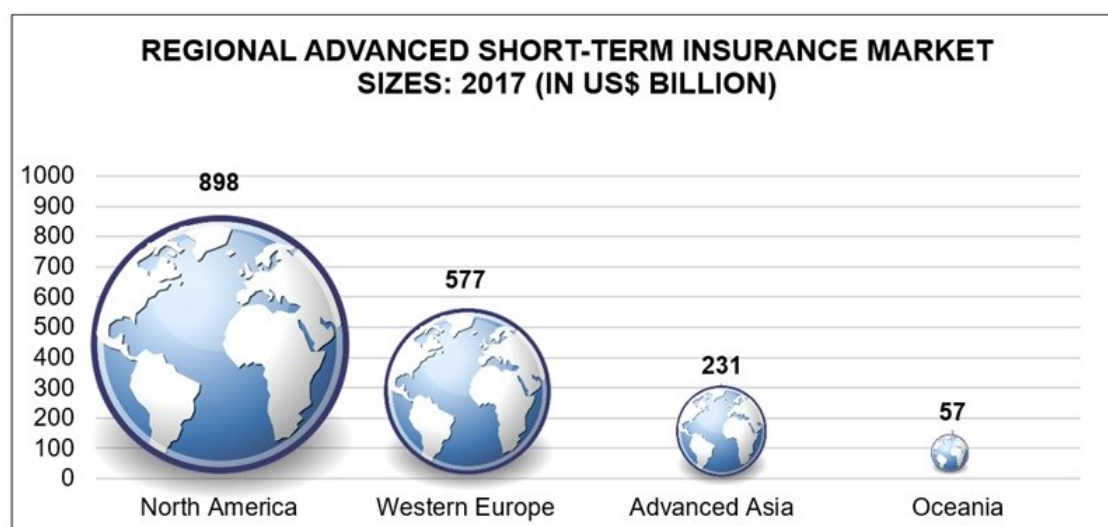
30 Oct 2018

On a global scale, the majority of short-term insurance markets, including South Africa, remain in a phase of below-average profitability. Despite holding 44% of the African market, the South African short-term insurance market experienced sluggish premiums growth in 2017.

The devastation caused by major natural disasters in 2017, comprising of the Knysna forest fires, Durban floods, and Gauteng hailstorms, further contributed to the lower profitability of South African short-term insurance market players. However, there seems to be cautious optimism for the situation improving in 2018.

Insight Survey's latest SA-Short-Term Insurance Industry Landscape Report 2018 carefully unfolds the short-term insurance landscape in South Africa based on the latest information and research. It describes the market drivers and restraints as well as the relevant global and local market trends to present an objective insight into the South African short-term insurance industry environment, market dynamics, and its future.

Globally, short-term insurance premiums increased by 2.8% to reach a value of US\$2.2 trillion (2,234 billion) in 2017. However, the growth of premiums was lower in comparison to the 3.3% growth achieved in 2016. At a regional level in 2017, as illustrated by the graph below, North America remained the largest market in premium value terms amongst advanced markets, despite experiencing significant losses due to numerous natural disasters.



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

[click to enlarge](#)

Although value and profit growth were low in 2017, South African short-term insurance premium volumes had increased by 17.8% between 2016 and 2017, and the potential exists for short-term insurance providers to significantly increase their gross written premiums by 2020. Furthermore, market players surveyed in South Africa and other African markets are anticipating reasonable growth in both the life insurance- and short-term insurance markets over the next three years.

The major trends and drivers currently set to drive growth within the local market are centralised around digitalisation. Such trends include the use of drones in the commercial and non-commercial sector, collaborative digitisation between tech companies and insurance companies and AI-powered Insurance.

However, the market is also expected to face major challenges over the next few years. As a result, growth will ultimately be

dependent on market players' flexibility to adapt to the changing market environment, and it will be imperative for local players to take economic, social transformation and the risks associated with climate change into consideration going forward. Furthermore, certain regulatory developments such as the new Insurance Act of 2017, is also set to profoundly impact the local market in 2018 and the potential costs associated with abiding by these regulations is expected to have a negative impact on the market.

The **SA Short-Term Insurance Industry Landscape Report 2018** (143 pages) provides a dynamic synthesis of industry research, examining the local and global short-term insurance industry from a uniquely holistic perspective – from global and local trends to analysing the most prevalent market players.

Some key questions the report will help you to answer:

- What are the key factors that are driving the growth of the local and global markets?
- What are the local and global industry challenges currently restraining market growth?
- What are the latest South African short-term insurance trends, drivers and challenges?
- How did short-term insurance companies perform in 2017/18, what is the strategic focus and expansion plans?
- How is each of the short-term insurance competitors positioned and what products do they offer?
- What are the latest marketing and advertising news for each of the short-term insurance competitors?

Please note that the 143-page PowerPoint report is available for purchase for R45,000 (excluding VAT). Alternatively, individual sections can be purchased. For additional information simply contact us at info@insightsurvey.co.za or directly on (021) 045-0202 or (010) 140- 5756.

For a full brochure please go to: [South African Short-Term Insurance Landscape Brochure 2018](#)

About Insight Survey:

Insight Survey is a South African B2B market research company with more than 10 years of heritage, focusing on business-to-business (B2B) market research to ensure smarter, more-profitable business decisions are made with reduced investment risk.

We offer B2B market research solutions to help you to successfully improve or expand your business, enter new markets, launch new products or better understand your internal or external environment.

Our bespoke Competitive Business Intelligence Research can help give you the edge in a global marketplace, empowering your business to overcome industry challenges quickly and effectively, and enabling you to realise your potential and achieve your vision.

From strategic overviews of your business's competitive environment through to specific competitor profiles, our customised Competitive Intelligence Research is designed to meet your unique needs. For more information, go to www.insightsurvey.co.za.

- ° **How are mobile platforms and the metaverse driving SA's long-term insurance industry growth?** 6 Mar 2024
- ° **Multi-strain products supporting South Africa's probiotics market culture** 22 Nov 2023
- ° **Bridging the gap: Embedded insurance trending in SA's short-term insurance industry** 15 Nov 2023
- ° **Sustainable packaging pumps South Africa's bottled water industry** 4 Oct 2023
- ° **Specialised diet pet foods trending in the South African market** 27 Sep 2023

[Insight Survey](#)



Insight Survey is a South African B2B market research company with almost 15 years of experience. We specialise in telephone interviews, online surveys, industry analysis and competitive intelligence to help improve or grow your business.

[Profile](#) | [News](#) | [Contact](#) | [Twitter](#) | [Facebook](#) | [RSS Feed](#)

For more, visit: <https://www.bizcommunity.com>