



Left-Right:
Kim Teh Leng
Eric Wong

Prudential Malaysia's digital journey let operations take flight amidst the crisis

Its five-year digitalisation plan has allowed for easy transition to remote work and services.

Whilst other insurers are still catching up with their digital services following months of lockdown and social distancing measures, Prudential Assurance Malaysia Berhad's (PAMB) head start on their digital transformation journey has allowed the insurer to comfortably transition from traditional ways of operating to remote working and servicing.

"We started this journey a few years ago, recognising that technology has changed the way that many firms do their business," **Teh Kim Leng**, PAMB's chief transformation and operations officer, told *Insurance Asia* in an exclusive interview. "We saw it bringing in a lot of other possibilities that we could not do when we were running the business in a more traditional way."

The transformation journey, which began in 2014, was anchored on three objectives: speed to market, agility, and efficiency. Because of their early start, the insurer already had a lot of the digital capabilities needed to adapt to COVID-19. For example, PAMB introduced an e-payment channel to enable their customers to pay their premiums through a more secure and convenient method. During the Malaysia movement control order (MCO), online payments made up as much as 99% of the insurer's payment transactions, up from only 30-40% previously.

"Now that our branches are open, we do see some people going back to the branches to pay their premiums. But we still see a very high rate of e-payments — at this junction it's still above 90%, which is a very good sign," added Teh.

Chief amongst their digital offerings is the AI-powered, all-in-one health app Pulse by Prudential. The app became key for the insurer in bridging both their customers' health and insurance concerns as well as spreading health awareness to all Malaysians amidst ongoing physical barriers due to the pandemic, according to **Eric Wong**, PAMB's chief customer and marketing officer. Launched last year, Pulse—which is free for everyone even for non-Prudential customers—features a plethora of health-related services and now has over 1.4 million downloads. Services include online consultation where the user can consult with a certified doctor via video or audio call.

Insurance Asia caught up with **Teh** and **Wong** to learn more about PAMB's digital transformation journey, the insurer's operations amidst the current pandemic, and their ongoing initiatives.

Tell us more about Prudential Malaysia's digital transformation journey. How has this helped you adjust to the disruptions the pandemic caused?

Teh: Our journey started back in 2014, when we designed a five-year technology roadmap to modernise our technology infrastructure, and transformation is a part of this roadmap. The plan was anchored on the fact that we need to enhance our services in the market to launch new products and

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services. Our journey was anchored on three objectives: speed to market, agility, and efficiency.

Because we started early, by the time COVID-19 hit the market, we were already four years down the road into our transformation journey. We were quite fortunate in the sense that a lot of the needed digital capabilities were already in place when COVID-19 came, and we were able to quickly mobilise our people and provide additional options to our customers in the way they are served and protected during this unprecedented time.

What measures did you roll out in order to support your customers amidst the ongoing disruptions?

Wong: We have put in a lot of resources into Pulse where you can read about how to protect or take care of yourself in the midst of the pandemic.

Through Pulse, we want to be a companion to all Malaysians on their health journey. This is in line with our ambition to provide affordable and accessible healthcare for everyone. It's a free app that we launched last year and we have so far received very good feedback. It has features to help people get healthier, such as a health assessment and a symptom checker. The app also boasts a dengue prediction feature, amongst other things.

Not only that, we are also using Pulse as a platform to offer additional coverage against COVID-19 to both customers and non-customers. We have introduced an initiative where non-customers can also sign up for coverage, which provides them with protection if they are hospitalised due to COVID-19. For example, they can receive up to RM10,000 in the unfortunate event of death as a result of COVID-19.

Teh: On the services side, a lot of our initiatives were already activated before the pandemic and we were focused on driving utilisation. When the branches were closed for more than a month during the pandemic, our customers who are used to visiting our branch to pay for their premiums, access services and provide documents, were not able to do that anymore. Many of them have since migrated to using our digital platforms.

On the distribution and agents' side, we provided support for them with an array of digital tools, with the pandemic accelerating their adoption of these platforms. We are seeing more people utilising these digital platforms for service requests instead of submitting a paper or just sending it through email. What we are trying to ensure now going forward is that the momentum remains, so that people don't revert to their old way of doing things, and I think we see that happening.

How has Prudential made its workforce ready to cater to your customers' needs digitally?

Teh: We recently moved into a new office in June 2019 and made a very conscious decision to create the culture of agile

working for our staff. Therefore, in our new office, there are no physical wires or LAN points; everything is wireless. It's a culture where we allow people to work from any location within the office, enabling them to move around.

That decision has placed us in a very good position to face the pandemic because within a span of less than a week, we were able to mobilise 95% of our workforce to work from home.

Wong: The flexibility it has provided has been really helpful during this time. Our people are able to do their job while staying at home. A lot of schools and organisations were closed, and this setup allowed our staff to continue working without being inconvenienced. Imagine having to return to the office to do work while you know you have young children to take care of at home.

What inspired Prudential's digital transformation journey? What are some initiatives and projects that you have rolled out to improve your digital servicing capabilities?

Teh: I mentioned earlier about our five-year technology roadmap. One of its key elements is the modernisation of our back-end system. For many insurance companies, one of the big challenges they face is being hampered by legacy platforms that inhibit them from embracing the new digital world. That is why when we worked on this project, we wanted to make our system optimal, which is essentially about modernising our back-office environment based on the earlier mentioned objectives.

In the last two years, we have been able to embark on more projects around emerging technologies. The introduction of Pulse was one of our key projects last year. Within Pulse, there are several features that are powered by AI, such as the symptom checker that was mentioned earlier. This year we also launched our chatbot service, which is similarly driven by AI, for our agents, and we are now looking to offer it to customers as well.

How did the public view the Prudential brand during this period? How did you maintain the Prudential brand across customers and the Malaysian public during the MCO?

Wong: As an insurer, we need to be helpful. During MCO, we strive to provide as much information as we can to our customers and the general public. We make sure we communicate with our customers on the operating hours of our branches and which services will be available through these branches.

We provide the option of a premium deferment plan, in conjunction with the government's initiative, for those impacted by the COVID-19 outbreak. Our customers can write to us and explain their situation in order for them to receive a 90-day period of premium deferment.

Another small but impactful thing that we have done is to look at our products and recommend those that are affordable during this time. We have launched a few solutions that will help people get started in terms of insurance coverage.

Teh: We need to make sure that we provide enough options to customers and be able to continue serving their needs. I mentioned e-payments earlier because one of our highest volume of transactions are payments by our customers. The idea is to create various options that the customers will be

Rather than using pen and paper, agents are now using iPads and digital technology to engage with customers



able to choose from. For those who still choose to go to the branches, we are not stopping them. However, at the end of the day, we want to encourage them to move towards digital platforms because these will give them a lot more options and convenience in terms of how they can have their transaction fulfilled.

How has COVID-19 changed the insurance industry in Malaysia? How have insurers been impacted by the disruptions this had caused?

Teh: I believe the biggest impact the pandemic has had, and will continue to have, on the industry is digitisation. For Prudential, as we were already on this path of digital transformation, the pandemic has only served to reinforce our commitment to this journey and to continue the momentum.

What's next for Prudential Malaysia?

Wong: On Pulse, the journey continues. We will be including more features and functionalities on the app in coming months.

From a customer point of view, we will provide products and services that commensurate with the current situation. The pandemic is a reminder to many of us that financial protection is key, and sometimes when it comes to insurance, only when you're in a certain situation do you really appreciate the fact that you're protected. This is an area that we want to continue to focus on. For example, we continue to educate our customers about the difference between medical and critical illness coverage; one gives you medical coverage and hospitalisation, while the other is for protection against critical illness. You need to be able to continue with your livelihood and coverage is therefore important in those periods as well.

Teh: On the distribution side, we have empowered our agents with digital tools, so that they can serve and engage with their customers and prospects in a more modernised way. Rather than using pen and paper, they are now using iPads and digital technology to engage with their customers.

What we have done recently is move from beyond just the sales and service environment, bringing in the learning aspect where a lot of agents now are embarking on e-learning. This started off during the MCO and we will do a lot more of this going forward. For example, we have created several bite-sized videos that they can view and learn about different topics to help them with their business.

Our digital journey forward now has also included the nurturing and supporting of our agents. The initial focus was on how agents can engage with customers, but it has since moved to how we can help them to build their business and how new agents are recruited and contracted. All of these initiatives are now being done digitally. The suite of tools that we give to agents will become more complete in the next six to 12 months as we build up these components and give them an end-to-end capability to be able to run their business more efficiently.

On the customer side, clearly, Pulse is going to be our primary focus. Over time, you will see a lot more things that we will be rolling out in Pulse to fulfill the needs of our customers.