Unlocking Insurance Excellence Through Digital In 2020

- Digital creates and rides on an ecosystem of its own and bridges the existing gaps in the processes
- Adoption of new technologies is making processes and claims faster in the insurance sector
- Insurance companies are now churning data and making it fit for purpose for their customers

The past envies the future, more boldly in today's digital times and there is no looking back. Digitalise is the new normal today. The digital journey took a giant leap as we moved from Y2K and started the new millennium 20.00 when use cases of digital started to emerge. 20.10 saw digital emerge as a disrupting force, 20.20 would see the new world order for digital with edge computing gaining more prominence. Let us understand the problem statement that digital would solve in the insurance industry.

The need for this rapid innovation has been driven by the need to survive, stay ahead, and stay competitive. Agility is driving a lot of Key Performance Indicators (KPIs) to collapse and transform. Insurers, today are looking at increasing penetration, going deeper in areas, markets which have been untapped in the past due to various reasons, making new segments, understanding customer needs and creating new propositions.

'Why Insurance': It's Not A Debate Anymore

While I don't think there is a debate on the need for insurance any more, it's how we sell insurance, how it is bought and serviced that makes all the difference. With the scale that we are required to operate to, doing things conventionally or manually would mean that it would take a lot of time to evaluate and in a world, where things are now done at the touchpoint or point of presence, it is not feasible. It is this problem statement that digital solves seamlessly.

With handheld devices prominent than ever, social media savvy customers, millennials contributing significantly to the population, digital creates and rides on an ecosystem of its own and bridges the gap between technologies, processes and people at the backend. It empowers the customers rather than making them rely on backend processes.

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This not only makes the process agile but makes it transparent as it encourages DIY concept (Do It Yourself). The buying journeys are getting simpler, risk assessment is getting quicker,

sharper, better and intuitive, servicing is getting faster, self-servicing is seeing more uptake, claim settlement is becoming a key unique selling point, customer loyalty increasing, digital is disrupting the way we used to do insurance and is providing solutions to a range of problem statement.

Nowadays, organisations are moving away from monolithic systems and strategically adopting microservices-based architecture that provides a platform for future innovation with agility. The challenge with existing setups is to coexist, run as two separate units but eventually, all this will converge to a single digital highway.

Adoption Of New Technologies Is A Must

Enriched omni-channel customer experience with the use of platform offerings like Adobe Customer Experience Management suite makes the whole process more seamless and personalised over digital touchpoints. Artificial Intelligence and machine learning play its part in understanding customer behavior by using toolsets supported as Cloud offering by Amazon and Google.

These are extended as interactive chatbots, using Amazon Lex, Google Dialogflow, which also supports voice interfaces. The API economy is the new norm, which provides faster integration points and provides agility to innovate by using solutions like Mulesoft, Redhat Fuse, WSO2, etc., which is a transition from the traditional ESB based SOA architecture to API Management solution, supporting micro-services architecture adoption.

API Management solution provides the control and opportunity to integrate internal systems seamlessly with cloud solution offerings, providing rich capabilities designed for Open architecture buildup to support integration with business partners and aggregators. The industry has been benefiting from the adoption of Data analytics, not only for churning new propositions, but also supporting the underwriting, which is supported by AI and ML capabilities, automating the KYC processing by use of ICR/OCR and Image match capabilities.

AI and ML adoption not only improves the STP (Straight Through Processing) the percentage of policies but also support the claims process to be faster. With video and voice-based verification solution, the KYC and risks are managed better not only from a compliance standpoint but actually improve the overall customer experience.

In Conclusion

Digital, therefore, supports a scale that was otherwise not possible. It is also providing tailor-made solutions to customers through the use of data analytics. Insurance companies have already started to act like refineries, churning data and making it fit for purpose for their customers.

Digitalisation is here to stay and making processes and operations more efficient and reliable at the same time. Excellence can only be unlocked through the use of digital; it's a world trying to coexist at a time when past transitions to present and present to the future.

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