

The key success factors to dancing the Ecosystem Tango are speed, flexibility and connectedness. (BALOISE – MOVU++)

## Success Factors for Ecosystem Participation

### Context & Challenge

**B**aloise is a Swiss insurer and one of KASKO's earliest clients. Baloise understands that you don't do digital transformation for its own sake, but to deliver on specific business goals. Their focus, from the start of our partnership, concentrated on product innovation for B2B2C distribution. This evolved to building up capabilities to orchestrate and participate in digital ecosystems, an ever-increasing force in the global economy.

Baloise's strategy involved identifying all sorts of potential partners, from digital startups to established corporates, who engaged with consumers on specific topics that provide insurance cross- or upselling opportunities. One such partner was Switzerland's leading home moving platform MOVU. Integrating insurance into digital channels requires IT resources. MOVU has a strong tech team, but even tech-savvy distribution partners don't want to spend large resources on ancillary products like insurance. Insurers aren't tech companies and IT resources tend to be limited or strained. Also, MOVU is just one partner in a broader ecosystem play, so Baloise needed a way to offer tailored products in channel-specific ways, without continuously having to reprioritise internal IT resources.

### What We Do And What Happened

**M**OVU saw an opportunity to enhance its core offering while Baloise could offer two insurance products directly (insuring the move and insuring against the risk of bad neighbours (seriously!!! - read about Bad Frog insurance). Also, this partnership could be a great lead generation and data collection mechanism (pretty much knowing everything about the new flat and all the belongings!). So KASKO was brought into the mix. Baloise simply needed to create the on-paper product, defining the pricing & underwriting rules and drafting the insurance document templates. KASKO's platform allowed for the rapid digitalisation of the product without straining IT resources of Baloise or MOVU. The output was an API product which was easily integrated into MOVU's purchase funnel as well as a white-label front-end to re-engage with the customer post purchase.

And here comes the important part, it's critical to evaluate each distribution channel and their various customer touchpoints and not only offer products but also engagement mechanisms that suit the situation. People might not be in a position to buy insurance or simply forget when booking a move, so it made sense to re-engage post booking but before the actual move. On KASKO's platform an email re-engagement mechanism was set up, alongside a purchase interface, which was integrated on the Baloise website, rather than MOVU, to offer a top-up insurance and handle payment for those who hadn't bought it at the MOVU check out.

### Learnings

**P**artnerships and ecosystem plays offer huge opportunities. The range of information around the



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### Learnings

customers' belongings and properties allows for upselling of home insurance. But with ecosystems, sometimes it takes more than two to tango and flexibility was key. KASKO's flexible platform allowed for multiple changes to the product parameters (pricing, coverage, integration touchpoints) which were needed to find the perfect fit. This was just the first step in becoming an ecosystem insurer in Switzerland with several other cases within banking, retail and travel that followed. The key to ecosystem success is to get started quickly, as there are huge first-mover advantages. What's needed:

- **Speed:** Most ecosystems are not actually open for everyone but consist of an alliance of selected partners. If an insurer is the first to be able to engage with a potential partner, it has a much bigger chance of locking them down (no matter the size of the brand).
- **Flexibility:** Being able to slice and dice services (coverage, exclusions, duration, commission, pricing etc.) and process (payments, integration point and type) to fit the contextual need of the customer is key. And when building an ecosystem, it's important to understand the unique business goals of your ecosystem partner ranging from revenue maximisation to creating trust and customer loyalty.
- **Connectedness:** In the long run using APIs to offer your services and consume others is crucial. Anyone serious about ecosystem participation needs to be ready for this. In the short-term flexibility with data exchange models is crucial though as some potentially important partners might be behind the curve.