

# **BANCASSURANCE**

## **OVERCOMING THE OBSTACLES & CHALLENGES**

Manoj Kumar, ACII (UK), CPCU (USA)  
President & Managing Partner  
Bancassurance Consultants Worldwide Ltd.  
United Kingdom

---

# AGENDA

- ✖ Case Studies
- ✖ Critical Success Factors
  - + 4 Ps of Bancassurance
  - + Goal Congruence
- ✖ Obstacles
- ✖ Challenges
- ✖ Breaking the barrier



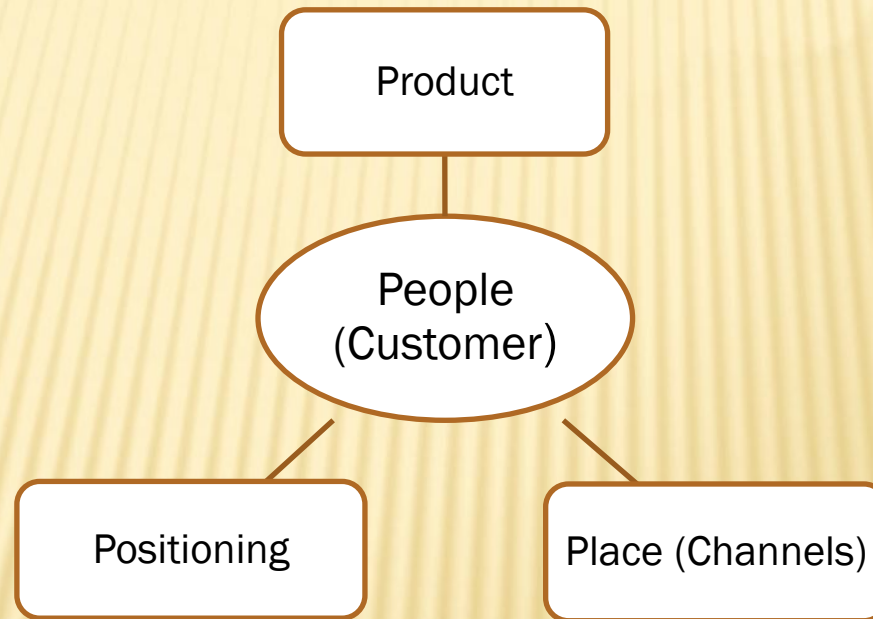
# CASE STUDY

- ✕ Case 1 – Middle East
- ✕ Case 2 – Far East
- ✕ Case 3 - India



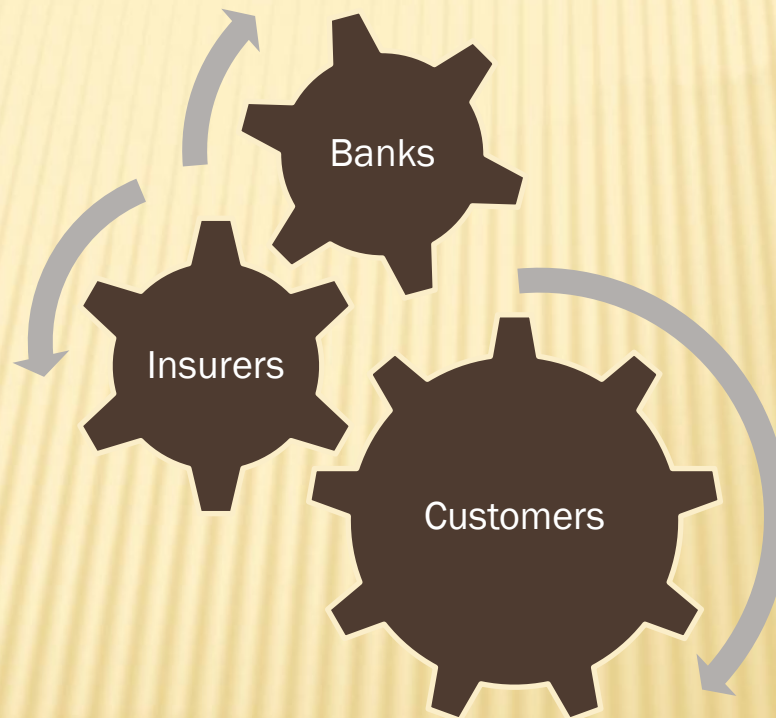
# CRITICAL SUCCESS FACTORS

## ✕ 4 Ps of Bancassurance



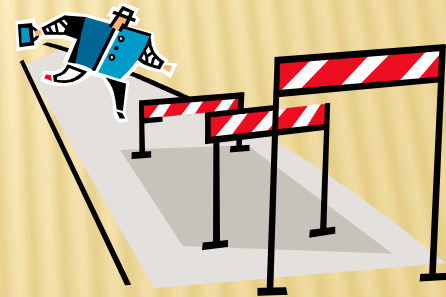
# CRITICAL SUCCESS FACTORS

## ✖ Goal Congruence



# OBSTACLES

- ✗ Lack of Integration
  - + Within bank – foreign object
  - + Product with people – segmentation
  - + Product with channels
  - + Lack of unified command





# OBSTACLES

- ✖ Over emphasis on processes
  - + Technology
  - + Process Flow
  - + Compliance
  - + KYC



# OBSTACLES

- ✗ Obsolete thinking
  - + Old processes – OTC
  - + Standard products
  - + Product enhancement for banking products



# OBSTACLES

## ✗ Regulatory

- + Evolutionary rather than pro-active
- + Lack of clarity
- + Misplaced apprehensions
- + Risk based approach rather than principle based
- + Product approval – gross waste of time

# OBSTACLES

- ✕ Data Management
  - + Multiple platforms
  - + Core banking systems
  - + Web based
  - + Renewals

# OBSTACLES

- ✗ Pricing
  - + Not Key
  - + Actuarial assumptions
    - ✗ Mortality
    - ✗ Historical Loss Data
  - + Volume discount
  - + Product differentiation
  - + Distribution costs



# CHALLENGES

- ✖ Managing change
  - + Overcoming the mind-set
  - + Right reward
  - + Fixing the responsibility
  - + KPIs



# CHALLENGES

## ✕ Innovation

- + Product development - differentiation
- + Product enhancement
- + Niche areas – ladies, children, etc.
- + Bundling & Packaging

# CHALLENGES

- ✖ Paradigm shift in consumer behaviour – Keeping Pace
  - + Online rather than teller
  - + Investment climate is ever changing
  - + Ageing
  - + Loyalty – no longer granted
  - + Multiple choices



# CHALLENGES

- ✕ Looking beyond – New Pastures
  - + Other than banks
  - + Supermarkets
  - + Post office
  - + Non-life
  - + Risk taking

# THANK YOU!