

Insurance companies have always used narratives laced with fear to bring in business. Brands have rarely

deviated from anxiety and assurance-driven plots in advertising and marketing campaigns. Over the past few years, however, they have been experimenting with new ways of engagement to cut across generations. And when the pandemic hit and health awareness shot up, brands in the insurance sector dialed up investment in their marketing initiative.

According to the Insurance Regulatory and Development Authority of India (IRDAI), 130 new insurance products have been launched since March 2020. Inquiries about health insurance policies have also gone northward by 30-40%.

There's a lot of headroom for brands to grow the category in India where penetration is at 3.7% as against the world average of 6.31%. Life insurance is growing at 11-12% and general insurance at 18% per annum. For standalone health insurance, the average growth rate is 35% per annum.

India is still "both under-penetrated and inadequately penetrated when it comes to insurance and that is because it is still sold and not bought," says Navonil Chatterjee, joint president and chief strategy officer, Rediffusion. "In the past, high-decibel benefit-selling has happened and yet the needle has not moved significantly because it is still considered as a grudge purchase, 'a bill to be paid,'" he adds. Chatterjee, who works with a few BFSI brands, says the category communication is now moving from 'just in case' to 'you will likely need it' tonality to reflect the new reality.

As awareness increases insurance companies are

ramping up efforts to target micro needs with new products developed in the post-Covid-19 era. For instance, Max Bupa Health Insurance launched both comprehensive and short-term products during the last few months. Interestingly, 43% buyers of the company's Corona Kavach, which is a short-term product, are in the age group of 18-30, "a consumer segment not worried about health insurance, in the past," says the company's chief marketing officer and director - digital business, Anika Agarwal. "For the first time in many years latent demand is converting into purchase, and that too rapidly," she adds. The company also launched an ad campaign featuring actor Boman Irani, to reiterate that health insurance is a necessity, especially during the on-going health crisis.

The other tough task that insurance companies faced was to equip and train their agent advisors to sell through digital interactions. The agent channel, which accounts for 41% of life insurance new business premium and 36% for health insurance, had to be moved to a work-from-home set up within days.

At Edelweiss Tokio Life Insurance, 'Dial For Success', a digital learning tool for its sales force, was launched to adapt to new needs. And it helped in business continuity. "Customer expectations have started dictating insurers' distribution experience. The concept of online vs traditional insurance buying has completely dissolved and it has

How insurance brands are ramping up marketing and advertising to address new challenges and opportunities.

By Priyanka Nair



ANIRBAN BORA

become more about ease of access for customers," says Abhishek Gupta, chief marketing officer, Edelweiss Tokio Life Insurance.

Going forward, Gupta sees online and offline distribution complementing each other to offer a unified customer experience. He adds, "With more customers embracing the DIY

approach towards financial planning, I also see more simplicity coming into product design and the overall consumer experience." The company roped in actor Sonu Sood who is hailed as a "real hero" for his work in helping migrant workers return to their hometowns. Sood was brought in to launch a new

product called 'Active Income'.

Companies are also positioning their brands as pure solution providers. Aditya Birla Capital has been hosting Facebook Live sessions with various health and financial experts to keep communication always-on and relevant. Ajay Kakar, chief marketing officer, Aditya Birla Capital, tells BE, "During these times we are not investing our marketing budgets on 'sale'. We're focussed on 'hand-holding' our customers by providing relevant information and advice, at their fingertips." The company's running programs like #MoneyforLife and #HealthfromHome. And the brand is also going the audio-only route through podcasts as more people become comfortable with

listening to content while doing chores in the current stay-at-home culture.

General insurance companies are looking at new ways to make the customer journey easier. "The Covid-19 era has also ushered in a new servicing channel of self-service, wherein customers are now more confident to self-serve their queries," says Chandramohan Mehra, chief marketing officer, Bajaj Allianz General Insurance. He cites the example of their 'Caringly Yours'

app where, for instance, images of damaged vehicles can be uploaded by insurers to avail claim. During the lockdown the company launched a 'pay as you consume' product for motor insurance and a health insurance product with a 'co-pay model' along with GOQi, a smart-tech enabled, integrated preventive healthcare platform.

Max Bupa's Agarwal believes that demand for health insurance will continue to grow through the year, moving beyond metros to Tier II and III markets. She adds, "We will also continue to invest in marketing campaigns to educate customers on the need for health insurance and also support our existing customers with value-added health and wellness services."

While companies have displayed agility in confronting the challenges of these

times, now it's time to flip the old ad script as well, according to industry experts. Mohit Joshi, MD

India, Havas Media Group, says, "The pandemic has in some way made the category's selling job slightly easier" as awareness increases and new needs emerge. However, he adds, marketers will need to take creativity up a few notches. An approach based on a scare-to-sell strategy might not be as effective on an already fearful consumer.

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#### BE SNAPSHOT

Consumers are embracing a DIY approach towards financial planning.

Demand for health insurance products is increasing in the 18-30 age group.

The industry is witnessing a rise of "vernacularisation" and voice-enabled search and services.

Simplicity in product design and the overall buying experience is one of the biggest category trends in 2020.