

Bots are welcome in the insurance sector

The next time your insurance company responds in a flash, it is likely that you were attended to by a bot. Some bots are also selling policies. So what else can they do?

BY SHAIKH ZOAB SALEEM
zoaib.s@livemint.com

Like other areas of financial services, the insurance sector too is adopting technology to better manage operations, including customer services. Over the past few months, some insurance companies in India have rolled out chatbots and email bots, which are powered by artificial intelligence and are already live and functioning. Most recently, Bajaj Allianz General Insurance Co. Ltd launched its chatbot called 'Boing' to address customer queries in motor and health insurance.

At least four other insurers—ICICI Lombard General Insurance Ltd, Birla Sun Life Insurance Co. Ltd, PNB MetLife India Insurance Co. Ltd and HDFC Standard Life Insurance Co. Ltd—are using bots for either customer support or sales. Let us take a look insurers are using the bots.

WHAT CHATBOTS CAN DO...

A bot is short for robot and as the name suggests, it is a robot that can chat with you and answer your queries, instead of a live person. Ajay Vij, senior vice president and industry head-financial services, Infosys Ltd said, "Today, chatbots or virtual assistants, are the most visible form of AI applications in the financial services space. Thanks to the evolution of natural language processing (NLP), chatbots are capable of answering queries, responding to voice commands and making recommendations."

Shridhar Marri, chief executive officer and co-founder, Senseforth Technologies, an artificial intelligence company, said that the current state of technology can automate several repetitive but human intensive touch points to bring about operational efficiencies with accuracies of over 80%.

"This is a significant stage but there are still a lot of puddles to cross," he said. Marri is also working with financial services companies, including insurance companies, in India.

FASTER CUSTOMER SERVICE

Not just chat, some are using artificial intelligence tools for automated replies to customer-care emails as well. It is possible that next time you write to your insurer for a copy of your policy document, you would get a fast response from an email bot. Uzma Rushdi, vice president-hub operations, HDFC Life said that soon HDFC Life's email bot, Spok would be able to email policy document to the customers. The insurer had launched the email bot in May.

Boing, Bajaj Allianz General's chatbot, is



Bots help not just customers but the customer service executives too

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already responding to customer queries on health and motor insurance. The platform also allows customers to register claims, get e-copies of policies, check policy status and claim status, and locate a branch, hospital or workshop.

"As insurance penetration picks up, this is the most customer-friendly way of servicing customers because customers get service without any wait time when they login to chat. Even if the query is complex, there is seamless transfer to a human agent and the customer is agnostic to that," said K.V. Dipu, president- head operations, Bajaj Allianz General. Further expansion will use chatbots for sales, he said.

ICICI Lombard is using its chatbot for sale of policies as well. "In the 6 months since our chatbot platform MyRA was launched in December 2016, we have received encouraging response. Over 60,000 customers have utilized the chatbot of which about 10% have gone on to getting a quote from us. We have also issued about 850 policies through the chatbot," said Sanjeev Mantri, executive director, ICICI Lombard.

Traditionally, queries are handled by human agents and there was always a small possibility of manual errors.

"Spok helps to minimise these and ensure a standardised and consistent service experience. It also gives us ability to handle volume spikes effectively, without impacting turnaround times for customers," Rushdi said.

...WHAT CHATBOTS CANNOT DO

Most of these bots are work on NLP and hence keep learning as they interact with more customers. It is also possible that a bot responds from a pre-indexed database of questions. However, for now, insurers are largely making the bots face a customer only for tasks that have an objective response. For instance, Spok reads the emails and categorises them into auto-response categories, if they are simple and the bot can respond by itself. For more complex queries, the bot looks in to the company's internal database—like product manuals and existing data—and then gives suggestions to the agents on how best to address the customers' questions. So, the bot also helps agents to commit fewer errors.

MyRA lets you buy and renew two-wheeler insurance policies. It transfers claim-related queries to human agents, as answering them is more complex. At the same time, the insurer has also started using MyRA to sell some complex products like fire and burglary insurance to small and medium enterprises.

However, this is still an emerging technology. "Expecting it to fully match human-like qualities in interaction right away is like expecting a one year old to run or even speak fluently. Right now, the technology is evolving at a fast rate and soon bots (will) get better with machine learning and deep-learning algorithms that can infuse human-like learning capabilities," Marri said.