Trust barometer: A guiding tool to enable non-life insurers to stay ahead of the curve

pwc

ASSOCHAM
· Ideate · Innovate · Impact ·

Foreword from ASSOCHAM

The Indian insurance industry has experienced remarkable growth over the last two decades, driven by increased private sector participation, government schemes, rising awareness among customers and improved distribution capabilities.

With a vision of insuring everyone by 2047, the Insurance Regulatory and Development Authority of India (IRDAI) is working towards providing adequate life, health and property insurance solutions to every citizen of the country while also ensuring that businesses are supported with appropriate insurance solutions. To achieve its objective, the IRDAI has taken significant steps to raise awareness about insurance, and to make insurance solutions affordable and accessible to individuals across socioeconomic backgrounds.

In order to create customer-centric offerings, insurers need to leverage data analytics to better understand the target customer behaviour. As InsurTech companies collect, store and utilise customer data through various distribution channels such as insurance houses, third parties, independent brokers and reinsurers, there could be concerns around data privacy and compliance. This makes compliance with data protection laws such as the newly introduced Digital Personal Data Protection Act (DPDP), 2023 imperative to earn the trust of regulators and policyholders, especially in the case of the InsurTech sector.

Insurers need to demonstrate the ability to adapt to new risks such as cybersecurity threats and climate change, and provide adequate protection to customers to evoke trust among stakeholders and remain resilient.

We trust that this report will enable regulators, industry players, government departments and research scholars to advance the financial services sector.

I thank our knowledge partner PwC for its valuable contribution and convey my best wishes for the success of the summit and awards.

Shri Deepak Sood
Secretary General,
ASSOCHAM

Foreword from PwC

Trust, a word too often profaned, is the fulcrum of any business relationship. The trust quotient of a company can significantly enhance brand value, build mindshare and increase market share. We, at PwC, place a premium on trust, as our purpose is to build trust and solve important problems.

Trust may often take years to build, but mere seconds to destroy and an eternity to repair. Take the case of the banking industry. A cornerstone of global economic stability, the banking industry faced an erosion of trust because of financial irregularities and instances of misconduct. Today that has undergone a sea change, with digital advancements carving a path to rebuild and restore confidence in the financial ecosystem. Indigenous government-led innovations such as the ‘India Stack’ **embed trust**. Digital public infrastructure **enables trust** by providing secure access to financial services for Indians across the board. Democratisation of digital technologies **evokes trust**, with India accounting for 46% of all digital transactions across the globe.[1]

Along similar lines, in the non-life insurance space too, it is critical to bridge the trust deficit between the insurer and the insured. Maintaining and growing mutual trust will be vital for the IRDAI to achieve its commitment to enable ‘Insurance for All’ by 2047.

There is however no credible instrument that can be used by insurers to evaluate their own performance when it comes to building trust with those paying regular premiums in the hope of receiving services they are promised under distressing circumstances such as accidents, illness, and hospitalisation. In an attempt to address this gap, this paper introduces a ‘trust barometer’, aimed at all stakeholders in the non-life insurance industry.

Developed from publicly available information, the trust barometer, with its 53 parameters, serves as a ‘diagnostic tool’ to help companies evaluate their performances across the three stages of embedment, enablement and evocation within the trust lifecycle. It can be used to assess how well insurers are integrating trust-building practices into every aspect of their strategy and operations (embedment), creating accessible and customer-friendly experiences (enablement), and ensuring regulatory compliance to inspire confidence among stakeholders (evocation). Interestingly, our trust score analysis revealed that insurers who scored low on our trust barometer also experienced an erosion in market share.

Adopting business strategies with trust at their core can generate positive business outcomes. Where there is trust, there is consistency. Where there is consistency, there is resilience. Where there is resilience, there is the propensity to flourish and be a market leader with brand recall.

We hope that non-life insurance companies are able to derive sharp insights from our paper and apply them across the entire value chain of their companies. We also hope that this report will serve as an important input for the IRDAI to achieve its commitment towards enabling ‘Insurance for All’ by 2047.

Amit Roy
Partner and Leader, Insurance and Allied Businesses
PwC India

1. https://www.thehindu.com/business/Economy/rbi-governor-shaktikanta-das-digital-payments-week-india/article67912852.ece

Contents

Executive summary

'Virtually every commercial transaction has within itself an element of trust, certainly any transaction conducted over a period of time. It can be plausibly argued that much of the economic backwardness in the world can be explained by the lack of mutual confidence.'

Kenneth J. Arrow, Nobel Memorial Prize in Economic Sciences (1972), Excerpt from 'Gifts and Exchanges'

The importance of trust in the context of commercial transactions shared by the Nobel Laureate Kenneth Arrow more than half a century ago is highly relevant to the insurance industry. An insurance contract is a 'transaction conducted over time', wherein insured consumers continue to pay premiums, trusting that the institution collecting them will provide the promised services, often in the most distressing circumstances such as accidents, hospitalisation and even death. Conversely, insurers trust their consumers to have honestly shared their information when entering into a contract and making claims. Such mutual trust, if breached by either party, leaves the consumer, the insurer as well as the industry poorer.

While the burden of trust is symmetric within the insurance contract, the impact of its breach is asymmetric. A consumer rupturing trust in an insurance contract faces legal consequences and, at the very least, social disapproval. However, an insurance company doing the same stands the risk of widespread social condemnation that could dent its public image and brand, in addition to legal censure. Insurance companies must therefore shoulder greater responsibility in the journey of building trust within insurance markets.

In the Indian context, maintaining and growing this two-sided trust is going to be vital to help the IRDAI achieve its commitment towards enabling 'Insurance for All' by 2047.

While insurers acknowledge the importance of building industry-wide trust, there is no credible instrument they can use to evaluate their performance in their trust-building journey, based on publicly available information.

So, how can an insurer go about measuring the company's trust performance and then managing it?

To plug this gap, PwC India has developed a 'trust barometer' that serves as a diagnostic tool for assessing how insurance companies are performing on trust. Based on 53 parameters, the barometer provides insights into a non-life insurance company's overall performance across three stages of the trust lifecycle:

1. **Trust embedment:** In the first stage, the tool helps analyse how well the insurer is embedding trust-building ethos and practices in its value framework, strategies and operations.

2. **Trust enablement:** In the second stage, the tool helps insurers assess their performance in creating customer-friendly trustworthy experiences across the insurance lifecycle.

3. **Trust evocation:** In the third and final stage, the barometer helps insurers evaluate their performance on how well they are evoking confidence amongst regulators and other key stakeholders.

When applied to 12 non-life insurance companies in India – cumulatively accounting for 75.5% of the Indian non-life insurance sector's gross direct premium income (GDPI) – the barometer-based analysis revealed the following:

a. The trust gap between the high performers and laggards is high. The top three scorers exceeded the peer average by 13%, while the bottom three scorers fell short by 15%, resulting in a total gap of 28% between the highest and lowest performers.

b. The ability to offer a superior customer experience towards building trust set the top three trust scorers apart from their competition.

c. The top scorers also outperformed the bottom three in trust-related governance and in integrating ESG principles to build trust.

Furthermore, our statistical analysis revealed a strong correlation between trust and change in market share. The regression analysis conducted showed that trust explained the change in market share of non-life insurance players in a statistically significant manner. Most importantly, it revealed that a trust score below a certain level indicated the loss of an insurer's competitive edge and market share.

Based on this analysis, our research outlines a set of four actions for non-life insurers to drive trust-based market leadership:

1. Place trust at the heart of organisational strategy and culture by designing policies, systems and processes to build value with trust. A case in point is the top-scoring insurer in our analysis. This company has embedded trust adopting it as one of its core values. Moreover, the company makes it a point to share the benefits of trust with its employees and also shares key metrics such as claim settlement ratio numbers with its customers to win their trust.

2. Ensure that the insured person experiences trust during different legs of the insurance journey. Insurers must leverage the power of technologies such as artificial intelligence (AI) to hyper-personalise insurance processes such as claim filing or contract evaluation. This is exactly how one of our top three scorers gained an edge over its competitors. The company has institutionalised a robust tech-based interactive machinery to ensure few customer complaints and swift resolution of those that arise. Other high-scoring insurers, particularly those in motor insurance, are leveraging AI for faster claim processing.

3. Display an agile mindset by developing forward-thinking solutions that meet evolving stakeholder preferences and changing customer needs such as offerings in areas like climate change and cyber insurance.

4. Engage proactively with regulators to stay ahead of compliance requirements such as those related to the Digital Personal Data Protection Act 2023 (DPDP). While most insurers display the same level of alertness towards addressing issues within the realm of insurance regulation, the top scorers differentiate themselves by ensuring better tax compliance and proficient addressal of audit queries.

The Indian insurance industry is on an upward trajectory, unlocking various growth opportunities for organisations. Insurers who place a premium on building trust will be able to position themselves as industry leaders and innovators. Therefore, it is time to collectively begin the journey of enhancing trust within the insurance ecosystem.

Trust, the key to superior business outcomes

Studies conducted globally have established that trust plays a significant role in creating superior business outcomes. Trust is not a soft metric but a critical driver of tangible business outcomes. A consumer's level of trust in a company drives revenue-generating behaviours such as the likelihood of purchasing again, preference for a company over its competitors, trial of unrelated products, and propensity to share personal data.[2] Moreover, 93% of business executives in PwC's 2024 Trust Survey conducted in the US agreed that building and maintaining trust improves the bottom line.[3]

Another study by PwC found a strikingly strong correlation between trust and profitability.[4] The study found that trust explained a whopping 31% of the model's variance for profit margins and 21% for return on assets; the findings were remarkably consistent across industries.

Interestingly, financial institutions in general seem to be lower down on the radar when it comes to being trusted. As per a recent study, 61% of respondents – the lowest number among the industries surveyed – trust the financial services industry.[5] Respondents expressed much higher trust in other industries such as technology (76%), education (75%), healthcare (73%), food and beverages (72%), hotel and hospitality (72%), and manufacturing (70%).[6]

The link between trust and business performance also holds good for the insurance sector where consumers often choose their insurance service providers based on the implicit trust they place in them.

An insurance contract is a 'transaction conducted over time' – in the words of the Noble Laureate Kenneth Arrow – wherein insured consumers continue to pay premiums, trusting that the institution collecting them will provide the promised services when required. Conversely, insurers trust their consumers to have honestly shared their information when entering into a contract and making claims.

The breach of trust by either party – the consumer or the insurer – leaves the industry poorer.

Despite trust being so critical to the insurance industry, there is hardly any tangible instrument insurers can use to diagnose and compare their performances in their trust-building journey that is based on publicly available information.

This position paper introduces a 'trust barometer' for the non-life insurance industry. The barometer serves as a diagnostic tool to enable companies to assess their performance across the trust lifecycle and compare it with that of others. Furthermore, it explores if there exists a trust threshold below which they could lose their competitive edge.

2. Consumer trust: A key driver for business growth in 2023
3. Trust in US Business Survey: PwC
4. PwC, Translating trust into business reality
5. https://www.prnewswire.com/news-releases/2024-edelman-trust-barometer-reveals-innovation-has-become-a-new-risk-factor-for-trust-302034195.html
6. Ibid.

The Indian insurance industry

The Indian insurance industry has experienced remarkable growth over the last two decades driven by increased private sector participation, government schemes, rising awareness among customers and improved distribution capabilities.[7]

Currently, the Indian insurance market is the tenth largest in the world.[8] In the next five years, India is projected to become the fastest-growing insurance sector among the G20 nations.[9] According to India's insurance regulator, the IRDAI, by 2032 the Indian insurance market will become the sixth largest globally.[10]

Insurance penetration in India, despite being better than that in many emerging markets, is low and remains a challenge. In 2023, the insurance penetration figure (as a percentage of gross domestic product) in India stood at 3.8%, and is estimated to increase to 4.5% by 2034.[11] Emerging markets in Asia indicated 2.9% insurance penetration in 2023, except for China which stood at 4.065%.[12] The global penetration levels in that year stood at 6.5%.[13]

The IRDAI is undertaking various initiatives to boost insurance penetration, such as:

launching standardised insurance products

permitting insurers to conduct video-based KYC

allowing insurers to offer rewards for low-risk behaviour.[14]

7. https://www.investindia.gov.in/sector/bfsi-insurance
8. PwC, Addressing emerging risks in the Indian insurance sector
9. https://economictimes.indiatimes.com/industry/banking/finance/insure/india-poised-to-have-the-fastest-growing-insurance-sector-among-g20-nations/articleshow/106915547.cms?from=mdr
10. IRDAI Annual Report 2022-23.
11. https://timesofindia.indiatimes.com/city/mumbai/insurance-to-grow-fastest-in-india-among-g20-swiss-re/articleshow/106912095.cms
12. PwC, Addressing emerging risks in the Indian insurance sector
13. https://timesofindia.indiatimes.com/city/mumbai/insurance-to-grow-fastest-in-india-among-g20-swiss-re/articleshow/106912095.cms
14. https://www.investindia.gov.in/sector/bfsi-insurance

The rapidly expanding non-life insurance industry in India

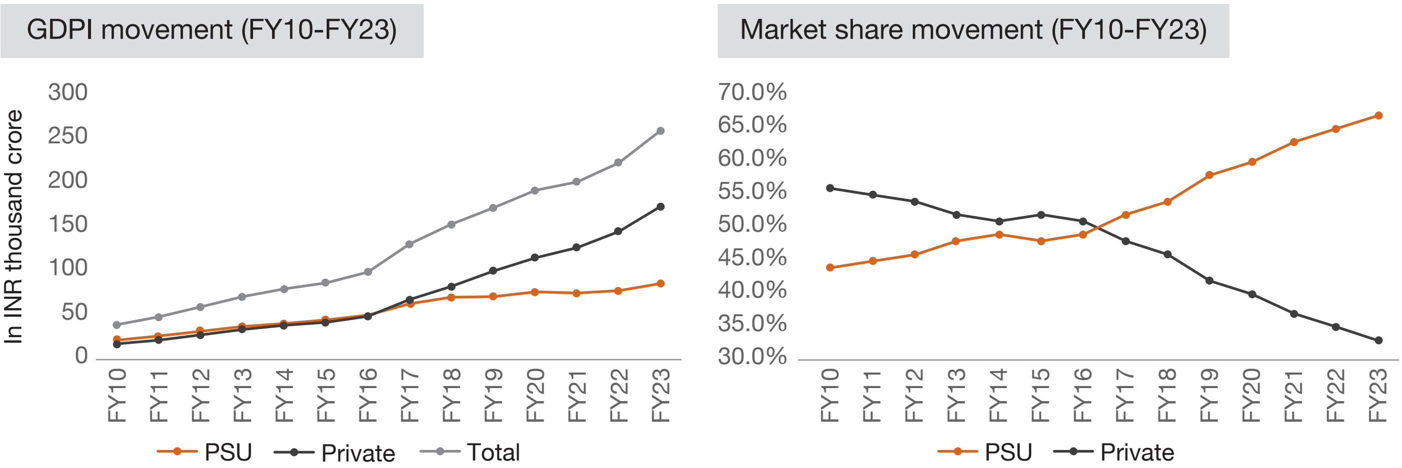
The non-life insurance industry is rapidly gaining prominence due to rising per capita income, product innovations and customisation, development of strong distribution channels, and increasing financial literacy.[15]

In India, this sector has grown at a compounded annual growth rate (CAGR) of 15.7% between FY11 and FY23, with health insurance and motor insurance as key growth enablers.[16] With several non-life insurance players being in action for more than a decade as well as having a Herfindahl-Hirschman Index[17] of less than a 1,000, the non-life insurance market is indeed competitive and one that has matured over the long term.[18]

The gross direct premium income (GDPI) of private sector players has grown at a much higher CAGR of 19.4% compared to their public sector counterparts that have registered a lower CAGR of 11.2% with their GDPI.

Between FY10 and FY23, the market share of private players jumped to 67% from 44%, while the market share of public sector players declined from 56% to 33%[19] (see Figure 1).

Figure 1: The stellar growth of the non-life insurance industry in India



Source: Analysis by PwC India's Research and Insights Hub (RIH) based on IRDAI data

15. https://www.investindia.gov.in/sector/bfsi-insurance
16. RIH analysis based on IRDAI data
17. The Herfindahl-Hirschman Index (HHI) is a measure of market concentration and is used to determine market competitiveness. A market with an HHI of less than 1,500 is considered a competitive marketplace, an HHI of 1,500 to 2,500 is moderately concentrated, and an HHI of 2,500 or greater is highly concentrated.
18. RIH analysis based on IRDAI data
19. RIH analysis based on IRDAI data

Trust as an enabler in the growth of non-life insurance

In the non-life insurance industry, consumers typically pay premiums with the trust that the insurer will provide the contracted services in the event of unforeseen occurrences, such as hospitalisation and accidents. In essence, insurance premiums that cover non-life risks connote the cost of trust that the insured pays upfront, taking a leap of faith, for a future promise.

Ceteris paribus, the ability to win trust can become key for non-life insurers to garner a long-term competitive advantage. Moreover, the impact of trust on business outcomes is also likely to be more pronounced over the longer term in competitive markets.

So how can non-life insurers assess the quality and impact of their respective trust journeys? The trust barometer could provide an answer.

Trust barometer

Concept and framework

While trust is strategically relevant for the growth of the insurance industry, it's always been a challenge to measure it scientifically and systematically – from a lifecycle perspective.

To plug this gap, PwC India developed a trust barometer to help the non-life insurance industry diagnose its performance on the trust lifecycle across three primary areas:

- **Organisational philosophy, values and strategy** – focusing on investigating the actions taken by the insurer to **embed** trust into its business strategies, policies, business and operational practices.
- **Customer experience** – focusing on examining the measures taken by the insurer that **enable** trust with customers, and the responses of customers.
- **Regulators/quasi-regulators' perspective** – factoring in the response the insurer's performance in areas of embedding and enabling trust **evokes** from regulatory and quasi-regulatory bodies.

Assessments based on the trust barometer can be used to identify and highlight:

- the current gaps/strengths in the strategies, policies, business and operational practices of the insurer towards building trust at the level of individual insurers
- actions to be taken by the insurer to leverage trust for gaining and sustaining market leadership.

Putting the trust barometer into action

We applied the 53-parameter strong trust barometer to 12 non-life insurance companies which together accounts for 75.5% of GDPI of the Indian non-life insurance sector to understand their performance around:

embedding trust in their value frameworks, strategies and operations

enabling customer-friendly experiences

evoking trust within the regulatory architecture.

We used publicly available resources[20] to rate the companies on each of our parameters on a scale of 1 to 3. A score of 1 meant that the performance with respect to that parameter was low or that data wasn't available in the public domain. A company scored 2 when its performance on that specific parameter was moderate, and a score of 3 indicated a high performance on the given parameter.

Consider, for instance, one of the parameters under which we examined the number of complaints per 10,000 claims. An insurer was given a score of 3 if less than five complaints were raised per 10,000 claims (averaged over the last three years); a score of 2 when 5–15 complaints were raised; and a score of 1 when more than 15 complaints were raised.

20. These included annual reports of the players, mandatory disclosures made in public domain by the players, company websites, IRDAI website and ombudsman annual reports.

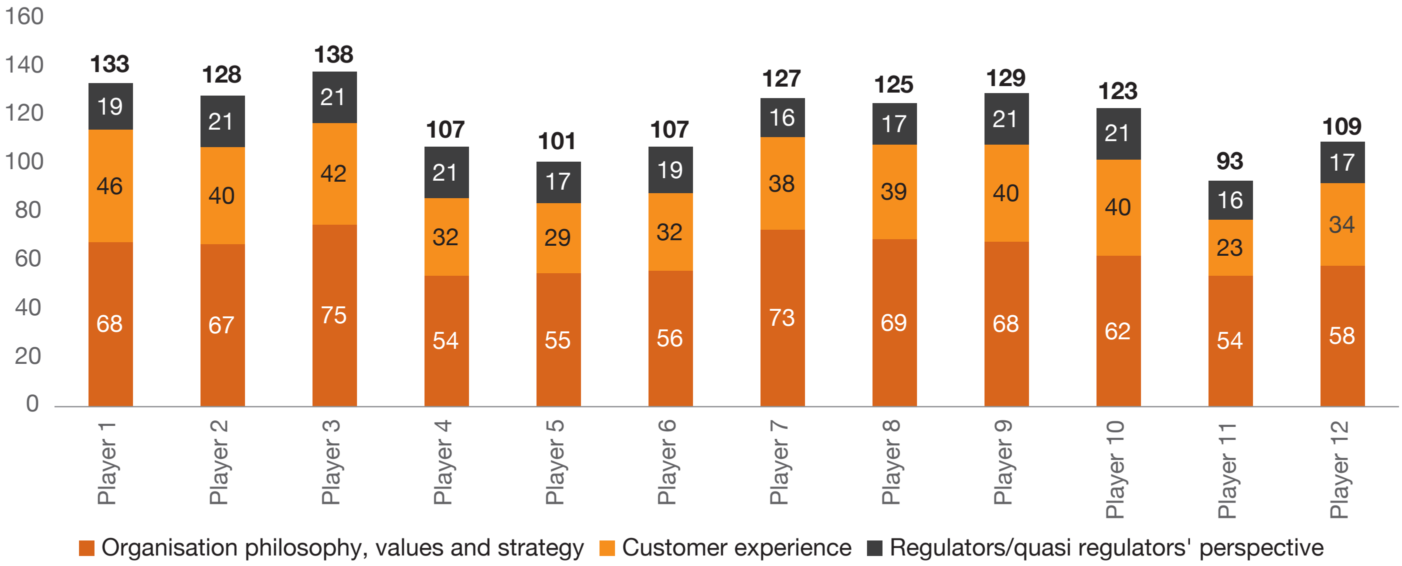
The insights from our analysis revealed the following:

a. The top three scorers exceeded the peer average by 13%, while the bottom three fell short by 15%, resulting in a total gap of 28% between the highest and lowest performers (see Figure 2). This indicates that building trust is a journey, with various insurers at different stages of the trust life cycle of embedment, enablement and evocation.

b. What set the top three trust scorers apart from their competition was their ability to enable superior customer experience. In fact, the difference between one of the top performers and the lowest performer in this area was two-fold (see Figure 2). The top scorers in our analysis had implemented effective mechanisms to resolve customer grievances, complaints and legal disputes while also establishing robust cybersecurity measures. One of the top-scoring companies has been using generative AI (GenAI) to simplify complex insurance jargon, making the information comprehensive and accessible for policyholders.

c. The top scorers also outperformed the bottom three in trust-related governance and integration of ESG principles to build trust. These players not only had the necessary governance policies in place – such as anti-corruption and whistleblower policies – but also demonstrated transparency in sharing their progress and performance on key governance parameters. Similarly, in terms of trust-building with ESG principles, the top three players gained a lead over their peers by publicly demonstrating their ESG framework and sharing updates on their progress.

Figure 2: High performers, followers and laggards



Source: Analysis by PwC India's RIH

Equipped with our ability to measure companies' performance on trust, we examined the link between the trust scores of the players and their impact on creating a differential business outcome.

We conducted a regression analysis using the individual scores of the companies and the change in their market share – an indicator of the insurer's market leadership, between FY13 and FY23.

The analysis revealed a strong correlation between trust and the change in market share over the ten-year period. Trust significantly explained the changes in market share observed among non-life insurance players. The causality – the extent of variance in market share change explained by trust scores – was also significant, accounting for 37.5% of the ten-year data set.

Moreover, our trust score analysis revealed that a trust score below 120 led to erosion of competitive edge for many of the companies analysed. Conversely, insurers that experienced a significant decline in market share over the past ten years also scored low on our trust barometer.

This proves that pursuing trust-centric business strategies is more likely to generate favourable business outcomes and help achieve market leadership and mindshare. Companies that prioritise building trust will enjoy customer loyalty, investor confidence, and an enhanced reputation, leading to increased market share and long-term success.

The way forward: Implications for companies

Our research shows that companies must architect a high-trust ecosystem to ensure long-term business success. Actions along the three Es of the trust life cycle – embedment, enablement and evocation – are required to build and execute trust. The following recommendations, aimed at helping an insurer establish trust with new customers as well as enhance and sustain that trust in an increasingly competitive industry, cover the entire lifecycle of trust:

1.

Place trust at the heart of organisational strategy and culture

Trust should be at the heart of an organisation's business strategies, policies and operational practices. Companies need to be mindful that mere inclusion of trust in their vision, mission statement or purpose will not by default translate into trust-building. Trust must be at the core of the business strategy that includes approach to market, key customer value proposition, product/service design, and communication and promotion. In addition, enabling policies, systems and processes must also be designed to align with the objective of building trust across the value chain, including distribution chains and employees. This way trust can become central to the culture of the organisation.

Embedding trust could also be viewed through the lens of environmental, social and governance (ESG) practices. As organisations work towards aligning company values with customer and stakeholder expectations, ESG emerges as a priority area. In a survey conducted by PwC, 49% of global insurance CEOs said they were extremely or very concerned about the impact of social inequality on their ability to sell products and services.[21] Therefore, to nurture trust, insurers are focusing on alleviating asymmetry by creating affordable products such as microinsurance to bridge access and coverage gaps.

21. PwC, ESG: A growing sense of urgency

Our trust barometer correspondingly revealed that the company with the highest trust scores overall also scored the highest on ESG parameters by way of integrating ESG in its operations, underwriting, investment and business strategies. Embedding ESG into the organisation's core philosophy will enable companies to publicly address social issues and create innovative coverages that address emerging risks and cater to underserved populations.

2.

Enhance trust-based customer experience through hyper-personalisation technology

Shifting consumer preferences have made hyper-personalisation imperative across industries. Insurance leaders should aim at delivering personalised experiences that meet specific lifestyle and behaviour-based customer requirements[22] to enable trust-building with their customers. To create customer-centric offerings, insurers need to leverage data analytics to better understand the target customer behaviour. CEOs could consider developing an omnichannel strategy that enables interoperability among digital assets, and provides access to real-time data to transform the customer service experience.[23]

Technology should be leveraged to ensure customer experience is enhanced across all touchpoints. For example, technology can be used to simplify claim filing. A case in point is a prototype tool created by PwC in Germany which allows customers to take photos of their damaged vehicle via their smartphone camera and share the data with the insurer, allowing experts to evaluate the generated 3D model without a site visit, thus leading to shorter claims processing time.

Use of augmented reality (AR) can further ensure seamless customer experience. Insurance products and contracts can be complex and hard to understand for consumers. By using AR to showcase product-related information and possible scenarios, carriers can promote understanding of the contract and its terms, thereby building trust.

GenAI and customer-centric insurance

In 2023, many insurers approached GenAI with disparate, limited-scale experimentation and proofs of concept.* They are currently looking at GenAI to not only deliver use cases within specific functions, but also to reimagine core functions and business processes. Insurers are already applying GenAI models to generate policies for specific cases, translate content from one language to another, and even to recreate accident scenes based on crash photos.

By using GenAI to optimise customer-centric touchpoints, insurers can enhance service and in turn strengthen trust with their customers. For example, GenAI tools can provide 'always on servicing' with chatbots that can answer claims or policy-related queries without specialist support, while also offering tailored experiences and advice to each policyholder. Sentiment analysis using GenAI tools could enable insurers to proactively identify areas where customers are dissatisfied or are experiencing issues.

Moreover, GenAI could also help build trust with regulatory authorities by ensuring compliance through GenAI tools that can summarise and provide real-time notifications on regulatory updates which could impact the insurance products.

Organisations looking to adopt GenAI need to ensure appropriate governance and risk frameworks to guard against GenAI models hallucinating, violating intellectual property or perpetuating inadvertent biases. Companies can strengthen the trust quotient and create a culture of accountability and transparency by being open with regulators and customers about how AI is used and how potential risks will be addressed.

***Source:** PwC, 2024 GenAI insurance trends

22. PwC, Bridging gaps in the India insurance sector

23. Ibid.

3.

Adapt to changing needs by developing forward-thinking solutions

To build trust among stakeholders and stay resilient in the face of headwinds, insurers need to demonstrate the ability to adapt to new risks such as cybersecurity and climate change, and provide adequate protection to customers.

For example, there is a growing need for custom-made insurance products for content creators in India's content creator economy. While cyber insurance policies do exist, they fall short of meeting the specific needs of content creators. Insurers, therefore, can address the growing risk of account hacking and content loss by designing policies that protect digital assets.[24] Climate change is another area that presents an opportunity to build forward-thinking solutions. It is estimated that up to USD 183 billion of new premiums could be generated globally by 2040 due to climate change, mostly in the property insurance segment.[25]

4.

Ensure proactive engagement with regulators

An insurer's self-proclamation of being trustworthy would ring hollow unless echoed by all key stakeholders, not only customers and distributors, but also regulators and investors.

A track record of regulatory compliance, regulatory actions, ombudsman reports, high corporate governance standards, resolution of legal disputes, and good customer ratings on social media could help nurture and deepen trust. The insurance industry is a heavily regulated one. Thus, insurance companies need to take a proactive stance to stay ahead of the compliance requirements and proactively engage with regulators.

For example, a proposed composite insurance licence that allows insurers to offer both life and non-life insurance products under a single licence[26] will require companies to ensure they meet the compliance requirements for both life and non-life insurance products.

Complying with data protection laws such as the newly introduced Digital Personal Data Protection (DPDP) Act, 2023, is also essential to earn the trust of regulators and policyholders. This holds especially true for the InsurTech sector. InsurTech companies collect, store and utilise customer data through various distribution channels such as insurance houses, third parties, independent brokers and reinsurers, which could raise concerns on data privacy and compliance.[27]

The IRDAI has put in place several third-party governance mechanisms and regulations for insurance brokers to follow on data privacy and security. Regular audits and reviews can help identify and rectify compliance issues before they reach the escalation level. By engaging proactively with regulatory bodies, insurers can demonstrate their commitment to transparency and ethical practices, and evoke trust.

The insurance business is about promises and trust. Trust built and sustained can lead to a flourishing insurance industry. As the proverb goes, the best time to plant a tree was 30 years ago. The best time to seed and grow trust within the insurance industry is now.

24. The Economic Times, YouTubers run for cover, but insurers lack policy umbrella
25. PwC, Insurance 2025 and Beyond, Insurance Reimagined
26. Financial Express, Composite licence for insurers can be a game-changer
27. PwC, Addressing emerging risks in the Indian insurance sector

About ASSOCHAM

The Associated Chambers of Commerce & Industry of India (ASSOCHAM) is the country's oldest apex chamber. It brings in actionable insights to strengthen the Indian ecosystem, leveraging its network of more than 4,50,000 members, of which MSMEs represent a large segment. With a strong presence in states, and key cities globally, ASSOCHAM also has more than 400 associations, federations and regional chambers in its fold.

Aligned with the vision of creating a New India, ASSOCHAM works as a conduit between the industry and the Government. The Chamber is an agile and forward-looking institution, leading various initiatives to enhance the global competitiveness of the Indian industry, while strengthening the domestic ecosystem.

With more than 100 national and regional sector councils, ASSOCHAM is an impactful representative of the Indian industry. These Councils are led by well-known industry leaders, academicians, economists and independent professionals. The Chamber focuses on aligning critical needs and interests of the industry with the growth aspirations of the nation.

ASSOCHAM is driving four strategic priorities - Sustainability, Empowerment, Entrepreneurship and Digitisation. The Chamber believes that affirmative action in these areas would help drive an inclusive and sustainable socio-economic growth for the country.

ASSOCHAM is working hand in hand with the government, regulators and national and international think tanks to contribute to the policy making process and share vital feedback on implementation of decisions of far-reaching consequences. In line with its focus on being future-ready, the Chamber is building a strong network of knowledge architects. Thus, ASSOCHAM is all set to redefine the dynamics of growth and development in the technology-driven 'Knowledge-Based Economy. The Chamber aims to empower stakeholders in the Indian economy by inculcating knowledge that will be the catalyst of growth in the dynamic global environment.

The Chamber also supports civil society through citizenship programmes, to drive inclusive development. ASSOCHAM's member network leads initiatives in various segments such as empowerment, healthcare, education and skilling, hygiene, affirmative action, road safety, livelihood, life skills, sustainability, to name a few.

The Associated Chambers of Commerce and Industry of India

4th Floor, YMCA Cultural Centre and Library Building

01, Jai Singh Road, New Delhi-110001

Web: www.assocham.org

About PwC

At PwC, our purpose is to build trust in society and solve important problems. We're a network of firms in 151 countries with over 360,000 people who are committed to delivering quality in assurance, advisory and tax services. Find out more and tell us what matters to you by visiting us at www.pwc.com.

PwC refers to the PwC network and/or one or more of its member firms, each of which is a separate legal entity. Please see www.pwc.com/structure for further details.

Contact us

Amit Roy
Partner and Leader, Insurance and Allied Businesses
PwC India
roy.amit@pwc.com

Raghav Manohar Narsalay
Partner and Leader, Research and Insights Hub
PwC India
raghav.manohar.narsalay@pwc.com

Authors

Amit Roy
Raghav Manohar Narsalay
Ashutosh Satsangi
Vihang Sampat
Sharvari Joshi
Ruchika Uniyal
Gitika Karagwal

Editors

Vishnupriya Sengupta
Dion D'Souza
Rubina Malhotra

Design

Kirtika Saxena

pwc.in

Data Classification: DC0 (Public)

KS/November 2024-M&C 42350