

**Date:** 17.12.2018

**Publication:** Moneycontrol.com

### [Insurance protection is best accessory for your smartphone](#)

Mobile protection policies compensate for the loss incurred due to any accidental means such as theft, screen damage, and water damage

Last Updated : Dec 17, 2018 12:48 PM IST

Tapan Singhel

As per a recent report, India has surpassed the US in smartphone sales in the third quarter of 2018. With the e-commerce segment driving cellphone sales, India is set to cross the 50 million mark in a year for the first time ever in 2018. Apart from buying smartphones, Indians are also richly invested towards accessorising it with unique phone cases, headphones and power banks among others.

As per another report, the market of mobile phone accessories was valued at USD 1.42 billion in 2016 and is projected to garner USD 3.54 billion by the end of 2024, growing at a CAGR of 10.5 percent over the period.

The biggest factor contributing towards this is the rising young population who use accessories such as phone cases as a style statement to differentiate their phones from their peers. The protective screen guard is also a top choice since we all are aware of the costs associated with a damaged screen. While at this, the e-commerce sector has also introduced insurance as a concept to the millennials through mobile insurance policies that protect phones from any possible damage.

At nominal prices, these all-risk mobile protection policies compensate for the loss incurred due to any accidental means such as theft, screen damage, and water damage.

There are however other insurance policies that are of utmost importance for your cellphones:

#### **An extended warranty policy:**

Today a smartphone has replaced all other gadgets. While most manufacturers offer a single year warranty for mobile phones, an extended warranty helps take this cover to up to three years.

You can typically purchase an extended warranty from your phone manufacturer, but not all of them offer it. It is backed by an insurance policy, which helps service the customer in case of any warranty related issues, using service partners. Such an extended warranty policy is relevant even more so because of the several budget friendly smartphones setting base in India.

Customers buying this cover can be rest assured that any eventuality arising out of manufacturers' defect can be covered. However, this does not cover theft, burglary or accidental physical damage since it is an extension of the manufacturer's warranty.

### **Individual cyber insurance**

In earlier times, theft of wallet was a concern. But today it has been replaced with digital worries like criminals digitally breaching into social media accounts, spoofing identity, or stealing bank details whilst an online transaction is underway through your smartphone.

A cyber-insurance policy covers you against all such modern day evils such as loss of funds to online fraud, identity theft, cyber stalking, phishing, cyber extortion and malware attack. For example, if a customer falls victim to a phishing scam, the cyber-insurance cover will not only pay for the loss of fund but also incur the cost of filing a criminal complaint against the culprit, once found.

Also in cases of cyber extortion, the insurance company will pay the costs of hiring a specialised consultant to mitigate and minimise the loss.

### **Listing of cellphones in home insurance policy**

Everyone should have a home insurance bot for the building structure and the contents within. In fact, now with high end electronic gadgetry, our contents are oftentimes more expensive than the home itself.

A good home insurance cover will offer an all risk cover for your mobile phone, with an option of covering it with a world-wide cover. By its definition itself, this all-risk cover will cover your phone for any eventuality including accidental physical damage, theft and burglary.

Having adequate insurance protection is definitely one of the best forms of investments. The insurance industry hence wants the millennials to understand and equip themselves with this protective gear. Mobile insurance seems to be the best way to reach out to this clientele and make them privy to the benefits of investing in insurance as a protection against unforeseen financial losses to mobile phones.

*The writer is MD & CEO, Bajaj Allianz General Insurance*