

Digital cuts insurance mis-selling

Tarannum Hasib

The financial sector is taking quick strides towards digitisation, ensuring services and products are available to consumers online at the comfort of their homes.

Online transactions provide the ease of buying and engaging into insurance processes from home. However, digital shopping process entails developing the portal, procurement, distribution and payment which is enabled by digitisation.

Companies are accelerating the digitisation of their business processes to keep pace with growing expectations. This also includes reduced documentation and developing automated decision making. Let's say Paying insurance premiums, redeeming funds and retrieving tax statements can be done from the mobile phones. In fact, the whole process has evolved for the financial planner with the help of tablet-based sales process. Pre installed information in tablets gives relevant information and recommends suitable plans based on the age and life stage priority.

Digital is the operation which is performed by users. Organisations orchestrate the interactions with customers, distributors, regulators and internal teams with the help of digital platforms and tools. Simplified operating interfaces are derived for cus-



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CONVENIENCE IS KEY

- Customers expect quick delivery, seamless user experience, real-time report for purchases
- Online transactions provide the ease of engaging in insurance processes from home
- Digitisation simplifies sales process enriching customer experience

tomers for the ease of accessing the life insurance buying. All future initiatives focusing on operational efficiency and seamless processing will ride on the "technology wave".

Benefits of digital include optimisation of cost technology has enabled standardisation and customers receive instant and comparable information. The erstwhile high operating expenses in advertising for both visual and print media has been reduced substantially through digital marketing. This saving can be passed on to the customer. In the life-insurance space, online term plans are becoming popular due to the low premiums. There is a direct interface between the customer and insurer in broker's absence.

Customers navigating on the internet view a website which is informative and simple to understand. The website/app should aim at

helping the customer by providing more than just information. Today, tech savvy customers compare available products and services before making a decision. Hence the website should provide a solution to all the benefits that the customer is looking for

Digital sales rules out the element of mis-selling as the customer has to go through the buying process on their own. The customer can compare the products available in that category. To maintain the confidentiality of customer information, customer payment information is routed through payment aggregators. So, credit and debit card data is not stored with businesses.

Digital marketing portals aim at triggering the buying decision by focusing on the needs of the target audience. This is possible by maintaining a website which contains quality and informative con-

tent. The same can be achieved via email marketing and/or social media channels.

Customers enter accurate information and data gets verified instantly. Any discrepancy is flagged due to data sharing and linkage with various government and regulatory agencies.

Marrying both digital and digitisation gives rise to digitalisation which uses technology to provide an interface with the user and give solutions to address their needs in real time.

It is only with the help of digital technology that digitalisation has been able to transform a business unit model into a digital one which adds value in terms of revenue and future opportunities.

The writer is director-sales, Canara HSBC Oriental Bank of Commerce Life Insurance Co Ltd