

Digitalisation push set to boost insurance sector

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Be it life, general or health insurance, an individual would need protection against the vagaries of “uncertainties”. Therefore, it is important that insurance companies offer customised solutions to the populace. The growth in the insurance industry has been muted over the past few years. The potential that the country offers is not reflecting in the insurance penetration.

Technology will play a big role in closing this gap. The enabling macro environment that the country presents today is - an ecosystem being readied which is technology enabled, payment system being integrated (UPI, debit/credit card etc), customer information being consolidated under Aadhar & most importantly internet penetration slated to reach 700 million within three years.

The three pillars of a customer life cycle ie prospecting, onboarding and service will be put to better use through digitalisation. Companies have already started coming up the curve in each of the areas mentioned. Product pitch and input of customer details have already gone digital. Customer payments is now on centrestage, given the focus on digital payments. The onboarding process is fairly evolved and the industry has done well over the past two years

to refine it. Additionally, service is another area where the customer uptake has been slow and needs to be improved. This will lead to faster resolutions, enhanced service levels and cost optimisation for companies.

To summarise, industry needs to work integrating the first pillar in the customer acquisition stage (prospecting) for a seamless experience to the customer. For the second and third pillar



— onboarding and service, it needs to focus on increasing “consumer awareness” on the value that is being offered (through digital) so as to promote adoption. For a consumer with the adoption of technology, apart from improved service levels the cost advantage would be passed on to them, resulting in better value for the products.

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