

PGDM (Insurance Business Management) 2019-21

Channel Management

INS -204

End Term Exam , Trimester II , December , 2019

Time allowed: 2½ Hours

Max Marks: 50

Roll No:

**Instruction:** Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as **Unfair Means**. All other instructions on the reverse of Admit Card should be followed meticulously.

Sections	No. of Questions to attempt	Marks	Total Marks
A	All 3 question with internal choices	3*10	30
B	Compulsory Case Study	20	20
			<b>50</b>

**Section-A**

1. What are the three core functions of a distribution channel ? Illustrate these with suitable examples from distribution channel in Insurance industry.

OR

List out the three leading channels of distribution in general insurance domain in India with their respective contribution. Discuss a brief about their future with reference to the growing use of digitization. (CILO 1)

2. Describe in brief the relevant provisions about the eligibility , capital requirement, direct marketing and claim consultancy work for a broking company operating in India as per IRDA Regulations. (CILO 2)

OR

What had been the purpose of bringing the new channel Insurance Marketing Firms ? Do you believe that it has lived up to the expectation ?

3. The distribution & customer connect has become the real requirement for success in retail line of business. Do you agree with the statement ? How is the digitalization helping in it ? (CILO 3)

OR

Evaluate the performance of bancassurance in life insurance domain. What could be the possible solution to minimize the complaints of mis-selling ?

## Section B

### Case Study

Marks 20 ( 10\*2)

Over the years the distribution channels in Indian insurance sector has seen a paradigm shift. From the just two channel i.e. agency & direct , the industry has got more than 10 channels now to distribute their products.

The bancassurance channel & brokers picked up the market well soon & starting dominating the contribution in business more so in private insurance co portfolio. This dominance also lead to the news of an arm twisting & demand of better intermediary charges over & above the norm prescribed.

The channels like micro-insurance & IMF were started with great hope but with passage of time they also proved a non-started & their impact was never felt in industry.

The industry witnessed a rise of tech based new intermediaries such as web-aggregator , PoS & MISP. Though these new age channels were liked / used by the tech savvy target group but their contribution to the business has remained not that impressive.

Post sale service has always been a concern associated with these new channels. The relationship quotient has always been absent in such channel.

The old traditional tied agency still has its roots intact & continue to be the biggest contributor till date.

There has been a discussion in the industry to re-access the strategy & invest more in agency channel for a more reliable & sustainable mode. Some of the companies have started doing so.

Based up on your understanding of the Indian insurance market , PI answer the following questions:

1. Do you feel it is right marketing decision for these insurance companies to go back to the tied agency distribution channel ? Explain your stand with reasons.
2. If you were to be the distribution head of a general insurance company dealing with retail line of business , which three channels would you opt for in order of preference & why ?

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