

BAJAJ ALLIANZ



Background

Founded in 1890 in Berlin, Allianz is now present in more than 70 countries with over 162,000 employees. Allianz Group provides its more than 70 million customers worldwide with a comprehensive range of services in the areas of property and casualty insurance, life and health insurance, asset management and banking. In fiscal year 2005, Allianz's total revenues exceeded US\$ 124 billion.

India operations

Allianz entered India by setting up a liaison office in 1996. Subsequently, Allianz has set up two joint venture companies in India and is currently present in the Life and General Insurance businesses. The joint ventures are with Bajaj Auto Ltd., India's leading two and three wheeler manufacturer. Bajaj Auto holds 74 per cent and the remaining 26 per cent is held by Allianz, Germany. Company's activities in India include Life and General Insurance and Risk Management.

Companies of the Allianz Group in India include Bajaj Allianz General Insurance Co Ltd (BAGICL) and Bajaj Allianz Life Insurance Co Ltd (BALICL).

Bajaj Allianz Life Insurance Company Limited

Incorporated in 2001, this is one of the fastest growing private life insurance companies in India. Currently, it has over 300,000 satisfied customers. It has customer care centres in 155 cities with 28,000 Insurance Consultants. BALICL ranks number one (as per January 2006 IRDA results)

among the private life insurers in the country. Currently it has a portfolio of 26 products and more need-based products are in the pipeline.

Bajaj Allianz General Insurance Company Limited

Bajaj Allianz General Insurance started operations in 2001. The company today has a presence in over 100 cities and towns through a network of offices and representative offices spread across the country. The company has been growing at a CAGR of 60-65 per cent over the past three years. BAGICL has the highest profitability in the insurance sector in India. The company has over 45 insurance products that can be customised to suit the requirements of corporate and retail clients.

Keys to success

Innovative products

BALICL has launched a set of need-based products to cater to the varied needs of its customers. It has developed insurance solutions that cater to all segment and age-income profiles.

BAGICL has launched a variety of innovative products. These include providing insurance cover for television serials (e.g. Nach Baliye), movies, wedding cancellation / postponement insurance, special travel insurance plan for travellers to Asian countries etc.

BAGICL has also developed knowledge and expertise in handling major complex risks like refineries, power plants and infrastructure projects. Recently the company issued a Mega Policy to

Indian Oil refineries. The company also has emerged as a major player in the project insurance sector and has recently covered the Essar refineries and Konaseema power projects.

Tapping the rural market

BALICL has identified the rural segment as having significant growth potential in the coming years. It has a tie-up with the 7 Regional Rural Banks. The tie up with Syndicate Bank has made Bajaj Allianz Life Insurance's products available at 1,200 branches in the rural areas.

BAGICL has also tapped the rural market by tying up with regional co-operative banks and developing products like cattle insurance and the farmer's package specifically for the rural market.

Multiple distribution channels and large sales force

BALICL has a pan-India presence through an office network that spans 475 cities and is aided by a well

trained agency network of over 60,000 Insurance Consultants since 2004.

BAGICL has around 60 branch offices with a presence in around 125 cities, and multiple channels of distribution, which include motor manufacturers, motor dealers, travel agents, DSAs etc. There are over 3,000 active multi-line agents who operate across the country.

The company has been actively reaching out to the masses not only through these agents, but also through other popular channels like bancassurance. It has forged bancassurance tie-ups with as many as 12 banks including PSU banks, new age private sector banks, co-operative banks and foreign banks.

BALICL has bancassurance tie-ups with Standard Chartered Bank, Syndicate Bank and Jankalyan Sahakari Bank etc., which distribute Bajaj Allianz's products to all income segments of the society. The company also introduced "online selling" and many of its retail products are now available online, thus increasing the customer reach.



Trusted brand name

Allianz group is a trusted brand name in the world. The tie-up with Bajaj, which is a well known and trusted household name in India, helped the company establish itself in India and enhanced its acceptability among customers. The partnership successfully combines Bajaj Auto's in-depth understanding of the local market and extensive distribution network with Allianz' global experience and technical expertise.

Superior customer service leveraging technology

BAGICL has taken several initiatives to improve the quality of customer service. These include issuing insurance policies online, system of SMS intimation to customers on the status of their claim settlement, cashless claims settlement and issuing policies through dealers/agents. The company also communicates the overall status of claim settlements through its quarterly newsletter - Newstrack, which is circulated to all policyholders and includes a section on claims settlement operations. Bajaj Allianz has developed capabilities in harnessing IT and has deployed high-end applications and technologies. Recently Bajaj Allianz General Insurance was recognised as Centre of Competence by the Allianz Group. BAGICL and BALICL have worked on various projects for Allianz companies worldwide. With this new recognition, Bajaj Allianz can bid for any IT project at any of the 70 Allianz companies operating worldwide.

The IT department of BAGICL is also acting as First Level Support to all OPUS applications used by Allianz companies worldwide.

Future plans

BAGICL plans to expand its operations in India by opening another 50 branches over the next three years and also by expanding its service offerings from the Allianz portfolio.

Allianz has identified India as a hub for its operations in SAARC countries. As a start, the company has set up general insurance operations in Sri Lanka which are being managed by Bajaj Allianz from India. All the important functions of the Sri Lankan set-up, including underwriting, issuing policies and settling claims are being managed by Bajaj Allianz.

Allianz India: At a glance

- The company entered India by setting up a liaison office in 1996. Companies of the Allianz Group in India include Bajaj Allianz General Insurance Co. Ltd. (BAGICL) and Bajaj Allianz Life Insurance Co. Ltd (BALICL)
- For Allianz, India is: A key growth market.
- Factors for success: Innovative products, Tapping the rural market, Multiple distribution channels and large sales force, Trusted brand name, Superior customer service
- Future plans : Expand the India operations, Make India the hub for SAARC countries.