

## Marketing strategy for Takaful institutions in Europe



**TAKAFUL & RE-TAKAFUL (EUROPE)**

By Ezzedine Ghlamallah

The marketing approach for Takaful institutions in Europe has to be based on a triple vision: cultural, organizational and strategic. Marketing must reflect the institution's atmosphere; it must have the purpose of maintaining coherence of actions and ensure veracity of speech. As in all key areas of the institutions, the commitment of leaders is essential.

Marketing can be defined as the effort to adapt organizations to competitive markets, in order to influence the behavior of the public on which they depend, by an offer whose perceived value is higher than competitors.

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Marketing is therefore not only a customer-oriented mindset but also focuses on profitability. It is the set of techniques that enable the meeting of products and services intended to satisfy the expectations and needs of consumers.

Today, the power of customers is growing, thanks to the development of blogs, forums and social networks. It is possible to enquire before a purchase, to testify as a result of good or bad experiences, to propose improvements to products and such. The institutions must learn to consider this in a transparent and respectful manner.

The roles of marketing in Takaful are on multiple levels as follows:

- At the institution's highest strategic level

- At all levels of the institution as a market scout
- At the operational level as a sales accelerator, and
- On the internet for the animation of networks.

Key success factors of Takaful on the European market are as follows:

- Take into account technical and management constraints without cannibalizing marketing
- Integrate the network dimension into product design and marketing actions
- Addressing brand communication and communication in synergy
- Integrate the internet and ICT dimension into all strata of the institution
- Ensure a good coherence between the marketing actions and the environment of the institution
- Ensure a good mix and consistency over time of marketing actions, and
- Pricing policy determination regarding existing offers on the market.

### Pricing policy determination regarding existing offers on the market

In insurance, the price is part of the product offer; the price must always be competitive and its determination is carried out according to a two-fold approach as follows:

- Objective, determined by actuaries and lawyers on the basis of technical characteristics: technical components, performance and associated services, and
- Subjective, determined by consumer perception: product concept, positioning and branding.

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The price factor is decisive in order to capture the shares of this concentrated market. Demand is elastic and low-switching costs allow consumers to easily change insurance.

The offer may also try to play on other parameters such as service, quality and highlight its religious compliance through awareness campaigns.☺

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