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Dear Readers,

First & foremost, we would like to take this opportunity to wish all our readers a Very Happy New Year!

As we embark on a new year filled with hopes, aspirations, and challenges, it is crucial to reflect on the significant strides made in the microinsurance sector and envision the path ahead. January 2024 marks the beginning of another chapter in our collective mission to provide financial security and empowerment to microentrepreneurs around the world.

Expanding Horizons: Reaching the Unreached

One of the primary goals of microinsurance is to bridge the gap between vulnerability and resilience. This year, let us celebrate the strides made in reaching the unreached. Be it a farmer in a remote village, a small-scale artisan, or a daily wage worker in an urban slum, microinsurance has been instrumental in extending its protective shield to those who need it the most.

Innovation Driving Impact: Tech-Enabled Solutions

The landscape of microinsurance is evolving, thanks to innovative technological solutions. From mobile apps simplifying the enrolment process to data analytics enhancing risk assessment, technology continues to be a game-changer.

Community Resilience in Action: Real-Life Stories

Amidst the statistics and trends, it's essential to remember the human stories that embody the spirit of

microinsurance. In January 2024, let's share and celebrate the success stories of microentrepreneurs who, with the support of microinsurance, have not only weathered storms but have also transformed challenges into opportunities. These narratives are a testament to the positive impact of our collective efforts.

Collaboration for a Common Cause: Strengthening Partnerships

As we look forward, collaboration remains key. Strengthening partnerships among insurers, microfinance institutions, governments, and NGOs is essential for the sustainable growth of microinsurance.

Looking Ahead: Next Steps

Let us reaffirm our commitment to the cause, to innovate with purpose, and to strive for a world where every individual has access to the protection they deserve.

Here's to a year of impactful collaborations, innovative solutions, and transformative change in the microinsurance landscape.



Microinsurance Pulse

with warm regards

Supriya & Madhulika

Technology intervention in microinsurance

How AR and VR can transform the Micro Insurance industry

Augmented reality (AR) and virtual reality (VR) are deep technologies that have the potential to accelerate Micro Insurance industry. AR and VR can provide innovative solutions for below areas in Micro Insurance Industry

1. Customer experience
2. Improve risk assessment
3. Streamline claims processing, and
4. Training and Research for Employees and customers.

Customer experience

One of the main benefits of AR and VR is that they can create engaging and personalized experiences for customers. For example, AR and VR can be used to:

- ♦ Showcase insurance products and services in a realistic and interactive way. Customers can use their smartphones or headsets to visualize how different insurance plans or policies would work for them, such as car insurance, home insurance, or travel insurance.
- ♦ Provide virtual tours and simulations of different scenarios and environments. Customers can experience the risks and benefits of different insurance options, such as driving in different weather conditions, living in different types of houses, or traveling to different destinations.
- ♦ Offer gamified and fun ways to learn about insurance concepts and terms. Customers can play games or quizzes that test their knowledge and understanding of insurance, such as identifying hazards, calculating premiums, or choosing coverages.

Risk assessment

Another key advantage of AR and VR is that they can improve the accuracy and efficiency of risk assessment and underwriting. For example, AR and VR can be used to:

- ♦ Collect and analyze data from real-time and remote sources. Insurers can use AR and VR devices to capture and process information from customers, such as their driving behavior, health condition, or property condition. This can help insurers to assess the risk profile and the insurance needs of each customer more accurately and quickly.
- ♦ Simulate and predict potential risks and outcomes. Insurers can use AR and VR to create and test different models and scenarios, such as natural disasters, accidents, or cyberattacks. This can help insurers to evaluate the impact and the probability of different events and to design and price insurance products accordingly.
- ♦ Mitigate and prevent risks and losses. Insurers can use AR and VR to provide customers with feedback and guidance on how to reduce their exposure to risks and to improve their safety and security. For example, insurers can use AR and VR to alert customers of potential hazards, to suggest preventive measures, or to offer incentives for less risky behavior.

Claims processing

A third major benefit of AR and VR is that they can streamline and simplify the claims processing and settlement. For example, AR and VR can be used to:

- ♦ Enhance and expedite the claims reporting and verification. Customers can use AR and VR to report and document their claims in a more convenient and comprehensive way. For instance, customers can use

their smartphones or headsets to take photos or videos of the damage, to scan barcodes or QR codes, or to fill out forms using voice or gesture commands. Insurers can use AR and VR to verify and validate the claims in a more reliable and timely manner. For example, insurers can use AR and VR to compare the pre- and post-damage images, to measure the extent and the severity of the damage, or to detect fraud or anomalies.

- ♦ Provide and improve the claims adjustment and assessment. Insurers can use AR and VR to provide customers with more accurate and fair estimates and evaluations of their claims. For example, insurers can use AR and VR to access and analyze data from multiple sources, such as historical records, market prices, or repair costs. Insurers can also use AR and VR to communicate and negotiate with customers and third parties, such as contractors, appraisers, or lawyers, in a more transparent and efficient way.

- ♦ Deliver and optimize the claims resolution and satisfaction. Insurers can use AR and VR to provide customers with more convenient and satisfying ways to receive and use their claims payments. For example, insurers can use AR and VR to offer customers different payment options, such as cash, vouchers, or digital currencies. Insurers can also use AR and VR to provide customers with additional services and benefits, such as repair recommendations, discounts, or rewards.

Training and education

A fourth important benefit of AR and VR is that they can provide effective and engaging training and education for employees and customers. For example, AR and VR can be used to:

- ♦ Develop and enhance the skills and competencies of employees. Insurers can use AR and VR to train and educate their employees in a more immersive and interactive way. For example, insurers can use AR and VR to simulate different situations and tasks, such as customer service, sales, or claims handling, and to provide feedback and coaching to their employees.
- ♦ Increase and update the knowledge and awareness of customers. Insurers can use AR and VR to inform and educate their customers in a more appealing and accessible way. For example, insurers can use AR and VR to explain and demonstrate different insurance products and services, such as how they work, what they cover, or how to use them.

Conclusion

AR and VR are powerful technologies that can transform the insurance industry in many ways. AR and VR can enhance customer experience, improve risk assessment, streamline claims processing, and provide training and education for employees and customers. By adopting and leveraging AR and VR, insurers can gain a competitive edge, increase customer loyalty, and boost their profitability and growth.

Nagaraju Mengani
CEO

Temple Tree Technologies





In Conversation with **Pankaj Gupta** MD & CEO, Pramerica Life Insurance

Pankaj Gupta has over 26 years of rich experience in Financial Services across Banking and Life Insurance sector in highly reputed companies such as ICICI, Citigroup

and HDFC, both in India and overseas. In his most recent role, Pankaj was a member of HDFC Life Executive Committee and Group Head - Credit Life, Banca Alliances, Strategic Alliances, Digital Alliances and Distribution Strategy.

In his last assignment, Pankaj was responsible for signing up and managing over 300 partnerships across India. He was also the Chief Marketing Officer of HDFC Life; responsible for Brand, Channel Marketing, Market Research, Corporate & Internal Communications, CRM and Voice of Customer from 2017-21. His prior assignments include a more than three-year tenure in the USA with TCS as SVP, Citibank US Consumer Banking Relationship. He was earlier also the SVP and Head International Banking COE for Citigroup Global Services and National Sales Head, Payment Solutions for ICICI Bank. He is a Bachelor of Technology from Indian Institute of Technology (IIT), Kanpur and has a Post Graduate Diploma in Management from Indian Institute of Management (IIM), Lucknow.

About Pramerica Life Insurance

Rising as India's fastest-growing life insurance provider, Pramerica Life Insurance empowers individuals and families with comprehensive life insurance solutions built for secure tomorrows. As the market leader in the defence segment, the company stands firmly behind the nation's bravest guardians. Committed to reaching every corner of India, the company invests in both traditional agency networks and emerging markets. We are committed to deepening our relationships in the microfinance segment and take pride in having been there in the space since 2016. Within a span of seven years, we have partnered with nearly 100 MFI players and covered crores of lives.

Our dedication to swift resolution shines through a 98.80% claims settlement ratio (FY22-23) and the **'Pratigya Kavach'** initiative, guaranteeing claims within 48-72 hours. From personal milestones to national service, Pramerica Life Insurance provides peace of mind through financial security, one life at a time.

Can you describe some of the key microinsurance products your company offers? How are they tailored to the needs of low-income or underserved populations?

Our flagship product, **"Sarv Jan Suraksha,"** embodies this commitment. This group micro-life insurance plan delivers comprehensive financial protection against the risk of death, catering to a diverse range of groups – from Micro Finance Institutions (MFIs) and cooperatives to banks and NBFCs. By partnering with these entities, we reach the unbanked and underserved, extending a lifeline of security in times of unexpected loss.

With this plan, the policy holders get assured protection where they can choose from different Sum Assured options to personalize their coverage. It has a Single Premium option requiring a single, one-time payment, providing lifelong coverage with peace of mind. Although it is a group micro insurance product, we have extremely simplified procedures where insurance cover for eligible members under a scheme is affected with a single policy document issued to the Master Policyholder.

How does your company navigate regulatory challenges and compliance issues in the microinsurance sector?

The microinsurance landscape in India is unique. Regulatory compliance becomes paramount to ensure ethical and sustainable practices. At Pramerica Life Insurance, we prioritize building strong relationships with the Insurance Regulatory and Development Authority of India (IRDAI) and actively participate in shaping industry regulations. Our commitment to transparency and responsible product design has earned us a reputation as a trusted partner in the sector.

How does your company approach innovation in microinsurance products and services?

We believe microinsurance must evolve beyond basic offerings. We're constantly innovating, exploring technology-driven solutions to tackle distribution challenges and enhance product accessibility. Our use of mobile platforms and vernacular communication bridges the information gap, simplifying claim processes and making insurance truly inclusive.

Can you share any lessons learned from your experiences in the microinsurance market?

Having navigated the complexities of the microinsurance landscape, my biggest takeaway lies in the critical role of distribution. Reaching this geographically dispersed and often digitally unconnected segment demands innovative solutions. Our experience at Pramerica Life Insurance has shown that forging strategic partnerships with microfinance institutions, cooperatives, and even local community leaders becomes indispensable. These trusted bridges understand the nuances of their communities and provide the crucial last-mile connection, ensuring microinsurance products reach those who need them most.

But reaching them is just the first step. Retaining customers in this segment hinges on offering exceptional customer service. Microinsurance products must be accompanied by clear communication, accessible claim processes, and empathetic grievance redressal mechanisms. Building trust and demonstrating genuine care become paramount to ensuring long-term customer loyalty.

At Pramerica Life Insurance, we're determined to be at the forefront of this revolution. We will continue collaborating with stakeholders, developing even more accessible and relevant products, and advocating for regulatory frameworks that empower the vulnerable.



COMING SOON

GLOBAL CONFERENCE OF MICROINSURANCE

KEY THEMES



Innovation in
Microinsurance solutions



Digital Transformation for
Inclusive Coverage



Sustainable Practices in
Microinsurance



Community
Empowerment through
Microfinance

AN EXCELLENT OPPORTUNITY TO

- **Get In-depth Insights from our Key speakers**
- **Network with the Industry leaders**
- **Learn about Emerging Technologies**
- **Global best practices**

JOIN US FOR ONE OF A KIND MICROINSURANCE CONFERENCE IN INDIA WHERE WHO'S WHO OF MICROINSURANCE INDUSTRY COME TOGETHER TO SHARE THEIR KNOWLEDGE AND EXPERIENCE.

For Registration or any queries
MI2H@micronsure.com

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A Joint Initiative of IRDAI
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KEARNEY

Blog corner

Nurturing Talent: Employee Benefits for MSMEs

TMicro, Small, and Medium Enterprises (MSMEs) play a pivotal role in the global economy. These organizations are known for their innovation, adaptability, and close-knit work environments. Yet, in a competitive job market, attracting and retaining skilled employees can be a challenge for MSMEs. One effective strategy to foster loyalty among the workforce is offering them a compelling employee benefits. In this article, we explore the importance of employee benefits for MSMEs and suggest some creative and cost-effective options.



Why Employee Benefits Matter for MSMEs:

Attracting Top Talent: Offering attractive & Need based benefits can help MSMEs compete with larger corporations & other competitors.

Retention: Once an organisation has hired great talent, next step is to retain them. Employee benefits can enhance job satisfaction and loyalty, reducing attrition.

Employee Wellness: Healthy, satisfied employees are more productive. Benefits like health insurance, wellness programs, and mental health support can contribute to a happier, healthier workforce.

Types of Insurance Benefits for MSME Employees

Health Insurance: One of the most sought-after & much needed benefits by employees. MSMEs can offer group health insurance plans to provide comprehensive coverage for medical expenses, including

hospitalization, doctor's visits, and prescription drugs.

Dental and Vision Insurance: While not as common as health insurance, dental and vision coverage can be attractive additions to the benefits package. These policies can help employees with the costs of routine eye exams, dental check-ups, and corrective eyewear or dental procedures.

Life Insurance: Offering group life insurance coverage provides financial protection to employees' families in the event of their untimely death.

Disability Insurance: Disability insurance, both short-term and long-term, provides income replacement for employees who are unable to work due to illness or injury.

Accidental Death and Dismemberment (AD&D) Insurance:

AD&D insurance pays a benefit in case of accidental death or severe injuries, such as loss of limbs or sight, resulting from an accident.

Supplemental Health Benefits: To enhance health coverage, supplemental benefits like critical illness insurance or hospital indemnity insurance can also be provided.

Travel Insurance: For employees who frequently travel for work, travel insurance can provide coverage for unexpected events such as trip cancellations, medical emergencies abroad, or lost baggage.

Group Personal Accident Insurance: This insurance offers coverage for accidents and injuries that occur both on and off the job, providing peace of mind to employees and their families.

Workers' Compensation Insurance: If MSME has employees in roles with inherent risks, it's essential to provide workers' compensation insurance to cover medical expenses and lost wages in case of work-related injuries or illnesses.

Retirement Benefits: While not insurance, contributing to retirement plans is considered a long-term financial benefit. MSMEs can match employee contributions to encourage savings for retirement.

When implementing insurance benefits for MSME employees, it's crucial to carefully select plans that align with the needs and preferences of your workforce.

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