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Insurance companies keeping online purchase simpler, easier

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THE online generation wants it simple and quick. Keeping that in mind and to push sales through internet, insurance companies are integrating with firms that can make data entry less tedious. The products are also kept simpler for easier comprehension.

Online sales could now be just 4-5 per cent of the gross written premium of the insurance industry. But the potential for growth is huge. A study done by Google India and ICICI Lombard General Insurance says that internet will influence Rs 300,000 crore to Rs 400,000 crore worth

of insurance sales in India by 2020.

According to Saurabh Chatterjee, head of IT and digital marketing, Bajaj Allianz General Insurance, companies are not yet able to come up with differentiated products for the online space. "It has to be simple and convenient. There are ways to cut the number of places for data entry," he said.

Studies have found that customers drop out during the tedious process of keying in large number of personal data while buying a product.

Integrating with agencies like Credit Information Bureau can not only provide basic data of the company,

but information regarding his credit behaviour as well.

"In many developed countries, insurance companies have aligned with credit information bureaus. They have found a correlation with the risk profile of a customer and his credit behaviour. It will not just make data entry easier, but help underwriting as well," said Gunjan Ghai, SVP and national head, branding & marketing and product development, SBI General Insurance.

In case of motor insurance, companies can pull out data about the customer and the vehicle from motor registration department. Electronic medical records can become convenient in



ON THE RISE: Online sales is now just 4-5% of the gross written premium of the insurance industry. But its growth potential is huge

the future while purchasing a health policy.

Integrating with UIDAI's aadhar database too can avoid keying in some of the basic information of the customer every time he buys an insurance product. Bajaj Allianz is working on this.

Insurance companies are also seeking the help of banks which partner with them to sell insurance products. "Being part of State Bank of India, we are now integrating with the bank on the digital platform," said Ghai.

SBI General Insurance will have access to the customer database of the bank available through the core banking solutions. An SBI

customer will soon be able to buy insurance product on the bank's internet banking portal. In SBI's in-touch digital kiosks the customer can buy the insurance product and also seek the help of the insurance selling agent of the bank through video-conferencing.

Another point where the online purchase can be made simpler is at the payment level. If insurance companies store the basic data of the customer similar to what travel portals or e-commerce companies do, the customer will have to give just the authentication proof to make the payment.

Companies are also coming out with exclusive products for the online space,

which are easy to comprehend. Aegon Religare's iCancer is one such plan offering "uncomplicated fixed benefits". The plan does not have any variant as the company feels that variants tend to confuse customers with choices.

"The conversion from search to purchase in online health segment is just 5-10 per cent now as health is a more complicated product with medical jargons. There is also no standardised basic product in health unlike travel and motor. The conversion rates are higher in travel at around 25 per cent and it is 15 to 20 per cent in motor insurance," added Ghai.

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