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How Insurance Industry Drives Awareness and Education through New Mediums

According to The Economic Survey 2022-23, life insurance penetration has gone up to 4.2 percent in 2021 almost similar to what it was a year before that. To further strengthen this number, industry has embraced new mediums to drive awareness and education amongst masses for better uptake of life insurance.

Insurance is a vital component for financial planning and safeguarding individuals, businesses against unforeseen risks. However, in present scenario insurance literacy still remains a very prominent challenge, with many people lacking a clear understanding of insurance products and their illustrated benefits, the accurate proposition of insurance as a financial tool hasn't reached its epitome yet.

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Embracing New Mediums

Traditionally, insurance companies relied on agents, brokers, and printed collaterals or brochures to educate masses about insurance. Seminars and workshops were also some of the popular avenues for disseminating information. While these methods still remain relevant in certain pockets, industry has recognized the need to adapt to changing times and embrace new mediums which is quick and error free.

The growing significance of digitization and internet penetration has driven insurance companies to adopt innovative strategies falling in line with the "Insurance for all by 2047" objective set by the IRDAI. They insurers are actively developing and promoting simple insurance products such as PMJJBY to enhance financial inclusion and boost insurance penetration. This mandate from the regulator is a crucial requirement that must be seamlessly integrated into every insurer's operations and offerings to expand accessibility and ensure widespread coverage.

Digital platforms and social media: Insurance companies these days are leveraging the power of digital platforms and social media to reach a wider audience in a shorter span. Companies create informative and engaging content, including articles, videos and infographics to educate consumers about insurance concepts, coverage options, and the benefits coming from various insurance policies. Digital platforms provide a convenient and accessible way for individuals to learn about insurance at their own pace assuring convenience and ease. Insurance premium calculator is one such example that acts as a valuable tool that allows quick and easy comparison of insurance plans based on various parameters. Using an insurance calculator is one of the unique mediums in which buyers can quickly evaluate their needs and make an informed decision of choosing an appropriate insurance plan for themselves and their families.

Gamification and simulations: Insurance education is being gamified to make it more interactive and understandable for the younger audience. Companies are developing educational games and interactive digital mediums that allow users to experience real-life insurance scenarios, helping them understand the insurance and its practical applications. Gamification not only enhances learning but also promotes active engagement and retention of information making a long term impact.

Podcasts and webinars: Insurance-focused podcasts and webinars have gained popularity as effective mediums for delivering in-depth knowledge and insights as it provides engaging and interactive learning experiences to the perspective buyers. Industry experts and thought leaders discuss various insurance topics, demystify complex concepts related to insurance and provide practical tips for consumers to avoid the trap or miss-selling related to insurance. These AV interviews and discussion allows individuals to get into anything which relates to their kitty and give them an opportunity to understand the concepts basis their convenience.

The availability of educational content on new and evolving platform ensures that individuals can access information anytime, anywhere, using multimedia devices. This accessibility overcome barriers and enables a broader range of people to learn about insurance. Through data analysis and user profiling, insurance companies can deliver customized content that caters to individuals' specific needs, preferences, and levels of understanding.

The insurance industry is continuously evolving and has begun integrating Artificial Intelligence (AI) and Machine Learning (ML) in their operations. Chatbots and virtual assistants on websites and mobile apps have helped enrich the customer experience by delivering personalized guidance, answering insurance-related queries, and even educating consumers about the insurance products. Powered by AI, the companies are able to offer real-time information in an engaging manner. What's more, in an era where cyber security has become a crucial business risk, usage of blockchain technology can help revolutionize the insurance industry by ensuring secured information sharing.

Awareness and education are vital in the insurance industry empowering individuals to make informed decisions for their financial well-being. Looking ahead, the industry has promising prospects for calibrating awareness and imparting knowledge through innovative technologies. Continuously adapting to evolving trends and consumer preferences is crucial for the industry to improve educational initiatives and ensure a financially secure future for individuals and communities.

This article has been authored by Vikas Gupta, Chief Compliance Officer, Canara HSBC Life Insurance.

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