

E-BUSINESS AND DIGITAL MARKETING AN IMPACT ON INSURANCE SECTOR

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Abstract:

The technology of e-business and digital marketing changed the world of industries and the same applies for insurance. This paper studies the e-business and digital marketing activities for the insurance industry, and how digital platforms can change business models for the better. With e-business integrated into insurance, we have helped customers get in touch, streamline operations and enabled new customer service channels. Digital marketing strategies like SEO, social media marketing, personalized email campaigns have also brought in more customers for acquiring, loyal and purchasing. This paper also explains what obstacles insurance companies face when deploying these technologies such as data privacy, regulation compliance, and changing customer expectations. Through case studies, industry developments and real data, the paper reveals why digital innovation is so vital to growth, competition and sustainability in the insurance industry today.

Keywords: E-business, Digital marketing, Insurance Industry, Customer, Online, SEO, Social media marketing, Data privacy, Process optimization, Customer Acquisition, Digital transformation, Insurance industry trends.

1. INTRODUCTION

Insurance Business in India

India's insurance market is in a transformation mode due to heightened awareness, regulations and strong growth. These developments are changing the game, and they have implications for insurers. This is a time for some businesses to reinvent and preserve, for others it is a time for responding to the changing world in order to stay alive and thrive in the long run.

A new trend in Indian insurance industry is that the government has announced FDI (Fermendised direct investment) of up to 74%. It's positioned the sector to appeal more to global investors and afforded insurers the capital they need to pursue aggressive growth and innovation plans. The other major sector disruptor is digital transformation that completely rewrites the way companies operate and manage their business. As more people access the internet (Indians have 429 million internet users today vs 829 million by 2021, which represents 17.9% increase per year) the influence of digital technologies on the insurance industry will increase with each passing year.

Today, the insurance companies invest a lot of money in digital technologies to make business more efficient, cost less and manage more effectively. Industry estimates state that digital functions can save 20-30% of non-life insurance products and 15-20% of life products in costs. Aside from the cost savings, digital transformation provides insurers with opportunities to collaborate, innovate, provide personalized services, and delight their customers.

Not only is the digital revolution reshaping the way insurance products are sold, marketed and provided, but it also offers opportunities for insurers to keep up with changing consumer tastes and expectations. With more and more consumers turning to the online platforms for their insurance, the ability to rethink e-business and digital marketing models will be key to growing your business, enhancing customer satisfaction, and having an edge in the rapidly evolving insurance market.

1.2 POSTING OF WEB AGGREGATORS IN DISTRIBUTION

web aggregators have made distribution of insurance products so different. The internet in insurance started off as a result of comparison and research platforms that made it convenient for people to shop around and make their choice. When Apna Insurance and BimaDeal were launched in 2005, it was the era of digitalization in insurance. Then came Policybazaar, Zibika, Fintact, MyInsuranceClub and Insuring India, all over the years, and they changed the way consumers deal with insurance.

These aggregators opened up an alternative marketplace for insurance products. In 2013, the Insurance Regulatory and Development Authority of India (IRDAI) published web aggregator rules which made it easier for web aggregators to be registered and formalised. As of March 2021, the registration of web aggregators rose from 11 in 2013 to 22 showing that digital platforms are taking over the sale of insurance products. These aggregators are now multi-insurance product portals providing product information, benefits, pricing, claims processing and multiple insurance carrier comparisons.

2. INSURERS ENJOY NEXT GENERATION OF FACTORS TO TAILOR THEIR CUSTOMERS

1) Simplicity: Insurers are working on making customer interaction simpler. They have to account for customer demographics, language preferences, and communications to keep insurance data available and accessible. Video- and product information in the native languages, for example, improves understanding. Easy communication is crucial for not confusing customers and developing trust with them.

2) Customer Centricity: Insurance companies need to be more customer centric with less IVR and network communication barriers. To make the entire process frictionless and user-friendly, we should be able to mix channels including social, financial, digital storage and health trackers. The multi-channel solution allows customers to build more relationship and communication with us.

3) Personalization: Insurance companies are becoming personal marketers using data from customers to create personalized products and services. Insurers are able to tailor solutions based on customer behaviour to enhance customer experience. Personalization also goes for conversations, where every interaction should be a fit for the customer.

4) Digitization: Insurers adopt digital marketing to automate the processes. The move to digital channels for communication, claims and document management helps streamline the operations and is also in keeping with customer demands for speed and convenience. With digital business process implementation, the paperwork gets automated and customer experience gets improved.

3. OBJECTIVES OF THE STUDY

1. To investigate the role of e-business and digital marketing in insurance.
2. Analysis of mobile apps, websites and chatbots' role in the digitalization of insurance products and their promotion.
3. Assessment of digital tools (mobile apps, portals, chatbots) in providing customers with knowledge about the coverage, perks, exclusions, and price.

4. MOBILE TECHNOLOGY IN LIFE INSURANCE

Mobile Technology — the next big opportunity for life insurers. There is a fast mobile migration of consumer habits and companies should be ready for it if they are to keep up. Mobile technologies aren't a novelty, they are becoming a part of the insurance business. Insurance companies are stuck with how to use these technologies to serve their customers better and to deliver more services.

Traditionally, insurance industry sold goods using manual, hand-held approaches. But the internet and mobile technologies are changing the way insurers and customers interact. Researchers have found that the majority of new life insurance customers start by getting a quote or info on the web, before visiting an agent to buy. This is a clear signal of the importance of digital platforms for insurance sales.

With mobile technology, insurance companies have an opportunity to speed up selling by equipping agents with devices for engaging presentations and customers. For insurers, they have

to be very careful about the mobile devices and platform for which they should choose. Cheap and cross-device apps that run on multiple devices are getting in. These apps allow agents to move about and be in touch with clients and be able to find marketing materials much more easily.

Insurers can also use mobile to hire and keep younger sales staff, offer a better customer experience, and eliminate error. Then there are mobile apps, which will be capable of easing the ever-growing pressure of compliance for insurers through simplified operations and improved data protection.

5. INVESTMENT DECISION OF POLICYMAKERS

The gender, age, income, education, and so on all influence insurance investment decisions. But policymakers must first be aware of insurance coverage. The online tools help educate the investor potential so they can make a smart decision about insurance. These platforms explain policies in detail to investors so that they can make decisions regarding their advantages and disadvantages.

Digitalization, although having a number of benefits — in time, perhaps, but also in expenses (i.e., internet-based transactions rather than travel), is not without its problems. Data security issues and personal data theft, for example, need to be thought about. Even so, there are opportunities for consumers and insurers in the digitalization of the insurance market, which brings growth and innovation to align with market needs.

5.1. FACTORS AFFECTING DIGITAL INSURANCE ADOPTION

Digital insurance will adopt — there are several things that influence whether people will accept the digital change. Digital insurance primarily adopted for convenience, safety, investment opportunities, and savings through digital platform. These are the points that are covered below.

1. Awareness: The main hurdle in the adoption of digital insurance across India is awareness. Digital is needed but most consumers and insurers don't understand what digital technologies can do for them. In comparison to other nations, the infamy for innovative new products in the insurance domain is quite minimal in India. This knowledge gap is further exacerbated by poor financial literacy that can discourage people from taking up digital insurances.

2. Feedback and Security: Failing to trust can make or break digital insurance adoption. The consumers must have a trust that their information and purchases are safe when dealing with digital mediums. – Customer is hesitant to go digital if they do not feel trust or security in digital services. Even customers are difficult and clumsy in their use of digital tools, and it can be very

dissuading. Thus, insurance companies should also focus on easy-to-use features and high levels of security to secure customer trust. Also, constant updates and enhancements in digital services to respond to changing customer demands and expectations.

6. CONCLUSION

Digital marketing and e-business in insurance industry has rewritten the rules of the game when it comes to communication with clients. It's created a marketplace where marketing, technology and customer service are united. Insurance companies are already progressing in using digital channels for a better customer experience, by providing their services via mobile apps, social networks and websites. Now that the mobile phones, tablets and other handheld devices have become ubiquitous, individuals use them to shop for prices, search products, and buy insurance from anywhere at any time.

But, users are not just averse to a frictionless, quick process from their insurance company as they might have from their favorite apps, Google or internet store. Digital revolution has changed the business paradigm, and more so as web aggregators are introduced into the distribution chain. The effects of web aggregators have been ambivalent, but they have been useful for consumers shopping for insurance quotes and finding information. Furthermore, more customers are now reaching out to the insurer via mobile apps, chatbots, and company websites to make service calls or claim inquiries.

E-business and digitization changed the value-added service providers of insurance industry. These changes transformed how insurance policies are promoted, customer service is conducted and after-sales care is offered. Answers on time and timely claim resolution are the new priorities of insurance companies in today's market. As insurance industry becomes more digitalized, insurers need to focus on applying these tools in order to gain customer loyalty and stay ahead of the curve.

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