



With the appeal to make a mundane task lively and engaging, gamification has so far shown that it is an attractive way for insurers to deliver enhanced digital experiences and ultimately help build deeper relationships.

By Cynthia Ang

Among the many technology changes and innovations in today's insurance marketplace, gamification has garnered considerable interest lately.

IT and consulting research firm Gartner defines gamification as “the use of game mechanics and experience design to digitally engage and motivate people to achieve their goals”.

This is typically done through the creation of a serious game or simulation, or through components such as points, badges, levels, leaderboards, quizzes and puzzles aimed at injecting elements of fun and excitement into business processes and activities that might normally be uninteresting and even tedious.

Gamification in insurance

Of the many industries adopting gamification, education, research (healthcare and life sciences) and enterprises (for training and orientation) are among the top adopters, said IT firm Infosys.

In comparison, gamification remains relatively new to the insurance industry though a growing number of insurers are already using it for a wide variety of purposes.

Gamification is relevant to insurers largely in the realm of customer engagement, serving as a powerful lever for companies seeking to enrich digital experiences and adopt new

business models, said EY in its report “Implementing a gamification strategy: The importance of winning the game in insurance”. The use of game techniques and elements influences the behaviours of individuals which may include customers, employees or other groups.

In the industry, there are a few notable examples of global insurers using gamification such as Aviva's mobile app designed to evaluate users' driving skills, Sun Life Financial of Canada's Money UP – an online gamification programme to interest and educate young consumers about retirement and investment planning, and Bupa's health app to allow businesses to challenge their employees to monitor and improve health and wellness which rewards achievements when goals are met.

In the Middle East, insurers can apply similar game mechanics to increase brand awareness, educate customers on financial protection and savings, boost customer and employee engagement, generate innovative

product ideas, onboard agents, and create a culture of continuous process improvements, said Mr Muthu Kumaran, Global Practice Head, Insurance, Cognizant.



Mr Muthu Kumaran

One potential area of behaviour modification through gamification is promoting safe driving, he said, citing that Qatar Insurance Company has launched a pilot telematics programme to enhance road safety through innovative insurance offers and incentivising the customers.

Cyber breaches in the GCC region have put cyber insurance in the spotlight. “Gamification can play a key role in educating and raising awareness on cyber security issues and incentivising the usage of preventive tools,” said Mr Kumaran.

Potential appeal in Middle East

The digital contribution to the GDP is relatively low in the Middle East at 4.1% compared to the 8% and 6.2% in the US and Europe, according to McKinsey report, “Digital Middle East: Transforming the region into a leading digital economy”, published in October 2016.

“Naturally, this raises questions about whether the market is ready for gamification investments by insurers, and if those investments would produce adequate returns or drive significant business outcomes,” said Mr Kumaran.

But the region’s low insurance penetration offers a key opportunity for future growth, he said. One of the factors contributing to the slow development of the insurance sector is attributed to cultural preferences.

In this instance, gamification can act as a catalyst to help insurers reinvent life insurance to promote and reward healthy lifestyles, contrary to its popular perception as a death benefit. A few global life insurers are already offering wearables for free to customers and incentivising achieving fitness targets with lower premiums.

“Considering the low life insurance penetration rate in the Middle East, such innovative initiatives can be tailored to suit the cultural preferences of the region and piloted to measure customer behaviour and business impacts,” said Mr Kumaran.

We believe that gamification is a great opportunity for insurance, said Ms Françoise Lamotte, SVP, Head of Direct



Ms Françoise Lamotte

and Digital, MetLife, EMEA. It has created significant impact in banking and, even though the techniques are fairly new to the insurance world, globally and in the Middle East, “early adoption highlights that it is an attractive way for insurers to engage customers concerning risks, the need for protection, and simplifying complex concepts of insurance”, she said.

For raising awareness and better customer engagement, gamification techniques are especially effective for millennials, said Ms Lamotte.

The EY report supports this observation. More frequent interactions and richer experiences are especially important to millennials, who have shown little interest in insurance and have higher expectations for digital channels. Through gamification, insurers can demonstrate their understanding of millennials’ needs and preferences.

Besides consumer-facing applications, gamification can help insurers customise risk assessment and pricing, provide additional perks, benefits and discounts for high-value policyholders who embrace safe or healthy behaviours.

Motivating people

Looking inwards, gamification is also gaining traction as a tool to improve organisational efficiency.

“At MetLife, we have already tested gamification to engage customer around risk evaluation and to involve our employees into physical activities and healthy behaviours,” said Ms Lamotte.

When directed at the internal workforce, Gartner said gamification can help to address engagement, transparency of work, and connecting employees’ actions to business outcomes. By 2015, it is estimated that approximately 40% of Global 1,000 companies were using some elements of gamification in their technology stack to get employees to be more productive.

Gamification is a rational way to conduct sales competitions, according to Cognizant’s report “Gamification for insurers: A practitioner’s perspective”.

Adding gamification elements (eg, challenges with rewards) encourages sales agents to be proactive, and take positive actions such as team-building and self-directed professional development, the report said.

Rewards are also less costly than raising commissions or investing in new talent, and can improve the performance of both individuals and teams.

Gamification initiatives targeted at motivating the agents to enhance their productivity is one area that holds great potential for insurers in the Middle East, said Mr Kumaran. Cognizant has helped a major insurer based in the Middle East utilise gamification techniques to encourage agent’s CRM adoption, and developed a comprehensive rules engine to analyse agent’s activity and drive friendly competition.

“This has helped improve agent efficiency and effectiveness by 25% and reduce the response time for all inquiries by 30%,” he revealed.

Getting the right game strategy

While gamification can be an innovative engagement mechanism, it is important that insurers support these techniques with good design, accuracy, and personalisation.

“Gamification, being a relatively new concept in the Middle East, needs to be tested as such it might not produce immediate or definite results. It should be viewed as a test and a learning curve to innovative models to engage with our customers,” Ms Lamotte said.

It also needs to be an integral part of a digital marketing strategy and cannot be managed in isolation, she advised.

She added that it has to serve a purpose and a value proposition, “which means targeting the right consumers, aligned with brand values, and driving to an insurance solution”.

Other emerging trends such as IoT, artificial intelligence, robotics, virtual reality, Big Data and blockchain will pave the way to newer business models, said Mr Kumaran.

“By combining IoT adoption and gamification, insurers can reinvent customer engagement, mitigate risks, and maximise cost efficiencies. We believe huge opportunities lie ahead for insurers in the Middle East to drive business transformation through technology innovation.”

The potential of gamification, if well-considered and executed, can not only help to boost digital experiences, but also help insurers increase their relevance in an incredibly competitive market. [M](#)