

## MARKET PROFILE – QATAR

# InsurTech developments in Qatar

The InsurTech landscape in Qatar is rapidly evolving, bringing about significant opportunities, and challenges. Democrance's Mr Michael Walsh offers some insights on the growth of InsurTech in the emirate.



Qatar is currently experiencing a surge in InsurTech initiatives as a result of the government's vision to establish itself as a prominent technology hub. According to a survey conducted by the Qatar Financial Centre, around 82% of insurance executives in Qatar considered InsurTech to be a significant driver of change in the industry.

Given that Qatar has just 12 insurers (eight domestic and four international) to cover its estimated 2.8m population, each insurer is looking to digital innovation for a competitive advantage. Well-established insurance companies have embraced digital transformation, recognising its significance in enhancing efficiency, improving the customer experience and fostering innovative insurance solutions.

One notable area of progress is the expansion of online distribution by insurers such as QIC and Doha Insurance Group. These insurers are enabling customers swiftly to acquire insurance policies directly in minutes, from general lines like

motor and home to complex business covers for SMEs.

Moreover, the inclusion of customer self-service portals facilitates convenient submission of claims, policy renewal, endorsements and digital access to policy information. This shift towards digital cloud platforms has considerably enhanced the efficiency of distribution and administrative procedures, resulting in increased revenues, reduced paperwork and overall operational improvements.

Advancements in data analytics and AI have enabled insurers to gain valuable insights from vast amounts of data. By leveraging AI algorithms, insurance companies can assess risks more accurately, personalise insurance offerings and detect fraudulent activities more effectively. This has led to improved underwriting processes and enhanced risk management capabilities.

### Opportunities in InsurTech

Qatar's expanding digital infrastructure and government's



support for entrepreneurship have created a favourable environment for collaboration between InsurTech start-ups and established insurance companies. Traditional insurers have realised the potential of technology in improving their operations and customer offerings. They are actively seeking partnerships with InsurTech firms to leverage their expertise and drive innovation within their organisations.

We have witnessed the emergence of the MENA Insurtech Association, based in Qatar, which hosted its 2nd annual InsurTech summit in Doha earlier this year. As part of the summit, the MENA InsurTech Competition took place, and the local Qatari InsurTech company, SHIELDNXT, was crowned the winner. SHIELDNXT

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provides a platform for profitable cyber insurance growth and data-driven cyber risk analytics.

Another recent success story is Meddy, the Qatar headquartered doctor booking platform that was acquired in late 2021 by Nigeria-based healthtech start-up Helium Health. It showcases the potential and attractiveness of Qatar as a hub for healthcare innovation and investment.

### Challenges in InsurTech

Despite the promising growth of InsurTech in Qatar, several challenges need to be addressed for sustained development. One significant challenge is the regulatory framework. As technology evolves rapidly, regulations must adapt to keep pace with the changing landscape of InsurTech.

Ensuring consumer protection, data privacy and cyber security are vital considerations for regulators. A clear and flexible regulatory environment will foster innovation while maintaining trust and integrity in the insurance industry.

The introduction of a new compulsory health insurance system for non-Qatari nationals and visitors, announced by the Ministry of Public Health, is viewed as a positive step forward for insurers and InsurTechs. This initiative is expected to foster a more competitive marketplace and establish a burgeoning insurance sector with the potential of 2.4m customers. The ministry has expressed a desire for international insurance companies to collaborate with local counterparts in order to expand the industry.

Another challenge lies in customer

adoption and trust. While the younger generation tends to embrace digital insurance solutions readily, there may be resistance from older generations who prefer traditional methods. Insurers need to invest in educating customers about the benefits and security of digital insurance platforms to build trust and encourage adoption.

Furthermore, data quality and availability pose challenges for InsurTech companies. Access to accurate and comprehensive data is crucial for effective risk assessment and product development. Collaboration between insurers, regulators and other stakeholders can help address data challenges and create a robust ecosystem for InsurTech in Qatar. [M](#)

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