We receive about 89% of the business through digital channels: HDFC Ergo's Mehmood Mansoori

In a wide-ranging interview with ETCIO.COM, Mehmood Mansoori, Member of Executive Management & Group Head- Operations, IT, Marketing & Online Business, HDFC ERGO General Insurance talks about the various areas in which digital is transforming business processes and redefining customer centricity.

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A CIOs most formidable challenge (read digitaltransformation) can also turn out to be his greatest opportunity to create business value with technology-enabled business models. Mehmood Mansoori, Member of Executive Management & Group Head- Operations, IT, Marketing & Online Business, HDFC ERGO General Insurance is leaving no stone unturned in using digital to enhance the competitive posture of his company.

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Insurance is an information-based industry where data is the key ingredient. How do you, as CIO and head of marketing leverage IT to add value data analytics that produces physical products, for example?

Insurance is about effective Data mining and Data Analytics, which provide various insights into customer demographics (Behavior, preferences etc.), experience, product performance and the correlation between these factors. We create opportunities basis these insights, which helps derive various models which support the organization to offer the right products with optimum risk cover at the right for the customers.

The entire actuarial science is based on this data and statistics. Therefore, we leverage this data to create various opportunities to identify new products which

may help cover the customer appropriately with optimum coverage in case of eventualities.

At HDFC ERGO, the Mediasure Super Top Up policy stands as a good example. Analyzing the customer data, we derived that there is a need for an additional cover over and above the individual policy or the group health cover offered by employers. In such cases, the Mediasure Super Top policy provides a huge sum insured at a very nominal premium amount.

One of the significant advantages you have from leading a marketing, online business and customer experience management functions is that you were deeply involved in the products that the organization offers. How have you oriented IT towards developing a superior customer value proposition? Please state specific examples?

Our model is predicated on the digital age and IT plays an inclusive role along with other stakeholders in devising or creating various business models and how digitalization can further help achieve channel efficiencies and better customer experience. The IT team plays a crucial role in devising various models and processes whereby the entire value chain is managed digitally with or without human intervention.

The team is deeply involved in all strategic dialogs, making the IT team independent of the business when it comes to implementing solutions. An innovation group within the IT team always explores emerging technology and trends to device new solutions for the businesses to adopt.

The Insurance Portfolio Organizer (IPO) Mobile App, which we launched a few years back, was the first of its kind in the industry which was completely owned, conceptualized and implemented by the IT team.

Similarly, we have recently introduced Chatbots, Robotic process automation, and voice analytics. This ensures that we as an organization stay ahead of curve and also helps the business exploit new technology and concepts to achieve organizational efficiencies.

Data-driven customer approach and touch-free distribution model is the way forward for insurance companies in the digital age. What steps have to be taken in this direction? Please state specific instances.

A touch-free distribution model is key to achieve lean operations and a seamless customer experience. Hence, the priority while on-boarding any new channel is to seamlessly integrate it with our digital ecosystem. This ensures that the service provided to customers is flawless.

We have created Integration kits with various APIs, to on-boarding web-aggregators, which include details on how to utilize the APIs to integrate with our systems. Also, to enhance the channel efficiencies, our channel partners and service providers like Surveyors, Lawyers, Investigators, Risk Assessors have been equipped with the mobile-based application. These applications are seamlessly integrated with our backend systems to make the process simple and smooth.

Furthermore, by effectively utilizing predictive analytics we are able to bring targeted interventions to improve conversions with the customers for our business. In case of our Health products, channel partners are enabled to issue policies digitally and also setup up appointments for pre-policy checks.

Also, customers can also fix an appointment with diagnostic labs for health policies and pre-inspection of their vehicles for motor insurance, through the IPO Mobile Application.

Through a Self-inspection Mobile Application launched for the motor, customers can take videos and pictures on their phones which are shared with our team digitally for a review. Once reviewed and accepted by the team, the renewed insurance proposal is sent to the customer on this email.

What kind of traction have you seen for your digital initiatives?

Digital initiatives provide new opportunities for the business and also offer enhanced platforms to service customers. Having built a strong presence on various digital platforms, we have observed that about 40% of our customers renew their policies through digital channels. Additionally, our service providers are effectively using the digital assets for claim surveys.

We receive about 89% of the business through digital channels, either through our channel partners issuing policies using digital platforms or customers directly purchasing insurance policies through various online channelize like the website, aggregators or net-banking.

Insurance companies are increasingly using AI Chabot's to sell policies, answer customer queries, give recommendations and issue policy documents and assist customers with insurance advice. How is HDFC ERGO tapping into the trend?

Insurance is a knowledge-centric business and to effectively support our customers we are utilizing AI enabled Agent Chatbots, which provides expert assistance to our agents. The Agent Chatbot is particularly designed and developed for the purpose of assisting our call center agents to help them resolve customer queries efficiently and swiftly. This has helped us achieve quality, speed,

and consistency.

With Agent Chatbots, the on-boarding and training of call center executives have become faster which has thereby helped us achieve higher efficiencies and a better Net Promoter Score. These are further getting extended to address various service requests like Endorsements and Claim registrations as well.

For customers, we are offering various self-service options on our website. These services will be extended to service customers' requests and queries directly; using AI & NLP based Chatbots to provide guidance on purchasing the right kind of insurance products.

What are the various ways in which you are adopting analytics? Please share how you are leveraging analytical intervention on the claim side?

Our overall strategy revolves around customer centricity, where analytics is the key. We utilize analytics to understand customer demographics. Additionally, through various models, we understand the affinity of customers towards various products.

On the claims side, through analytics, we try to understand the claims probability and devise models to understand claims ratios, which help us re-caliber the portfolio to achieve the desired results. Furthermore, in the past few years, we have invested in analytics and effectively used it in various areas like customer analytics, fraud, and portfolio steering.

Using analytics, we are able to improve renewal retention, cross-sell and upsell with the customers. With fraud analytics, we have been able to detect potential frauds and put such claims out of regular claims queue for further analysis. This has helped speed up and smoothen claim settlement for rest of the customers thereby resulting in customer delight.

Moreover, analytics has been effective in better evaluating our portfolio and take appropriate actions in real time. Thus, digital distribution, powered by the analytical engine, has improved our agility in the marketplace.

A recent survey report by EY titled "Digital transformation in insurance" states that omnichannel is increasingly a baseline capability that insurers must establish to achieve digital maturity. What steps have you taken on that front?

At HDFC ERGO, we follow mobile first architecture and real-time philosophy. This helps us provide seamless channel and customer experience with real-time information and updates. All our digital assets are weaved in our backend systems through a common hybrid customer framework. Through this, we maintain consistency while interacting with the customers through our call centers

branches, aggregators or agents.

A year and a half ago, HDFC Ergo deployed a cloud-based technology for social media integration platform "Lithium." Please elaborate on this initiative.
Social Listening is the need of the hour and is imperative for any brand in this digital era. With customers adopting the digital mediums of communicating with brands, we have deployed a cloud-based platform "Lithium" which provides a single view to a majority of the social platforms. Lithium trawls the web to provide us a real-time feed of what customers feel and speak about us. A dedicated team of service representatives has been deployed to connect and communicate with these customers, through Lithium, and respond to their posts instantly to resolve their queries or requests. Social Media is the most important medium today, and we are geared up to respond to the changing times and customer preferences.

We have also created a first of its kind community portal for insurance, which is accessible at https://community.hdfcergo.com/. This platform helps customers seek answers to their questions from peers, which are related to products and services of General Insurance. Once this platform is fully evolved, consumers will be able to learn and develop a better understanding of General Insurance.

What is the different algorithm based approach you have adopted with IVR to predict customer needs?

We have developed an intelligent and pre-emptive IVR service that provides end to end service to customers, without the need to interact with a customer service representative. A host of initiatives and process flows are built on the IVR for the customer, which identifies their number and provides us an opportunity to offer a differentiated service experience. This is done through data analytics and segmentation to help us improve our service standards and also garner more opportunities to generate revenue by cross-selling or up-selling to our customers. Additionally, we launched industry's first initiative 'Claim Registration through IVR' to ease and fasten the process of claim intimations.

What are the areas of business you are looking at automating in the near future?

We are happy to share that about 89% of the policies, at HDFC ERGO, are booked in an automated way. Our aim is to continue on this path of exploring cognitive technologies including Speech analytics, Robotics, Natural Language Processing with advanced analytics in various aspects to improve operational efficiencies and customer experience. We believe that Chabot's and Robotic process automation will eliminate manual processes and improve efficiency. Currently, we are in the process of developing voice analytic solutions which will help us generate deeper insights on hearing customer's voice and improve the quality on a continuous basis.