## Sourabh Chatterjee on how technology helped Bajaj Allianz boost penetration, customer experience



*Sourabh Chatterjee* | Photo Credit: Bajaj Allianz

**Vignesh Ananthraj | 4 Feb, 2021**

Bajaj Allianz General Insurance, which has heavily focused on digital transformation in the recent past, is well on its way to automate and digitise its service offerings.

The Allianz SE-Bajaj Finserv joint venture has leveraged technology such as artificial intelligence, analytics and blockchain to launch an NLP-based chatbot Boing; solutions such as application-based motor claims settlement and travel claim settlements; as well as agri and healthcare applications.

In an interview with *TechCircle*, Sourabh Chatterjee, president and head of IT, web sales and travel at the company, detailed how digitisation helped the organisation with insurance penetration, simplified the claims processes and improved customer experience.

Edited excerpts:

**Tell us about the company's digitisation exercises in the past 12 months.**

We've been up to date with our digital transformation in the past four years and made significant investments in the segment.

Therefore, the pandemic did not catch us unawares. A week before the lockdown, we conducted drills for around 1,000 people to work from home. All the investments around end user computing, making applications internet ready and ensuring BCP were useful then.

The adoption rate of cloud, which I've been trying to push over the years, is expected to rise to 70-80% in the next two months from the current 30-40%.

**When did you decide to make your move to the cloud?**

In 2015-16, we charted a digital roadmap for the next five years. In 2017, we started our cloud journey. Lock, stock and barrel, we decided to move to a public cloud environment for ease of usage and reduced costs. All regulatory standpoints were approved -- we wanted the cloud service provider to have its data centres in India.

The cloud move was a strategic decision to shift from a fixed cost model to a variable cost model. We also saw cloud as a differentiator in terms of innovation and it helped reduce the time to market for new products and services. We went with AWS, as the services offered us quite a lot of benefits.

The entire world is moving towards data and interpreting the same in decision making. The bottomline is that we need strong use cases that can be scaled up. The questions we asked ourselves were: What are we trying to solve? Which value chain do we want to disrupt?

> The cloud is a major building block for us to become a zero data centre organisation. Currently, 40-50% of our workload is on the cloud. This number will be 80-90% in two years.

**How do you decide what needs digitisation and where the market pain points lie?**

The first step is to get 360-degree feedback from customers, employees and intermediaries, analyse the market and conduct benchmarking. We then identify the pain points and see if we need to partner with someone from the ecosystem to help us solve the problem. We not only look to large service providers, but also to insurtech and fintech firms that may be in their angel and seed funding stages.

We have a strong startup accelerator programme at the group level, along with a governance process that helps us decide whether a solution is scalable or not. Right off the road, we want to be iterative and learn quickly so that the feedback loop is strong. For example, we ran the largest employee participation-based hackathon recently, which is just one of the methods to solve problem statements.

**What are your recent fintech partnerships and how have they helped?**

Over the past year, we have scaled up our AI and NLP-enabled bot platform Boing. We started our journey with a company (name undisclosed) while it was still angel funded, and now they have already raised Series A and B rounds.

When we began our journey, we looked at very specific problem statements on the customer side, such as increasing their self-servicing features. Today, the platform provides almost 23

different services and has supported over 1 billion interactions. Currently, a third of our customers' interactions are coming through this platform. Based on customer interactions, we are also able to enrich our models on the platform.

The second example of a solution that came through a partnership is in the claims processing department. For example, for motor claims, the approval process involves the surveyor going physically to the place and checking if the requirements are met. We simplified the process through a motor on the spot solution, called Motor OTS.

In case of an accident, pictures and relevant documents can be submitted to provide proof for claim decisions within 15-20 minutes. In the backend, we have worked with a startup that has built deep learning algorithms that conducts image recognition on the submitted images. The AI recognises the car damages, the extent of the damage and then arrives at a decision on whether to approve the claim or not.

**How did Covid affect your digitisation strategy?**

We have accelerated our data and analytics side. Customers and omni-channel partners have a preference for going digital. Analytics helps with not only data collection, but also helps us service our partners and customers better.

Thus, we have pushed to create our own data layer. The collected data has been utilised to detect frauds, as well as improve with renewals and provide better services.

**How do you plan to increase insurance penetration?**

In terms of the number of mobile application downloads, we have gone up from 3,00,000-4,00,000 downloads to around 1.2 million. The number of active monthly users has increased by three to four times.

For an insurance company, the engagement for a mobile application is not as high as it is for a payment or an ecommerce site. The challenge for an insurance application is how to be with customers. A third of our customer footprint is on digital assets, which is a phenomenal increase.

Second party insurance penetration is currently at 3.2%. We are making insurance available in a simple and straightforward manner through our digital assets. For example, through a payment platform, we have been able to sell close to 8 lakh Coronavirus care policies. The product was created in April. A majority of those who bought the product were first time insurance buyers, and most of them have moved to other insurance products from us.

The platform also makes it easier for a lot of people in tier 2, 3 cities and beyond to purchase insurance plans.

**How is the application for farmers, Farmitra, helping you foray into new markets?**

The Farmitra app is one of our digital assets for crop insurance. The crop insurance itself is not bought online owing to central and state government policies. But we have more than a million farmers who use the application to not just check claim status, but also to get weather and crop advisories in multiple languages.

It also helps farmers consider investing in other insurance products, such as personal accident covers. We want to make many such products accessible to a wider audience to increase penetration.

**What projects do you currently have in the pipeline?**

We are working on data and analytics projects, as well as the next phase of cloud projects where we are collaborating on the claims side and the renewal side. We're working with a bunch of startups for these.

The policy admin transformation project is also underway. It will help us get more products into the cloud native platform. The aim is to make things accessible to customers, partners and employees on a single application.