

Article Date	Headline / Summary	Publication
15 Oct 2024	Bancassurance 2.0: Embracing Digital Transformation & Keeping Customers in Focus	Women Entrepreneur India

### [Bancassurance 2.0: Embracing Digital Transformation & Keeping Customers in Focus](#)



**Alpana Singh, Head- Bancassurance, Agriculture & Government Business,  
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Alpana Singh brings with her, diverse experience from the insurance industry. She is a skilled professional, specializing in sales, negotiation, customer relationship management, and acquisitions.

In a recent conversation with Women Entrepreneurs Review Magazine, Alpana talks about the digitization of the banking and insurance space. She mentioned key factors that determine the success of strategic alliances between insurance firms and bank insurtech companies.

Given the rapid evolution of the insurance market and the increasing integration of digital technologies? How do you foresee the role of Bancassurance evolving in the next five years? What strategies should organizations adopt to stay ahead in this evolving landscape?

In the next five years, banks will be completely evolved and digitalized. The process has already begun, with new methods of reaching customers. For example, getting a housing loan online in just a few clicks is now possible. Similar advancements in digitalization are happening in insurance companies as well, as it is the future.

As digitization progresses, banks and insurance companies will become more integrated, enabling insurance products to be offered contextually alongside banking products. For instance, when buying a banking product, customers will be able to access relevant insurance coverage at the point of sale. If a savings account is opened, customers could immediately get the option to purchase health insurance, cyber insurance, or a personal accident policy.

This deep integration is crucial, providing customers with multiple insurance options to choose from. Additionally, banks can now take on multiple partners—up to nine in health, nine in non-health, and nine in life insurance. This will require banks to strategically select insurance partners that enable deep integration and can offer the best-suited options to customers.

Another key development is that bank employees must be well-equipped and trained to sell insurance products. At the point of sale, a bank employee should be trained well enough to manage without the presence of an insurance representative. They must have the right tools, automated systems, and proper training to efficiently sell over-the-counter insurance products.

With the rise of InsurTech and innovative customer engagement models, how can traditional insurance companies leverage these advancements to enhance their Bancassurance channels? What specific technologies or trends should leaders prioritize?

Banks are increasingly collaborating with insurtech companies, making it essential for the Bancassurance Channel to align closely with these technology providers. A primary area of focus should be the effective utilization of data and analytics, as these tools are crucial for tailoring customer-specific products.

Banks possess deep insights into customers' financial profiles and purchase behaviors, allowing them to segment customers based on their assets and preferences. By leveraging this information, insurers can design highly personalized and relevant products that cater to individual needs. Additionally, digital integration is vital for a seamless experience. Insurance companies must integrate their services into banks' existing digital platforms, such as mobile apps, to enable customers to make quick decisions and complete purchases effortlessly. Beyond integration, collaboration with insurtechs is key to fostering innovation. By working together, insurers and insurtechs can develop advanced solutions using machine learning, AI, and other customer engagement tools, thereby offering a comprehensive range of personalized products and services that elevate the overall customer experience.

As consumer expectations shift towards more personalized and seamless experiences, how can insurance companies in the Bancassurance space adapt their offerings to meet these demands?

We need to integrate data effectively and leverage analytics to thoroughly analyze customer data, both internal (from banks and insurance companies) and external. By combining these insights—customer portfolios, credit scores, and transaction histories—we can understand their needs and create segmented, personalized products. For instance, if a customer buys pet food or visits a vet, we can offer pet insurance. If a customer travels frequently, we can provide a global health product for international coverage. Personalized segmentation is crucial, and while we've made progress, there's still room to grow in bancassurance. Our goal is to align products with customer needs to ensure they're relevant and accessible.

Considering the increasing importance of cross-industry partnerships, what are the key factors that determine the success of strategic alliances between insurance firms and banks? How can these partnerships be structured to maximize mutual benefit and drive industry innovation?

To build successful partnerships with bank partners, it is crucial to thoroughly understand their structure and their customer base. This helps ensure that our approach is aligned with theirs. Engagements should mirror the bank's framework, though this may vary across different partners.

Traditionally, bank charters focused solely on the loan portfolio, covering only property damage or unforeseen events for specific loans (e.g., home or industrial loans). There was no holistic view of the customer's insurance needs. Now, it's essential to recognize the customer's broader requirements, such as vehicle, health, and personal accident insurance, and offer products accordingly.

Another key aspect is creating products that cater to every segment of the customer base. Effective integration across all bank verticals is crucial for this. To maximize penetration, instead of offering a single product and moving on, we should explore covering the customer's liabilities and environmental risks, such as crop or cattle insurance. This can only be achieved through a deep, strategic integration with the bank's portfolio.

For partnerships to thrive, clear collaboration and goal alignment are essential. Defining which customer segments to target and what products to offer helps maximize mutual benefits for the bank, the insurance company, and the customer. This alignment will not only protect the bank's assets but also drive industry innovation through the introduction of new products and strategies to meet unique customer needs.

With your extensive experience in transforming Bancassurance into a major player, what insights can you share about leading large-scale transformations in the insurance sector? How can other leaders foster a culture of innovation and resilience during such transitions?

For any industry to survive, resilience is crucial. In fact, businesses need to be anti-fragile—able to benefit from change. We should be so innovative and adaptive that changes become growth opportunities. For example, when we started Bancassurance, it was entirely paper-based. I've been in the insurance sector since 1989 and have managed it for nearly 15 years. Initially, the processes were manual, but over time, a hybrid model was introduced. Now, 90% of our transactions with banks and customers are fully digital, allowing us to issue policies with just a few clicks on tablets and phones right in front of the customer. This has made our processes highly efficient.

We are at an exciting juncture where digital capabilities have matured, and we have strong product offerings. Moving forward, creating co-branded products will be vital. These can be tailored to specific segments within a bank and offered exclusively to the customers of that particular bank, adding unique value to their customer segmentation.

Innovation is not limited to products—it also extends to claim settlements. Earlier, paying a car insurance claim took several months, even in the private sector. Now, with automation and the use of Gen AI, small vehicle claims can be settled within minutes. We are expanding this to health and property insurance, enabling rapid claim settlements without traditional surveys. With the support of analytics and AI, we can realign our products and make claim settlements efficient and innovative.

For instance, if someone's car is hit on the way to the office, they may not have time to deal with a lengthy claim process. Today, customers expect immediate solutions, whether for car damage or flight delays. Understanding these needs allows us to offer contextual, responsive solutions. This is where innovation meets customer-centricity. With Gen Z customers now emerging, we must adapt to their distinct needs and drive sustained innovation to achieve long-term success.

As customer-centricity becomes a crucial competitive advantage, what are some groundbreaking approaches to integrating customer feedback into the design and delivery of Bancassurance products? How can leaders ensure that these innovations align with broader business objectives?

It's crucial to ensure that we take customer feedback to offer the right product. For this, we engage directly with the bank branches, as this is the most effective way to get accurate feedback. While we have everything online, we also prioritize face-to-face interactions. We interact with both customers and bankers as needed.

Our Relationship Managers (RMs) are in regular contact with the branches, gathering their feedback and understanding their requirements. Another key practice is collecting Net Promoter Score (NPS) from each branch on a scale of 1 to 10. This helps us gauge the overall satisfaction and identify areas for improvement.

With over 80,000 bank branches tied up with us, it's not feasible to take feedback from every branch in person, so we use centralized methods, such as vendors and feedback forms, to streamline the process. These inputs help us understand if a banker is willing to recommend or use our products themselves, which is a strong indicator of product satisfaction.

Additionally, we focus on after-sales engagement to ensure that customers understand the product details, documentation, and claims process. This direct communication is critical for building trust and ensuring satisfaction.

#### Messages for Readers

In insurance, successful innovations often come from systematic feedback. Leaders should prioritize initiatives based on this feedback as they are more likely to resonate with both customers and bank staff, thereby supporting the overall business strategy. As a fearless woman leader, it's essential to always be willing to learn, continuously update your knowledge, enjoy the work you do, and never feel that being a woman makes you less than anyone else.