

## Allianz-Tiriatic Protect the Customers to Stay in Charge

Interview with *Virgil Soncutean*,  
CEO - Allianz-Tiriatic Insurance



**Q: Connectivity has a powerful impact in all business areas, from SMEs to multinational corporations. As businesses try to find the fastest and most optimal connections, they are exposed to big threats, from cybersecurity to data leaks. How can the insurance companies help them reduce risks?**

**Virgil Soncutean:** The development of the technology came with enormous opportunities but also with new risks which in the past we didn't even think about. We are now faster, more connected with our customers, but we are also more vulnerable. According to the Allianz Risk Barometer 2019 study conducted by Allianz for more than 8 years, in 86 countries, Cyber incidents are tied with Business interruption as one of the top business risks globally. Cybercrime now costs an estimated \$600 billion a year worldwide. This losses represent almost three times Romanian GDP in 2018.

The good news is that for all these new risks, the insurance industry is getting ready with appropriate solutions. Allianz-Tiriatic provides cyber-insurance solutions which allow companies to protect themselves in case of violation of privacy of personal data; violation of corporate data confidentiality; liability for incidents caused by IT network insecurity; media liability (for media companies); business interruption during the period when the insured's IT systems are inactive as a result of a cybernetic attack; theft by hackers (theft of funds from third parties for whom the insured is responsible) and even costs related to reputational consultancy and damage mediation costs.

Who is exposed? All medium and large companies

are. Companies holding large volumes of personal data, companies using digital processes related to their business as manufacturers, telecoms companies, carriers etc. We are all exposed.

**Q: What is the relation between creating economic value and creating social value? What will be more important and why?**

**Virgil Soncutean:** Worldwide, the insurance industry has a unique and powerful connection between its growth and social value because insurance is about protecting the wellbeing of a society and its people.

The insurance industry has, above all, a social role, by providing people with financial solutions to continue their businesses, to protect their health and their families by closing a financial gap that is beyond individual possibilities in a difficult moment of their life time.

Based on the pooling concept, where we all contribute to help people in times of need, we keep the circle of life in the most difficult moments.

When the insurance industry grows - it becomes more powerful and more capable to protect the people, and as a consequence, the economy grows despite unpredictable events.

One insurance company cannot achieve financial success without contributing to the social wellbeing. The insurance industry is also a provider of trust and confidence for people to dare for more.

Can we imagine a world were you cannot insure your million RON business in case of fire or natural disaster? Why would you start a business in the first

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# INSIGHTS FROM BUSINESS LEADERS

place if you are sure that you may lose everything in a second?

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**Q: In terms of Net Earned Premium (NEP) what will be the optimum contribution for the motor segment and non-motor segments and how does digitalization help you reach such an optimum contribution?**

**Virgil Soncutean:** In order to keep our promises towards our customer, we need to stay financially strong in difficult times, to keep a balanced portfolio, to reduce exposure on one particular segment or type of risks, and to be resilient.

We have learned all those lessons the hard way from the ten years ago, when our exposure on motor was above 95%. Today, we reduce our exposure on motor to around 50%, while the overall company was growing and this makes our company better prepared to protect our customers in volatile and turbulent economic times.

We continue to work on our company's fitness to adapt to our new customer and employee needs, to the new political and economic environment, to the new reality which becomes business as usual.

For 25 years, Allianz-Tiriac has been protecting the customer to remain in charge.

*Check the Allianz Risk Barometer 2019 on YouTube!*



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