

MUNISH SHARDA'S INTERVIEW IN BUSINESSWORLD

OCTOBER 5, 2015

'We Are Redefining The Mallassurance Model To Reach Out To Millions Of Shoppers'



Munish Sharda, Managing Director & CEO, Future Generali Life Insurance, discusses with Businessworld's Sunil Dhawan how to make things simpler and smarter for customers

What are some recent initiatives taken by Future Generali life insurance?

Future Generali Life Insurance has completed 8 years of business operations and I am happy to share that we have made significant progress across many fronts - sold over 11 lakh policies, created an agent network of 15,000 plus agents, made a mark in the employee benefit business and created an asset book of more than Rs. 2600 crore.

Our key objective is to make things 'simpler and smarter'. This begins with offering simplified product propositions, leveraging digital technology to enhance customer experience and enable operational efficiencies.

Since the last one year, we have launched 5 unique products which cater to multiple needs across the customer's lifecycle. All the products have a differentiated proposition which is in line with our simple to understand and customer-focused product strategy.

Later last year we launched an enterprise wide effort to identify areas in our back office and mid office where automation and process re-engineering could help us improve speed & quality of delivery while reducing costs. As a result of which, we are happy to report good progress made in our claim settlement ratio and turn-around-time (TAT), servicing TATs, improvement in Persistency across our direct channels and overall risk governance across the organisation. Our front office is now able to offer a larger array of over-the-counter services to our customers, which is resulting in improved customer service and satisfaction.

The two biggest drivers of our digital strategy are "enriching the customer experience" and "regaining more direct control of the customer relationship". Our recently launched website, self-service platform for customers, to-be launched e-sales platform and highly simplified customer communications are aimed at delivering a differentiated experience to customers who are increasingly demanding simplicity and spontaneity in our actions.

We run a very well managed employee benefits business drawing upon the expertise of and support from our Global Generali Employee Benefits programme. We have developed a unique portal to engage with our corporate clients and their employees by serving propositions specifically designed for them, in a way most convenient to them. The portal is an industry first as it allows our corporate clients to engage with us seamlessly and on real-time basis. We currently insure over 450 national and International corporate clients.

How do you see the growth in the life insurance industry over next 1-3 years? What are those factors that could bring about a growth in a stagnating sector?

The life insurance industry, which has seen some tough times during the last few years, is expected to grow 10-15 per cent in the current fiscal. A stable government and clear indications of expediting reforms have laid the foundation for India to regain the growth momentum, and the insurance industry is expected to benefit from the same and provide social security, employment as well as the means to deepen financial markets in India. The sector has already witnessed green shoots of improvement in terms of greater consumer awareness and trust, the proliferation of innovative products and distribution channels, and raised supervisory standards. For the industry to further unlock its potential, concerted action is required from all stakeholders.

Insurance is an industry which can drive growth through multiple pillars of innovation, technology, product simplicity, seamless processes and value creation. It generates value for policyholders who lay their trust in an insurance product, for shareholders who back the business, for distributors who depend on it for their income and the insurance company itself which interlinks all the other stakeholders. It is this interlinking, which if done in a balanced manner while keeping the costs low, creates a long-term success story.

What unique offerings can customers expect from Future Generali life insurance as far as products are concerned?

At Future Generali Life Insurance, we have a wide variety of products including ULIPs in our portfolio. Our emphasis is to offer need-based and simple solutions to customers which help them plan for their long term financial goals. We have witnessed a strong positive movement in our traditional plans sales having sizeable protection and assured maturity benefits. Apart from the 5 products mentioned above, we are soon going to launch our first online term plan before the end of this year, which is extremely unique and will drive growth across markets. Most of our products are modular in nature and are structured based on our core philosophy of simplicity, keeping in mind the customers' requirements. We have taken several steps to ensure that the products cater to all kinds of customers, can be bought through a hassle-free process, lesser documentation and most importantly are easy to understand so that they can make an informed decision.

What is the company doing to better its customer service, both pre and post sales operations?

Life insurance is a business in which both, the customer and the company derive financial value only by staying invested in the relationship over a long period of time. It is therefore important to be transparent in every transaction that we do. I believe that while selling is an act of persuasion; buying is an act of making an informed decision of choosing a product which meets one's requirements. As a company policy, we always advise our policyholders to ensure that they have understood in detail the benefits of the product they are purchasing and always verify the credentials of the agent through whom they are buying the insurance policy and also to ensure that the application form is filled by them and correct, true and complete information is shared about their health, occupation and lifestyle habits.

We have introduced stringent processes and protocols to avoid fraudulent and mis-selling cases. We have introduced a pre and post verification call system with every customer on a recorded line. On a regular basis, our customers are informed through various modes of communication to beware of any un-authorised elements posing as company representatives and avoid sharing any confidential information. There are significant efforts being taken by the company to ensure quality and transparency, keeping in mind the customer's satisfaction at all times. We have embarked on a number of projects to simplify customer delivery using technology. Our new website that we launched in January this year is just one of those. We are working on a new individual customer portal, and will soon be launching our group customer portal and agent portal. Our aim is to automate all customer communication taking manual intervention out, and make it extremely easy to understand through a simplified policy document and proposal form which is small steps towards further enhancing customer experience. We have already launched the SMS self-service app which is available to customers 24/7. We have also undertaken new initiatives to make processes simpler for our branch operations staff.

Is Generali group expected to shore up the capital base in the company and increase its share to 49 percent after the go-ahead to increase FDI?

This is a shareholder decision and they will review the regulations and decide on next steps but we have fullest support of all our shareholders and board members and they strongly believe that we are uniquely positioned to break out and grow multi fold to be an insurer of scale.

Any other important thing that you wish to share...

We firmly believe that we are uniquely positioned in the market today to offer customers a truly differentiated experience. All our current and planned initiatives are centered on that. As you are aware, we were the first insurance company in India to pioneer the concept of Mallassurance which believes in a simple philosophy of availability, accessibility and affordability. We are in the process of redefining the model and shall soon come up with an Industry first approach to reach out to millions of shoppers and make insurance accessible to them. We will also be launching our online and group bancassurance business. We will continue to expand our distribution foot print via agency channel, deepen our customer base using direct channel and are excited about the Open Architecture opportunity in the Banca space.