

NON-LIFE INSURANCE

VIEWPOINT

## Bite-Sized Insurance To Grow With Advancement In Technology



**Anand Roy**  
Managing Director,  
Star Health and Allied Insurance



**Bhargav Dasgupta**  
Managing Director and CEO,  
ICICI Lombard General Insurance



**Tapan Kumar Singhel**  
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**B**ite-sized insurance has become popular recently with the rise of e-commerce-related products but how useful or relevant are these to the overall insurance needs of policyholders? The non-life insurance panel at the second edition of the Outlook Money Insurance Summit discussed 'The Rise Of Bite-Sized Insurance And Their Utility'.

The panellists for this discussion were Anand Roy, managing director at Star Health and Allied Insurance, Bhargav Dasgupta, managing director and CEO, ICICI Lombard General Insurance and Tapan Kumar Singhel, managing director and CEO, Bajaj Allianz General Insurance. The panel was moderated by Nidhi Sinha, editor, Outlook Money.

**Growth:** Speaking about the growing interest in the segment, Dasgupta said digital distribution has made it easier to sell these products. Besides, "a large numbers of fintech players such as payment companies, aggregators, online ride-hailing services and e-commerce firms have been looking to attach contextual policies with their offerings to increase the relationship depth with their customers," he said.

Roy highlighted that the concept is not new. "We started with travel

insurance, which was also a type of bite-sized insurance, where people could buy the insurance for the exact numbers of days they were travelling. But due to digitalisation, it has become more popular now."

**Limitations:** Singhel noted that lot of people are unaware of their insurance rights and as awareness increases, these products will see a pick-up.

Roy added that in the health insurance space, bite-size is not very relevant and the need for comprehensive insurance was paramount. "But what can be looked at is making the premium bite-sized for the customers," he said.

**Outreach:** Dasgupta said that the Indian culture is changing and "as the society progresses, people think of protecting themselves from new-age risks".

Dasgupta further noted that the bite-sized market is also gaining popularity in the rural market. The aspirations are not small for the rural masses, so growth in those areas is also being witnessed, added Roy.

"Rural population is very active on the social media. Also, people in tier I and tier II cities are using various online platforms for their shopping needs. So, bite-sized will happen there too in the

coming years," said Singhel, adding that there was a great potential for these products in these areas.

**The way forward:** The panellists highlighted that the insurance industry is recognising the changing needs and providing products accordingly.

"Customers have different types of risks and needs. We as an industry have to develop and design products that are easy to understand, consume and claim," said Dasgupta. One of the biggest strengths of bite-sized insurance is it is easy to understand for the customers.

All the panellists agreed that these products appealed to all age groups and especially to the millennials and the Gen-Z. "Myths and reality are very different. My father and my daughters are more digitally savvy than me. We as an industry have to put things together for all spectrums. And how we can cater to every section of customer is something that we have to work upon," says Singhel.

As technology advances, the bite-sized insurance segment will become more mature. "There is scope of tremendous innovation in terms of addressing episodic risks of individuals and providing them insurance solutions," said Dasgupta.