

# Absa to sell insurance online

By [Gillian Jones](#)

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Absa, which is part of the Barclays Africa Group, has introduced online insurance products accessible to its 1.3m Internet banking clients in a few minutes.



Clients can buy short-term and life insurance and investment products on Absa Online in a simple, seamless process, says Absa Financial Services's chief executive Willie Lategan.

As SA's big four banks battle for market share, the fight has moved into the digital realm. "Our research has shown that digital innovation is going to be the key area for change in the industry so it's essential that we offer clients a unique and holistic digital experience," Lategan said.

According to PwC's 2013 banking survey, the big four banks plan to spend between R3bn and R5bn on technology in the medium-term. Some banks had grown revenue in SA by migrating customers to electronic channels, the report added.

Absa was the last of the big four banks to launch a banking app for mobile devices. But Lategan said it was also the first bank to introduce a "genuine, fully-integrated, online offering" in the South African bancassurance market.

Absa clients can apply for short-term insurance policies to cover residential buildings, household contents and vehicles. They will also have access to life assurance, funeral cover and credit protection.

Lategan says that as the bank already has most of the customers' information, there is no need to complete long applications forms.

"Applicants answer a few questions relating to their health and risk. Based on this, they get a quote which they can accept immediately," he said adding that the process took about two minutes to complete.

Once the cover is in place, clients can manage their policies online as well as claim online.

Absa plans to make online insurance available to non-Absa clients and to roll it out to other digital channels such as cellphones. This is essential if Absa expands the product to its bancassurance businesses in Botswana, Mozambique and Zambia.

Absa head of digital channels and payments Adrian Vermooten said Absa Online was launched in July 2012 as a more integrated platform to replace Internet banking. Between 70% and 80% of the bank's Internet customers have migrated to Absa Online.

"Since its introduction in April, Absa's banking app has been downloaded 200,000 times, with customers using it on average between 28 and 34 times a month," said Vermooten.

He said the app is used most frequently on Saturdays.

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