

Human Touch Will Define Success in Financial Services Future

Technology will play a massive role in the Financial Services sector over the next ten years. But even in a brave new techno world, it's the human touch that will really matter...

The Guardian recently published an [article written \(almost\) entirely by a robot](#), offering another clue as to how fast the technology universe is changing and shaping lives. In 2021 technology is evolving at such a fast pace that many consumers expect yesterday's science fiction to morph immediately into today's reality.

The changes will be profound for Financial Services – especially considering the explosion of FinTech innovation that has already taken place in the current 4G world. There are now over 12 000 FinTech companies operating in the global economy with a sector value of over \$4.7 Trillion.¹

But Mutoda Mahamba, CEO and founder of Solvency², cautions against getting too carried away.

'The Financial Services industry has certainly entered a new phase through the use of artificial intelligence and technology, but the human touch may yet remain a necessity for consumers,' he says. 'In fact, with the current explosion of new ways of delivering products and services, brands that use technology but also *include* quality human interactions are likely to outperform rivals.'

Solvency's success in the South African market offers a good example of Mahamba's point.

'Consumers want an omnichannel customer-experience and brokers interact with Solvency virtually, via our web application,' Mahamba explains. 'At Solvency technology is an enabler of a larger innovative experience. While a lot of that innovation has to do with product structure, we haven't lost sight of the importance of the human experience.'

Solvency offers short-term insurance cover combined with the ability to save and invest seamlessly. Clients can choose how much of their monthly car and household insurance premium (up to an average of 45%) is allocated to an Insurance Savings Account (ISA) in their name, in a similar fashion to a medical aid savings account. The client soon achieves a position where the savings portion of their policy offers effective risk cover.

'There's no doubt people are drawn to Solvency by the innovation of the product structure, we hear that time and again,' says Mahamba. 'But we also get a lot of feedback from brokers that want to offer the Solvency product to their clients. I think it's safe to say customers arrive because of the innovation and stay because of the experience.'

¹ <https://spendmenot.com/blog/fintech-statistics/>

² Solvency is an insurance product powered by New National, an authorised Financial Services Provider and registered short-term insurer

'Solvency's strength in the local market since launch mirrors a lot of the most successful FinTech players globally,' he concludes. 'I think this illustrates the fact that it's the combination of technology and humanity that will be the most powerful force in the Financial Services sector a decade from now.'