

REDEFINING THE INSURANCE INDUSTRY

Mr. Tapan Singhel, MD & CEO, Bajaj Allianz General Insurance

Q The COVID-19 pandemic has put a spotlight on protection. While the focus is primarily on health protection, increasingly we are seeing traction in the general insurance space as well. What kind of new products has the industry introduced in this space?

The pandemic has certainly been a catalyst in encouraging product innovation for the insurance industry. For example, the pandemic and lockdown meant that movement was restricted and hence vehicles were not used as frequently as they were earlier. This then gave rise to usage-based products like 'Pay as you go' which meant that customers can opt for motor insurance as per their motor vehicle usage. During the pandemic, we saw many standardized products from the regulator like Arogya Sanjeevani, Corona Kavach, Corona Rakshak, Saral Suraksha Bima, Bharat Griha Raksha, Bharat Sookshma Udyam Suraksha, Bharat Laghu Udyam Suraksha etc. which are insurance policies with standard coverages and policy wordings across all insurers. This meant that insurers need to emphasize in providing best in class services to their customer and enhance their experience.

The pandemic also saw introduction of sachet products like Corona Kavach and Corona Rakshak which are typically need-based products that address a specific need of a person for a specified time frame and in this case, it was

Covid-19. These products saw a good response especially from first-time insurance buyers. Modular health insurance policies were also introduced which provide customers the freedom to structure their policies as per their needs.

Q Can you share some unique initiatives that have been launched by the company, both in terms of product side innovation and customer engagement over the last few years?

At Bajaj Allianz General Insurance,

our basic fundamental is to provide our customers with products that can solve their worries and provide them frictionless customer experience through our services. It's become crucial to constantly innovate considering the type of risks and uncertainties are increasing along with dynamic changing consumer needs. Healthcare expenses are increasing year on year and to address this we introduced Health Infinity which offers unlimited sum insured to the customers. The changing lifestyle and environment has made people



more vulnerable to critical illnesses, so we launched a modular benefit-only policy called 'Citi-Care'. This policy covers 43 critical illnesses and also provides coverage in the initial and advance stages of the disease. We observed that there was a gap in the health product offering for pet dogs and hence, introduced industry's first retail comprehensive Pet Dog Insurance policy so as to provide health protection even for our furry friends. We were also the first in the industry to launch Cyber Insurance Policy for individuals considering the rampant rise in cyber-attacks.

To make the insurance process convenient for our customers, Bajaj Allianz General Insurance also has an app called 'Caringly Yours' where our customers can carry out their insurance transactions and interactions – anytime, anywhere. Some might find the motor insurance claim process tedious or lengthy, so we introduced a feature called MoTS or Motor-on-The-Spot which is available in our app where customers can instantly register their motor claim and get it settled within 20 minutes. Another valuable feature that we introduced in the company's app is called PRIME which stands for Property Risk Inspection, Management & Evaluation. It's a self-risk analysis feature for our partners and customers concerning their property insurance claim. To assist our farmers, we launched the industry's first app called 'Farmitra-Caringly yours' that offers insurance and agriculture-related services in a single app, free of cost and in vernacular languages for our farmer friends across India. You'll be amazed to know the positive feedback we have received and how easily they are using the app for customized solutions. Our effort will continue to be towards innovating and customizing products keeping in mind the benefit our products can provide to consumers and how it will reduce their financial worries during medical exigencies.

Q The current environment is all about digitization. Do you think that this is a trend that is likely to stay and make an impact on the sector as a whole?

Digitization has transformed the entire insurance value chain. It has simplified various processes and enabled insurers to be there with the customers on the right platform at the right time with the right product. Moreover, it has also helped enhance the distribution of insurance in the remotest corners of the country. Covid-19 pandemic has certainly played a crucial role in accelerating the acceptance of digitization and the industry too is leveraging various digital tools to be there with the customers in such challenging times. While I feel that insurance sale can happen best in-person, we learnt that digital tools are as effective. You can forge relationships and convince people about insurance virtually too.

I feel that digitization is a much needed evolutionary stage for the industry and is here to stay. Customers today want instant resolution to their queries and need services which are just a click away. It has become crucial for the insurers to be present at every touch point in order to stay relevant and also increase the penetration of insurance in our country.

Q How has Bajaj Allianz General Insurance embraced digitization?

In my opinion, if you want to stay relevant you need to foresee the change that's about to come and be prepared for it, if not lead it. At Bajaj Allianz General Insurance we have always been ahead of the curve in terms of embracing digitization and have led various digital initiatives in the industry. For instance, our Caringly yours app is a one-stop solution for customers wherein they can get their queries resolved, purchase policy and even get their claims settled among other things. We also included Covid related features for our customers within the app like Social trackback, Doctor on Chat, etc. During the pandemic, in order to be there for customers on their preferred platforms we integrated our chatbot BOING on WhatsApp and Signal app. Our customer grievance ratio has been amongst the lowest in the industry and with the help of various digital tools enabled during the pandemic it went down further by about 90%.

We've always believed in keeping our customers at the center and accordingly devised our digitization strategy. Only if a particular initiative is relevant for our customers and benefits them, do we proceed with a particular initiative. We were the first in the industry to launch Virtual Sales Office (VSO) model, which is basically a person equipped with tablet who can serve customers end to end in Tier II and Tier III cities. It has enabled increase our reach, today, we have VSOs in over 1000 cities and this model has now become an industry practice. We are constantly working towards understanding the customer needs and designing solutions that address their pain points. Thus, helping them to stay worry free and also making insurance an attractive proposition for them.

Q What is your view on the way forward in terms of how insurance companies can effectively leverage digital tools while retaining the human element?

While technology is a science, customer centricity is an art. Various digital tools can always be enabled, but the human element is irreplaceable. It's upon us to understand the customer needs, come up with use cases with relevant solutions and implement them accordingly. Hence, I believe that both digital tools and individuals can complement each other. Tasks which are mundane, can be automated by leveraging technology, thus allowing individuals to dedicate their time in more complicated areas which require expertise. For instance, we integrated our chatbot BOING on WhatsApp for customer service. There are times when it receives an unprecedented query, in such a situation, the bot seamlessly transfers the chat to the human being who takes over and concludes the query without terminating the chat. Such approach can help optimize operations and streamline processes which in turn leads to enhancing customer experience with the insurer.