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## Canara HSBC's Mathur says hybrid models here to stay, to focus on digital infra



In a recent interaction with ETBFSI, Rishi Mathur of Canara HSBC OBC Life Insurance said that the rise of hybrid models are here to stay and will increasingly drive the growth of digital sales in Insurance going forward. He further highlighted how the company's digital infrastructure is evolving and making a shift from legacy systems to latest tech like cloud, among other topics. Read the interview here..

In line with our strategy to follow where the customers exist, the company is leveraging all digital platforms and assets to connect better with the new-age and existing customers, said **Rishi Mathur, Chief Digital and Strategy Officer, Canara HSBC OBC Life Insurance.**

"Company has built a strong digital infrastructure to ensure most of our critical customer-facing processes are digitized for end to end assistance. We are developing a mobility platform for customers which provides robust digital infrastructure for customer service and engagement," he said.

Mathur also added that while the company is focusing on building its digital infrastructure, the rise of hybrid models are here to stay.

“Considering the market situation and analysing the current trends, we expect customers will increasingly consider hybrid and digitally enabled avenues of discovery and purchase of insurance products in 2023 and beyond,” he said.

**Edited excerpts:**

**1) How is the company modernizing legacy systems? Is it shifting to cloud or related tech?**

Our Company has been consistently investing in cloud-based technologies and micro-servicing oriented architecture. This is an ongoing journey and not a destination. Technology these days is evolving at a great pace hence business needs to be transformed substantially.

These efforts have further accelerated for a few years to update and modernize platforms, in particular, our customer facing platforms such that we can scale rapidly and seamlessly while offering superior customer experience. In that context, we have been investing in cloud based systems and more than half of our applications universe is on cloud

**2) How have things changed post pandemic in online and offline selling?**

There is much greater acceptance of using digital tools and meeting options for the offline selling process, post pandemic. This has further strengthened and given wings to the sales teams involved in enabling offline purchases by customers. More than 95% of our new applications are through digitally enabled processes or through digital interfaces.

There is also increasing awareness and independent validation by customers through multiple digital modes and social engagement before and during the purchase process, which begets the requirement for an integrated and closely aligned digital journey such as the ones we have enabled with our partner banks.

Online selling has evolved and grown substantially during and post pandemic and we are increasingly seeing customers becoming more comfortable with purchasing simple savings and investment products and propositions online. The rise of hybrid and ‘phygital’ (physical + digital) models is also here to stay and will increasingly drive the growth of digital sales.

**3) Which segment or product has seen tremendous growth in recent times and what is the reason behind the uptick?**

The industry has seen recovery and return of the growth trajectory post-Covid disruptions and all segments and products are showing growth. However, the pandemic has changed the perception and risk profile of the average customer. We see an increasing appreciation of the value and benefit of life insurance and a preference for guaranteed benefits where the ‘give vs get’ is clear and not dependent on the performance of the market.

Thus the non-participating category of products including products for guaranteed savings,

protection and generating guaranteed income have seen increasing customer demand in the recent time

#### **4) Any new customer avenues which will make way in 2023?**

Considering the market situation and analysing the current trends, we expect customers will increasingly consider hybrid and digitally enabled avenues of discovery and purchase of insurance products in 2023 and beyond. New opportunities will emerge in embedding insurance within ecosystems and social networks where digital customers engage.

The customers will increasingly engage with meaningful content across various channels before they choose to make the purchase, whether it is offline or online. Hence, the availability of easy access and digitally enabled platforms - whether within distribution channels such as banks or other distributors, or where customers choose to dive into the journey on their own - will be critical to tap new avenues of growth.

Digital footprints of customers can be for the coming years as younger customers are usually searching for insurance plans over the internet and the turnaround of their buying journey over digital channels is much quicker than offline models.

#### **5) Any current product that is in synergy with the above mentioned tech-based personalisation efforts?**

Our iSelect Smart360 Term Plan offers some unique features which are industry-first and are designed to help the customer make convenient and informed choices on their term purchase process. One of the features, "Block Your Premium" has been designed in the context of increasing and changing prices for term insurance as the industry and reinsurers re-adjust their prices to reflect the emerging experience and the wider spread of the term insurance market.

It allows the customer to 'block' or fix their premium upfront for 5 years for up to 100% of Sum Assured to protect against any increase in term prices. In effect, you can guarantee the price you will pay for taking additional cover of 5 years from now at the current prices that too with no additional underwriting requirements.

The plan also offers other features and benefits such as child care benefit, critical illness and terminal illness coverage and multiple options to ensure that an individual can choose and customize the plan in line with specific requirements.

**Link:** <https://bfsi.economictimes.indiatimes.com/news/insurance/canara-hsbc-mathur-says-hybrid-models-here-to-stay-to-focus-on-digital-infra/91874271>