



Amanah Technology Consulting  
أمانة للاستشارات التكنولوجية

**The Unquestionable Role of Technology in Re-thinking the Takaful Model**

**Faisal Khan – Founder, Amanah Technology Consulting**

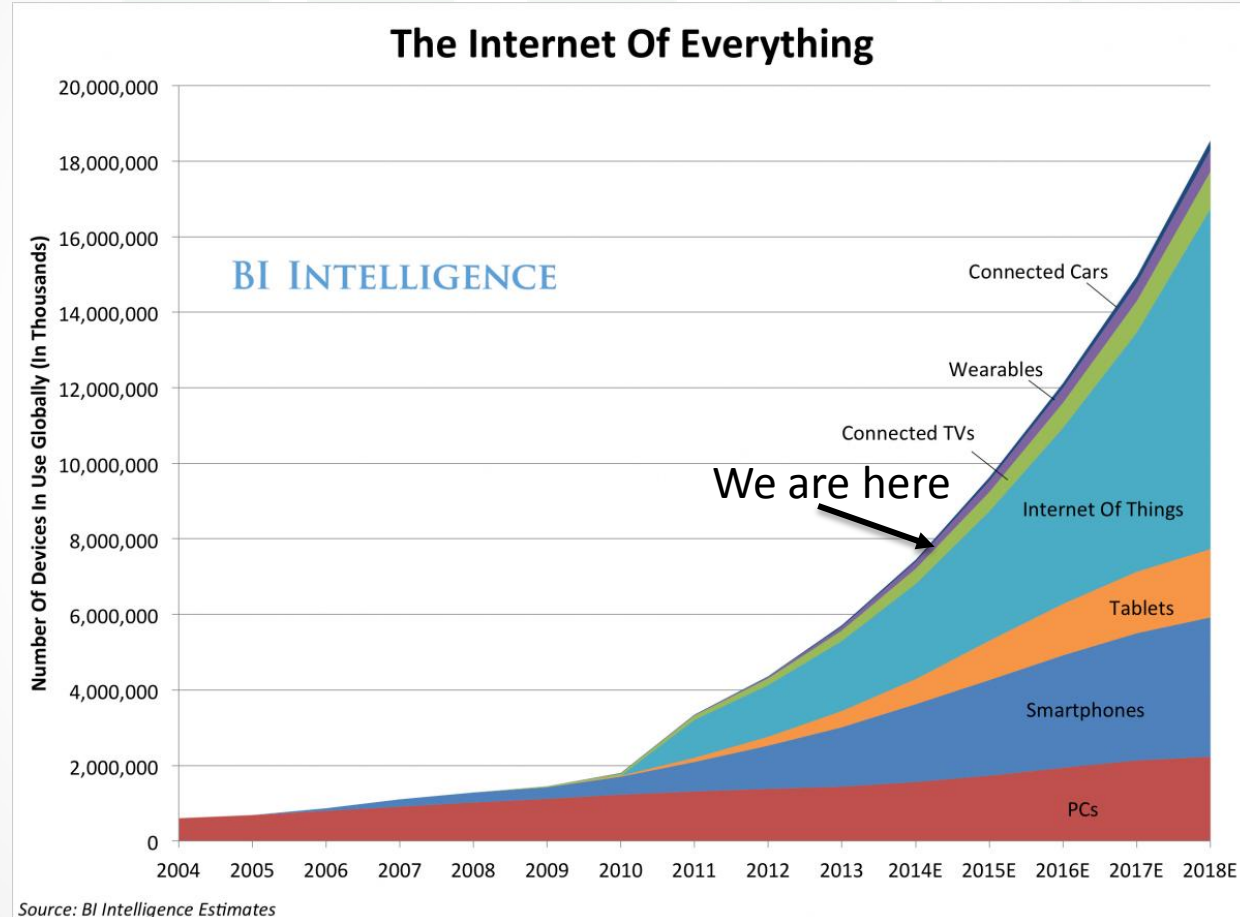
**18th February 2015**

# Agenda

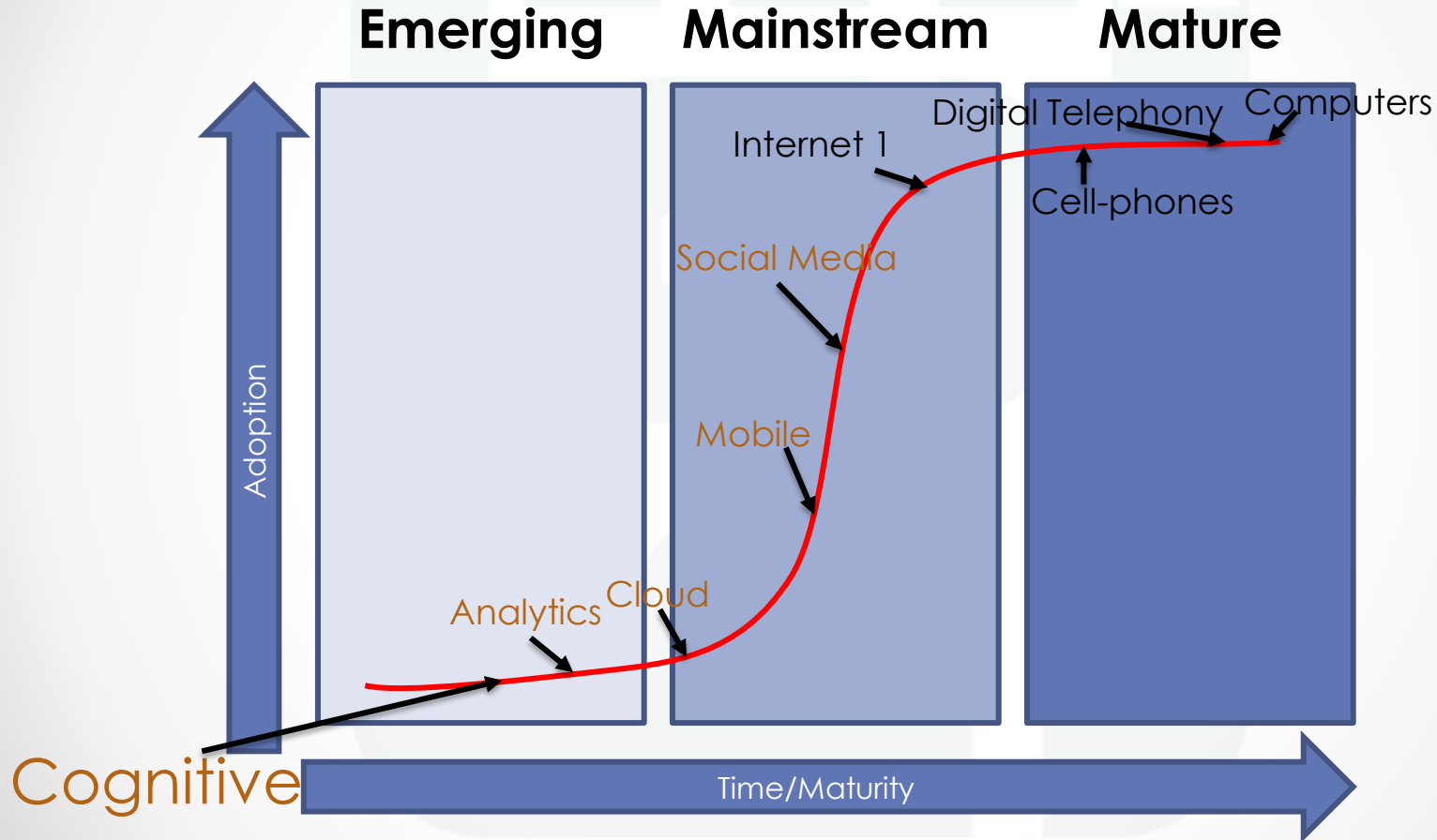
- **'The Internet of Everything' – changes our understanding of risk**
- **The next phase of the digital revolution - Cognitive Computing**
- **Is Takaful ready?**



# The Internet Of Everything – Modelling The World



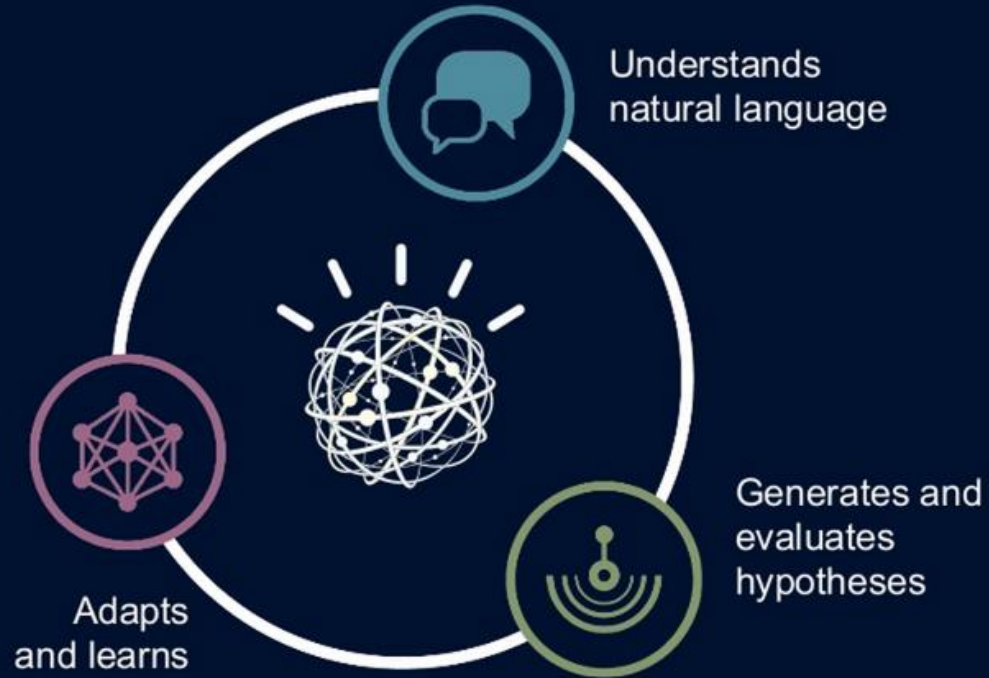
# Technology Lifecycles



# What Is Cognitive Computing?

Cognitive computing systems **learn and interact naturally** with people to extend what either humans or machine could do on their own.

They help human experts make **better decisions** by penetrating the **complexity of Big Data**.



# The Disruptive Power Of Cognitive Computing

**Cognitive systems expand the problems we can address**



## Programmatic Systems

- Leverage traditional data sources
- Follow pre-defined rules (programs)
- Provide the same output to all users



## Cognitive Systems

- Are taught, not programmed
- Learn and improve based on experience
- Interpret sensory and non-traditional data
- Relate to each of us as individuals
- Allow us to expand and scale our own thinking



# Cognitive Computing – Real Solutions

**Cognitive computing promises a new partnership between human and computers**



## Enhance

the cognitive process of professionals to strengthen decision making in the moment



## Scale

expertise by elevating the consistency and objectivity of decision making across an organization.



## Accelerate

development of expertise in others by capturing the expertise of top performers





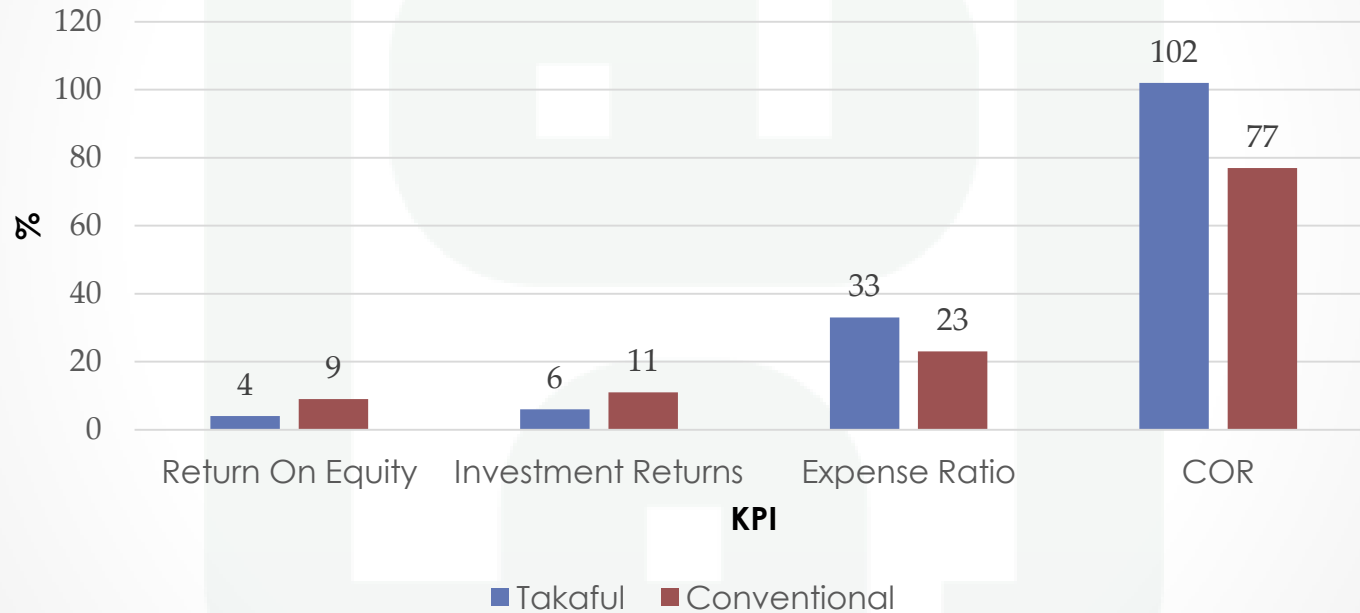
# Cognitive Computing In Re-thinking Takaful?

Insurance industry trends – Imagine if...			
Client Engagement	Analysis / Discovery	Decision	Policy / Compliance
			
<p><i>Customer expectations are shaped by experiences outside of Insurance</i></p> <p><i>Pressure of competition is putting a lot of focus on customer experience</i></p>	<p><i>Advisors and Managers are challenged to keep up with data explosion</i></p> <p><i>Customers are informed better than ever with "Google knowledge"</i></p>	<p><i>Customers expect transparent, evidence-based recommendation</i></p> <p><i>Quality of advice varies</i></p> <p><i>Pace of innovation is accelerating</i></p>	<p><i>Regulations increasing in volume and complexity</i></p> <p><i>Additional scrutiny increasing time spent on compliance, and cost</i></p>
<p>Watson enables advisors to deliver cost-effective personalized advice</p>	<p>Watson supports Analysts and advisors by pre-reading 1000s of pages of relevant info</p>	<p>Watson uses structured and unstructured information to provide proactive, transparent, evidence-based advice</p>	<p>Watson helps evaluate decisions against relevant policies &amp; guidelines</p>

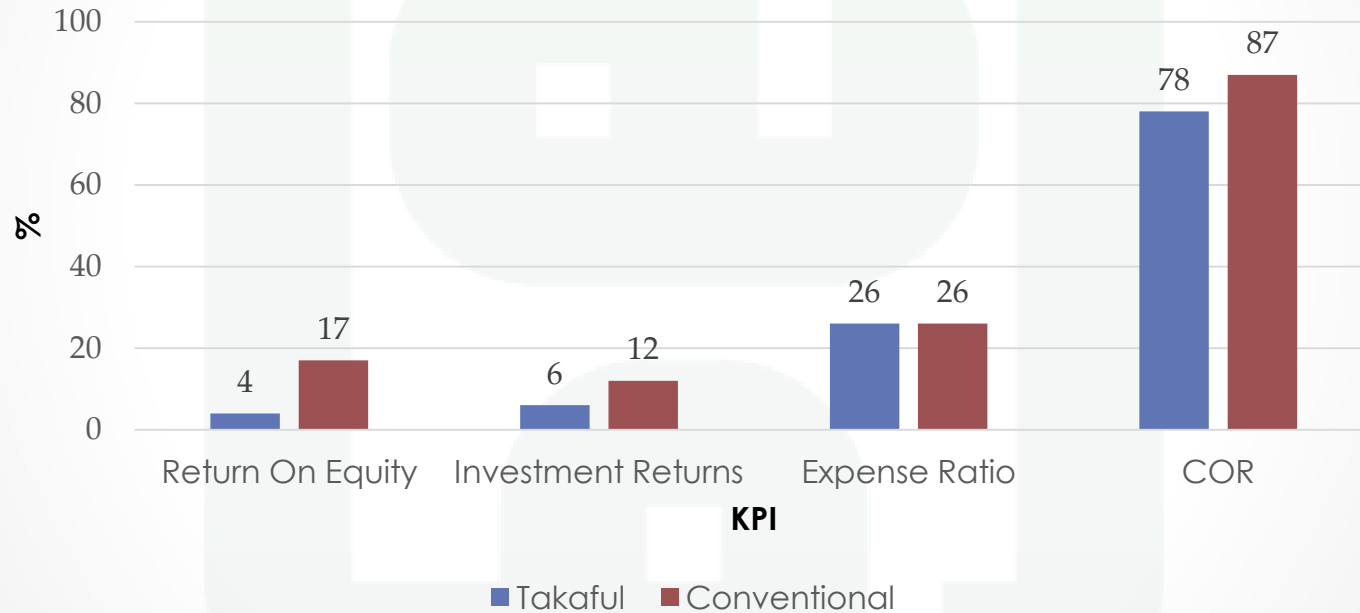




## Performance Takaful v Conventional GCC



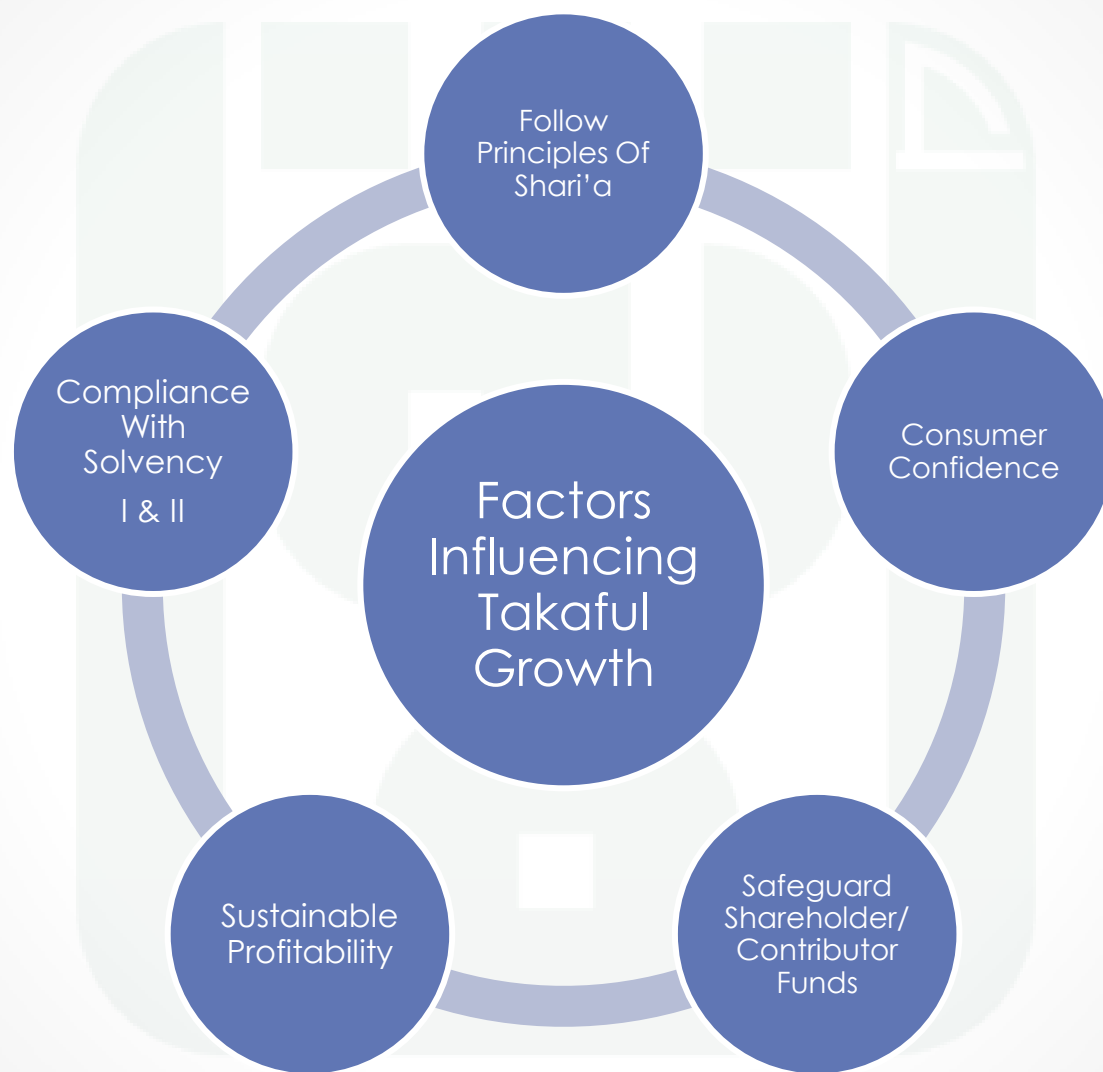
## Performance Takaful v Conventional Malaysia



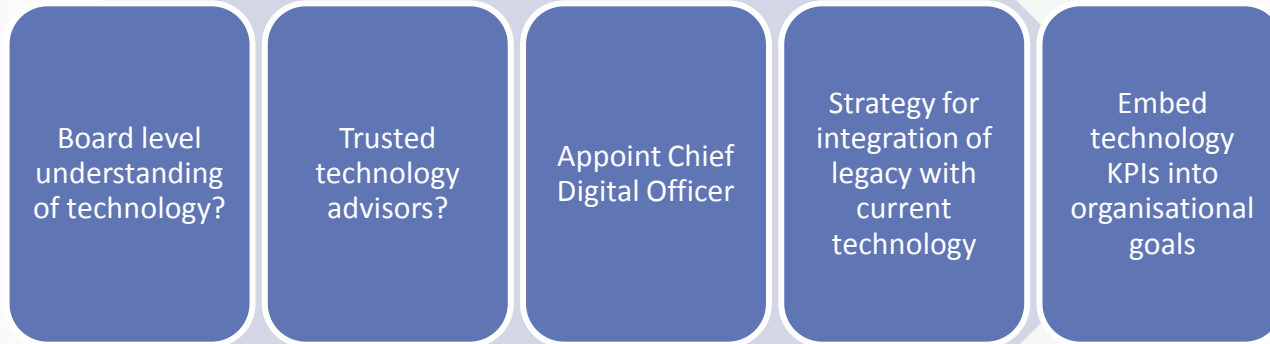
Tier 1 (Better insured)		Tier 2 (Moderately insured)		Tier 3 (Underinsured)	
Country	Benchmarked insurance level	Country	Benchmarked insurance level	Country	Benchmarked insurance level
Netherlands	8.01	Denmark	1.36	Hong Kong	-0.03
New Zealand	3.05	Spain	1.05	Poland	-0.15
South Korea	2.55	South Africa	1.02	Colombia	-0.17
United States	2.53	Taiwan	0.97	Thailand	-0.41
Canada	2.47	Ireland	0.75	Brazil	-0.51
Germany	2.11	Italy	0.62	Mexico	-0.67
Austria	1.67	Argentina	0.44	Saudi Arabia	-0.93
United Kingdom	1.60	Israel	0.44	Chile	-0.97
Australia	1.39	Sweden	0.44	China	-1.09
		Japan	0.43	Nigeria	-1.11
		France	0.39	India	-1.18
		Russia	0.34	Turkey	-1.31
		Norway	0.25	Egypt	-1.36
		Malaysia	0.15	Philippines	-1.36
		United Arab Emirates	0.08	Vietnam	-1.38
		Singapore	0.08	Indonesia	-1.67
				Bangladesh	-2.64

Source: Society Of Lloyd's





# Re-thinking The Takaful Model - Preparing For The Digital ~~Future~~ Present



# What Can The Takaful Industry Do To Respond?

