



**NATIONAL
INSURANCE
ACADEMY**

**18th Insurance
Summit**

**BROADENING THE HORIZON:
NAVIGATING TOWARDS A FULLY INSURED INDIA**

MONDAY 10TH OCTOBER, 2022

INSURANCE SUMMIT PROCEEDINGS



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BACKGROUND OF THE SUMMIT



The 18th edition of the annual Insurance Summit, hosted by the National Insurance Academy (NIA), was held on October 10, 2022, at the Hotel Trident in Mumbai. The theme for this year's event was "**Broadening the Horizon: Navigating Towards a Fully Insured India.**"

The summit began with a welcome address by Mr. G. Srinivasan, Director of NIA. The event featured special addresses by Mr. Devesh Srivastava, Chairman and Managing Director of General Insurance Corporation of India (GIC Re), Mr. M.R. Kumar, Chairman of Life Insurance Corporation of India (LIC), and Mr. Saurabh Mishra, Joint Secretary of the Ministry of Finance's Department of Financial Services followed by a keynote address by the chief guest, Mr. Debasish Panda, Chairman of the Insurance Regulatory and Development Authority of India (IRDAI).



The first session of the summit was a panel discussion on the theme "Insurance by 2027: Strategies for Accelerating Insurance Penetration in India." Mr. G. Srinivasan served as the moderator, and the panel featured experts such as Mr. Satyajit Tripathy, Chairman and Managing Director of United India

Insurance Co., Mr. Ritesh Kumar, Managing Director and CEO of HDFC Ergo General Insurance Co., Mr. N S Kannan, Managing Director and CEO of ICICI Prudential Life Insurance Co., Mr. Mayank Bathwal, CEO of Aditya Birla Health Insurance Co. Ltd, and Mr. Sanjay Kedia, Country Head and CEO of Marsh India Insurance Brokers Pvt. Limited.

The second session consisted of presentations from industry leaders, including Mr. Sanjay Datta, Head of Underwriting and Claims at ICICI Lombard General Insurance Co., Mr. Shankar Garigiparthi, CEO and Country Manager of Lloyd's of London India, Mr. B. C. Patnaik, Managing Director of LIC of India, Mr. T. A. Ramalingam, Chief Technical Officer of



Bajaj Allianz General Insurance Co., and Mr. Amit Mishra, General Manager of The New India Assurance Company Ltd.



The final session of the summit was a panel discussion on the topic "Advancing in the Era of New Age Digitalization: Opportunities and Challenges," moderated by Mr. Aniruddha Marathe, Managing Director and Partner at Boston Consulting Group. The panellists included Mr. Prerak Sethi, Founder of RIA Insurance and Co-Founder of the India

InsurTech Association, Mr. Anand Pejawar, Deputy Managing Director of SBI General Insurance Co. Ltd, Mr. Sarbvir Singh, CEO of Policybazaar.com, and Mr. Nikhil Shrirang Kurhe, CEO and Co-Founder of Finarkein Analytics.



The 18th edition of the Insurance Summit, hosted by the National Insurance Academy (NIA), was a resounding success with over 450 attendees, including senior executives and top industry professionals. The summit featured keynote addresses, panel discussions, and presentations on key industry topics, providing attendees with valuable insights and knowledge. The theme of the summit, "Broadening the Horizon: Navigating Towards a Fully Insured India," was expertly explored by a host of esteemed speakers, including CEOs, regulators, and industry experts. The organising team, comprising PGDM students and faculty coordinators, would like to express their gratitude to all speakers and attendees for their active participation and valuable contributions to the event. Furthermore, the team has made the video recording of the summit available on NIA's official YouTube page for those unable to attend, allowing the valuable insights shared at the summit to be accessible to a broader audience. If you want to stay informed and stay ahead of the curve in the insurance industry, don't miss out on the opportunity to access the recordings of this landmark event. Follow this link to access the recordings <https://www.youtube.com/playlist?list=PL9XK8-3pK5UfAcVxvbarGTu3m>

INAUGURAL SESSION

Welcome Address and Opening Remarks by Mr. G. Srinivasan Director of the National Insurance Academy (NIA).



The inaugural session of the Insurance Summit began with opening remarks by Mr. G. Srinivasan, Director of the National Insurance Academy (NIA). Mr. Srinivasan highlighted the changing risk

dynamics, such as pandemics and climate change, which present numerous challenges and opportunities for insurers to expand their reach and develop strategies to achieve a fully insured India. The Insurance Summit serves as a platform for discussing strategic viewpoints, policy concerns, and operational and digital strategies to increase insurance penetration.

Mr. Srinivasan mentioned that insurance penetration in India is currently quite low, affecting all segments of society, whether literate or illiterate, rich, or poor, rural or urban, leaving individuals vulnerable to economic shocks. He cited several reasons for the low penetration, including a lack of awareness of the need for insurance, resistance to change, the complexity of insurance, and inadequate trust in the sector. While acknowledging the IRDAI's efforts to increase awareness, facilitate a focus on penetration, ease of doing business, digital and technological innovation, and best global practices, he stated that figures indicate that while the number of people insured with life insurance is high, they are not adequately insured. India

has a mortality protection gap of \$17 trillion, one of the highest in the world. The non-life segment also shows low penetration and density. This necessitates broadening the current insurance market, diversifying into new territories, moving beyond traditional distribution channels, meeting increased customer expectations and their improved awareness through digital innovation.

The National Insurance Academy is working with prestigious organisations such as Marsh and Swiss Re to study the protection gap and ways to reduce it. A compilation of the views of various industry leaders in the form of a book titled "Insurance Protection Gap in India: Challenges and Opportunities" sheds light on this topic.

Special address by Mr. Devesh Shrivastava, Chairman and Managing Director of the General Insurance Corporation of India

According to Mr. Devesh Srivastava, Chairman and Managing Director of the General Insurance Corporation of India, the insurance industry in India has tremendous potential for growth



due to the country's large geographical boundaries and population. However, Mr. Srivastava notes that there is still a lack of awareness about insurance as a risk transfer mechanism in India, with many people instead relying on the belief in fate. Despite this, Mr. Srivastava believes that a fully insured India is achievable with the right support and initiatives.

Mr. Srivastava states that the insurance penetration rate in India is currently 4.2% for the financial year ending March 2021, up from 3.76% in 2019-20. Within this, life insurance has a penetration rate of 3.2%, while non-life insurance has a rate of 1%. The share of life insurance in the total premium is around 75%, while general insurance makes up the remaining 25%. In FY 21, non-life insurers, which include general insurers, standalone health insurers, and specialised insurers, saw a 5.19% growth in gross direct premiums. Motor insurance accounted for 34% of non-life insurance premiums, followed by health insurance at 30%.

Mr. Srivastava highlights the changing landscape of the market as a key challenge for the insurance industry, citing the future possibility of driverless cars as an example. He also notes that the pandemic has created a significant opportunity for growth in the health insurance sector, with a 13% growth in FY21.

Mr. Srivastava points out that the distribution model in the insurance industry is rapidly changing, with the share of web aggregators growing and the agency model being replaced by innovative distribution models. He predicts that digital insurance models will continue to grow due to product innovation and vibrant distribution models.

Mr. Srivastava believes that increasing Foreign Direct Investment (FDI) in the insurance industry will help fulfil India's capital requirements and increase the overall penetration rate. He also notes that India's young insurable population and the expansion of the middle class will be key factors in the growth of insurance in India in the coming years.

In conclusion, Mr. Devesh Srivastava highlights the opportunities and challenges faced by the insurance industry in India. He emphasises the importance of embracing technology and data analytics, developing customer-centric products

and services, and increasing insurance awareness through education and outreach efforts to achieve the goal of insurance for all by 2047. Additionally, Mr. Srivastava emphasises the importance of building a strong insurance ecosystem to increase insurance penetration, which includes working with a wide range of stakeholders to create a more cohesive and integrated industry.

Special address by Mr. M. R Kumar, Chairman of the Life Insurance Corporation of India (LIC)



Mr. M. R. Kumar, Chairman of the Life Insurance Corporation of India (LIC), gave a special address at the 18th Insurance Summit in Mumbai, India. The event aimed to focus on

the theme of "Broadening the Horizon: Navigating Towards a Fully Insured India". Mr. Kumar accentuated the significance of stakeholders collaborating and cooperating to boost insurance penetration and diversify into new territories, business models, and distribution methods.

Mr. Kumar highlighted the importance of insurance in achieving multiple resilience goals and driving prosperity in India. He emphasised the need to focus on increasing insurance penetration, particularly in rural areas, and suggested using technology, such as mobile apps, to reach these underserved areas. The insurance industry in India has grown significantly in recent years, with a compound annual growth rate of 11% in total premiums and 17% in new business premiums over the past five years. However, insurance penetration in India is still lower than in other

developed or developing economies.

Mr. Kumar also discussed the potential for the insurance industry to diversify into new business models, such as microinsurance, and to leverage digital applications to create new customer experiences and increase trust in the industry. The adoption of digital technologies and innovative distribution models has played a significant role in the growth of the insurance industry in India, and Mr. Kumar emphasised the importance of expanding distribution channels beyond the traditional agency model, including the use of web aggregators and other digital channels.

Overall, Mr. Kumar's address emphasised the potential for the insurance industry in India to continue to grow and expand to achieve a fully insured India. He called on stakeholders to come together and collaborate to overcome challenges and seize opportunities in the changing market. By focusing on increasing insurance penetration, diversifying into new territories and business models, and expanding distribution channels, the industry can work towards fulfilling its potential and driving prosperity in the country.

In addition to the key points mentioned above, Mr. Kumar also emphasised the importance of building customer trust and improving access to insurance products. He discussed the challenges that the industry faces in this regard, including the need to simplify the claim settlement process and make it more frictionless for customers. He also highlighted the role of technology in streamlining the sales process and enabling near real-time underwriting and policy decisions, facilitating KYC validation and other important tasks.

In conclusion, Mr. Kumar emphasised the need for collaboration and solution-oriented thinking among all insurance industry stakeholders to achieve the goal of

a fully insured India and drive social and economic development in the country. He implored industry leaders to work together to overcome challenges and seize opportunities in the changing market to drive the growth and success of the insurance industry in India.

Special address by Mr. Saurabh Mishra, Joint Secretary, Ministry of Finance, Department of Financial Services

Mr. Saurabh Mishra, Joint Secretary of the Ministry of Finance, Department of Financial Services, gave a special address at the 18th Insurance Summit in India. The event aimed to focus on the theme of "Broadening the Horizon: Navigating Towards a Fully Insured India". Mr. Mishra highlighted the need for stakeholders to come together and collaborate on solutions to increase insurance penetration and diversify into new territories, business models, and distribution channels.

Mr. Mishra highlighted the importance of insurance in achieving multiple resilience goals and driving prosperity in India. He discussed the growth of the insurance industry in



India, which has increased at a compound annual growth rate of 11% in total premiums and 17% in new business premiums over the past five years. However, he emphasised that there is still a long way to go in increasing insurance penetration, particularly in rural areas.

In conclusion, Mr. Mishra accentuated the potential for the insurance industry in

India to continue to grow and expand to achieve a fully insured India. He called on stakeholders to come together and collaborate to overcome challenges and seize opportunities in the changing market. By focusing on increasing insurance penetration, diversifying into new territories and business models, and expanding distribution channels, the industry can work towards fulfilling its potential and driving prosperity in the country.

Mr. Mishra stressed that we need to focus on two parts: accessibility and affordability. Today is the best possible time that the insurance sector can witness so much ideation going on. We have to understand all the opportunities available thoroughly. The goal of accessibility and affordability is basically "har Bharat wasi ke pass ho insurance cover", - which translates to "insurance coverage needs to be available to every resident of India". This has been possible with the launch of two schemes: Jeevan Jyoti Yojana and Suraksha Bima Yojana. To achieve this, along with the insurers, the people will have to take a leap of faith and believe in the benefits insurance provides. Another important thing is simplifying the insurance industry. The use of simplified jargon can achieve this. Insurers must create simplicity for the public while using insurance-related products and mechanisms. These are a few things that can help us jump-start the penetration.

Keynote address by Mr. Debashish Panda, Chairman Insurance Regulatory and Development Authority of India (IRDAI)

According to Mr. Debashish Panda, the Chairman of the Insurance Regulatory and Development Authority of India (IRDAI), the insurance industry in India should aspire the goal of achieving insurance for "All by 2047". To reach this ambitious target, the industry must embrace technology and data analytics to increase insurance coverage and reach the "last mile" of policyholders. Additionally, it is crucial for the industry to prioritise the needs and concerns of policyholders and

focus on increasing insurance awareness, developing innovative products, and changing the mindset about insurance.



To facilitate these efforts, IRDAI is taking various measures to increase competition, reduce compliance burden, and encourage public listings in the insurance industry. One notable initiative is the

development of a digital platform called Bima Sugam, which will serve as a one-stop shop for selling, servicing, and settlement of claims. This platform is expected to significantly improve the customer experience and make it easier for consumers to access insurance products and services.

The potential of insurance technology startups is also being explored by the industry, with the regulatory sandbox mechanism being utilised to mainstream these innovations. In order to improve the claims experience for policyholders and build customer trust and confidence, the industry must also focus on transforming distribution channels and attracting younger millennial customers.

One of the key challenges faced by the insurance industry in India is the high protection gap around 83%, in certain areas, particularly health insurance and home and property insurance. This means that a significant portion of the population is uninsured, leaving them vulnerable to financial hardship in the event of an unexpected loss or disaster. To address this issue, IRDAI has set a goal of achieving insurance for all by 2047.

To achieve this goal, the industry and stakeholders will need to develop innovative solutions and approaches to increase insurance coverage in India.

In addition to these measures, the industry must develop innovative and simple insurance products that can cover risks such as climate change, cyber security, pandemics, and catastrophes. This will require a shift in mindset towards insurance, as well as a focus on creating products that meet the diverse needs of policyholders.

To further improve the claims experience for policyholders and build customer trust and confidence in the insurance industry, it will be important to focus on time-bound disposal and the use of digital technologies such as geospatial technology, artificial intelligence, machine learning, and computer vision. These technologies can streamline the claims process and reduce the burden on claimants, particularly in the case of death claims and health insurance claims.

In addition to these efforts, the IRDAI is working towards a risk-based capital regime and a risk-based supervision framework, as well as the adoption of International Financial Reporting Standards (IFRS) in India. These measures will help to ensure the stability and sustainability of the insurance industry, as well as improve transparency and accountability.

Finally, the importance of building a strong insurance ecosystem to increase insurance penetration was also emphasised by Debashish Panda. This includes working with a wide range of stakeholders, such as insurers, reinsurers, brokers, and intermediaries, to create a more cohesive and integrated industry.

In conclusion, achieving insurance for all by 2047 will require a significant effort from all stakeholders in the insurance industry in India. By embracing technology and data analytics, developing customer-centric products and services, and

focusing on increasing insurance awareness and building a strong ecosystem, the industry can work towards a future where every person in India can access insurance coverage.

SESSION 1

Panel discussion on "Insurance By 2027: Strategies for Accelerating Insurance Penetration in India



The panel discussion on "Insurance By 2027: Strategies for Accelerating Insurance Penetration in India" brought together industry leaders from various insurance sectors to share their thoughts on the key challenges and opportunities facing the Indian insurance industry. The panel composed of Mr. Satyajit Tripathy, CMD of United India Insurance Co., Mr. Ritesh Kumar, Managing Director & CEO of HDFC Ergo General Insurance Co., Mr. N S Kannan, CEO of ICICI Prudential Life Insurance Co., Mr. Mayank Bathwal, CEO of Aditya Birla Health Insurance Co. Ltd., and Mr. Sanjay Kedia, Country Head & CEO of Marsh India Insurance Brokers Pvt. Ltd. The

discussion was moderated by Mr. G Srinivasan.

The panel discussion brought together perspectives on this germane theme, from which a vast array of valuable insights manifested, they are synthesised as below:

Simplifying Insurance Products and Processes

Mr. Satyajit Tripathy stressed the significance of simplifying insurance products and procedures to increase their availability and comprehensibility to a broader range of clients. He suggested that avoiding jargon, clearly communicating terms and conditions, and educating customers about exclusions could help to demystify the insurance process.

Addressing the Protection Gap in Catastrophic Events

Mr. Satyajit Tripathy acknowledged the challenge of the protection gap, particularly in the case of catastrophic events, and highlighted the need for collaboration between reinsurers, the



government, and insurers to minimise this gap. He noted that effective risk analysis and modelling and the use of relevant data can play a critical role in reducing the economic loss from such events. He also mentioned that not just India but developed countries too are facing the same issue.

Innovative Solutions in Motor Insurance

Mr. Ritesh Kumar discussed the need to think outside the box in certain businesses like motor and health industry and also highlighted the potential solutions being provided by insurtech companies. He noted that many bikers in the country remain uninsured and that new solutions, such as linking insurance coverage to fuel purchases, could help increase uptake.

Unrealised Insurance Potential in Rural Areas

The insurance industry has a significant untapped potential for growth in the hinterland market, where a large portion of the population and vehicles are currently uninsured. Mr. Satyajit Tripathy and Mr. Ritesh Kumar highlighted the potential for increasing awareness and uptake of insurance in these areas. Mr. Tripathy noted that a significant portion of the population in these areas is currently uninsured and that increasing awareness about the benefits of insurance



could help drive uptake. Mr. Kumar, on the other hand, said that a significant portion of vehicles in these areas are currently uninsured and that increasing awareness about the benefits of insurance

could help drive the uptake. Mr. Mayank Bathwal discussed the unrealised potential of Insurance in Rural Areas. He suggested making the insurance process more accessible and understandable to a wider range of customers by simplifying insurance products and processes.

Transparency and Speed of Policy Implementation

Mr. Ritesh Kumar discussed the importance of transparency and speed in policy implementation, noting that the insurance industry has begun to shift towards digital solutions such as Demat and Digi locker, which have helped to speed up the claim process and enable instant policy issuance to policyholders. He also mentioned that the government's Bima Manthan has resulted in speeding up the claim process.

Government Policies and Financial Regulation

Mr. N S Kannan stated that regulation in the financial sector is important, be it banking or insurance. Government policies can usher in a new era, normal regulator defines the scope of a sector, but with Mr. Panda, boundaries are being set differently. He also highlighted how Government policies could act as a great lever, just like increasing FDI from 26 to 74%. He



mentioned that it is music to his ears when he hears the IRDAI chairman saying that it wants to move from the regulation-based regime to principle-based regulation.

Access, Affordability and Awareness

According to Mr. Kannan, we often get carried away by the amount of premiums grown, but we ignore the number of claims. Insurance has a long way to go as

compared to other industries. He said to focus on three major things, they are access, affordability and awareness. He remarked that the Government's PMJJBY had greatly increased awareness, and IRDAI made it viable for insurance companies by increasing premiums. Talking about accessibility, he highlighted IRDAI BIMA SUGAM, which is one destination end-to-end solution for all insurance needs, as a moment as great as UPI was for the banking system.

Product Innovation in Life Insurance

Mr. Kannan said that life insurance has a remarkable product innovation journey. Traditionally life insurance products were endowment-related and savings oriented, then the concept of ULIPs was taken by insurers to customers. On the non-linked products side, the industry started issuing guaranteed products. Innovation is happening in both the protection and saving sides, says Mr. Kannan. There are several products in a regulatory sandbox which will lead to better products.

Reaching Out to the Masses

Mr. Mayank Bathwal stated that there is a need for a different approach for different segments of the population as the population of India is diverse and huge.



He highlighted that the Government is playing a huge role, 60 crores are covered under the Ayushman Bharat scheme. He also talked about the affordability issue and reducing the

cost of healthcare. He stressed on the need to make the customer aware and the product more relevant.

Resolving Conflict of Interest

Mr. Bathwal believes there is a conflict in the relationship between the providers and payers. He believes there is a need for different approaches to solving the problem, which can be done by aligning the problem with the final outcomes, which will help the patient. He also talked about how the company's relationship with consumers is lifelong and how the insurance company should understand its role. He also emphasised the importance of data transparency through the national digital health mission and the need for platforms where providers can engage with the customer.

Reducing Premiums

Mr. Mayank Bathwal is of the opinion that it's about the value and not about money as many middle-income people or middle-segment groups can afford new gadgets, but somehow, they can't buy health insurance as for them, health insurance seems less valuable. He also talked about how insurers can cut costs to make the policy reserve richer, along with providing more benefits to the policyholder is something that needs to be actively considered.

Role of Intermediaries in Insurance Distribution:

According to Mr. Kedia, intermediaries such as brokers and agents play a critical role in the distribution of insurance policies, but their role is limited to just selling policies. He said that one of the ways to improve the efficiency of the distribution process is by allowing intermediaries to take on more responsibilities, such as writing policy wording. He mentioned that this would benefit not only the insurance companies but also the policyholders. He also said that another way to

improve efficiency is by reducing the gap between premium payment and policy issuance, which can be achieved by leveraging technology and digitisation. Intermediaries can play a key role in this process.

Improving Claims Settlement:

Mr. Kedia acknowledged that claim settlement is another area that needs attention

in the Indian insurance industry. He said that policyholders buy policies to ensure their claims are settled in case of an event. However, the claim settlement experience in India is



not always smooth. He mentioned that introducing cashless claims in health insurance was a step in the right direction, but more needs to be done. He said that one way to improve claims settlement is by incentivising insurance companies to provide better claims settlement services. He also said that this could be done by charging a premium for better claims settlement and having mandatory claim disclosures by IRDAI in terms of number as well as amount of claims.

Leveraging the Reinsurance Market:

According to Mr. Kedia, India's reinsurance market has been growing recently, but it still has a long way to go to catch up with the global reinsurance market. He said that one of the challenges facing the Indian reinsurance market is the stringent rules and policies set by the IRDAI. He said that to leverage the global reinsurance market and increase penetration, IRDAI needs to take a more flexible approach. He

highlighted that this includes allowing more freedom of wording, proper accountability and providing more protection to policyholders. He also suggested that IRDAI should work on updating the policy wording used in the Indian insurance industry, and instead of providing the same deductible with the same limit for all policyholders, policyholders should be allowed to decide on their own deductible.

Conclusion

Overall, the panel discussion provided valuable insights into the key challenges and opportunities facing the Indian insurance industry. The panellists offered a range of strategies for accelerating insurance penetration in India, including simplifying products and processes, addressing the protection gap in catastrophic events.



SESSION 2

Presentations on “Looking through a New Lens: Moving Towards Consumer Centricity”

The summit's second panel featured industry experts' presentations on the topic of "Looking Through a New Lens: Moving Towards Consumer Centricity". The presentations covered a range of relevant topics, such as innovative products to mitigate changing risk dynamics by Mr. Sanjay Datta, Head of Underwriting and Claims of ICICI LOMBARD General Insurance Co, Role of Reinsurance in Increasing Insurance Penetration by Mr. Shankar Garigiparthi, CEO & Country Manager of Lloyd's India, Reaching the Unreached: Going Beyond the Traditional Methods of Distribution by Mr. B. C. Patnaik, Managing Director of LIC of India, Service Excellence: Adding value to the customer by Mr. T. A. Ramalingam, Chief Technical Officer of Bajaj Allianz General Insurance Co and lastly,



Customer Centricity: A Way Forward by Mr. Amit Mishra, General Manager of The New India Assurance Company Ltd. All of them presented valuable insights and

ideas that attendees could consider as they moved towards a more consumer-centric approach in the insurance industry and the key takeaways from each presentation were concepts and strategies that could be applied in the immediate term to enhance the industry.

The presentation round was yet another thought provoking and enriching round that generated a plethora of insightful perspectives, some of the actionable insights are mentioned below:

Innovative Products to Mitigate the Changing Risk Dynamics

Mr. Sanjay Datta, Head of Underwriting and Claims of ICICI LOMBARD General Insurance Co, presented on the topic “Innovative Products to Mitigate the Changing Risk Dynamics”



According to a recent analysis, the dynamics of risk are rapidly changing in the insurance industry. In order to foster innovation within this field, it is crucial to

understand the key phases of exposure, limit products, and experience-related products. These phases will evolve as the industry continues to develop.

One major factor that must be taken into account when looking to innovate within the insurance industry is risk-based pricing. Talent development is also crucial, as the insurance industry requires a diverse range of skilled professionals to drive innovation. Another important consideration is understanding the differences in

customers, as different market segments will have different needs and wants.

Product approval processes are also a key consideration. For B2B products, the process is "use and file", while for B2C products, it is "file and use". This means that B2B products must be used before they are approved for sale, whereas B2C products must be approved for sale before they can be used. Own damage products are typically developed through add-ons, which in turn are developed based on the needs of different industries.

Regulators have also played a significant role in fostering innovation by giving a "green flag" to floater policies, such as "pay as you drive" policies. This allows for more flexibility in the way risks are priced and insured.

He also emphasised that looking forward to two key things is important. First, there is the principle of behaviour which can be used to predict future behaviour. Second is the data from consumer behaviour which will be used to develop long-term, sustainable products that meet the market's needs. Servicing channels also play an important role in this development, as they are a crucial link between the products and the customers.

In conclusion, fostering innovation within the insurance industry requires a deep understanding of the changing dynamics of risk. This includes understanding the key phases of exposure, limit products, and experience-related products, as well as considering risk-based pricing, talent development, and customer differences.

Role of Reinsurance in Enhancing Insurance Penetration

Mr. Shankar Garigiparthi, CEO and country manager of Lloyd's India, addressed the role of reinsurance in enhancing insurance penetration in India during his speech. He began by defining reinsurance as "insurance of insurance" and

explained how diversification can aid in increasing insurance penetration in the country by attracting foreign players.

Mr. Garigiparthi highlighted that the implementation of a "loss transfer portfolio" is a new and innovative product that is expected to encourage more investment in the capital market. He emphasised that it would allow market experts to diversify their loss portfolio, thus fostering overall growth in the insurance sector.

In addition to discussing the benefits of new products, Mr. Garigiparthi also touched on the issue of penalties imposed on those in the business sector in India. He stated that this act of penalising discourages foreign players from entering the Indian market and said, "forget penalising, they should get incentives to increase their business growth."

Reinsurance can also help in risk management by reducing the overall risk of the insured by spreading the risk among a number of reinsurers, in turn, increasing the capacity to underwrite more risks, he said. Reinsurance not only provides the capital needed to underwrite new business but also helps insurers to manage their balance sheets, making them more resilient and stable in the long term.

He also emphasised the role of retroceding in reinsurance, which refers to the practice of reinsurance companies passing on some or all of their risk to another reinsurer. This allows



reinsurers to further diversify and manage their risk. This can be beneficial for both

the reinsurance company and the insured as it allows for better risk management and enables insurers to accept larger or more complex risks.

In conclusion, Mr. Garigiparthi discussed the importance of reinsurance in enhancing insurance penetration in India. He highlighted the potential benefits of new products, such as loss transfer portfolios, and the need to incentivise rather than penalise businesses. He also emphasised the importance of diversification in the reinsurance industry and the role of retroceding in risk management. He said that the active involvement of foreign players and the adoption of new products and business practices could help to further increase insurance penetration in India.

Reaching the Unreached: Going Beyond the Traditional Methods of Distribution

Mr. B. C. Pattnaik presented on the topic of "Reaching the Unreached: Going Beyond Traditional Methods of Distribution." He began by discussing how insurance in India has grown since Independence in terms of GDP and Life Insurance Premium density.



Mr. Pattnaik then addressed the challenge of reaching under-served segments of the population, such as workers in the unorganised and organised sectors, small

and marginal farmers, members of self-help groups (SHGs), and CAIF traders. He highlighted micro insurance as one potential solution for this problem but

acknowledged that the perceived drawbacks of significant investment and long-term continuity, as well as the lack of compensation for intermediaries operating under micro insurance regulation, might have contributed to a protection gap.

He emphasised that a life insurance customer primarily seeks three things: returns to improve their standard of living, capital formation for old age, and being part of a group to avail the benefits of group insurance. To this end, Mr. Pattnaik provided a detailed explanation of Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), a government-backed life insurance scheme. He discussed the underwriting parameters, coverages, and claims under the scheme PMJJBY, which can function through bancassurance methods. He also mentioned that it holds the potential to enroll another 10 crore members with a little bit of regulatory support. Similarly, he also discussed PMJJBY- SHG and PMJJBY-URBAN which holds the potential to enroll 2-3 crore members and 10 crore members, respectively.

He concluded his presentation by emphasising that with the right regulatory support, there is significant potential to enroll additional members under micro insurance schemes, thus helping to close the protection gap and reach the unreached segments of the population.

Service Excellence: Adding Value to The Customers

Mr. T. A. Ramalingam, addressed the topic of service excellence in the insurance industry, emphasising the importance of focusing on customer issues. He noted that in recent years, the industry had shifted its attention to the retail



business.

He highlighted that the insurance industry has struggled with a lack of customer satisfaction in spite of a high loss ratio of 117%. Still, then, customers are often dissatisfied with the claims experience, leading to a trust issue between the industry and its customers. He acknowledged that as technology advances, customers expect more information at their fingertips, increasing awareness and raising expectations for customer satisfaction.

He emphasised that the pressure to improve customer satisfaction has increased as a result of the rise in e-commerce, which has set a high standard for convenience and ease of use. In order to address this, the insurer's company have adapted new ways to enhance customer satisfaction, such as the launch of the 'Farmitra' application, which is a simple and easy-to-use app that deals with claim settlements. The aim of this application is to increase insurance penetration in rural areas.

In addition to this, Mr. Ramalingam mentioned that the company recognised that during health claims, customers often experience a heavy paperwork process which can be overwhelming. To address this, the company have appointed a dedicated person to assist customers in getting a better and hassle-free experience.

Mr. Ramalingam concluded his speech by stating that the insurance industry has evolved and has the potential to do much more in terms of customer satisfaction. He suggested that the industry should take inspiration from companies like Amazon and Flipkart and strive to improve the customer experience by offering what customers want. He said that by doing so, the insurance industry could further increase the penetration levels in the targeted areas.

Customer Engagement: Global Best Practices-

The final presentation of the session was led by Mr. Amit Mishra, who focused on the topic of "Customer Engagement: Global Best Practices." He began by defining the term "customer centricity," which he explained as placing the customer at the center of the business rather than the process or product. Mr. Mishra emphasised



that a policy-driven approach, where customers are expected to adapt to products, leads to a lower product market fit, increased cash burn, and more risk. In contrast, a customer-centric

approach, where the industry adapts to customers, results in a lower entry barrier, greater sustainability, and higher brand growth.

Mr. Mishra highlighted that a key challenge facing the insurance industry is the low penetration of insurance products, which he attributed to a lack of customer centricity, personalisation and a one-size-fits-all approach to product development. He pointed out that there is often a mismatch between the products offered by insurers and the needs of customers. To address this issue, Mr. Mishra recommended that insurers focus on the continued development of digital initiatives, simplified products, new communication channels, a hybrid experience, and low-premium products.

To achieve customer centricity, Mr. Mishra emphasised the importance of understanding customers, developing modular products, optimising channels,

integrating those channels, managing the customer experience, and, if necessary, changing management practices. He also discussed various digital enablers of customer centricity, such as data analysis, artificial intelligence, and automation. He concluded the presentation by stressing that implementing customer-centricity will drive the industry forward and ensure long-term growth.

The second session of the summit provided valuable insights into how to move towards a more consumer-centric approach in the insurance industry. The presentations covered a range of topics, including innovative products to mitigate changing risk dynamics, the role of reinsurance in increasing insurance penetration, reaching under-served segments of the population, service excellence, and customer centricity as a way forward. Industry experts offered well-researched and reflective ideas on how to address these issues, and attendees were able to take away key concepts and strategies that could be applied in the immediate term to enhance the industry.

The focus on consumer-centricity is becoming increasingly important in the insurance industry, as consumers are looking for more personalised and tailored products and services. The session provided valuable information on how to meet these needs and stay ahead of the competition in the industry. Overall, the panel was a great platform for the delegates to learn and gain insights into the current trends, challenges and solutions in the insurance industry.

SESSION 3

Panel Discussion on Advancing in the Era of New Age Digitalization: Opportunities & Challenges



The panel discussion on advancing in the era of digitalization centered on the opportunities and challenges of the insurance industry in India as it moves towards more digital channels and technologies. The moderator, Mr. Aniruddha Marathe, began by discussing the growth of the industry and the digital themes that are driving it, including the digital enablement of traditional channels, online distribution and partnerships, and end-to-end customer journey of digitalisation.

The panellists discussed the shift in consumer behaviour, particularly in the middle-income segment, and the role of data analytics in driving this change. Mr. Nikhil emphasised the success of the Unified Payments Interface (UPI) in giving consumers more control over their data, which has opened up new possibilities for linking financial data and improving the customer experience. The goal for many companies is to achieve a 3-click onboarding process for any customer.

The panel also touched on the future of insurtech and the potential for innovation in products for small and medium-sized enterprises, as well as the use of app-based interfaces to improve the onboarding process for customers. Digitalisation was seen as a way to improve product development and increase productivity while reducing costs.



The moderator and panellist emphasised the importance of an end-to-end approach to digitisation which can improve the customer experience and increase efficiency.

Mr. Sarbvir Singh highlighted the need for insurers and intermediaries to work together and view their business as a "common book of business" in order to be successful in the digital age. Mr. Prerak Sethi discussed the collaboration between insurers and distributors, stating that in the future, insurers will likely segment their work with these partners in order to achieve the best results.

Overall, the panel discussion highlighted the significant opportunities and challenges that the insurance industry in India is facing as it moves towards greater digitalisation. The panellists emphasised the need for insurers to prioritise the customer experience, use data and analytics effectively, and adopt an end-to-end approach to digitization in order to be successful in this new era.

After a thoughtful and enlightening panel discussion, a wealth of valuable insights were generated that will be instrumental in guiding our decision making moving forward. The insights provided by esteemed panellists are epitomized below:

The Importance of Providing Value-Added Services for Intermediaries

According to Mr. Sabarvir Singh, in the insurance industry providing value-added services beyond just policy sales, such as end-to-end solutions and assistance with claims, can lead to a stronger, long-lasting relationship between intermediaries and insurers. This aligns with the discussion's focus on the importance of intermediaries working towards a common goal



of obtaining a book of business at a reasonable price. By offering these additional services, intermediaries can differentiate themselves from competitors and demonstrate the value they bring to their clients.

Strategies for Overcoming the Challenge of Creating Demand for Insurance

The discussion highlighted the challenge of generating demand for insurance among consumers and the importance of simplifying the process and providing clarity to customers in order to overcome this challenge. Singh emphasised the role of intermediaries and insurers in educating and informing consumers about the importance of having coverage, particularly as most people do not prioritise purchasing insurance. By addressing issues such as pre-existing conditions and no-claim bonuses and providing clear and concise explanations, intermediaries can build trust and confidence with their customers, leading to a stronger and more successful relationship.

The Role of Digitization in Improving the Customer Experience

The discussion also emphasised the importance of digitisation in the insurance industry and the role of intermediaries in improving the customer experience. Singh noted that "it is the front end that matters more" and that by making it easier for customers to understand and purchase insurance, intermediaries can increase demand and drive business growth. By leveraging digital technologies to streamline the insurance purchasing process and provide a more convenient and seamless experience for their clients, intermediaries can enhance the customer journey and drive business growth in the insurance industry.

The Benefits of Digitization in the Insurance Industry

Digital distribution has proven to be a valuable tool for insurers to reach out to customers and establish partnerships beyond platforms like Policybazaar. Mr. Pejawar shared his experience of using digital platforms to streamline the insurance



purchasing process, noting that the customer's perception has changed, and they now expect a more convenient and efficient experience. By digitising the

channel and simplifying the process, insurers can increase demand for their products and drive business growth. In addition, the use of data analytics, artificial intelligence, and machine learning can help improve the quality of data and increase productivity in the channel.

The Challenges of Digital Distribution in the Insurance Industry

While digital distribution can bring numerous benefits to the insurance industry, it is important to recognise that not all customers are comfortable with purchasing insurance online. Mr. Pejawar noted that approximately 30% of the metro and urban population is not comfortable buying through an app, and 10% are not comfortable with revealing their confidential information online. It is necessary for insurers to find ways to cater to these customers and provide them with options for purchasing insurance that meet their needs and preferences.

Data Analytics as a Key Enabler for Digitalization in the Insurance Industry

Data analytics is a crucial element for driving digitalisation in the insurance industry. It can be used across various parts of the value chain, including pricing, claims, and customer service, to optimise processes and improve decision-making. Data analytics is also essential for enabling personalised and relevant experiences for customers, which is vital for driving adoption and engagement in the digital insurance space. In addition, data analytics can be leveraged with artificial intelligence and machine learning to improve the quality of data and increase productivity in the channel. By understanding their customers and tailoring products and services to meet their needs and preferences, insurers can achieve a more successful and sustainable business. Overall, data analytics plays a vital role in the success of digitisation efforts in the insurance industry, including improving the quality of data, enhancing the customer experience, and driving the adoption of new digital products and services.

The Need for Alignment of Incentives and Trust in Ecosystems

The panellists discussed the importance of aligning the incentives of ecosystem participants in order to drive the adoption of new digital products and services. Mr.

Nikhil noted that trust is a critical factor in the success of any ecosystem and that efforts should be made to educate and inform customers about the benefits and utility of new digital products. He also emphasised the need to address concerns about data privacy and security in order to build trust among customers and ecosystem participants.

During the discussion, it was noted that the deployment of capital and the provision of education and information to customers and vendors are key factors in the development and success of digital ecosystems. Mr. Nikhil emphasised the need to invest in the education and training of customers and vendors in order to

drive the adoption of new digital products and services. He also noted the importance of deploying capital to support the development and expansion of digital ecosystems.



Insurtech Innovations in Distribution and SME

Mr. Prerak Sethi highlighted the potential for insurtech in distribution and small and medium enterprises (SMEs). Specifically, he discussed the use of enhanced user interface and user experience, and app-based interfaces to streamline the underwriting process through video-based assessments, such as capturing the serial number of a television. Additionally, Mr. Sethi mentioned that insurtech companies are now selling their technologies to intermediaries, including brokers and insurance companies, and charging for their use.

Insurance Ecosystem and Insurtech Partnerships



Mr. Prerak Sethi also discussed the role of insurtech in the broader insurance ecosystem, particularly in the underrepresented and underserved SME market in India. He proposed the idea of

small insurance companies forming partnerships with specific distribution partners and insurtech companies to offer specialised lines of business. Mr. Sethi emphasised the importance of focus and partnerships with sectors such as healthtech and agritech in providing services such as adjudication and smart technology. By bringing these elements together, the insurance ecosystem can provide a comprehensive offering for customers.

Digital Enablement of Traditional Channels and Online Distribution

Moderator Mr. Aniruddha Marathe discussed the potential for digital channels in the insurance industry, particularly in terms of engagement with customers through company apps, which currently stands at less than 5%. He identified two main strategies for digital distribution: digital enablement of traditional channels and online distribution through digital platforms. Mr. Marathe emphasised the critical role of data analytics in maximising the value of data across the entire value chain, including pricing, claims, and customer service. He also highlighted the advanced public digital infrastructure in India as a necessary but not sufficient factor in realising the potential of digital channels in the insurance industry.

Low Digital Engagement in Insurance Industry

During the panel discussion, moderator Mr. Aniruddha Marathe highlighted the low digital engagement in the insurance industry. He noted that the percentage of insurance sales through digital channels is less, indicating a missed opportunity for the industry to reach and engage with customers through digital platforms.

Conclusion

The panel discussion on advancing in the era of new age digitalisation: opportunities and challenges provided valuable insights into the current state and future potential of digitalization in the insurance industry. The panellists shared their experiences and thoughts on the role of digital technologies, data analytics, and insurtech in driving innovation and growth in the industry.

One key takeaway from the discussion was the importance of data analytics in enabling insurers to understand customer needs and preferences and identify opportunities for growth and innovation. The panellists highlighted the need for insurers to embrace data-driven approaches and leverage advanced analytics tools to drive better decision-making and improve customer experiences.

Another key point raised during the discussion was the role of insurtech in driving innovation and growth in the insurance industry. The panellists discussed the potential for insurtech to enable insurers to reach new customers, streamline processes, and deliver value-added services. They also highlighted the importance of partnerships and collaborations between insurers and insurtech firms to drive innovation and address challenges in the industry.

Overall, the panel discussion provided a wealth of insights into the insurance industry's current state and future potential in the era of digitalisation. The

panellists emphasised the importance of embracing new technologies, leveraging data analytics, and fostering collaborations to drive industry growth and innovation. It is clear that the insurance industry has a bright future ahead and will continue to evolve and adapt to meet the changing needs of customers and stakeholders.



Vote of Thanks



Dr. Steward Doss, Associate Professor, NIA greeted the attendees and expressed gratitude towards the distinguished guests and speakers who had shared valuable insights throughout the Summit. He also thanked the press and media for their presence and coverage of the event, the CEOs, brokers, delegates, and the sponsors for contributing to the success of the Summit. He also acknowledged the faculty, officials and students of NIA for their effort in making this Summit a grand success.



**NATIONAL
INSURANCE
ACADEMY**

25, Balewadi, Baner Road,
NIA P. O, Pune 411045

Tel.: +91-020-27204000, 27204444
Website: www.niapune.org.in