

How can insurance firms seize new opportunities by partnering with startups and insured techs



By K V Dipu, Senior President & Head-Operations & Customer Service, Bajaj Allianz General Insurance

The jury is still out on the symbiotic benefits that insurers and insure-techs can derive! Based on research and conversations with folks from both sides of the spectrum, here is a compendium of the approach / principles that one has gleaned on the topic:

Be clear about the reason – obvious as it sounds, the herd mentality of joining the gold rush without getting a clear understanding of the sustainable value that the underlying, modern technology or value proposition is likely to generate, can result in newsbytes but zero or detrimental impact on the bottom-line.

Fast eats slow – an important aspect here is agile decision-making. If you wait for too long, you are likely to miss the boat.

New paradigms – in a classic twist on what we have learned, “do not twist facts to suit theories but twist theories to suit facts,” the incumbent needs to have the humility to accept the new paradigm that the start-up brings to the table rather than cow it down using expertise!

Now, let us look at the opportunities that can create this handshake:

Expansion of risk categories – across the spectrum of insurance offerings, a tie-up between an established behemoth and a new kid on the block can result in a win-win-win for these two entities (new offering for the former, scale for the latter) as well as customers.

Personalized solutions – the pivot to a digital landscape across the board implies that personalization at scale is no longer a luxury but a necessity and this is precisely where legacy players with their massive customer base and fresh players with their state-of-the-art data and analytics solutions can collaborate to offer this at scale in a seamless manner.

Future-proofing – in an environment and an industry where the landscape is constantly changing, this is an area where smart incumbents and alert start-ups can work together to own disruption rather than react to it.

Let us now understand some proven examples of value pools in this area. When we at Bajaj Allianz General Insurance embarked on our digitization journey, we figured out areas (using the classic make v/s buy question) to crystallize partnerships with start-ups to create exponential experiences for our customers. Below is a list of some of these:

– **Motor on the spot claim settlement** – with our AI & machine vision driven solution, customers no longer need to wait for days (contact us, appoint a surveyor, arrange for his site visit, examine his report et al) for claim settlement up to certain amounts. All customers need to do are two steps (a) click photographs of the damaged car and (b) upload them using our mobile app. The engine conveys the extent of damage and the amount to the customer within 20 minutes. Once the customer gives his consent, the money is transferred to the customer's account!

– **AI-driven chatbot** – while bots are passe and the default norm for many industries today, we differentiate our bot in 4 ways – (1) services offered in languages beyond English, (2) availability of self-service for the top 23 categories, not just niche use cases, (3) seamless transfer from the bot to a human being in case the bot is unable to help and (4) voice integration with Alexa and Google Assistant whereby a voice command to Alexa (for a copy of the policy, for instance) results in a further "conversation" between Alexa and our bot and the result in the dispatch of the policy from our side to the customer!

– **Geo-fencing** – while many insurers offer IoT-driven telematics, we went the extra mile by offering geo-fencing (wherein customers can digitally mark the expected routes) so that they can get alerts in case the car is taken on an unsolicited route.

As Helen Keller said, *"Alone we can do so little; together we can do so much!"*