

New player enters short-term insurance market

King Price, short-term insurer officially launched into the local market this on 2 June, with what it claims to be a ground-breaking insurance model backed by an aggressively discounted pricing strategy. It will offer consumers massive saving of up to 60% on their insurance premiums.



"The reason why we're doing it is a no-brainer, really," says Gideon Galloway, CEO of King Price, and a man with more than 10 years' experience in the short-term industry. "Like most people, we are disgruntled about paying more for car and home insurance than what is necessary. Around three years ago, I identified the loopholes in current insurance offerings and decided to join forces with some of the best brains in the global insurance industry to counteract them. We are ready to seriously challenge old and outdated insurance models and turn the market on its head."

Two key elements

There are two key elements that will differentiate the company from other insurers. Firstly, their clients' premiums will decrease every month. Galloway explains: "In the time it takes to read this, your car has already depreciated. This seems to be ignored by the other insurers. At King Price, our clients' insurance premiums will be reduced monthly as their cars depreciate. And they will not have to nag or remind us, as it will be done automatically!"

Secondly, the company rejects what it refers to as the 'no claim bonus' myth. "Most insurers inflate premiums so that their clients can have the perceived benefit of a 'no claim bonus' at a later stage - that's if they actually qualify, of course," explains Galloway. "Clients don't realise that insurers are regulated to reserve a percentage of premiums for this 'no claim bonus' fund. At King Price, all our clients will rather reap the benefit of a substantially discounted premium immediately."

The company has worked with a team of seasoned insurance and technology experts to develop state of the art, real-time automated IT platforms - including risk-rating software that is believed to be the quickest, most intelligent and most accurate system that is currently available in South Africa.

"This will naturally translate into even more savings for our clients," says Galloway.

King Price promises a few novel marketing approaches to follow its launch. Keeping abreast of market trends, the company's marketing strategy will also make extensive use of SMS, online, and mobile and social media applications to serve and inform customers.

The company is backed by Munich Re, a global leader in reinsurance: "Essentially, we are driven by a simple belief: that price is king - bottom line. With King Price Insurance, the consumer will be able to enjoy the same cover, but at a substantially cheaper price. And, as our name suggests, it will come with royal service too. We have no doubt that we are going to change the way the world looks at short term insurance," concludes Galloway.