



Cooperative Education Report

Development of a New Insurance Product:

An Overview

Written by

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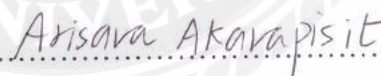
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Abstract

This report has been prepared as partial fulfillment of the requirement for the cooperative education, faculty of Business Administration at Siam University. Having expressed my interest and desire to work in the field of financial institutions and insurance, I was placed at Muang Thai Insurance Public Company Limited by Siam University itself. I worked for MTI for 15 weeks starting from February 12, 2018 to May 25, 2018 for five days a week for 8 and a half hours each day.

The goal of this internship program is to study the various aspects of product development and business development at an insurance company. The main objectives include: (1) To get an exposure into the working culture of such international organizations; (2) To know how the different insurance products are priced; (3) To learn about the different phases of product development. To achieve the objectives with concrete outcomes, I have shown utter determination and hard work with all the research and analysis activities that I had to perform throughout this internship program. The result found that product development is much more than just coming up with a product idea. It also involves pricing, business development and other marketing activities.

Keywords: Product Development / Research and Analysis / Business Development

Acknowledgement

I would first like to express my sincere gratitude to Siam University for providing me with an opportunity to complete my internship at such a prestigious organization. I would not have been able to learn so much if it had not been for this organization.

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Thirdly, I would like to thank my academic supervisor, Dr. Pichit Eamsopana, for his constant guidance and supervision. Without his valuable feedbacks, I would not have been able to complete this report.

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Aditi Upadhyaya Poudel

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1. Introduction

1.1 Company Profile:

On June 20, 2008, as the first amalgamation of the Thai Non-Life Insurance Industry, Phatra Insurance Public Company Limited and Muang Thai Insurance Co., Ltd. was fully merged and began its operation under the name of “Muang Thai Insurance Public Company Limited” (MTI, 2013). These two companies came together to increase the strength and competitiveness of the business.

Muang Thai Insurance Public Company Limited is a milestone in the country’s Non-Life insurance history because it has perfectly combined the expertise of the two firms boosting both strength and potential therein. So, the Company is indeed clearly well prepared for the policy to liberalize insurance industry in the near future. (MTI, 2017).

Muang Thai Insurance Public Company Limited has “an objective and commitment to become the leading company in Thai Non-Life insurance industry, stay on as a stable firm, listed on the SET with the registered capital of THB 590 Million, be a true professional in Non-Life insurance, and remain a Thai-owned Non-Life insurance company which has operated its business in line with ethics, transparency and good corporate governance.” (MTI, 2017)

Throughout its operation, Muang Thai Insurance Public Company Limited has reinforced public confidence in it via its constant development and safeguarded identity as a Thai-owned Non-Life insurance company which has upheld transparency, good corporate governance, and corporate social responsibility (MTI, 2017). The Company’s executives and staff have also collaborated to maintain its outstanding strength.

It is guaranteed by the second best non-life insurance company of the year 2011 (2 years: 2011-2012). This is a prestigious award of the company received from the Office of Insurance Commission (OIC) (MTI, 2017). Today, Muang Thai Insurance Public Company Limited still strongly commit to achieve further success and to give everyone smiles in accordance with its slogan “**Muang Thai Insurance... Smile Over Trouble.**” (MTI, 2017)

Vision:

“To be the most preferred insurance partner providing outstanding solutions”

Mission:

- Be a customer centric organization.
- Optimize Shareholder's Value through sustainable and profitable growth with sound risk management.
- Emphasize continuous improvement through value added products, service excellence, and operational efficiency.
- Commit to corporate governance and social responsibilities.
- Be an employer of choice.

(MTI, 2013)



1.1 Organizational Structure:

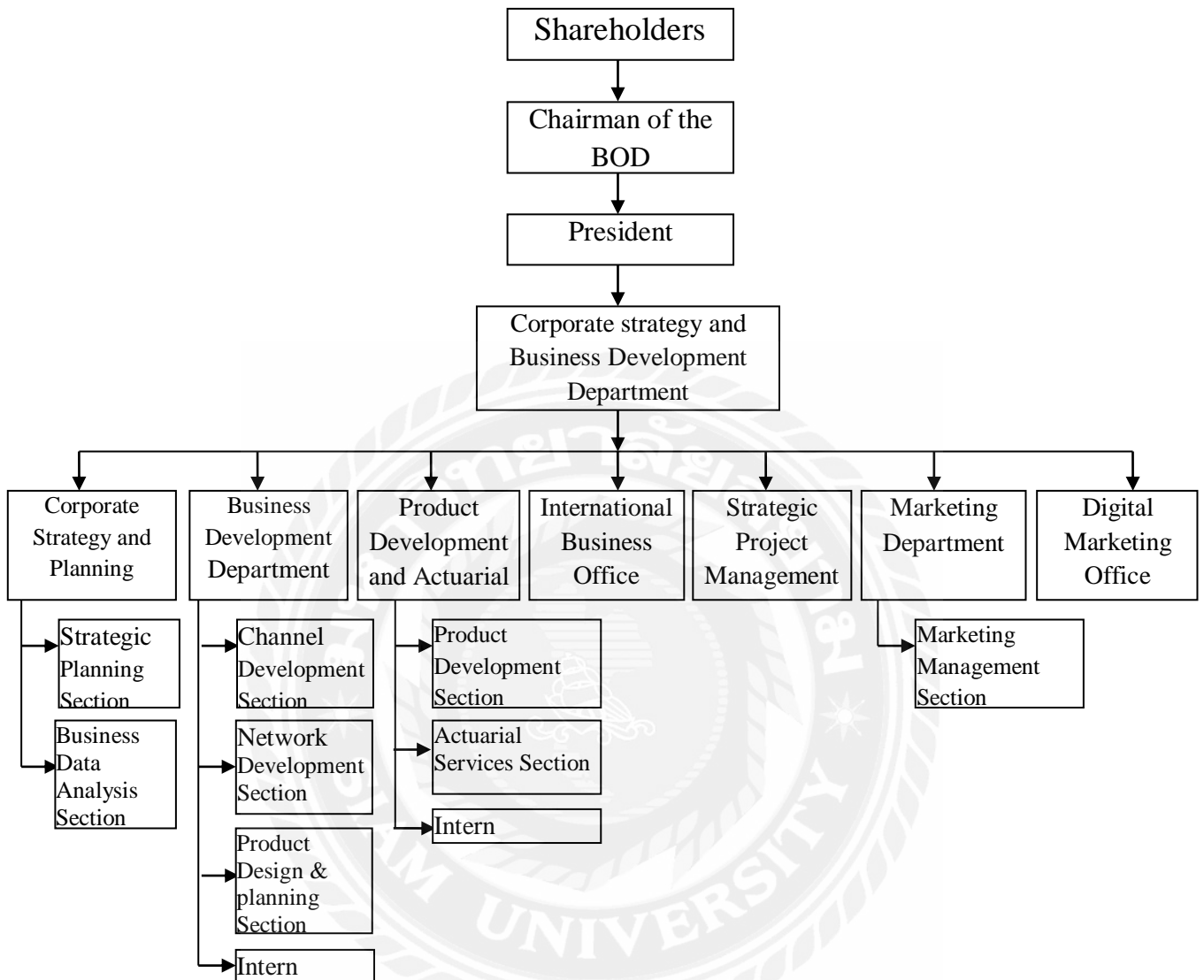


Figure 1: Departmental Structure for Corporate Strategy and Business Development Department

Since the whole organizational chart was too large to be presented in the report, I have presented all the departments relevant to me and my work at MTI in the picture above.

I have identified myself as an intern under the product development and business development department.

1.1 Objectives of the Internship:

The objectives of this internship program at Muang Thai Public Company Limited were as follows:

- To get an exposure into the working culture of such international organizations
- To learn about the various insurance products offered by Muang Thai Insurance Public Company limited in Thailand
- To know how the different insurance products are priced
- To learn about the different phases of product development
- To learn about the impacts of technology on the performance of Insurance companies in Thailand

1.2 Expected Outcomes:

My expected outcomes out of this internship program were basically to fulfill the objectives that I had set before joining Muang Thai Insurance Public Company Limited. As a student trainee, I expected the following:

- To have gained professional experience by understanding the working culture of such international organizations
- To have learnt about the various insurance products offered by Muang Thai Public Company Limited
- To have learnt how these insurance products are priced
- To have gained knowledge about the different phases of product development
- To realize the importance of technology on the performance of such insurance companies

1.3 Limitations of the internship:

The major limitations of this internship program were the following:

- Time constraint would be one major limitation. I believe that I would have gained more knowledge and exposure if I worked in this organization for a longer period.
- Language barrier would be another limitation. Though most of the individuals in the organization could communicate in English, I believe that I could have gained a better understanding of the organization through its documentations that I had an access to but were documented in Thai Language. Moreover, communication would definitely be much easier if there was no language barrier.

1. Literature review

1.1. Process of Product Development

Insurance industry started at a very simple premise which required the customers to pay in advance for protection against some risk that may occur in the future. However, with rapid increase in competition, it is becoming an extremely complicated business. Therefore, the ability to rapidly conceptualize, develop and launch relevant new products to the market to drive of sustain growth in market share would determine the success of every insurer (Brophy, 2013) as consumers have been demanding progressively sophisticated and customized insurance products at reasonable costs (Product development and pricing: Insurance, 2017)

In the earlier era, insurers only decided to develop and launch a new product as and when they required because it was considered an extremely time consuming process which also ended up being extremely expensive and arduous for the employees. The current era of rapid competition with an enormous impact of technologies has helped to shorten the average product lifecycle and also reduce cost and effort for the companies to develop new products over the long run.

With shortened product lifecycles, comes the need to keep innovating; to develop new products to market at a rapid speed in order to gain and maintain a competitive advantage and not miss any profitable opportunities (Brophy, 2013). Insurance companies have therefore been taking a closer look at new technologies in the market, and asking tough questions about how they could drive growth and achieve competitive advantage (Marquette, 2008).

Organization and innovation in the process of insurance product development is crucial to ensure that the right products are developed and efficiency is achieved in resource utilization (Brophy, 2013). The many obstacles in this process include intricate state regulations, obsolete processes and a lack of technologies built specifically to manage product development. The insurance companies must overcome these obstacles to realize the benefits of rapid product development and speed-to-market (Marquette, 2008).

There has been a notable shift in market focus from the products to the customers. This has brought customer-centricity to the core of the insurance company's business model. They need to engage in genuine market-led product innovation, where new product ideas are based on a validated market need and a proven business case (Brophy, 2013). This, combined with accurate market segmentation ensures that customized products are being provided to the customers which would maximize return on investment.

If a product fills a slot with limited competition and is in great demand in the market, then it is the right place to be. So many insurers struggle to define

their product development process for getting to and maintaining the competitive advantage. In order to streamline a product development process and gain competitive advantage, these steps could be followed:

1. Secure the right executive sponsorship, backing and support:

Streamlining any product development process would require the right sponsorship and support from the executive members. Great ideas for products and even the most enthusiastic teams might have to flounder without proper financial support. Apart from financial support, the right executive sponsor can provide authoritative support and credibility that the project would require to be successful (Five best practices to redesign your insurance product development process successfully, 2015). Chief product officer, Chief actuary or head of product development might be the right executive help for this phase of product development.

2. Assign a Champion and “know-it-all” team:

After receiving the support from the executive members, a leader must be assigned to lead the product development process. The leader must be somebody who has enough knowledge about product development process and its management. He must also be able to lead and drive his team members to perform to the best of their abilities.

After the leader, an enthusiastic team to streamline the process needs to be assigned. A number of people who can skillfully represent every stage of the company’s product development life cycle must be assigned. These individuals must be creative, knowledgeable and open-minded enough to explore new design theories and apply them (Five best practices to redesign your insurance product development process successfully, 2015). Representatives from Operations, Technology, Compliance, and Marketing would sum up as a suitable team for this phase of product development.

3. Come up with a game plan:

Establish boundaries and guidelines that the team will work within. This needs to be collectively created by the team of individuals assigned for the product development department. The game plan must reflect the input of all the team members; the opportunities and challenges faced by them; the components and flow of the product development process mode; and how they plan on administering the model (Five best practices to redesign your insurance product development process successfully, 2015). Following these instructions will help them form boundaries and guidelines that were initially mentioned.

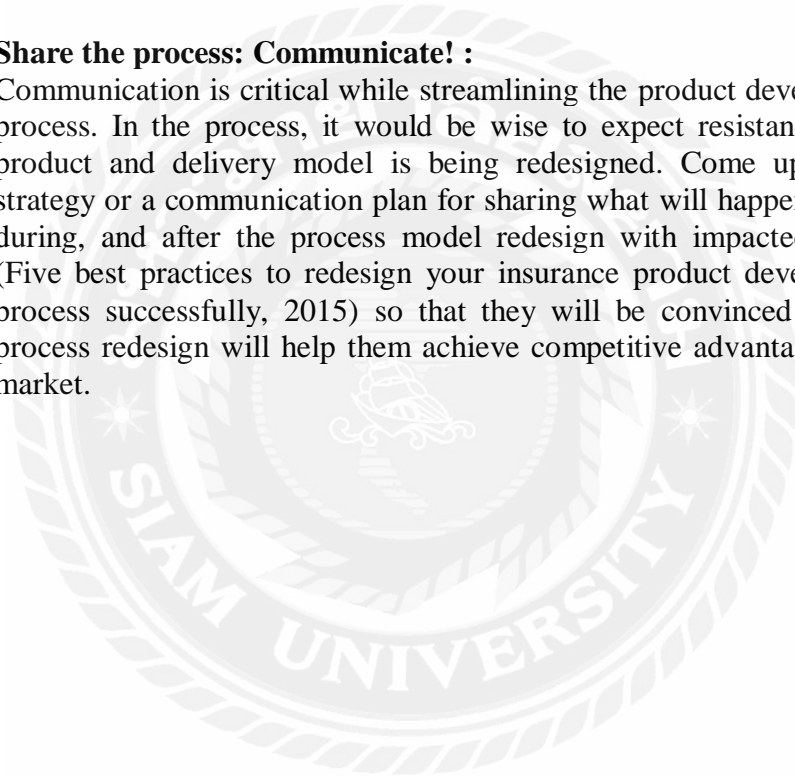
1. Align the product development process with company's strategic goals:

Planning, development and delivery of a new product must all be embedded in the strategic goals and objective of the company. If strategic alignment is not taken into consideration, the project could end up being directionless and eventually fail.

The team could come up with a core, manageable set of process design principles that consider the company's relevant strategic goals and objectives (Five best practices to redesign your insurance product development process successfully, 2015). They can further align the product development process with these goals. The best practice could be as simple as common sense. However, it is mostly overlooked.

2. Share the process: Communicate! :

Communication is critical while streamlining the product development process. In the process, it would be wise to expect resistance if the product and delivery model is being redesigned. Come up with a strategy or a communication plan for sharing what will happen before, during, and after the process model redesign with impacted parties (Five best practices to redesign your insurance product development process successfully, 2015) so that they will be convinced that the process redesign will help them achieve competitive advantage in the market.



1.1. Transforming customer experiences and building stronger relationships

The dynamics of the insurance industry has been changing. The industry which was once only product-driven has now been realizing the importance of becoming customer-driven (Pacor, 2018). This not only includes developing customer oriented products that offer better protection, but also focusing on their personal preferences. Therefore, with the increase in competition in the industry, insurers must move towards a customer-driven model (Pacor, 2018). This may include providing customer-focused products based on customers' personal preferences or utilizing artificial intelligence to create Chatbots to answer consumer questions quickly (Pacor, 2018).

In the current era, the expectations of the customers have been rising and digital transformation has fundamentally been changing how insurers operate while, lowering the barriers to new entrants giving rise to more competition (Prentice, 2017). This has put across the positive impact of the digital era on consumers, which gives them more choice and flexibility. However, on the other hand, it also showcases the potential risks to survival and sustainability of insurance companies by shaking up their current business models (Prentice, 2017).

Having said that, technology and new platforms also provide insurance companies with the opportunity to get closer to their customers, and provide personalized and improved services (Yu, 2016). According to David Law, insurance global leader, at PwC, "Technology is going to be an important part of insurers' ability to capture and analyze new sources of customer data and develop deeper relationships. Yet, the real differentiator is how effectively this information is turned into insights and a readiness to lead the innovations in the marketplace." (Yu, 2016). Therefore, insurance companies must know how to utilize these information in order to extract maximum benefit out of it. They must not only focus on utilizing these information in reducing costs but also to increase customer loyalty by building stronger relationships.

Moving towards a digital era can lead to a lot of advantages for the insurance companies. These may include the effectiveness of business processes arising from fully integrated systems. It also makes office management efficient and effective. It helps the insurance company to make better decisions and also focus on more important aspects of increasing revenue and customer retention rather than focusing on other routine jobs. Lastly, by engaging customers and partners, while also meeting all compliance requirements, insurers can overcome the challenges in today's highly competitive market (Pacor, 2018). Therefore, digital transformation can open new horizons and opportunities to the insurers while also enhancing customer's experience. Therefore, insurance

companies can integrate digital transformation successfully in the following ways:

Innovation:

Having discussed the need to become customer-driven, insurers need to approach the market, by empowering new technology with new products and services and also, with new ways of building relationships with consumers (Prentice, 2017). They can do so by investing in Technologies such as artificial intelligence which would enable insurance providers to focus less on the routine administrative jobs and more towards adding value by engaging with customers, solving problems and making better decisions (Yu, 2016). This would also enhance the entire customer journey by making buying policies simple, to making quick interactions possible, to encouraging mobile payments or to making the claims processes simple, such as by allowing consumers to upload images through their mobile phones to initiate a claim process (Prentice, 2017).

Customer Ownership:

Due to increasing competition, there are hundreds of companies offering the same kind of products to the customers. Hence, customers have a wide variety to choose from. Therefore, increasing customer loyalty by deepening customer relationships has become a primary focus of insurance companies to retain customers. In order to empathize with the customers and their needs, insurance companies can use artificial intelligence and natural language processing to analyze digital interactions. By doing so, insurers can provide a faster, more personalized service to their customers, which will ultimately drive increased loyalty (Prentice, 2017).

Efficiency and effectiveness:

Digitalizing processes in order to transform the customer experience can impose both benefits and threats to the insurers. On one hand, this will lead to the elimination of jobs for some while on the other hand, switching to other low cost channels improves efficiency and improves the overall customer experience at the same time (Prentice, 2017). The data available through such digital platforms can be used to develop better products and services for the customers by enhancing their overall experience (Yu, 2016). This is where humans come to play by operating more effectively and boosting up margins for the insurance companies.

Scale:

Digital platforms help the insurers to expand or extend their services to a different channel such as mobile or the web enabling them to scale their businesses (EY, 2014). This not only helps in retaining the existing customers but also in attracting new customers. Building stronger and more personalized relationships with the customers with the help of digitalization can help in achieving both. . The current market landscape and dynamics could change rapidly, as the insurers attract more and more customers at the expense of those that lag behind in doing so (Prentice, 2017).

Speed and agility:

Many insurers are still operating businesses in a traditional way by using traditional methods and existing technologies. This might hold back their ability to compete (Prentice, 2017). Insurers therefore need to adopt new, digital ways of working that may be very different to how they have been currently operating (Prentice, 2017). In order to gain a competitive edge in the market, they cannot rely on traditional technologies, company structures and processes. Therefore, it is very important for them to adapt to the changing needs of the customers by bringing a change in the way they have been conducting their businesses.

Therefore, digital transformation can enhance and transform customer experience by deepening customer relationships and providing them with personalized products and services according to their individual preference. Though such digital transformations might shake up the current business model but, it leads to increased opportunities for the insurers by providing greater efficiency and better customer relationships (Prentice, 2017). Therefore, in order to sustain in the market by retaining existing customers and attracting new ones, insurance companies must also focus on ensuring long term relationships with their customers through meaningful conversations based on empathy, speed and innovation (Prentice, 2017).

1.1. Insurance Telematics and the Auto Insurance Industry

The auto insurance industry has currently been relying on static variables like the drivers' age, occupation, place of residence, car model and configuration, expected mileage over the policy period et cetera in order to calculate the premiums for the customers (Handel, et al., 2014). In the current day and age, these data are considered irrelevant in order to determine the auto insurance premiums. This initiated the concept of UBI. UBI is a concept that includes all policies that make the premium depend on the level of usage of the driver (Bruneteau, 2012). According to this concept, the premiums should rather be determined by dynamic variables such as actual mileage, time spent on the road or the time of day when the trip is being made, location, and the driver's actual style of driving (Handel, et al., 2014).

Since more and more insurance companies have begun to follow the concept of UBI, they have started to leverage technologies that allow the insurance companies to monitor and track data on the actual driving patterns and behaviors of individual drivers and price the premiums accordingly (S. Husnjak, 2013). The devices that help track these data from the customers are known as telematics devices. These devices use advanced sensors installed in the customer's cars or on their smart phones to gather data on when and where an individual drives, types of roads they drive on, and on actual driving behavior (e.g. rate of acceleration, braking force, cornering, and speed), among other determinants (Telematics Drive Big Changes in Auto Insurance Industry, 2012). The data extracted from these devices help the insurance company to create a risk profile for each individual customer by analyzing the data transmitted by the devices to the insurer through cellular or satellite connection (Telematics Drive Big Changes in Auto Insurance Industry, 2012).

This is a win-win situation for both, the insurers and the customers. On one hand, customers can benefit by having to pay out less premiums by driving more safely and improving their driving behavior. While on the other hand, insurance companies can also benefit by being able to relate the premium amounts with the actual risk. This helps them price insurance more accurately (Husnjaka, 2014). Also, such devices help improve customer driving behavior like it was mentioned earlier, which will ultimately reduce the amounts that the insurance companies have to pay out to the customers as the number of accidents will go down.

There are various telematics models available that helps to facilitate UBI such as: Pay As You Drive (PAYD), which sends mileage data to the insurance companies (Husnjaka, 2014); Pay How You Drive (PHYD), which sends driving style data to the insurance company (Husnjaka, 2014); Manage How You Drive (MHYD), which also sends recordings from the vehicle prior and post accidents to the insurance companies; Pay How and How much You

Drive (PHHYD), which sends data on the driving behavior as well as the mileage to the insurance companies. Various devices have been developed under these modules to support User Based Insurance (UBI). The devices fall under these categories:

1. OBD-|| Port Device:

(OBD-II) is an On Board Diagnostic system that monitors a car's systems and subsystems. The most common telematics devices need to be plugged into a port in the OBD system of the vehicles. The device contains sufficient flash memory to read and capture OBD data and often includes a cellular modem to send out data and other sensors such as an accelerometer to measure the car's g-force during acceleration, braking, and cornering. It also uses GPS to record location data and to calculate driving distance (Telematics Drive Big Changes in Auto Insurance Industry, 2012).

2. In-Car Interactive Device:

Such telematics devices collect similar driving information such as the acceleration, speed, cornering, turning et cetra to the OBD || devices but they aren't connected to the OBD system of the vehicles. Such devices use GPS to monitor the above mentioned driving behaviors. These are mostly portable devices that might have cameras to record the motion of the car or even speakers that allow insurers to coach customers regarding their driving skills. Examples of such devices would be: Dash Cams and Black Box. Like the OBD Port || devices, such portable devices also transmit data to the company via a cellular teleservice connection (Telematics Drive Big Changes in Auto Insurance Industry, 2012).

3. Smart phone Apps:

Apart from these, smart phone apps are also being used to leverage the phone's accelerometer and gyroscope in addition along with the GPS system to monitor the driving behavior, frequency and location. Network connections are also being used to transmit the tracked data to the insurance company databases (Telematics Drive Big Changes in Auto Insurance Industry, 2012). However other telematics devices are considered to be more appropriate than smart phone apps because it does not ensure if the data collected and transmitted are of the actual vehicle of the individuals. To eliminate this barrier, other portable telematics devices were developed.

1.1. How smart marketing can lead to business development?

Marketing and Business Development are two sides of the same coin. These two concepts work hand in hand in order to make the business more profitable and sustainable in the long run. On one hand, **Business development** helps in pursuing business opportunities, building strategic relationships and identifying new target markets. While on the other hand, **Marketing** is the activity of selling a product or services through communicating with a target market (Jubb, 2018).

In the current day and age, Insurance is considered to be a highly competitive but a serious and boring business. Therefore, the profitability and sustainability of the companies hugely depends on Smart marketing strategies that they formulate so that they can stand out from the national and local competition in the market (Leonard, 2018). Therefore the ways through which marketing can help support business development and achieve long term sustainability are discussed below:

1. **Create a strong brand identity:**

Since insurance is considered to be a serious and boring business. There are multiple opportunities to stand out in terms of your competitors who are playing it safe in the market. You just need to make sure that your business appears to be safe to the customers so that they can trust you to protect them. In order to create a strong brand identity, the insurance companies must create an impression so get noticed and encourage sales by winning the confidence of the customers (Jubb, 2018). Insurance company's brand identity is where marketing can have a lasting impact on business development (Jubb, 2018). This would therefore help the business in creating a strong brand image in front of their customers.

2. **Know your customers:**

The business development department of an insurance company must firstly be able to identify their target market (customers) and thus offer products and services accordingly. They must identify with the challenges that the customers are facing and provide well thought out solution to the customers by how those solutions can create financial impact (Usleman, 2016). Marketing for insurance companies is therefore about communicating these solutions and other matters with customers and clients that your business development team has identified (Jubb, 2018).

By effective communication, the companies can build deeper relationships with the customers. Through such communication and other marketing strategies, companies must pay attention into building customer loyalty in order to retain existing customers and acquiring new ones (Jubb, 2018). Increasing customer loyalty in the current era is of prime importance since the customers have a wide range of insurance providers to choose from.

Having pointed out the importance of satisfying customers and building long lasting relationship with the customers, it is important to understand that it is not possible to satisfy every individual customer (Graham, 2016). Therefore, the insurers must focus on approaching more profitable customers. Also, Instead of looking at the margin on Individual customers, the insurers must focus on building deep long-term relationships with the customer because that will add more value to their portfolio (Miley, 2016).

Customer loyalty helps to develop a business in many ways. You will be able to establish yourself as a trusted brand in the market which will ultimately encourage them to buy more products from you (Jubb, 2018).

1. Reach out:

After establishing a brand image and identifying your targeted clients and customers, the next big step is to reach out to them in every way possible (Jubb, 2018).

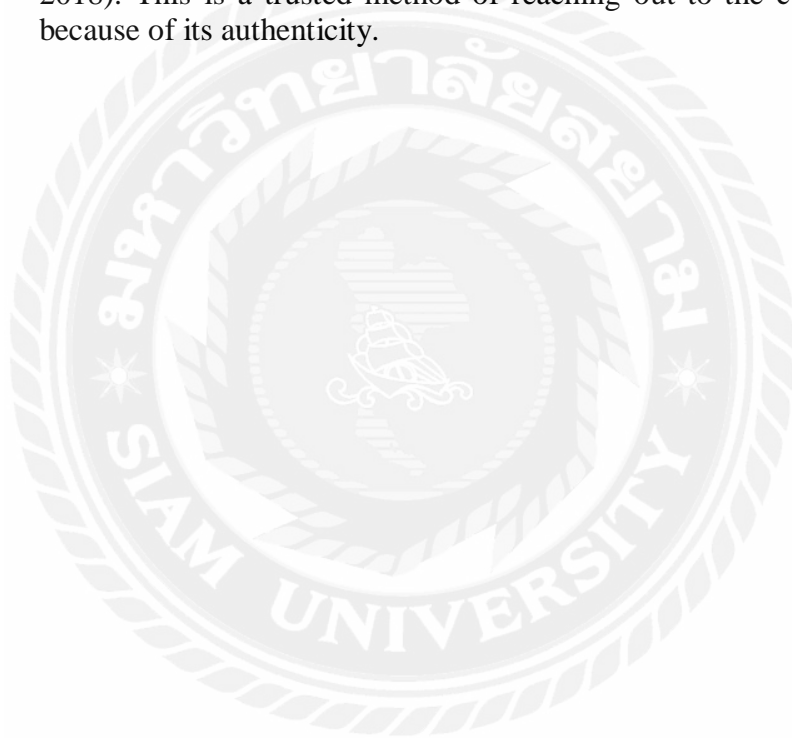
The first step in doing so would be to leverage digital marketing opportunities. Most of the customers initiate searching for an insurance product online through various web portals (Birnbaum, 2017). Therefore, having a digital marketing strategy helps to gain competitive advantage over the customers.

Shared information and reviews on the internet can win clients 'confidence. Creating and publishing information relevant and interesting to customers on your websites, blogs, mobile application, social networking sites and other digital platforms helps in attracting customers to your company. It is also very important to make sure content is appropriate for the channel. For example, content that might be appropriate on a Facebook post could be considered unprofessional on a LinkedIn post

(SIAA, 2016). Therefore, while reaching out to the customers through such mediums, the target audience must be kept in mind.

Similarly, it is very important that your website is built in responsive design to answer all the queries of the customers instantly. You should also focus on having invested on a great **SEO**, so that your company will show up at the top of searches online (Jubb, 2018). This will enhance the level of trust and confidence that the consumers have on you.

Lastly, the tradition methods of advertising on print media and direct mailing can also have a huge impact on customers (Jubb, 2018). This is a trusted method of reaching out to the customers because of its authenticity.



1. Methodology

1.1. Internship activities:

1. Product Offerings:

Firstly, I learnt about the various products offered by Muang Thai Insurance Public Company Limited to their customers. I further learnt about the details of each of these products such as the considerations, expectations, damages covered and other detailed dynamics of the products. My learning was mainly focused on personal accidents, travel insurance and some combined packages.

I also got access to the policy wordings of the company which gives us information regarding the terms and conditions and definitions of insurance coverage as they are written down in the insurance policy. I also got to learn about the how the insuring agreement is written as I received some examples on it related to personal insurance.

2. Product Pricing:

I learnt about the product pricing modules for insurance companies. I was provided with various excel sheets from time to time which contained the raw as well as the assembled data of the various products offered by Muang Thai and the related customer data. This gave me a detailed understating of how the actuaries calculate the prices for the various products offered by the company.

I was supposed to go through these excel sheets and analyze it case by case to figure out how the particular product has been priced and the rationale behind it. I further had to compare it to the financial statements to see its relevance. After analyzing the excel sheets in detail to figure out the formulas for the pricing, I had a meeting with my supervisor where we discussed the matters that I could not interpret and found solutions to those.

3. Report on IFRS 17:

This was one of the most knowledgeable activities that I performed throughout this internship program. IFRS is basically a set of accounting standards that are followed by companies for reporting purposes. As far as the insurance industry is concerned, it has been

following IFRS 4 currently. However, all the insurance companies internationally are supposed to move forward and start implementing IFRS 17 from January 1, 2021 (In Thailand: 2022).

There is around three or four years of time for this transition to happen. However, I realized that transition would not be an easy task. I researched how the reporting standards would change as IFRS 17 requires the companies to make a lot of reporting changes as well. For this, I interacted with many individuals from different departments of the organization to understand the dynamics better. This helped me gain a deeper understanding of the subject matter.

I compared between IFRS 4 and IFRS 17 and made an analysis on the problems that IFRS 17 would solve. I researched on the benefits and challenges that the new standard would bring. I researched on the various models under IFRS 17. I also learnt to do some calculations for the financial statements (as per IFRS 17) during my research. Lastly, I conducted a profound secondary research to find out all the possible implications that the new standard can have on insurance companies worldwide. Lastly, I made a brief report on this topic by accumulating all the points that I mentioned above.

1. Marketing Plan/Marketing campaign for “Medical Complications”

Next, I was supposed to make a marketing plan for a new product that Muang Thai was going to launch in the near future. The product was called “Medical Complications”. This coverage basically provided medical needs and protection in the event of medical complications during and after a scheduled medical procedure for the insured who have appointments in Thailand appointments in Thailand. This was the first insurance product of this kind that was to be launched by Muang Thai Insurance.

I was supposed to create and present a brief marketing plan for this product. I recognized all the target market that this product could be sold to. Further, I recognized the channels through which this product could be sold to our target market and also recommended various methods through which they could boost up their sales for this product. On researching and analyzing on the existing market, I also recommended a venue where this product could be launched. The venue was recommended as it exactly matched the requirements of the launch event that I had planned for the company.

1. Muang Thai idrive project:

Muang Thai idrive is a mobile application launched by the company as a part of motor insurance. This app gives precise driving style and behavior by tracking the drivers' driving behaviors such as braking, accelerating, speeding, turning, and cornering. After tracking all the information above, it gives you a driving score. These information are used by the company to customize the premiums. The riskier drivers will pay more premiums and the safe drivers will pay less.

As a part of this project, I was provided with various excel sheets containing raw as well as assembled data about this application. I was supposed to analyze these data by making pivot tables. I was then made to identify the riskier drivers and the less risky drivers on the basis of their age, gender, marital status, working status and so on.

Further, as a part of this project, I was supposed to research on the telematics models and devices which can be used along with the idrive application to make this project more efficient. I researched on a variety of telematics devices that are being used nationally and internationally. Lastly, I made a presentation suggesting one model and device that would be best suitable for Muang Thai in terms of price, reliability, convenience, features and so on.

2. Chatbot as a tool in Business Development:

As a part of this project, I was supposed to explore the possibilities of Chatbots, not as tool for customer service but as a tool for business development.

I explored the various companies using chatbots nationally and internationally. Furthermore, I researched about them and gathered some really interesting data regarding the cost and time savings and profit margins of these companies after the use of chatbots and how has it been able to contribute in business development. I also researched on the channels that these chatbots have been able to reach the customers. Lastly, I recommended how Muang Thai could use or launch its own chatbot for the purpose of business development.

1. Pet Travel Insurance:

Pet Travel insurance is very unique product to the Thai market as no other company offers this kind of policy coverage to the customers as off now. After a broker from the UK suggested Muang Thai Insurance to opt for this coverage, I was supposed to research and analyze the national and international scenarios to see if the product would be suitable for the Thai market. If yes, I was supposed to suggest the right kind of coverage that should be included under this policy to fit the Thai market.

Under this project, I researched the Pet Travel Policy of various airlines nationally and internationally. I also considered the inflow and outflow of tourists to and from Thailand while doing this research. This provided me with real data regarding the national and international airlines that allowed pet to travel through their airlines and also about their restrictions or limitations. These data helped me analyze that Thailand could actually be a very large market for such kind of policy and it would be beneficial for our company.

Next, I analyzed the policy wordings of pet travel insurance internationally and found out that there aren't many companies providing this kind of coverage single handedly. However, they only have travel insurance of pets as an extension of normal pet insurance. I also interacted with some of the international insurance brokers to get this information. Nevertheless, I compared the policy wordings of many of such companies internationally and found the variety of aspects they cover under pet insurance.

Lastly, after some critical research and analysis of the national and international market, I designed a list of coverage that Muang Thai could include in their pet travel policy as they launch this product in the market.

2. Opportunity of Insurance on Mobile Applications:

Muang Thai Insurance PCL is in the process of launching its own mobile application for their personal line products such as auto insurance, health insurance, home insurance, personal accident and travel insurance.

Under this project, I researched how various international companies have been using mobile application effectively to enhance customer satisfaction and how have they been able to reduce cost and increase their revenues with its effective and efficient implementation.

On the basis of this research, I provided Muang Thai with facts as to why investing in mobile applications would be a good idea for them. Not only would this lead to increased customer satisfaction but also, it would be a great tool to enhance business development.

Lastly, I recommended various features that they could include in their mobile application that would lead to enhanced customer satisfaction. I also provided examples of some leading insurance companies and how have they been using this tool to gain profits.



1. Results and Discussions

1.1. Contributions of student made during internship:

Product development is one of the most critical areas of business for any organization. Especially for an industry like Insurance, it is of utmost importance. Since this area of the business is directly related with customers' need, constant research and analysis of the market has a very important role to play. Therefore, the major contributions that I made to the organization was the quality of information that I collected by conducted critical research on the national and international market. These information were collected through secondary research and also by interacting with some of the major insurance agents and brokers from different parts of the world.

Furthermore, all the raw data and information that was collected through my research was presented in a systematic order through various mediums so that it would be easier for the organization to look through whenever required.

Therefore, the major contributions made by me that have been of great value to the company are:

- IFRS 17 is a reporting standard that needs to be implemented internationally by 2021 (2022 for Thailand). The report that on the topic would provide enough information to the various employees of the company that they need to know before effective implementation of the standard. This report would help them prepare themselves beforehand regarding the various challenges that they might face in the future.
- “Medical complication” is a new product that is being launched by Muang Thai Insurance for the first time in Thailand. The research for this product would give them a clear idea regarding the range markets that they could target for this product.
- Similarly, presentation on the topic would also help them in figuring out ways as to how they can boost up the sales of this product and how to channel these products to the customers for maximum effectiveness.
- Information on upcoming promotional campaigns and venues may be helpful in deciding the launch of “Medical Complication” to attract maximum customers. All these

information would contribute in the product as well as the business development aspect of the company.



- The research has also provided information regarding the strengths and weakness of “Medical Complication” with that of the international market. This can help them work on their weaknesses to gain competitive advantage.
- The research on telematics model has helped the company to figure out the various telematics models and devices available nationally and internationally. Various suggestions have been provided on the right mix of telematics devices that the company could use for “iDrive”.
- The research on Chat bots would give the company a clear perspective as to how they could use chat bots for business development purposes.
- The research on the various travel airlines nationally and internationally would help them decide as to whether they should launch “Pet Travel Policy” in Thailand or not. It also helps them figure out the range of target market for this product.
- Comparison on the various products internationally and the suggestions provided to Muang Thai Insurance would help them decide on the range of coverage that they would want to include in their policy.
- The research on mobile application would help the company decide if investing in a mobile application would be a valuable investment for the company and if it would contribute in business development
- The research would help them decide on the various ranges of features that they could include in the mobile application that they are going to launch and how would those features contribute in enhanced customer satisfaction and business development.
- The research would also provide an international perspective as to what the leaders in the industry are doing with their mobile application. This would help them understand their target market and gain a competitive edge in the market.

1.1. A detail of related learning processes and new knowledge student has received:

Internship at Muang Thai Insurance PCL has provided me with a greater understanding of the Insurance industry, not only here in Thailand, but all around the globe. I spent the first few weeks of my internship by gaining knowledge on Muang Thai Insurance and its market position as a non-life insurance company here in Thailand. Having worked at an insurance company for the first time, the terminologies used here were very new to me. Hence, it took me a while to learn these terminologies and use them while referring to various things at the company.

I also learnt how the OIC regulates the insurance industry and how they have an important role for approving or disapproving a product based on pricing or other reasons. Having seen the insurance industry back in Nepal, which is still at a very early stage and only a few insurance companies available in the market and then, comparing it to Thailand which has a separate regulator for the industry itself was very intriguing for me. I took extra interest in gaining knowledge regarding this matter from my colleges and supervisors at the company.

I also learnt about the various products that the company has been able to offer to the market so far and analyzed how those products have been able to make a difference. I also learnt about the policy wordings that are issued while developing a product and reviewed such policy wordings for some of its products such as for travel insurance and personal accidents. Similarly, another major learning was regarding the product pricing and cost structure modules of the company. I learnt how the different products of the company were priced. I calculated premiums for some of the products of the company by generating formulas for the same and by referring to past documents of the company.

Getting to work with the product development and business development team was like a cherry on top because I got to experience two different perspectives at the same time. Product development was so closely related to developing a product that would be suitable to the customers need and how we could satisfy them while on the other hand, business development dealt with how the business could gain maximum benefit in the process of developing that product in the current market. Therefore, this provided me with additional knowledge on how a company and a customer would look at the same things differently.

The researches that I conducted throughout these weeks have not only made contributions to the company but, have also broadened my knowledge regarding the various subjects or projects in hand. It has enhanced my understanding of the insurance industry and the products they offer not only at a national level but at an international level. For example: I got knowledge about the various airlines allowing pets to travel and the limitations and restrictions to the pets and their breeds. I also got information regarding the kind of coverage that the insurance industry could provide for the customers and how they can personally benefit from it. Similarly, I also broadened my knowledge on IFRS 17 before the standard has even been implemented. This can be an additional factor that would help me professionally in the future once the standard is actually implemented. Similarly, after so much research, I can have a strong opinion on the features that the insurance industry can have on their mobile application depending upon their type (auto insurance, health insurance, travel insurance and so on).

My interaction with the various insurance agents and brokers from different parts of the world during the process of my research has taught me how I can tactfully interact with people to get the kind of information I want from them. During the process, I spoke to various insurance agents and brokers as a customer who is looking for an insurance policy. This provided me with all the data and information regarding the products of various international insurance companies, their quotations, policy wordings and so on. All these information helped me a great deal while conducting my research.

1. Conclusions

1.1. Self assessment as future professional

My internship at Muang Thai PCL has been of great value for me as an individual who is striving for a fruitful professional career in the near future. I have definitely been able to assess my strengths and weaknesses on the basis of the various tasks that were assigned to me.

I believe that I showcased a strong sense of communication on the basis of my interaction with my colleagues and supervisors. I was never hesitant to communicate about any problems I faced during work and if I had any queries regarding the tasks that were assigned to me. Similarly, my interaction with the various insurance agents and brokers from different parts of the world that I have mentioned above also vouches for the strong communication skills that I possess. I believe that this quality of mine would help me a great deal for my professional career.

Next, I always took the initiative to ask for additional assignments to work on to ensure that I always had some work in hand. After getting an assignment, I would work on it with utmost dedication and sincerity to meet the deadlines provided to me. I have never been hesitant to accept my mistakes and would take full responsibility for them. This showcases my ability to take on responsibility. I believe that I work very diligently towards the tasks assigned to me, which would defiantly be an asset for me in my future professional career.

Next, I believe that I showcased a strong sense of planning and time management with the timely submission of almost all my assignments that met the standards of the company. I could apply the theories learnt inside the classroom regarding research, report writing, making presentations and also regarding insurance into practical working space at my office while working. This shows a strong sense of understanding and application.

Despite showing all these professional attributes, I believe that I definitely have room for a lot of improvement and learning. When assigned multiple tasks at a time, I found myself conflicting within myself. Wanting to finish all the tasks at once did not work very well with me. This made me realize about my difficulty to work under pressure and how focusing on one thing at a time would lead to a more profound and efficient outcome.

Secondly, I realized that I faced some problems in presenting the research outcomes in an effective manner that would result in proper understanding of

the context in hand. However, I am very proud to have learnt about these weaknesses in me and have overcome these to a certain extent with my internship at Muang Thai Insurance PCL.

1.1. Comparison of Practical Learning VS Theory

Having completed a course of Insurance during my under graduate studies, I did have some basic idea about insurance and the market position of the industry back in Nepal. Having done my internship at an insurance industry here in Thailand was a very fruitful learning opportunity for me. I believe that the knowledge and experience that I gained through this company can be applied to the companies back in Nepal for their growth and fulfillment.

Through this internship I realized how the theories we learnt in classrooms are applied in various forms to achieve our desired goals in such organization. The course on insurance definitely provided me with a strong foundation that helped me understand the various terminologies of insurance and also the concepts that I learnt have helped me understand the guidelines provided by my supervisors better.

Calculation of premiums for certain topics had been covered in my insurance course but I realized how the formulas differ according to the type of insurance and how different and difficult it is when we are calculating the premiums of products for such a large company with a wide range of customers having different coverage needs. This was definitely an eye opener for me.

The basis for research and making presentations through various mediums has been a base for our undergraduate course and has been covered in almost every subject in every semester. This has been of great help during my internship. However, I did realize that doing research and presentations for a company as huge can be a difficult task as small details tend to make a huge difference in decision making.

Lastly, I would say that the theoretical knowledge that I had gained through classrooms have definitely acted as a huge foundation for my internship. I applied the same knowledge but, in more detailed and absolute ways so that it would help the organization in their decision making process.

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