

Passport to the Future

ITIJ spoke with Sharon Haran, CEO of PassportCard, about simplifying claims, customer loyalty and the future of his company

How did you get started in the insurance industry?

After a long career at Orange in the telecom industry, in both marketing and business development roles, I decided to move into financial services, with the intention of bringing a customer-centric approach to the world of insurance. I then joined the Israeli Direct Insurance company to lead its international expansion and the introduction of its unique distribution approach in emerging markets such as Poland, Russia, the Czech Republic and Brazil.

Can you describe how your career path led to you becoming CEO of PassportCard?

While leading complex interdisciplinary international projects, I gained expertise in developing new concepts in untapped territories. Once I left Direct Insurance I then started working with White Mountains, which eventually joined forces with DavidShield in order to set up PassportCard's global activity. Once the offer came to lead this amazing project, I accepted it without any hesitation.

In what ways do you think that your previous experience in finance and business development have prepared you for your current role?

Steve Jobs has talked about the importance of connecting the dots, and I can clearly see how my personal dots in finance, global business development, leading innovation in new markets and experience in brand dominant companies have prepared me for my current role.

Having launched in Germany and Canada, what plans do you have for further expansion of PassportCard in the future?

We focus on big and mature markets where we feel that, first and foremost, customers will appreciate the uniqueness and simplicity of our solution. We also decided to focus on competitive markets where the distributors and the underwriters are seeking ways to profitably grow through innovation and product differentiation. In 2016, we plan to focus on the US and UK markets, where we already see strong interest and demand for our solution.

PassportCard has expressed its desire to work with, rather than against, 'traditional' insurance companies. Have other insurers been receptive, and what sort of things does PassportCard wish to achieve in partnership with other companies?

The global travel insurance industry is striving for innovation, searching for technologies to change the customer

journey and close the gaps within the day-to-day digital environment that our consumers live in. It is clear that not all the insurance companies have the same level of openness to adapt new 'disruptive' concepts like PassportCard – however, after meetings with over 50 underwriters around the world, I could say with a high level of confidence that even the conservative players immediately understand the benefits of our solution, such as the ability to steer the customer to a preferred network of providers, real-time cost containment and analysis of all claims, and utilisation of a big data solution that accumulates treatment costs all around the globe.

As for the implementation, I guess that some would move faster than others would. At PassportCard, we try to reach a win-win situation, to enhance but not to compete. We believe that in any territory, the local insurers have extremely valuable assets that could generate higher returns while being enhanced by our real-time solution. PassportCard is a proven vehicle to increase customer loyalty and sales volume, from both existing and new customers. Our experience and research show that customers are willing to pay higher premiums in order to ensure the real-time, worry-free experience.

Are loyalty schemes, perks and so on going to be key to maintaining positive consumer-insurer relationships in the future?

Until now, it is hard to see that any global player has really managed to create real customer loyalty. Unfortunately, most of them do not have any information on

their customer base, while the loyalty is to some extent devoted to the distributors. PassportCard has managed to break this paradigm. The card, as a tangible asset in addition to the unique proposition, has managed to create new levels of loyalty. We continuously monitor customers' loyalty and meet a retention level of almost 85 per cent on single-trip policies.

Your company has also spoken about the importance of streamlining the claims process – is this something that you think other insurers have been slow to pick up on?

The world is moving to online, fast and streamlined processes, especially the world of travel and tourism, where online booking of accommodations, flights and so on has become a major distribution channel. Customers expect instant and



immediate support in all verticals whenever and wherever they need it and with PassportCard, they could get it. We offer a real-time solution for almost 90 per cent of claims, e.g. office visits, outpatient cases, luggage delay and so on. Its implementation significantly reduces the cost, handling time and organisational resources that are invested in order to sort these endless cases, and enables the claim organisation to focus on the complicated emergency and life-saving cases that require their attention and high-expertise.

alternatively at an airport! We work very closely with our customers on tailoring our solution to the local needs and the design modifications requested to meet the existing mode of work. As such, a major share of my time is allocated to working with my customers. By nature, as with any new organisation, we invest a lot of time and effort in business development, creating market awareness, building a winning global team – and, most importantly, we continue to design and develop new product features to sustain our solution leadership.

What is your favourite aspect of working in the travel industry?

As someone who enjoys travelling around the globe, the travel industry is definitely a fun one to be in. The travel industry in past years has been through major changes, especially in the way its products are being presented, distributed, compared and sold to the consumer. At the same time, we see new trends in consumer behaviour and travel habits: the weekenders, adventurous travellers and so on. These radical changes are driving our inspiration and desire to bring a relevant travel insurance offering that provides the customer with the most relevant, specific, on-site, real-time service and support.

What are your proudest achievements, professionally and personally?

One of the proudest moments was when the first 'thank you' letter arrived from a German lady expressing her deep thanks for being helped and paid in real time when travelling in Majorca with her young kids. This moment reaffirmed our understanding and belief that travellers, no matter where they come from, have the same needs while being sick overseas, and that our real-time service proposition is a real revolution! ■

“ *travellers, no matter where they come from, have the same needs while being sick overseas* ”

Is it fair to say that consumers will probably be unwilling to make more of an effort at their end, and that insurers will be the ones that have to reach out and work to make the process of buying travel insurance easier and simpler?

The awareness of travel insurance is increasing. However, without product differentiation it is still the role of the insurers to 'push'. We have proven that we have the ingredients to change this. In the Israeli market, within only three years of operation, we have managed to gain almost 25 per cent market share without any advertising, while 50 per cent of our customers joined through word of mouth. Now it has become absolutely a 'pull' product.

What does a typical day in your role as CEO of PassportCard entail?

Most of my days would start in a hotel or