

Digital insurance platforms offer speed, convenience, cost benefits

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The online insurance market in India has been witnessing a steady growth over the past few years. The growth has been largely led by external factors, such as rising demand for insurance products, surge in business of web aggregators, high internet penetration, change in consumer preferences, etc.

Before the advent of web aggregators in India, insurance companies mostly relied on traditional channels of distribution. And while this was an effective way of

reaching out to consumers, it provided them with limited options of making informed decision, owing to lack of comparative data. Further, in the age of technology, customers have zero tolerance towards turnaround time. As frequent users of online purchase platforms, they expect a similar instantaneous gratification for life insurance policies too. Web aggregators addressed this gap by feeding relevant information to consumers, including access to comparative prices, costs, services, consumer reviews, etc.



A customer can avail benefit of cost, convenience, speed, safety and service under one roof on an online

platform. Following are some advantages of an online insurance platform:

Value for money: Price

sensitive consumers see internet as a low-cost medium that not only offers value for money, but also saves time. The online platform brings down distribution costs and allows insurers to pass on these benefits to consumers.

Elimination in chances of mis-selling: In the absence of an agent or broker, the customer can purchase a plan using her/his judgment and not be swayed by promises of unrealistic returns.

Option to compare for suitability: The online medium provides unbiased comparisons and analysis of

various insurance products based on price, quality and other key features. It provides opportunity to evaluate the pros and cons of each product and then helps them purchase a plan, which matches with personal goals.

Secured electronic payment: Technological advancement has enabled customers to make payments based on their preferred option, credit card, online banking, etc.

Evaluating insurer's service and policyholder feedback: Buying online offers customers the advan-

tage to connect with other policyholders (directly or indirectly) and obtain firsthand information about the product/services offered by insurers. This enables the customer to take an informed decision.

The shelf life of online products is short, giving way to improvised versions to remain ahead of competition. Online platforms can be accessed anywhere anytime on mobile devices and tablets.

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