Motor Insurance Category Analysis at PhonePe

A Project Report

Submitted in Partial Fulfillment of the Requirements for the
Award of the Degree of

Bachelor of Technology

In
Computer Science & Engineering

Submitted by
Prabhat Ranjan
Roll No.-2006228, Enrolment No. 202702

Under the supervision of
Dr. Prabhat Kumar
Professor

Department of Computer Science & Engineering
NATIONAL INSTITUTE OF TECHNOLOGY PATNA
PATNA- 800 005

MAY 2024 (2023-24)

CERTIFICATE

This is to certify that **Prabhat Ranjan,** Roll No. **2006228**, has carried out the internship at **PhonePe Pvt. Ltd**. as his 8th-semester major project under the supervision of **Dr. Prabhat Kumar**, Professor, Department of Computer Science and Engineering, National Institute of Technology Patna.

I hereby certify that he has completed all other requirements for submission of the project and recommend for the acceptance of the project entitled, "**Motor Insurance Category Analysis at PhonePe**" for the partial fulfilment of the requirements for the award of Bachelor of Technology degree.

……………………..
Supervisor

Dr. Prabhat Kumar
Professor
Department of Computer Science & Engineering
National Institute of Technology Patna

PhonePe

Date: 01-May-2024

To Whomsoever Concerned

This is to certify that Prabhat Ranjan (420446) is currently working with PhonePe Private Limited as Intern Graduate Trainee. His/Her date of joining is 08-01-2024 and group date of joining is 08-01-2024.

For PhonePe Private Limited

Praveen Mamgain
Head of HR Operations

Note: This letter is generated electronically as per the available personal record of Mr. / Ms. Prabhat Ranjan as on 01-May-2024. This document does not require a physical signature and official seal. This document is valid for 30 days from the date of issue.

DECLARATION AND COPYRIGHT TRASFER

(to be signed by the candidate)

I **Prabhat Ranjan** Roll No. **2006228** Enrolment No. **202702** a registered candidate for Undergraduate Programme (B.Tech) under department of **Computer Science & Engineering** of National Institute of Technology Patna, declare that this is my own original work and does not contain material for which the copyright belongs to a third party and that it has not been presented and will not be presented to any other University/ Institute for a similar or any other Degree award.

I further confirm that for all third-party copyright material in my thesis/ dissertation (including any electronic attachments) is "blanked out" third party material from the copies of the thesis/dissertation/book/articles etc; fully referenced the deleted materials and where possible, provided links (url) to electronic sources of the material.

I hereby transfer exclusive copyright for this thesis to NIT Patna. The following rights are reserved by the author:

a) The right to use, free of charge, all or part of this article in future work of their own, such as books and lectures, giving reference to the original place of publication and copyright holding.

b) The right to reproduce the article or thesis for their own purpose provided the copies are not offered for sale.

Signature of the candidate: ………………………………….

Date: ………………………….

COPYRIGHT NOTICE

Acknowledgments

I would like to express my heartfelt gratitude towards the following individuals who have contributed to the successful completion of my internship project.

Firstly, I would like to thank my supervisor, **Dr. Prabhat Kumar** (Professor, Department of Computer Science and Engineering, NIT Patna), for his consistent guidance support, and valuable insights throughout my internship period. His expertise and encouragement have been instrumental in my professional and personal growth.

I would like to express my deepest gratitude to **Dr. P.K. Jain**, Director of NIT Patna, for allowing us to be a part of this semester-long internship program.
I would also like to extend my sincere appreciation to the academic team of NIT Patna for providing me with this golden opportunity to gain technical experience and enhance my skills. This internship has enabled me to learn a lot, and I am sure that this experience will be helpful for me in the future.

I would like to express my deepest gratitude towards my project supervisor, **Aditi Tibrewal** (Category Manager, Motor Insurance, PhonePe), **Tanish Shah** (Category Manager, Motor Insurance, PhonePe) and **Ayush Mathur** (Manager, Motor Insurance, PhonePe) providing me with the necessary resources to carry out my project, I am grateful to my entire team who patiently assisted me in understanding the project and provided me with the necessary guidance and support.

Finally, I would like to acknowledge the support of my family and friends, who have been a constant source of motivation and encouragement throughout my academic journey.

Prabhat Ranjan

Abstract

Motor Insurance Motor insurance, a pivotal aspect of the insurance landscape, plays a crucial role in providing financial protection to vehicle owners against unforeseen risks. Whether its accidents, theft, or natural disasters, motor insurance offers peace of mind by covering damages to the insured vehicle and liabilities arising from its use. In the competitive realm of motor insurance, companies strive to offer comprehensive coverage, competitive pricing, and excellent customer service to attract and retain customers.

This project report delves into the intricacies of the Motor Insurance category during an internship at PhonePe Insurance Brokerage Services. Through comprehensive analyses and strategic interventions, the project aimed to optimize quote success rates, enhance product offerings, and drive sales growth. Key highlights include identifying and rectifying misconfigurations in validation checks, successfully integrating standalone Roadside Assistance (RSA) and Tyre Protect services, and analysing premium outliers. Insights from the project provide valuable recommendations for improving competitiveness and customer satisfaction in the dynamic Motor Insurance landscape.

Moreover, the project delved into the analysis of premium outliers, aiming to identify discrepancies in pricing strategies and recommend configuration improvements for top insurers. By aligning premium rates with industry standards and consumer expectations, the project anticipates fostering increased competitiveness and improved sales performance for partner insurers.

Contents

LIST OF FIGURES

ABBREVIATIONS

CMP	Comprehensive
OD	Own Damage
TP	Third Party
IDV	Insured Declared Value
QSR	Quote Success Rate
Pro	Provider
Prem	Premium
KPIs	Key Performance Indicators
USPs	Unique Selling Propositions
CI	Competitive Indexing
RSA	Road Side Assistance
MMV	Make Model Variant
SQL	Structured Query Language
PIBS	PhonePe Insurance Broking Services
DRR	Daily Run Rate
U/W	Under-writing

CHAPTER 1 Introduction

1.1. Introduction to Motor Insurance

Motor insurance, also known as auto insurance or car insurance, is a contractual agreement between the vehicle owner and the insurance company. It serves as a vital financial safeguard, providing coverage for damages, theft, or liability arising from accidents or unforeseen events. In the context of India's bustling roads and expanding automotive landscape, motor insurance assumes paramount importance, offering not only legal compliance but also invaluable peace of mind to vehicle owners.

PhonePe Insurance Broking Services Pvt. Limited occupies a crucial role within this ecosystem, serving as an intermediary platform between vehicle owners and insurance providers. Our platform streamlines the insurance procurement process, offering a seamless digital experience that simplifies policy selection, comparison, and purchase.

1.2. Types of Motor Insurance Policies

In the realm of motor insurance, various policy options cater to the diverse needs and preferences of vehicle owners. Understanding the nuances of each type of policy is essential for making informed decisions regarding coverage and protection. Here are the primary types of motor insurance policies available:

a) **Comprehensive (CMP) Insurance:**
   Comprehensive insurance offers extensive coverage, encompassing both damages to your own vehicle and third-party liabilities. This comprehensive policy is often preferred by vehicle

owners seeking maximum protection against a wide range of risks. Key features include:

• Coverage for Damages: Comprehensive insurance typically covers damages caused by accidents, theft, fire, natural disasters, vandalism, and other unforeseen events.

• Third-Party Liabilities: In addition to own vehicle damages, comprehensive policies extend coverage to liabilities arising from accidents or incidents involving third parties.

b) **Own Damage (OD) Insurance:**

Own Damage insurance provides coverage specifically for damages to your own vehicle resulting from accidents, theft, fire, and other specified perils. Unlike comprehensive insurance, OD insurance does not include coverage for third-party liabilities. Key features include:

• Protection for Own Vehicle: OD insurance safeguards your vehicle against a range of risks, including accidents, theft, and natural calamities.

• Exclusion of Third-Party Liabilities: Unlike comprehensive policies, OD insurance focuses solely on protecting your own vehicle and does not extend coverage to liabilities arising from incidents involving third parties.

c) **Third Party (TP) Insurance**:

Third Party insurance offers coverage against liabilities to a third party arising from the use of your vehicle. While it does not provide protection for damages to your own vehicle, TP insurance is essential for meeting legal requirements and ensuring financial security in case of liability claims. Key features include:

• Liability Coverage: TP insurance covers damages or injuries caused to another person or their property due to the use of your vehicle.

• Legal Compliance: Third Party insurance is a mandatory requirement in many jurisdictions to legally operate a motor vehicle on public roads.

• Exclusion of Own Vehicle Damages: TP insurance does not include coverage for damages to your own vehicle, focusing solely on third-party liabilities.

Understanding the distinctions between these types of motor insurance policies empowers vehicle owners to make informed choices based on their individual needs, risk tolerance, and budgetary considerations. Whether opting for comprehensive coverage, own damage protection, or third-party liability insurance, selecting the right policy ensures peace of mind and financial security on the road.

Description	OD	TPD	Comp.
Cover for damage to own car due to accident	✓	✗	✓
Cover for damage to own car due to man-made clamity	✓	✗	✓
Cover for damage to own car due to natural clamity	✓	✗	✓
Loss of car due to theft	✓	✗	✓
Cover for damage to third-party's car	✗	✓	✓
Cover for damage to third-party's property	✗	✓	✓
Cover for personal injury during accident	✓	✓	✓
Cover for third-party's injury or death	✗	✓	✓

Fig1: Policies and Coverages

1.3. Loss Of Or Damage To The Vehicle Insured

In motor insurance, coverage against loss or damage to the insured vehicle is crucial. Here's a brief overview of the contingencies covered by the insurance company:

Fire, Explosion, Self-Ignition, or Lightning

Burglary, Housebreaking, or Theft

Riot and Strike

Earthquake (Fire and Shock Damage)

Flood, Typhoon, Hurricane, Storm, Tempest, Inundation, Cyclone, Hailstorm, Frost

Accidental External Means

Malicious Act

Terrorist Activity

Transit by Road, Rail, Inland-Waterway, Lift, Elevator, or Air

Landslide, Rockslide

These coverages ensure financial protection and peace of mind for the insured, demonstrating the insurer's commitment to providing comprehensive support in diverse situations.

1.4. Common Car Insurance Add-ons

In addition to standard coverage options, car insurance policies often offer a range of add-ons or riders that provide enhanced protection and additional benefits. These add-ons are designed to address specific needs and offer greater peace of mind to policyholders. Here are some common car insurance add-ons:

- **Zero Depreciation Cover:** This add-on ensures that you receive the full claim amount for the replacement of damaged car parts without factoring in depreciation. It is particularly beneficial for newer vehicles

as it helps maximize the reimbursement amount during claims settlement.

- **Engine Protection Cover:** Standard insurance policies may not cover damages to your car's engine and its parts. The engine protection cover provides coverage for such damages, including repair or replacement costs, due to events like water ingression or mechanical breakdown.

- **Roadside Assistance:** This add-on provides assistance in case your car breaks down or faces any other issue while you're on the road. Services typically include towing, flat tire change, fuel delivery, battery jump-start, and locksmith services, ensuring you're never stranded in an emergency situation.

- **Return to Invoice:** In the unfortunate event of a total loss or theft of your car, this add-on ensures that you receive the invoice value of your car, including registration charges and road tax, instead of the Insured Declared Value (IDV). It helps bridge the gap between the IDV and the actual purchase price of the vehicle, offering financial protection against depreciation.

- **Consumables Cover:** Standard insurance policies may not cover the cost of consumable items such as nuts, bolts, engine oil, lubricants, etc., which are essential for vehicle repairs. The consumables cover add-on provides coverage for the cost of these items, reducing out-of-pocket expenses during repairs and ensuring comprehensive protection for your vehicle.

By opting for these add-ons, car owners can customize their insurance coverage to suit their specific requirements and enjoy enhanced protection against a wide range of risks and uncertainties on the road.

CHAPTER 2 Background & Literature Review

Motor insurance, a vital component of the broader insurance industry, serves as a protective shield for vehicle owners against financial losses arising from accidents, theft, and other unforeseen events. With the increasing proliferation of vehicles on roads globally, the demand for motor insurance has witnessed a corresponding surge.

This growth presents both opportunities and challenges for insurers, necessitating a keen understanding of market dynamics, consumer preferences, and emerging trends. PhonePe Insurance Brokerage Services, a prominent player in the insurance brokerage sector, operates in a highly competitive landscape characterized by evolving customer needs and regulatory dynamics.

As part of its commitment to providing innovative solutions and superior customer experiences, PhonePe endeavors to continuously optimize its offerings within the Motor Insurance category. To achieve this goal, the company recognizes the importance of data-driven insights, strategic analysis, and proactive interventions.

The literature surrounding Motor Insurance encompasses a wide array of topics, ranging from market analysis and consumer behavior to pricing strategies and technological innovations. Key areas of focus within the literature include comprehensive market analysis, providing invaluable insights into global market trends, including size, growth patterns, competitive dynamics, and regulatory frameworks.

Understanding these dynamics is crucial for insurers like PhonePe to identify growth opportunities, assess competitive positioning, and formulate effective strategies. Concurrently, research on consumer behavior sheds light on

purchase decisions, preferences, and satisfaction levels, aiding insurers in tailoring products and services to meet evolving customer needs. Pricing strategies, explored extensively in literature, are pivotal in shaping market competitiveness and profitability, guiding insurers in determining premium rates and retaining customers.

Moreover, the advent of digital technologies, such as telematics, artificial intelligence, and blockchain, is reshaping the motor insurance landscape by enhancing risk assessment, claims processing, and customer engagement, further emphasizing the importance of staying abreast of technological innovations.

By synthesizing insights from existing literature, this project aims to inform strategic decision-making and drive performance improvements within the Motor Insurance category at PhonePe Insurance Brokerage Services. Through rigorous analysis and proactive interventions, the project endeavors to optimize product offerings, enhance customer experiences, and foster sustainable growth in the dynamic insurance marketplace.

CHAPTER 3 Problem Definition

3.1. Competitive Indexing

Competitive indexing in the context of insurance or financial services refers to a method of benchmarking an organization's performance against its competitors in the industry. This strategic analysis involves evaluating various metrics and key performance indicators (KPIs) to assess how well a company fares relative to its rivals.

Key aspects of competitive indexing include:

Benchmarking Performance: Organizations compare their performance metrics, such as market share, customer satisfaction, profitability ratios, and operational efficiency, with those of their competitors. This allows them to identify areas of strength and weakness relative to industry peers.

Identifying Competitive Advantages: Through competitive indexing, companies can pinpoint their unique selling propositions (USPs) and competitive advantages. Understanding where they excel compared to competitors enables organizations to leverage these strengths to attract customers and gain market share.

Market Positioning: Analysing competitive indexing data helps organizations determine their position within the market landscape. They can identify gaps in the market and opportunities for growth, as well as potential threats posed by competitors.

Strategic Planning: Insights gained from competitive indexing inform strategic decision-making and planning. Companies can adjust their business strategies, product offerings, pricing models, and marketing initiatives based on competitive intelligence to stay ahead of the curve.

Continuous Improvement: Competitive indexing is an ongoing process that allows organizations to continuously monitor and adapt to changes in the competitive landscape. By tracking competitor

movements and market trends, companies can stay agile and responsive to evolving customer needs and industry dynamics.

Overall, competitive indexing serves as a valuable tool for insurance and financial services companies to stay competitive in a rapidly changing marketplace. By benchmarking their performance against industry peers and leveraging insights to inform strategic initiatives, organizations can enhance their market position, drive growth, and deliver greater value to customers.

Fig2. Breakdown of Competitive Indexing
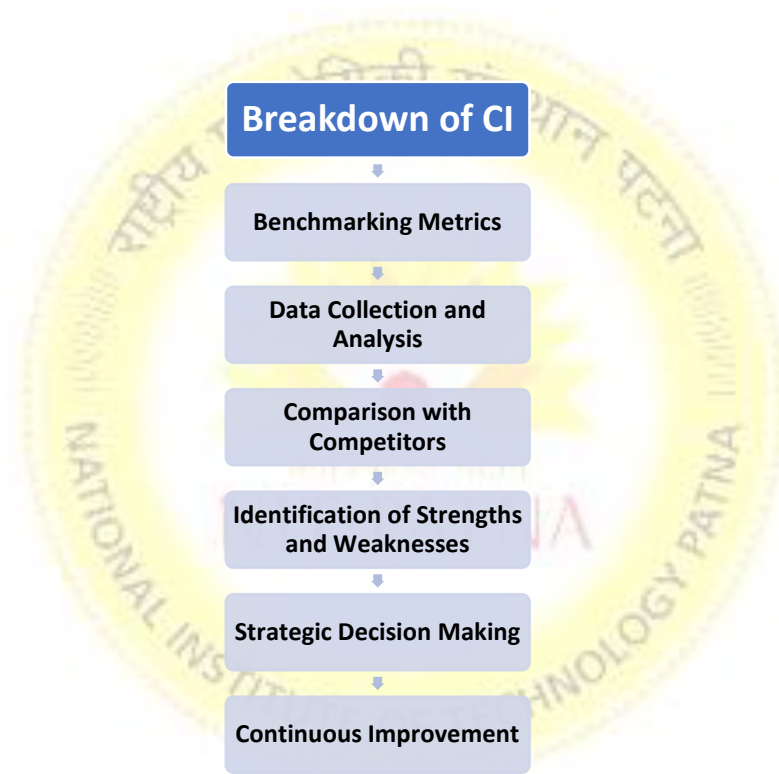
3.2. Business Metric Tracking

QSR stands for Quote Success Rate. It is a crucial metric used in the insurance industry to measure the effectiveness of generating premium quotes. QSR calculates the percentage of successful premium quotes provided by an insurer to potential customers. A high QSR indicates that a significant proportion of quotes issued by the insurer result in

successful sales, while a low QSR may signify issues or challenges in the quote generation process, such as technical glitches, underwriting changes, or customer-related issues. Tracking QSR enables insurers to identify areas for improvement, optimize their quote generation processes, and enhance overall customer satisfaction.

The Quote Success Rate (QSR) serves as a pivotal metric for insurers to gauge the efficacy of their premium quotes. A decline in QSR signals underlying issues hindering insurers from delivering successful quotes to customers. Such declines can stem from various factors, including underwriting (U/W) alterations and technical glitches at partner organizations' ends. These alterations might entail geographical restrictions or vehicle-specific limitations. Technical glitches could encompass software malfunctions or system errors impeding the quote generation process. Identifying and rectifying these issues promptly is imperative to uphold service standards and competitiveness.

3.3. PIBS Internal Analysis

The analysis done is within the function and validation of PhonePe product itself.

3.3.1 Eligibility Context Analysis

In our ongoing efforts to ensure seamless quote request processes and optimize sales performance, we conducted a detailed eligibility context analysis. The objective was to identify any potential misconfigurations or inaccuracies in the validation checks implemented at the technical end for requesting insurance quotes.

3.3.2 IDV: Premium Ratio Analysis

In our quest to ensure fairness and consistency in insurance premiums across providers, we embarked on an analysis of the Insured Declared Value (IDV) to Premium ratio. The objective was to identify any provider

whose premium rates deviated significantly from those of other providers, indicating potential outliers in pricing.

3.4. Add-ons- Availability and Eligibility

These approaches focus on analyzing the availability and eligibility of add-ons in motor insurance:

3.4.1 Eligibility Analysis:

This involves examining the validation checks made for requesting a quote to identify any incorrectly configured validations, such as age limits for add-on eligibility. The analysis aims to ensure that the eligibility criteria set at the technical end align with the business requirements and customer expectations.

3.4.2 Availability Analysis:

This approach entails assessing the availability of add-ons provided by insurers across different channels, specifically examining if these add-ons are present on PhonePe's platform. The analysis aims to enhance the range of add-on options available to customers on PhonePe's platform and increase sales opportunities by offering a comprehensive selection of add-ons.

3.5. QSR and visibility optimization

We aimed to enhance the Quote Success Rate (QSR) of insurance providers to improve visibility, thereby increasing conversions and sales.

CHAPTER 4 Proposed Solution

4.1.   Competitive Indexing

The mentioned approaches represent different aspects of competitive indexing, focusing on specific comparisons between the Competitor platform and PhonePe:

Platform Flow Comparison: Analysing the user journey and interface flow of both platforms to assess ease of navigation, clarity of information, speed of transactions, and overall user experience.

Pricing Comparison: Comparing the pricing structure of insurance products offered on both platforms, including premiums, deductibles, and coverage options, to evaluate transparency and competitiveness.

IDV to Price Ratio Comparison: Calculating the Insured Declared Value (IDV) to price ratio for insurance products available on both platforms to determine if the pricing aligns with the value provided.

IDV Range Comparison: Investigating the range of IDV options supported by insurance providers on both platforms to ensure comprehensive coverage options for customers.

Product Journey Documentation and Customer Experience Analysis: Documenting the end-to-end product journey of insurance products offered on both platforms and analysing key touchpoints, features, and interactions throughout the customer lifecycle to identify differences in customer experience and satisfaction.

4.2.   Business Metric Tracking

To uphold a high QSR, insurers necessitate a systematic approach to track and address any fluctuations. Daily monitoring of the QSR alongside historical trends facilitates early detection of deviations. Leveraging SQL queries aids in pinpointing the root causes of QSR drops, enabling swift resolution. Internal stakeholders are promptly apprised of identified issues for expeditious mitigation. Additionally, potential reasons for reversals necessitate scrutiny, including vehicle class validation discrepancies, partner rejections, and customer documentation discrepancies. By fostering a proactive approach to address underlying issues, insurers can fortify their ability to provide exemplary service and sustain a competitive advantage.

4.3. PIBS Internal Analysis

4.3.1 Eligibility Context Analysis

We adopted a systematic approach by collating and analysing the validation checks applied during the quote request process. This involved scrutinizing the technical configurations and parameters to ensure accuracy and alignment with business requirements.

4.3.2 IDV: Premium Ratio Analysis

Our approach involved comparing the IDV to Premium ratio of various insurance providers. We calculated the average IDV to Premium ratio across all providers and then identified the provider whose ratio deviated the most from this average. This deviation highlighted instances where a provider's premium rates were disproportionate to the insured value, indicating potential outliers.

4.4. Add-ons – Eligibility and Availability

4.4.1 Eligibility Analysis

In our pursuit of ensuring comprehensive coverage and accessibility of add-ons for vehicles, we embarked on a meticulous analysis focusing on the age eligibility criteria associated with various add-ons.

4.4.2 Availability Analysis

In our ongoing efforts to enhance the offerings available to customers and drive sales growth, we conducted an in-depth availability analysis focusing on standalone Roadside Assistance (RSA) integration for Future Generali Insurance (FGI) and Tyre Protect integration for Zuno Insurance.

4.5. QSR and visibility optimization

To tackle this challenge, we focused on the top 5 providers based on sales. We delved into the reasons underlying the failures of quotes. By analysing these underwriting reasons, we pinpointed the proportion of each failure reason and investigated their impact on both sales and the number of quotes generated by those providers.

Action:

Armed with these insights, we proactively engaged with the insurers, highlighting the high-impact errors that were impeding QSR. Through collaborative efforts, we worked towards resolving these issues effectively. These actions led to tangible improvements, resulting in incremental sales and enhanced performance for the providers.

CHAPTER 5 Discussion of Results

5.1 Competitive Indexing

Detailed breakdown of the comparisons in competitive indexing between the Competitor platform and PhonePe:

Platform Flow Comparison:

- Analysed the user journey and interface flow of both the Competitor platform and PhonePe.

- Evaluated aspects such as ease of navigation, clarity of information, speed of transactions, and overall user experience.

- Identified strengths and weaknesses of each platform to understand how they impact customer engagement and satisfaction.

Pricing Comparison:

- Compared the pricing structure of insurance products offered on both platforms, including premiums, deductibles, and coverage options.

- Examined how pricing strategies differ between the Competitor platform and PhonePe, considering factors such as discounts, bundling options, and promotional offers.

- Assessed the transparency and competitiveness of pricing to determine which platform offers better value for customers.

IDV to Price Ratio Comparison:

- Calculated the Insured Declared Value (IDV) to price ratio for insurance products available on both platforms.

- Analysed how the IDV, which represents the maximum amount the insurer will pay in case of total loss or theft, relates to the premium charged.

- Determined whether the pricing on PhonePe provides better value in terms of IDV coverage compared to the Competitor platform.

IDV Range Comparison:

- Investigated the range of IDV options supported by insurance providers on both platforms.

- Ensured that PhonePe offers a comprehensive range of IDV options, including minimum and maximum choices, to cater to diverse customer needs.

- Evaluated how the availability of different IDV ranges impacts premiums and customer choice on PhonePe compared to the Competitor platform.

Product Journey Documentation and Customer Experience Analysis:

- Documented the end-to-end product journey of insurance products offered on the Competitor platform.

- Identified key touchpoints, features, and interactions throughout the customer lifecycle, from browsing and purchasing to claims processing and renewal.

- Conducted a comparative analysis to identify differences in product journeys between the Competitor platform and PhonePe.

- Highlighted areas where PhonePe's product journey excels and where improvements could be made to enhance the overall customer experience and satisfaction.

  By conducting these comprehensive comparisons, insights are gained into how PhonePe's motor insurance offerings stack up against those of the Competitor platform. This analysis informs strategic decision-making and helps identify opportunities for PhonePe to differentiate itself, improve its value proposition, and better meet the needs of customers in the competitive insurance marketplace.

5.2 Business Metric Tracking

Through diligent monitoring and proactive intervention, insurers can mitigate disruptions to their QSR and ensure the seamless provision of

premium quotes to customers. By promptly identifying and addressing underlying issues, insurers bolster their service standards, in still customer confidence, and maintain a competitive edge in the market. The systematic approach to QSR management fosters operational efficiency, mitigates risks, and enhances overall customer satisfaction, thereby positioning insurers for sustained success in the dynamic insurance landscape.

5.3 PIBS Internal Analysis

5.3.1 Eligibility Context Analysis

Our analysis revealed a critical misconfiguration related to the validation for Two-Wheeler Third Party (2W TP) insurance. Specifically, we found that the validation for 2W TP was hard-coded, and requests were not being generated for vehicles aged between 5 to 5.5 years. This misconfiguration resulted in a significant gap in coverage for vehicles falling within this age bracket.

Expected Impact: 30-40 Sales DRR

Addressing this misconfiguration is expected to have a substantial impact on sales performance, with an anticipated decrease in Daily Run Rate (DRR) of approximately 30-40 sales. By rectifying the validation checks and ensuring that requests are generated for all eligible vehicles, we aim to close this gap in coverage and capitalize on potential sales opportunities within the 5 to 5.5-year age range.

5.3.2 IDV: Premium Ratio Analysis

The analysis revealed cases where certain providers exhibited premiums that were inappropriate for a particular IDV. We shared these cases with the respective providers, highlighting the discrepancies and emphasizing the need for configuration improvements to align premium rates more closely with industry standards.

Expected Impact: Configuration Improvement for Top Insurers

By addressing these discrepancies and optimizing premium configurations, we anticipate several positive impacts:

Fairness and Consistency: Ensuring that premium rates are in line with industry standards promotes fairness and consistency in pricing across providers, enhancing trust and credibility among customers.

Competitive Advantage: By aligning premium rates with market norms, insurers can maintain a competitive edge, attracting more customers and increasing market share.

Customer Satisfaction: Fair and reasonable premiums contribute to greater customer satisfaction, as customers feel they are getting value for their money and are more likely to renew their policies.

Regulatory Compliance: Ensuring that premium rates are appropriate helps insurers comply with regulatory requirements, reducing the risk of penalties and regulatory scrutiny.

The IDV to Premium ratio analysis serves as a valuable tool for identifying and addressing pricing discrepancies among insurance providers. By leveraging insights from this analysis and implementing configuration improvements, insurers can enhance fairness, competitiveness, and customer satisfaction, ultimately driving growth and success in the insurance marketplace. Moving forward, we remain committed to ongoing monitoring and optimization efforts to ensure that premium rates are aligned with industry standards and customer expectations.

5.4 Add-ons- Eligibility and Availability

5.4.1 Eligibility Analysis

Outcome: Go Digit

- **Age Increase for Add-ons:** As a result of our analysis, we identified the opportunity to enhance accessibility by adjusting the age eligibility criteria for 7 add-ons. These adjustments involved extending the age limit by 1 year, thereby making these add-ons available to a broader range of customers.
  - **Impact:** The implementation of these adjustments yielded remarkable results for Go Digit. We observed a significant increase in the average weekly sales, with a notable rise of approximately 40 policies. This surge in sales underscores the effectiveness of our strategy in enhancing customer engagement and driving revenue growth for Go Digit.

Outcome: Zuno

- **Age Increase for Add-ons:** Building on the success of our approach with Go Digit, we applied similar adjustments to the age eligibility criteria for add-ons offered by Zuno. In this instance, we extended the age limit for 8 add-ons by more than 1 year, thereby expanding the pool of eligible customers and enhancing accessibility to these additional features.
  - **Expected Impact:** With the age eligibility criteria now aligned with the evolving needs of customers, we anticipate a positive impact on Zuno's performance. Specifically, we expect to witness an increase in average weekly sales by approximately 10 policies. This anticipated growth in sales reflects the enhanced value proposition and improved accessibility of add-ons for Zuno customers.

By proactively analysing and adjusting the age eligibility criteria for add-ons, we have successfully expanded the scope of coverage and improved accessibility for customers of both Go Digit and Zuno. These strategic adjustments not only drive sales growth but also enhance customer satisfaction by offering tailored solutions that meet their evolving needs. Moving forward, we remain committed to leveraging

data-driven insights and strategic initiatives to further optimize eligibility criteria and deliver exceptional value to our insurance partners and customers alike.

5.4.2 Availability Analysis

Outcome:

- **Standalone RSA Integration for FGI:** Through our analysis and strategic partnerships, we successfully facilitated the integration of standalone RSA services for Future Generali Insurance. This integration empowers customers with access to comprehensive roadside assistance solutions, providing timely support in the event of breakdowns or emergencies.
- **Tyre Protect Integration for Zuno:** Additionally, we collaborated with Zuno Insurance to integrate Tyre Protect services into their offerings. This integration enhances the value proposition for Zuno customers by providing coverage and support specifically tailored to address issues related to tyre damage and maintenance.

Through strategic partnerships and proactive availability analysis, we have successfully facilitated the integration of standalone RSA services for FGI and Tyre Protect services for Zuno. These integrations not only enhance the value proposition for customers but also contribute to sales growth for our insurance partners. Moving forward, we remain committed to identifying opportunities for further enhancements and collaborations to drive continued sales growth and customer satisfaction in the dynamic insurance marketplace.

5.5 QSR visibility and Optimization

Identification of Issue:

Masters Mapping:

The issue arises from the absence of mapping for Motor Make and Model Variants (MMV) between the insurance provider and PhonePe Masters. This lack of synchronization hinders the seamless integration of data between the two systems, leading to discrepancies in the quote generation process.

Catalogue Blocking:

Another issue stems from the presence of mapping for MMV between the provider and PhonePe Masters, but despite this mapping, no quotes are being generated on the provider's platform (Pro). This discrepancy suggests a potential blocking issue within the catalogue, where despite the mapping being in place, the necessary data or parameters are not being transmitted effectively, resulting in the failure to generate quotes.

Impact :

Through our efforts in visibility optimization, we observed impactful improvements in the Quote Success Rate (QSR) for select insurers. Here's a detailed breakdown:

Kotak:

Quotes with Premium >50k were rejected: This initiative led to a 1% improvement in Kotak's QSR.

Ingestion of 119 new Motor Make and Model Variants (MMV): This action resulted in a notable 3% enhancement in Kotak's QSR.

SBIG:

Ingestion of 75 new MMV: This effort contributed to a significant 3% improvement in SBIG's QSR.

NIC:

Ingestion of 79 new MMV: NIC experienced a notable 4% enhancement in its QSR as a result of this initiative.

These results underscore the effectiveness of our visibility optimization strategies in driving tangible improvements in QSR for the respective insurers. By addressing specific issues and enhancing data integration, we have facilitated smoother processes, better visibility, and ultimately, improved conversion rates and sales for our partners.

CHAPTER 6 Conclusion and Future Work

The goal of this project is to thoroughly understand the motor insurance domain and its various product features and effects. It involves monitoring and analyzing metrics for any anomalies and optimizing QSR for better visibility to stakeholders.

The project also entails researching and understanding competitors and their features, as well as gathering insights into user needs through surveys. Understanding and comprehending underwriting rules is important to track unexpected changes and ensure customer satisfaction.

Another key aspect of the project is optimizing product features for users and conducting extensive market research and industry analysis to drive growth in the category. By undertaking these activities, the project aims to increase the profitability and competitiveness of bike insurance in the market.

The project will also provide valuable insights into customer behavior and preferences, enabling the insurer to offer tailored products and services that meet the needs of their target market. Overall, the project is focused on enhancing the bike insurance experience for customers and improving the company's bottom line through informed decision-making and data-driven insights

Future Scopes:

Enhanced Platform Flow: Implement improvements to PhonePe's platform flow based on insights gathered from the analysis. This could involve streamlining the user journey, optimizing navigation, and enhancing the overall interface design to provide a seamless and intuitive experience for customers.
Dynamic Pricing Strategies: Explore opportunities to refine PhonePe's

pricing strategies to remain competitive in the market. This may include introducing targeted discounts, personalized offers, and dynamic pricing models to attract and retain customers.

Optimized IDV Options: Expand the range of IDV options available on PhonePe's platform to provide customers with greater flexibility and choice. Ensure that minimum and maximum IDV choices are supported to cater to diverse customer preferences and needs.

Customer-Centric Product Journey: Focus on enhancing the end-to-end product journey of motor insurance offerings on PhonePe's platform. This could involve improving transparency, simplifying processes, and providing proactive support throughout the customer lifecycle to enhance satisfaction and loyalty.

Continuous Market Monitoring: Stay updated on industry trends, competitor movements, and evolving customer preferences through ongoing market monitoring and analysis. This will enable PhonePe to adapt its strategies and offerings in response to changing market dynamics and maintain a competitive edge.

By addressing these future scopes, PhonePe can further strengthen its position in the motor insurance market, drive customer acquisition and retention, and ultimately achieve its growth objectives in the competitive landscape of insurance and financial services.

REFERENCES

- https://getmoneyrich.com/motor-insurance/

- https://www.godigit.com/content/dam/godigit/directportal/en/downloads/car/Digit%20Private%20Car%20Policy.pdf.

- https://www.policybazaar.com/motor-insurance/car-insurance/articles/5-important-car-insurance-add-ons-you-must-know-about/

- https://irdai.gov.in/

- https://parivahan.gov.in/parivahan/