

In the competitive short-term insurance sector, few brands have undergone as significant a transformation as Momentum Insure in recent years.

Under CEO Brand Pretorius, the company has successfully navigated industry-wide challenges—including a global pandemic, rising inflation, and multiple severe weather events—while completing a major acquisition and seamlessly integrating the new business into its operations, all amid a rapidly evolving industry landscape. Today, Pretorius is guiding the company toward a renewed vision and optimistic future.

FAnews caught up with him for insights on the company's position, recent changes, broker sentiment, climate change risks, and what's next.

Momentum Insure's resilience and strategic pivot

Brand reflects on the journey with a sense of pride and learning. "Momentum Insure was quiet for a while, but we were addressing a lot of things behind the scenes," he says. He had to reapply for his role as CEO following the significant merger with Alexander Forbes Insurance, as was reappointed just a few weeks before the pandemic struck. The merger, a major strategic move, brought unforeseen challenges. "We had the best of times and the worst of times," he remarks, acknowledging the complexity of integrating two large businesses under such extraordinary circumstances.

However, the resilience and strategic pivot of Momentum Insure has started to pay off. According to Brand, "We've had our best six-month performance in our history." The company's interim results for the financial year 2025 revealed remarkable growth, with earnings surpassing the total from the previous year. "Every single business in the group fired on all cylinders," he adds, showcasing the collective strength of the entire group and Momentum Insure's significant contribution to this success. "We were able to contribute a large dividend of 315 million rand to our group's dividend," he highlights, marking a stark contrast to the short period when they required a further capital injection to meet their solvency coverage risk appetite.

One of the standout figures from their results is a claims ratio that has improved dramatically. From operating in the 70s just a few years ago, Momentum Insure now boasts a healthy ratio in the low 50s. This, according to Brand, reflects the company's focus on applying appropriate actuarial risk management, pricing, and underwriting principles. "It's certainly not because we



are rejecting claims! It's a healthy claims ratio," he explains, further emphasising that the business is operating on solid financial fundamentals.

Customer experience... a key focus

While these numbers are impressive, Brand acknowledges that it's not just about the financials. The customer experience has been a key focus for the company. "If we do that well, then our shareholders and other stakeholders benefit," he says, reinforcing that customer satisfaction is at the core of Momentum Insure's business strategy. The company's philosophy of placing excellent and fair customer outcomes at the centre of what they do, has been fundamental to its customer service approach. "We have no other reason to exist," Brand adds, underlining that Momentum Insure's raison d'être is ensuring the trust and satisfaction of their clients.

The service improvement has been particularly noticeable in the past year, with customer complaints dropping significantly. "Fewer complaints per 1 000 claims, lower overturn ratio, much more in line with the aspirations that we have as a business," says Brand, citing a marked improvement in their Ombud results between 2023 and 2024. "But we're not yet satisfied with where we are," he admits, reflecting the continuous push for excellence.

The company's focus on service and customer satisfaction has been supported by an overarching strategic direction set by Momentum Group's CEO, Jeanette Marais. Brand praises Jeanette for her leadership and passion for exceptional customer outcomes, which have set a high standard across the group. "We've got a very explicit strategic objective as a group around client experience," he notes, highlighting the importance of a customer-first mentality in the company's operations.

The role of intermediaries in the business model

As part of this customer-centric approach, Momentum Insure has also been engaging with intermediaries and brokers to ensure that their processes are easier to navigate. "We've got a clear plan of what we have to do in the next year or two to address these things," Brand states, referencing the feedback they've received from brokers. "Intermediaries want us to design some of our processes in a way that is more intermediary-friendly," he admits, acknowledging that there is room for improvement. However, he is confident that the company is heading in the right direction, with plans already in place to make life easier for clients and intermediaries alike.

Brand is quick to point out that the company's success is also rooted in the strong relationships they have with their brokers. "The Momentum Group's success over the 60-odd years that we've been in existence is largely built on the support of brokers," he says, reaffirming the importance of intermediaries in their business model. With an ongoing focus on building relationships with brokers, Momentum Insure is confident that this network will continue to be a vital driver of growth and success.

Some key elements that set the company apart

When asked about Momentum Insure's biggest strength, Brand highlights a few key elements that make the company stand out. "We've got a very, very clear purpose as a group

to build and protect our clients' financial dreams," he says. This sense of purpose is deeply embedded in the company's culture and operational focus, providing a strong foundation for everything they do. He continues, "Our business's purpose revolves around helping our clients feel safe by protecting the things that matter the most to them," and with this guiding principle, Momentum Insure strives to build one of the most comprehensive customer value propositions in the industry.

Safety, Brand emphasises, is at the core of their offering. "We are concerned about your safety on the road, we are concerned about your safety at home, we are concerned about your personal safety, and we are concerned about digital safety," he explains. With an offering that goes beyond traditional short-term insurance products, Momentum Insure is differentiating itself by providing customers with more than just financial protection.

Navigating a complex macroeconomic environment

However, despite the promising outlook, Brand acknowledges that the insurance industry is not without its challenges. One of the biggest obstacles, he says, is navigating the complex macroeconomic environment, which has implications for inflation, supply chains, and exchange rates. "Understanding that I think is important," he states, acknowledging the added risks and complexities in the business landscape. Additionally, he points out that industry growth remains sluggish, with the challenge of growing beyond inflation rates. "Insurance penetration in our country is in relative terms reasonably low," he observes, underlining the need for more growth within the industry, particularly in vehicle insurance.

Another challenge is the rising cost of running a short-term insurance business. "It's not becoming cheaper to run a short-term insurance business," Brand notes, indicating that cost pressures are affecting all players in the market. For Momentum Insure, the solution lies in leveraging technology to optimise operations and increase efficiency. "We have to get that right with growth," he adds.

Brand discusses climate change's impact on the insurance industry, emphasising the need for adaptation. "It's an obvious reality," he says, noting that insurers must understand risks like geographical and flood exposure. While climate change, urbanisation, and infrastructure challenges are significant, Brand remains optimistic about the industry's role in addressing them.

He concludes with a final message for brokers and industry professionals: "Momentum Insure was a little bit quiet for a while, but we are back, and we are confident," he says. With a renewed focus on customer service, strong growth figures, a compelling value proposition, and a clear strategy for the future, Momentum Insure is poised for continued success. And with Brand at the helm, the company is well-positioned to face the challenges ahead and continue building on its legacy of providing outstanding service and protection for its clients. •