

FEASIBILITY OF ARTIFICIAL INTELLIGENCE IN  
IMPROVING SALES AND SERVICE OF INSURANCE  
AGENTS IN THE LIFE INSURANCE INDUSTRY OF  
MALAYSIA

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Feasibility Of Artificial Intelligence in Improving Sales and  
Service Of Insurance Agents in The Life Insurance Industry of  
Malaysia

By

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## **DEDICATION**

I dedicate this paper to my lecturer, Dr Seah Choon Sen, whose constant guidance supported me in my time of need, Dr Liew Ping Xin who gave me the opportunity to work on this topic and to my other lecturers who have guided me throughout my program in UTAR. I also want to dedicate this paper to the agents who strive very hard to do their noble duty despite their challenges as well as their leaders who guide them to do the right thing. The senior level employees of the insurance industry whose insight helped me understand the industry better, my spouse who supported me through long nights and long trips, my family, and friends for their moral support and lastly, my son who despite being so young, kept me motivated throughout the long nights.

This paper could not have been completed without the combination of all of you to help me.

## **ABSTRACT**

# **FEASIBILITY OF ARTIFICIAL INTELLIGENCE IN IMPROVING SALES AND SERVICE OF INSURANCE AGENTS IN THE LIFE INSURANCE INDUSTRY OF MALAYSIA**

**PATRICK FONG HENG YIN**

Artificial Intelligence (AI) has seen multiple applications across various disciplines, from medicine to strategic business analysis and even home entertainment. The benefits from the application of AI comes from its ability to mimic human cognitive abilities and perform tasks quickly, tirelessly and with almost no errors. While the benefits of AI have been experienced by many industries, however in the context of the Malaysian insurance industry, AI has only even been utilised for back end repetitive processes such as using Robotic Process Automation (RPA) to alleviate the underwriting department or using AI to analyse business information such as claims data or premium rates. As of the time of this paper, there had been no application of AI to support the agents of the insurance industry, and the application of the technology could alleviate the areas of concerns faced by the agency force. In 2020, the central bank of Malaysia or 'Bank Negara Malaysia' (BNM) targeted a 75% penetration rate amongst the citizens of Malaysia, however research has shown that the actual penetration was only 41% which is far from the goal that was set by BNM. This is due to the high turnover rate, which is caused by lack of sales volume that contributes to lack of service to insurance policyholders. Therefore, this study aims to explore the feasibility of using AI to assist the agency force and both alleviate their challenges and grow their business in order to not only achieve higher customer satisfaction

as well as higher revenue for the insurance companies, but a higher penetration rate which will not only benefit the policyholders themselves, but the country's economy since the funding of medical services will be paid by private companies rather than on taxpayer's money which can be diverted to be used for other initiatives that could enhance the economy of Malaysia. Through the use of exploratory, non-structured interviews with candidates sourced through direct contact and snowballing technique, which was analysed using an inductive method following an interpretivism philosophy, in order to develop a theory with a mono-method qualitative approach, adhering to a cross-sectional time horizon; it was discovered that agents understand the qualities of AI and its benefits to their business and their main concerns revolve around the ability of the AI to automate and track their sales and servicing tasks which directly alleviates their challenges, monitoring of sales progress to motivate the agents, leads generation to ensure business and agent longevity in a system that is simple to navigate and easy to understand.

## **ACKNOWLEDGEMENT**

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My deepest gratitude to the University and the lecturers who helped me to expand my knowledge and increase my value in my industry with this valuable paper which not only served as a final paper to complete my studies but serve as a guide to the insurance sector in Malaysia to improve upon itself and create opportunities for future development in the area.

I would also like to thank my industry partners who all came to assist me to gain fruitful insights and opinions to this topic which has helped me tremendously in finishing this project within the limited time.

I also thank my spouse who had been my moral support through late nights and travelling outstation to help me with my paper. It is because of her I was able to create my project and make it good and enjoyable experience.

I am making this project not only as my final year paper to graduate but to also to improve my knowledge in the area and hopefully make a change in the industry. Thank you all again for your kind help and generous support.

Patrick Fong Heng Yin

## APPROVAL SHEET

This thesis entitled **“FEASIBILITY OF ARTIFICIAL INTELLIGENCE IN IMPROVING SALES AND SERVICE OF INSURANCE AGENTS IN THE LIFE INSURANCE INDUSTRY OF MALAYSIA”** was prepared by PATRICK FONG HENG YIN and submitted as partial fulfillment of the requirements for the degree of Master of Business Administration at Universiti Tunku Abdul Rahman.

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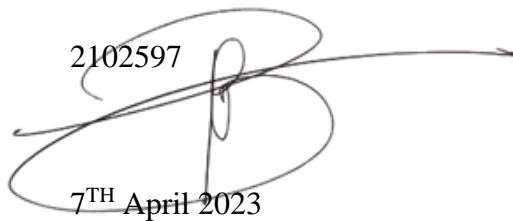
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## LIST OF ABBREVIATIONS

AI	Artificial Intelligence
Bhd	Berhad
BNM	Bank Negara Malaysia
CPaaS	Communications Platform-as-a-Service
CRM	Customer Relationship Management
CSAIL	Computer Science & Artificial Intelligence Laboratory
FSA 2013	Financial Services Act 2013
IBM	The International Business Machines Corporation
ICR	Intelligent Character Recognition
IT	Information Technology
LIAM	Life Insurance Association of Malaysia
LIMRA	Life Insurance Marketing and Research Association
MIT	Massachusetts Institute of Technology
NLP	Natural Language Processing
NRIC	National Registration Identity Card
OCR	Optical Character Recognition

RM	Ringgit Malaysia
ROI	Return on Investment
RPA	Robotics Process Automation
RTC	Real-Time Communication
SAS	Sales Automation Systems
SFA	Sales Force Automation
SMT	Social Media Technology
VR	Virtual Reality

## **PREFACE**

The standards of University Tunku Abdul Rahman requires that all students who are to receive their Master of Business Administration certification to complete a research project and verified by the university professors of said establishment.

As a business student with experience in the financial industry, it will be advantageous to have in-depth knowledge of the financial industry and understanding of every aspect of the financial institution's operational structure; however, the role of a financial institution can vary depending on the need it covers.

This study aims to target insurance companies in Malaysia as they are one of the leading financial industries with the biggest opportunities for growth in the country. Furthermore, with global digitisation and the current trend of digital transformation, financial industries have poured in billions in enhancing their corporate operational structure to phase away manual systems preferring digital solutions and automation.

While most financial institutions were successful with their digitisation exercise, insurance companies still rely heavily on traditional methods of procuring new clients and writing new policies using an agency force.

While the agency force has been digitised with tools to assist their sales, the sales and business model largely remains the same requiring the agents as a means of promoting, marketing, and selling their solutions to the market.

Therefore, with the recent advancements in the areas of artificial intelligence that has shown promise in other areas of the financial industry such as automation, risk assessment and decision evaluation, this technology has not been adopted to serve the main income earners of the insurance industries; the agents and brokers who sell their products.

Which leads to the author deciding to undertake a research paper to understand the feasibility of using AI to benefit not only the operational aspects of an insurance company, but also to benefit the revenue earning capabilities of the company.

## **CHAPTER 1            RESEARCH OVERVIEW**

### **1.1     Introduction**

The first chapter of this research paper defines the background, problem statement, research questions and objectives, following the scope of research paper and finally the significance of conducting this research.

### **1.2     Background of Study**

In 2021, a total of 1.9 million new policies were issued which is a 53.5% growth from 1.2 million policies in 2020. According to a report by LIAM (Life Insurance Association of Malaysia), in 2021 the total new business premium had grown from RM 11.4 billion in 2020 to RM12.8 billion in 2021 (Aman, 2022). As of 2020, the penetration rate of both life and takaful products in Malaysia is at 56.1%, however after removing those with more than 1 policy, the actual number is at 41% (Abu, 2021), this indicates a huge market potential for growth and that the industry is still far from reaching the desired penetration rate of 75% by Bank Negara Malaysia which was originally targeted to be achieved in 2020 (Sang, Mohidin, & Budin, 2020).

The estimated population of Malaysia as of 2021 is at 32.7 million (Department of Statistics Malaysia, 2021); using the above penetration rate reported, it is estimated that 19.3 million Malaysians are still uninsured. Based on the figures above, the estimated average policy premium size is RM 954.73 per person, which roughly translates to a market potential of RM18.4 billion (Bank Negara Malaysia, 2021).

The traditional method employed by Malaysian insurance agents has been struggling to meet the desired penetration rate since first mentioned by Bank Negara back in 2017. The

adoption of digital payments and e-wallets has been steadily and significantly rising in Malaysia, with the recent pandemic expeditiously increasing the adoption rate (Bank Negara Malaysia, 2021).

The current application of artificial intelligence (AI) in the insurance industry is limited to robotic process automation (RPA) for business automation processing, which manages the daily operations of the company from underwriting, to claims and payment. However, at this point of time, there is no utilization of AI to benefit the Sales and servicing function of the insurance companies (Bank Negara Malaysia, 2021).

### 1.3 Problem Statement

The goal of this study is to gauge the feasibility of using digitalization and artificial intelligence around sales and service specifically focusing on the insurance agents and their business. The problems most insurance agents face is often attributed to lack of customers, prospects, and lack of easily accessible information of their clients or their target customers.

Due to strict governance and data protection laws, insurance agents are given a narrow field to operate their business ethically; this means they are not allowed to peek into the prospect's existing insurance policies without having the presence of the policyholder themselves.

Also, insurance agents must properly calculate the prospect's financial needs and risk appetite before proceeding to recommend a product as mandated by the Financial Services Act 2013. This is where the insurance agent must; with the permission of their prospect, collect their financial information, calculate their needs before going ahead with a recommendation. However, the reality of the situation is that there are insurance agents

who often sells products which they are accustomed to, or products with the highest commission which often leads to mis-selling or misrepresentation of product. While this behavior can be uncommon, they can lead to rumors or distrust towards insurance companies which would affect the sales and target penetration by Bank Negara Malaysia.

Another crucial function of the insurance agent's role is the after sales service that is arguably more important than the sales itself. Insurance is a product that is designed for any future perils that may affect the insured's ability to earn or restore their loss to its original state prior to the peril. Hence the insurance agent's attentiveness and ability to service their clients during these times is another area sorely lacking in any support. It is solely on the insurance agent's personal capability and ability to service their clients during times of need, however, often the insurance agent is unable to provide good service due to low sales (which eventually means low income) or because the insurance agent is unable to service multiple clients at once, and this is where they would employ staff to assist with claims and other servicing matters.

AI has the seismic potential to analyze and recommend suitable products based on its interaction with the user. This solution does not spell the end of insurance agents but serves as a sales companion that would guide the agent to make better decisions for their customer. The AI tool would also serve to advise and recommend the insurance agent to be more effective and productive.

AI could also serve to assist the agent perform claims and servicing activities more efficiently by first analyzing the type of claim and immediately start sourcing for documentations from the relevant parties and preparing the documents for agents to collect information to proceed with the claim process. Sometimes agents are not sure what documents would be required and the AI can assist by predicting what documentations are

required to be submitted without the need of contacting the insurance company. The AI could also follow up on the claims process by continuously monitoring and nudging all parties involved and updating the agent or client on the progress.

Claims aside, the AI could also remind the agent of the client's important dates such as anniversaries or birthdays and detect changes in client's lifestyle through analysis of their social media. Using this information, the AI could then inform the agent of any major life changes such as changing careers, weddings, and even having children; and with this information, the AI can advise and inform the agent the best time to contact their customers to increase their coverage based on the new needs.

#### 1.4 Research Questions

To further emphasize the problem statements, research questions are structured as follows:

1. What are the perceptions of insurance agents and executive employees toward using AI to support their business?
2. How would AI reduce the high turnover of insurance agents?
3. How would insurance agents benefit from using AI in their business?
4. What factors would encourage agents to accept AI in their business?

#### 1.5 Research Objectives

With the recent advances in technology, and with the adoption of digitalized financial products and services, this study aims to determine if AI is a feasible tool for the agents of



the life insurance industry with the aim to improve their service level and sales volume; and if not, what steps need to be taken to use this technology in the future.

1. Determine the current factors that are limiting insurance agents from performing
  - Understand the background and information of life insurance agents
  - Find out whether the executive management of the life insurer is aware of AI.
  - Analyze the level of knowledge about AI among life insurance agents.
  - Determine whether life insurance agents accept AI.
2. Investigate factors that would encourage life insurance agents to accept AI in their business
  - Examine the factors and conditions that would motivate the acceptance of AI by insurance agents.
  - Examine the caveats and conditions that would motivate an insurer to incorporate AI in their agency force.

#### 1.6 Scope of Study

The area of study is only limited to the agency force of life insurance companies in Malaysia, the scope of study only focuses on the available technology and their prospects in increasing the revenue of the company. This focus not only considers the opinions of insurance agents themselves but also on the feedback and input of upper management employees of the insurance companies. This study also aims to pinpoint the relevant and applicable technology that would be the most valuable and create the biggest impact to benefit the agency force.

## 1.7 Significance of Study

This study aims to benefit life insurance practitioners, providers, policymaker, policyholders, the country's financial goals and literature. Life insurance practitioners, such as agents, brokers, and intermediaries' turnover rate are significantly high. According to LIMRA, in 2011, only 5% of agents remain in the industry and only 2% of agents manage to become high achievers. Furthermore 68% of insurance agents leave the industry after the first 2 years (Muhamat, Karim, Mainal, Alwi, & Jaafar, 2018).

This high turnover affects the sales and service of the insurer as they have lost their initial contact with their customer. This raises the risk of policy lapsation which affects both insurer and insured. However, this could be attributed to the agent having faced difficulty in continuing their business which forces them to seek alternative forms of income.

There are ethical concerns for the insurance agents as they are pressured to achieve targets or earn income to support themselves, this moulds their practice and behaviour to sell indiscriminately without following proper guidelines and procedures. A matter of fact is that most agents focus on meeting and convincing a prospect rather than conducting proper fact-finding interviews and skimming on proper documentation. This is so that they can conduct the sales in the speediest manner to earn their commission and achieve their sales targets and goals.

This affects the insurer as the company bears complete and total responsibility for maintaining the long-term contract and paying out claims and benefits according to the contract, however if there were promises made to the policyholder which is not in-line with the company's benefits, the insurer has no choice but the deny and reject claims. The policyholder would then file official complaints which can be costly, lengthy endeavours that damages their reputation; however, the agent who originally sold the policy could no

longer be in the picture as they have left the industry, hence total and complete responsibility falls on the insurer's hands.

It is the hope that with the help of AI, and assistance with technology that it benefits the agent's business, helping them to source for more sales and close more business and ensuring that the prospect is fully briefed and aligned with the benefits offered by the insurance company before signing of the contract. It is the hope that this study manages to reduce the turnover of agents, increase sales, reduce compliance infractions, reduce mis-selling and increase customer confidence which brings value to both insurer, policyholder, and insurance agents.

## 1.8 Chapter Summary

This overview serves to define and introduce the issues currently faced by the Malaysian insurance industry's agency force, their challenges and opportunities and a brief explanation of the cause and effect and correlation between insurer, intermediary, prospects, and policyholders. The above issues have led to a study on using new technology to alleviate issues and enhance current sales and service quality. With the increase in use of new technology, newer, younger agents who join the industry would be able to benefit from the application of AI to assist them in their business and increase the insurance coverage for the benefit of the policyholders, agents, insurers, and the country as well.

## CHAPTER 2 LITERATURE REVIEW

### 2.1 Introduction

The intention of this chapter is to conduct reviews and analysis of existing literature or empirical studies to support the research into the topic of this paper. This chapter starts with the definition and discussion related to AI and the technology that supports AI to function. After that, the next section of this chapter touches on the existing methodology and explanation of the Malaysia insurance industry's practises and process as well as the ethical conduct that is expected of intermediaries.

### 2.2 Artificial Intelligence

According to the Oxford Dictionary (2022), AI is defined as “The study and development of computer systems that can copy intelligent human behaviour”.

Thereby by this definition, a machine that exhibits intelligence and able to impersonate a human's ability to perform cognitive functions and perform feats of human intelligence such as problem solving, perceiving, reasoning, and learning can be identified as possessing artificial intelligence or “AI” (Anyoha, 2017).

Intelligence is often the measure of the computational ability to achieve certain goals, and such intelligence often varies depending on individual people, animals, and machines.

Arthur R. Jensen, an expert in human intelligence proposed that all normal, healthy human individuals share similar cognitive capacities and mechanisms and that variances in intelligence are correlated with exposure to physiological and biomechanical environments, however the same cannot be said in relation to AI. Since computers are equipped with a

vast memory and able to perform computations quickly and accurately, they are limited to the designers and programmers who put in the mechanisms deemed necessary to perform their tasks. And whenever there is a failure to perform, it is often attributed not to the failure in the AI but the designers who lacked the insight to design and understand the intellectual mechanisms that was required to perform the task (McCarthy, 2007).

An example of using AI to assist sales agents can be attributed to a recent study into the use of AI to coach sales agents and sales personnel, the study showed that despite the increased interest from businesses, little is known about how to use AI coaches for sales training. To measure the varied effects of AI coaches on agents' performance at two fintech companies, the study executed random field experiments with the criteria of AI coached agents, human coached agents and finally a combination of AI and human coached agents. The results of the experiments showed that while middle-ranked agents improved the most and achieved better results thanks to the AI, the top and bottom-ranked agents did not benefit significantly from the AI coach. Top-ranked agents exhibited the largest aversion and rejection to the AI relative to the human coach, while bottom-ranked agents experienced the most severe information overload problem with the AI which was caused by a learning-based process (Luo, Qin, Fang, & Qu, 2020).

To lessen the information overload that the lowest-ranked agents experience, the AI coach was reconfigured, and the bottom agents' sales performance significantly improved. Furthermore, to assist the bottom ranked agents, the researchers combined an AI-human coach assemblage rather of using either the AI coach or the human coach alone. In terms of training efficiency for both the lowest- and highest-ranked agents, this hybrid performed better than each coach alone. Therefore, it is concluded in this study that an amalgamation of both AI and human coaching serves to bring better results than a single coach approach by either AI or human coaches (Luo, Qin, Fang, & Qu, 2020).

In China, the application of AI in the insurance industry will become the primary competitive strategy of major insurance providers in China as the expansion and technological advancements in the field continue. As of the writing of the paper, only businesses involved in insurance can implement new business models, products, and services with increasing efficacy (Lin, Qiu, & Liu, 2020).

Innovative approaches can help the Chinese insurance companies achieve their goal to advance and expand their businesses. Advancements in AI will provide better insight to the strategies that Chinese insurance companies should adopt to withstand any financial impacts and increase productivity by replacing traditional methods with the assistance of an AI, this has the added benefit of lowering costs and increasing productivity. This proves to be a beneficial impact to the companies as the insurance companies can expand their roles and contribute to the financial sector of China (Lin, Qiu, & Liu, 2020).

### 2.2.1 Machine Learning

Making data-driven predictions based on data and learned experiences is a key strategy towards developing AI. Supervised Machine Learning, Unsupervised Machine Learning and Reinforcement learning, that make up machine learning (Brown, 2021).

Similar to how a person approaches and solves issues, AI systems are being developed to carry out the same complicated tasks by utilizing a subfield of AI known as “Machine Learning”. Therefore, machine learning is a quintessential part of AI that will be used to mimic human intelligence factually and logically (Brown, 2021).

Research scientists at the InfoLab Group at MIT’s CSAIL have mentioned that the objective of an AI is display intelligent behaviours via computer models that would rival

that of humans. This infers that the AI can read and understand a string of text written in a natural language, identify images and videos as well as carry out a physical action that is appropriate for the given situation (Brown, 2021).

A method of using AI is machine learning. AI pioneer Arthur Samuel first referred to it as "the branch of study that offers computers the power to learn without explicitly being programmed" in the 1950s (Brown, 2021).

Despite recent advances in AI technology as well as the availability of data, the machine still finds accomplishing simple tasks challenging such as recognizing images and differentiating people. This challenges designers and programmers to write such a complicated programs which becomes time-consuming or next to impossible whereas a human would find the task simple and would complete it with ease. Therefore, the idea behind machine learning is to enable the computer to teach themselves to learn from each experience (Brown, 2021).

Data in the form of numbers, images, or text is the foundation of machine learning. Examples of data include bank transactions, images of individuals or even specific bakery goods, repair records, time series data from sensors, or sales reports. A machine learning model will be trained on the data, which has been collected and prepared for use as training data. The AI performs better with additional data (Brown, 2021).

The next step is for programmers to decide on the best machine learning model to employ, input the data, and then sit back and watch as the computer model learns to spot patterns or forecast outcomes. The model can be adjusted over time by the human programmer, including modifying its parameters, to assist it produce more accurate results (Brown, 2021).

A sample of the training data is kept back to be utilized as evaluation data, testing how accurate the machine learning model is when exposed to fresh data. The outcome is a model that may be applied in the future to other sets of data (Brown, 2021).

Therefore, the function of a machine learning system can be descriptive, which means that the system uses the available data to provide an explanation of the occurred outcome; predictive which means that the system uses existing data to make a prediction of events to come; or prescriptive, which means that the machine diagnoses the event and comes up with suggestions to actions to solve the issue at hand (Brown, 2021).

### 2.2.2 Supervised Machine Learning

In AI, supervised machine learning is a branch of machine learning and AI. The term ‘Supervised’ is defined from the attribute that it uses labelled datasets in order to train an algorithm to filter and arrange data or generate predictions as accurately as possible. The more data that is fed into the algorithm, will enable the AI to adjust and make better decisions. As of now, insurance companies are using supervised machine learning to assist in claims, underwriting and fraud detection, with little application to sales (Acko, 2022).

### 2.2.3 Unsupervised Machine Learning

Unsupervised machine learning is used at its best to detect frauds and anomalies in claims. Compared to supervised machine learning, unsupervised machine learning approach is able to offer practical insights into data while also performing exceptionally well in the lack of training output labels. When there are no output labels, it offers a great base model framework to start detecting fraud until more output label data are gathered over time. One



of the main benefits of this methodology is its capacity for capturing the dynamic modus operandi of criminals, which eliminates insurance fraud in advance. Additionally, from the insurers' point of view, doing so in a commercial environment is viable and appealing. These factors increase the effectiveness, viability, and feasibility of using unsupervised deep learning models for fraud detection. However, the application of this algorithm is best used for detection and may not be feasible in the prevention during the onboarding of customers and may require further study to prove efficacy in the onboarding of policyholders (Gomes, Yang, & Jin, 2021).

#### 2.2.4 Reinforcement Learning

Certain machine learning models are trained via reinforcement learning to make a series of judgments. The AI gains the ability to do a task in a possibly complicated and uncertain environment. An AI encounters a scenario similar to a game during reinforcement learning. In order to solve the problem, the computer uses trial and error. The AI is rewarded or punished for the steps it takes to make the machine do what the programmer desires. To maximise the overall reward is its aim (Osiński & Budek, 2018).

Although the designer establishes the reward policy, or the game's rules, he offers the model no tips or advice on how to win. The computer model must determine how to complete the objective to maximise the reward, starting with completely arbitrary trials and ending with sophisticated strategies and superhuman abilities. Reinforcement learning is currently the most efficient method for hinting a machine's inventiveness because it makes use of the power of search and numerous trials. If a reinforcement learning algorithm is performed on a powerful enough computer infrastructure, AI can learn from thousands of concurrent games, unlike humans (Osiński & Budek, 2018).

### 2.2.5 Deep Learning

A subfield of machine learning where algorithms try to simulate high-level abstractions in data. This is achieved by connecting artificial, software-based calculators that mimic the operation of brain neurons. Deep learning is a method of machine learning that instructs the computer to learn from its environment just as humans naturally do, like a self-driving car to be able to recognise stop signs from pedestrians. In recent years, the interest towards deep learning has attracted interest from both commercial and scientific communities as it is able to produce results that was previously deemed impossible (MathWorks, 2022).

By using deep learning, a computer model is able to perform classification exercises directly from analysing images, texts, or sound. The machine is able to not only outperform their human counterparts but do so with precision and accuracy, this is achieved by using large sets of labelled data combined with a neural network architecture that is built on top of many layers (MathWorks, 2022).

### 2.2.6 Practical Uses of Machine Learning in Insurance

Machine learning in insurance aims to provides virtual assistance to advise potential customers and solicit sales effectively. Chatbots and Popups are now trending amongst insurers whenever a visitor visits the company website. The bots can be programmed to initiate a conversation with the site visitor based on their clicks and queries and respond with the best and most appropriate response. If a machine learning algorithm was integrated in the chatbot system, it would be able to better guide and aid the prospective customer and increase chances of an acquisition (Acko, 2022).

The potential of this technology to conduct risk profiling for underwriting reduces the risk of human errors. This is prevalent especially if there is a large amount of quality data collected during the on-boarding process, the risk profile and general health assessment of the customer can be determined easily which alleviates the manual underwriting process which most insurance companies currently employ. This will be crucial to the risk-assessment and quality of policyholders which relates to a lower incidence of anti-selection or onboarding customers with a higher potential to take out large claims (Acko, 2022).

There is potential in machine learning where it has the ability to advise the best suitable product to suit individual needs. Currently, Malaysian insurance companies can provide premiums that are in tandem with the level of risk associated with potential policyholders, based on the prospect's goals and current risk appetite as well as coverage and income, the AI would be able to suggest the most suitable product for the potential customer based on their demographics, risk, and income. Integrating a machine learning algorithm would greatly increase the experience and generate faster quotations based exactly on the needs of the prospects. If the system has access to additional data such as claims history and health status, it can perhaps even create better more accurate premiums that would benefit both the insurer and the customer (Acko, 2022).

Lastly, to reduce the risk of and increased detection of fraudulent claims, a well programmed and designed A. I with a strong machine learning algorithm would be able to detect anomalies and identify unusual patterns to predict fraud and prevent during claims. It would be ideal if insurers across Malaysia were to share data related to claims and frauds as this will help build better and more bulletproof anti-fraud system (Acko, 2022).

### 2.2.7 Natural Language Processing (NLP)

To give a computer the ability to understand language; whether in text or in a spoken format refers to a subsection of computer science which is focusing on giving the computer an AI capable of natural language processing (NLP) (IBM, 2020).

NLP combines the rules of human language with computational linguistics, statistical capabilities, together with machine and deep learning models. This enables the computer the ability to process human language in both written and spoken data. Using this technology, the computer has the ability to ‘understand’ the context of the message and able to interpret the complete meaning of the writer or speaker’s intention and sentiment (IBM, 2020).

The current use of NLP is able to drive computers to conduct translations, respond to instructions or commands, and even summarize a large amount of data rapidly in real time. Currently this technology is used in chatbots, speech-to-text dictation software, and personal digital assistants such as Apple’s Siri or Amazon’s Alexa. Many businesses and enterprises are now seeking to use NLP in their business to help alleviate business operations, increase productivity, and simplify operational processes (IBM, 2020).

The current use of NLP in Malaysian insurance companies is strictly limited to chatbots that will analyse the conversation and reply as well as assess the user. According to Accenture, a consulting firm, 74% of consumers are open-minded to receiving insurance advise via a machine and that 78% of consumers would listen to a virtual assistant that gives out investment advice. Therefore, it is paramount that insurance agents of the future would transform to have chatbots be a viable entry point to prospect up to giving out product recommendations and closing up the conversation with a sale (The Malaysian Insurance Institute, 2022).

### 2.2.8 Computer Vision

AI gives the computers abilities to think, analyse and conclude, however, in order to give the computer, the ability to see or make observations and take on visual data such as images, videos or other forms of visual input, it requires to leverage on the field of computer vision which gives it the capability to understand visual input (IBM, 2022).

In some ways, computer vision is similar to human vision, although the latter has the advantage of an evolutionary head start, computer vision is slowly making progress to identify visual cues to differentiate, gauge and determine if the subject matter is a static or mobile or if there is something wrong in what it is seeing (IBM, 2022).

Computer vision aims to train the computer to perform the functions that the human eye can do, however it has to perform these functions in a fraction of the time that a human eye can do with algorithms, data, and cameras. This gives the computer an edge as it is able to perform inspections, analyse thousands of visual cues in a minute and detect anomalies or imperfections in a fraction of the time compared to a human. An example would be the use of Google Translate function which allows you to use your smartphone camera to instantly translate text from one language to another (IBM, 2022).

By using optical character recognition (OCR), data is extracted and reused from scanned documents, camera photos, and image-only PDFs by an OCR application. The original material can be accessed and edited by using OCR software, which isolates letters on the image, turns them into words, and then turns the words into sentences. Furthermore, it does away with the requirement for human data entry (IBM, 2022).

OCR systems transform physical, printed documents into machine-readable text by combining hardware and software. Text is copied or read using hardware, such as an optical scanner or dedicated circuit board; the advanced processing is then handled by software (IBM, 2022).

OCR software can use AI to create more sophisticated intelligent character recognition (ICR) techniques, such as recognizing languages or handwriting styles. OCR is most frequently used to convert paper-based legal or historical documents into pdf files that can then be edited, formatted, and searched just like word processor-created documents (IBM, 2022).

#### 2.2.9 Robotics Process Automation (RPA)

Sometimes referred to as software robotics, robotic process automation (RPA), uses automation technology to simulate back-office functions performed by human employees, such as data extraction, filling out forms, moving files, etc. To integrate and carry out repetitive operations between applications, it mixes APIs and user interface (UI) interactions. RPA technologies carry out autonomous execution of a variety of tasks and transactions across unrelated systems by deploying scripts that mimic human operations (IBM, 2020).

By performing repetitive and operational business activities at a large volume using rule-based software, this type of automation frees up human resources to focus on more difficult jobs (IBM, 2020).

An RPA module gives the executive management employees and decision makers the agility and speed to make digital transformations and increase employees ROI by enabling

the machine or digital systems the ability and authority to perform tedious, time-consuming activities (IBM, 2020). Insurance companies utilising RPA enhances the customer-facing services and back-office operations while also modernising the workplace with an RPA installation.

The following are the uses of RPA for insurance operations:

**Processing insurance claims more quickly:** Traditionally, workers would gather data from various papers and enter it into other systems. Customers now receive a quicker response when they register a claim thanks to the ability of RPA bots to transport substantial volumes of claims data with just one click (IBM, 2021).

**Greater customer satisfaction:** With RPA, insurers may speed up a variety of data-rich procedures, from the onboarding of new clients through the cancellation of policies (IBM, 2021).

RPA can automatically move data between different systems while navigating between them, reducing human labour, and better serving customers (IBM, 2021).

**Increased data accuracy:** Insurers can reduce the chance of human error by switching to RPA from manual operations. RPA makes data more trustworthy, which is crucial for regulatory compliance (IBM, 2021).

**Cost savings that happen quickly:** RPA would be crucial in streamlining corporate procedures and boosting productivity to reduce costs all around. Additionally, businesses can reallocate teams to tasks with a greater priority and promote expansion (IBM, 2021).

Investment protection: By extending the life of obsolete systems that might be replaced in a few years, robots can then be updated to integrate with new systems. They may be set up much more quickly than conventional IT initiatives (IBM, 2021).

Opportunities for cross-selling: RPA systems like chatbots can make personalised product recommendations to improve the client experience (IBM, 2021).

Increased job fulfilment: RPA bots use sophisticated document processing to remove a variety of manual data entry chores, freeing up staff members to work on higher-value duties. This increases morale among the staff who have been laboriously performing manual data entry tasks (IBM, 2021).

#### 2.2.10 Data

Data is information which has been transformed into a format that is useful for transfer or processing in computing. Data is information that has been transformed into basic binary code for use with modern computers and communication mediums. The topic of data may be used in either the singular or the plural. The phrase "raw data" refers to information in its most fundamental digital form (Vaughan, 2022).

Insurance companies have amassed a plethora of data over the years, but they have lagged behind in monetizing this asset by developing new business segments or business models to capitalise on the potential of data and analytics (McKinsey & Company, 2017).

The amount of information is growing quickly as more insurance customers engage, shop, and compare goods and pricing online. Furthermore, cutting-edge new analytics technology makes it possible for insurers to exploit such data in ways they never before imagined. To



become a data-driven firm, however, many insurers must overcome organisational difficulties. Others are delaying the development of their analytics capabilities until there are more revenue opportunities. Because of this, insurers have fallen behind other sectors in their adoption and investment in analytics (McKinsey & Company, 2017).

Those insurers who wait will be at a considerable competitive disadvantage as early adopters develop innovative business models and look to maximise the possibilities of their data. To transform into a data-driven insurance organisation, businesses must reconsider how they create and manage their data and analytics assets and create differentiated go-to-market strategies that enable them to provide data-centric solutions to their clients (McKinsey & Company, 2017).

#### 2.2.11 Algorithms

A step-by-step process for resolving a problem is called an algorithm which is a process used to carry out a computation or solve a problem. In either hardware-based or software-based routines, algorithms function as a detailed sequence of instructions that carry out predetermined operations sequentially (Gillis, 2022).

All aspects of information technology employ algorithms extensively. A simple technique that resolves a recurring issue is typically referred to as an algorithm in computer science. Algorithms are essential to automated systems because they serve as specifications for processing data (Gillis, 2022).

An algorithm may be employed for simple tasks like sorting lists of numbers to more challenging ones like suggesting social media content. The starting input and instructions

for an algorithm's computation are often provided. When the calculation is finished, an output is created (Gillis, 2022).

#### 2.2.12 Human Interaction

Different machine learning techniques have been developed as a result of the power of AI to successfully address challenges in the actual world. However, machine learning techniques have several limitations and don't always result in providing solutions (Maadi, Khorshidi, & Aickelin, 2021).

For instance, machine learning methods lack transparency, the outputs of machine learning are not always reliable and accurate in complex and delicate case studies, and machine learning methods are unable to account for all the variables and circumstances of the issues (Maadi, Khorshidi, & Aickelin, 2021).

Humans can collaborate with machine learning systems and enhance their effectiveness by bringing their knowledge, experience, and skill to the process. Human-in-the loop machine learning is a new word in machine learning applications that refers to the interaction with both domain human operators and machine learning methodologies (Maadi, Khorshidi, & Aickelin, 2021).

#### 2.3 Overview of Life Insurance Industry in Malaysia

These days, life insurance is a crucial form of protection. Malaysia is a nation having a variety of takaful operators and insurance providers (Zain, 2022).

According to information on the Bank Negara Malaysia website, foreign companies own the majority of Malaysia's life insurance companies. The only locally owned companies are

Hong Leong Assurance Bhd, Etiqa Life Insurance Bhd, Sunlife Malaysia Assurance Bhd, AXA Affin Life Insurance Bhd, there are no other locally owned companies (Zain, 2022).

The government has provided several incentives, particularly in the form of taxation, to encourage the life insurance industry in Malaysia to expand quickly. In accordance with the Income Tax Act of 1967, the income tax levied on the life insurance industry has been kept reasonably low at 8%, as opposed to the approximately 24% levied on other types of businesses (Zain, 2022).

Additionally, revenue from the issuance of policies, such as premiums collected by life insurance firms, is not taxable to support business continuity. In addition, the government offers life insurance policy customers reimbursement up to a maximum of RM3,000. This demonstrates the value of life insurance to the populace and the nation (Zain, 2022).

All insurance companies and takaful operators in Malaysia are required by Bank Negara Malaysia to distinguish and maintain their life insurance business and general insurance independently beginning in 2018. In essence, this will allow insurance companies to concentrate more on the sold products (Zain, 2022).

It is quite interesting to note that information gleaned from life insurance firms audited financial accounts for the years 2018 through 2020 revealed total gross income of RM29 billion in 2018, of which RM25 billion came from foreign-owned companies and RM4 billion from locally owned ones (Zain, 2022).

The gross income from life insurance companies increased significantly in 2019 to RM44 billion, of which RM35 billion came from foreign-owned businesses and locally owned life insurance companies generated RM8 billion (Zain, 2022).

In contrast, gross income is expected to fall somewhat in 2020, totalling RM42 billion, of which RM8 billion would come from locally owned businesses and the remainder from those controlled by foreigners. The Covid-19 outbreak that hit Malaysia at the end of 2019 and had a significant impact on the nation and the world is the most evident and logical explanation for why 2020 shows a decrease in the statistic (Zain, 2022).

The selling of policies or premiums makes up the largest portion of the life insurance firms' total reported gross income. In all, RM29 billion has been collected for 2018 and 2019, with a rise of RM31 billion for 2020. This demonstrates that Malaysians are becoming more cognisant of the value of life insurance. Despite a modest decrease in overall gross income in 2020, policy sales are still rising (Zain, 2022).

When comparing the percentage of policies sold by foreign and domestically owned life insurance companies, the foreign companies' percentage of sales showed a trend in the opposite direction, falling from 86% for 2018 to 81% for 2020, whereas locally owned insurers showed a rise in policy sales of 14% for 2018 and 19% for 2020. The type of products given, promotions run, and advertising done could be to contribute to the increase of sales (Zain, 2022).

The life insurance firm has reinsured some of the risks to the reinsurance business from the total number of policies sold or the risks to be borne. Life insurance firms have only bought 4% of reinsurance contracts. This shows that life insurance firms, whether they are domestically or abroad held, have a strong capacity to pay claims in the event of an insured risk (Zain, 2022).

### 2.3.1 Agent Sales Cycle

While there are many varieties of services, customers, products, prospects, and sales environments and situations, there are only seven steps in a sales process which is outlined in Figure 2.1.

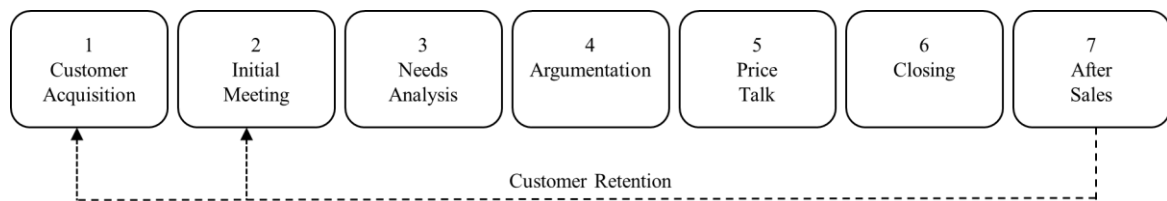


Figure 2.1: Seven Step Sales Process (Hase & Busch, 2018)

After scheduling the appointment with the prospective customer, the agent then continues along the graph moving to the next step in sequence, however at the end of the graph does not mark the end of the sales process but is instead a new beginning and the agent starts over. This is where the agent's servicing and following-up activities play a crucial role in generating repeat sales with new products or services. As a general rule of thumb, it costs anywhere between three to five times to on-board and acquire new customers than it is to ensure that an existing customer does not leave; therefore, it would be beneficial to retain existing customers by keeping them satisfied. This is where the sales process repeats itself and begins anew (Hase & Busch, 2018).

### 2.3.2 Customer Acquisition

The first exercise towards acquiring new customers is to prospect and qualify the agent's network and social circles. Insurance companies lose customers every year from various reasons which could range from not paying premiums or switching to a different insurer, therefore, in order to increase or maintain their sales volume, insurance agents must continuously search for new customers by prospecting. Obtaining leads is the first step to the sales process, and a qualified lead is knowing the customer's full name, location, and contact details of an individual with the potential to purchase from an insurance company. It would be best that before any effort is made with a prospect, is to first qualify the lead even further; meaning to say to identify if the prospect has the authority to make decisions, enough money to purchase a policy and eligibility to enter into an insurance contract. Once the qualification has been assessed and found suitable would these prospects be included in a sales call (Hase & Busch, 2018).

Once the qualifying and prospecting exercise is complete, it is then time to conduct the next exercise to acquire new customers. There are numerous ways that an agent could contact prospective customers, they could advertise, cold call, participate in events and exhibitions, promote themselves via the internet or even by using direct mailing techniques such as newsletters or emails. One of the most difficult methods of prospecting is by conducting cold calls, this is because many agents have a negative perception towards cold calling, and the cause of that negativity could be manifested from many reasons from family pressure, negative experiences from public, constant rejection and feeling pressured constantly to make sales and generate revenue or income. Most of the time, agents would tend to find an excuse to not perform cold calls. Sometimes, the agent due to constant rejection end up not even trying due to their expectation that they will be rejected again (Hase & Busch, 2018).

The goal at this stage is to arouse interest in the prospect to grant the agent a meeting to discuss, which is why it is preferable at this stage for the agent to come up with an opening statement that would benefit the prospect from their perspective before engaging in a call. Most prospects would be inwardly focused on gaining a benefit from a meeting and it would backfire if the agent were to speak from their own perspective (Hase & Busch, 2018).

Lastly, even in this early stage, agents are faced with initial rejection, which is where their ability and determination to handle objections becomes relevant. Most agents fail to convince the prospect as they either give up too easily or are not convincing enough in their statements. In order to overcome objections, the agent needs to demonstrate an understanding of the underlying issue, convince the prospect that they add value to them and to confidently request for the meeting again. However, after two or three attempts, it would be best to end the call and come back to him in a few weeks or even a month (Hase & Busch, 2018).

### 2.3.3 Initial Meeting

Upon first contact the agent needs to build trust to ensure customer loyalty and a long-term relationship, therefore agents should take the opportunity to meet up with their prospects as soon as possible rather than communicating remotely over the phone or via email which would be unprofessional and nurtures poor results (Hase & Busch, 2018).

The initial face-to-face interaction with the prospect is when agents create their crucial and frequently lasting impressions. Therefore, it's crucial to think about how to get a positive reaction from their prospect. Most prospects anticipate agents to act professionally and

behave accordingly. Hence the agent's personal grooming, behaviour and mannerisms are key contributors to cementing a good impression (Hase & Busch, 2018).

Therefore, the sales pitch and appointment start as soon as the agent is within the prospect's field of vision, where the prospect might welcome the person from a distance via a wave or callout to them. Therefore, it is advisable that the agent is presentable from the moment they arrive; ensure that they are well groomed right from the beginning and have all necessary sales tools at hand. The agent would benefit from an emotional connection with their prospect as it makes it easier for the prospect to respond to the agent's queries. A key component to an agent's success is the level of emotional bonding made with their prospects emphasising on the agent's sincerity, professionalism, and ability to engage the prospect to win them over and foster trust. Trust being the key important takeaway as the agent approaches a prospect who is wary of meeting a new salesperson or in this case, insurance agent. Prospects do not evaluate if they can trust an agent based on their technical proficiency, but on a deeper more personal level (Hase & Busch, 2018).

Small talk can be a useful tool; however, the agent should approach topics that are unlikely to offend such as hobbies, sports, and personal interests. Should the agent be in a situation where they need to wait for a prospect at their home or office, the agent instead could pay attention to their surroundings and mention the interior decorations, awards or pictures or anything that looks interesting and worth a mention. This is to create genuine interest between the prospect and the agent, however the next step of bridging small talk with sales talk takes a level of skill which can be gained through experience. Most of the time prospects are taken aback by the agent's sudden change of topic to discuss the product or services, this gives the prospect a feeling of being nothing more than a target of an agent's



sales. Agents who elegantly create a bridge between small talk and sales talk can then move on to the needs analysis (Hase & Busch, 2018).

### 2.3.4 Needs Analysis

To make sure that insurance agents put in more effort to accurately assess the insurance needs of consumers, Bank Negara Malaysia has developed a framework on correct advisory practices for the life insurance market. The Guidelines establish a set of baseline requirements for appropriate advice as well as a methodical approach to the sale of life insurance products. In accordance with the Guidelines, intermediaries are required to gather enough details about a potential policyholder before providing pertinent advice regarding the acceptability of a specific insurance product (Bank Negara Malaysia, 2018).

Before offering advice or finalizing an insurance transaction, an agent should gather enough information about the prospective policy holder. A fact-finding procedure is the name given to this procedure. The fact-finding process should analyse the prospective policy holder's personal and financial situation and result in a clear identification of their financial needs and priorities so that the agent may offer an appropriate and sufficient life insurance plan. The information gathered throughout the fact-finding process is kept private and is used solely to ascertain the demands of the potential customer (Bank Negara Malaysia, 2018).

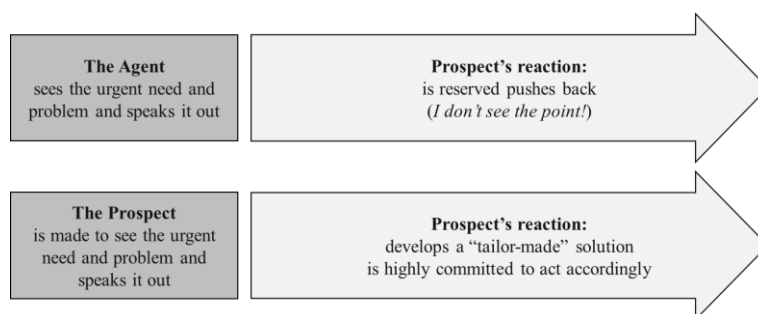


Figure 2.2: Seeing the Urgency (Hase & Busch, 2018)

In order to be more effective and have better closing ratios, the agent needs to have as much information as possible of their prospect. This is to allow the agents to address specific needs and understand the prospects 'pain points', while also demonstrating their competence level by asking the right questions. Figure 2.2 demonstrates the difference in reaction from the agent seeing the urgency versus the prospect seeing the urgency. The more the agent focuses on understanding the client's needs, the less 'argument' will they have at the end of the sales call (Hase & Busch, 2018).

One of the most effective methods is to create urgency and identify pain points. In a sales call, most agents often understand that they need to point out that the prospect has a need, but often fail to allow prospects discover that they themselves have an urgent need which can make a difference between an effective or ineffective sales call. Hence, the agent should not point out the need to the prospect but instead help the customer see the urgency themselves. This is achieved by asking more questions that focuses on the problem and the impact it can have on the prospect. This method allows the prospect to identify the pain points and will seek a solution and stay committed to it (Hase & Busch, 2018).

An effective insurance agent employs sales questioning techniques to spur their prospect to act. Insurance agents who incorporate questions in their sales call often learn and understand their prospects better. Questioning also helps build trust, understand buying motives, prepare for counter arguments or objections as well as give the agent some time to think. Question types can be broken down to two types: Open-ended questions and Close-ended questions. Open-ended questions are used to define the problems being faced and the solutions that the agent can provide; it is also used to collect information for the purposes of designing a solution to fit the prospect's needs. Close-ended questions are used

to confirm that facts and information has been understood, define results, and close a sale (Hase & Busch, 2018).

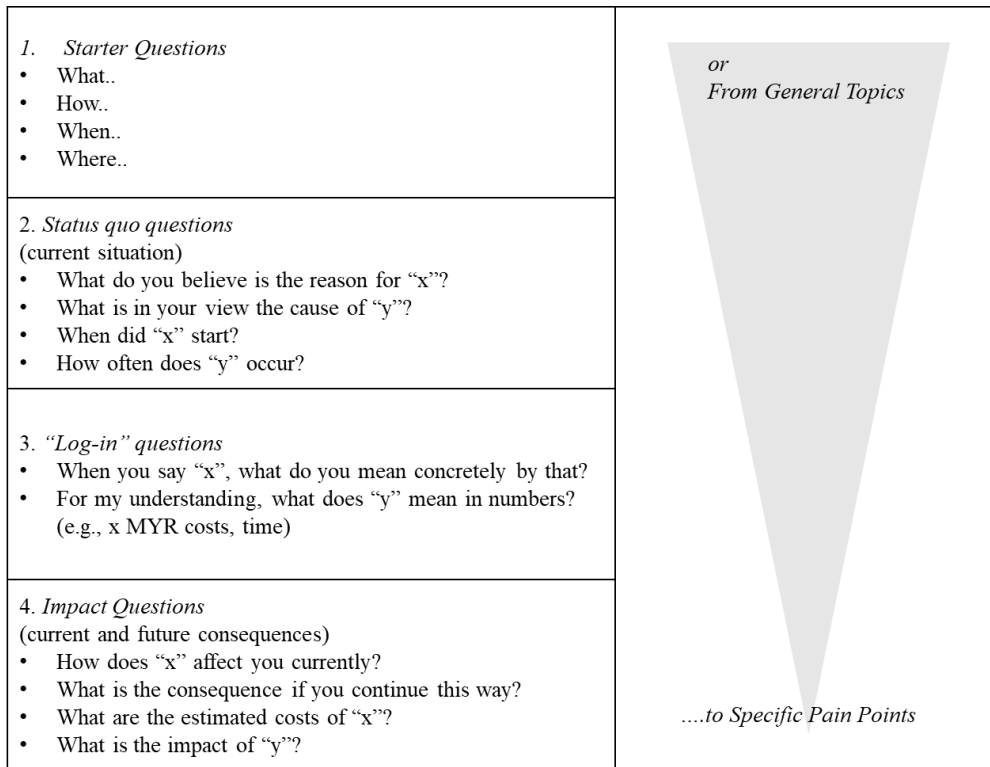


Figure 2.3: Questioning Topics (Hase & Busch, 2018)

Figure 2.3 demonstrates an effective questioning process, beginning with starter questions which serve to allow the prospect to activate themselves and open up to the agent. Moving on to status quo questions, these serve as supporting questions to confirm the situation from the previous lines of questioning (Hase & Busch, 2018).

It also serves as an eye-opener to the prospect so that they are aware of the urgent needs that they be unaware of. Once the prospect realises their need, the agent then asks log-in questions which is a series of questions to further understand the actual need of the prospect, for example when a prospect says, “I need to plan for my retirement” the agent could follow up by asking “Could you describe what you plan to do once you retire?”. The last series of questions also known as impact questions are designed to trigger the prospect’s feelings of

uncertainty of the consequences or effects of their current situation and the actions, they need to take to solve these pain points (Hase & Busch, 2018).

### 2.3.5 Argumentation

Argumentation is the exercise where the agent precisely delivers the plan and services that will best meet those particular demands after asking the prospect or client the series of questions that identified their goals and pain spots. In general, there are three levels of argumentation being features, advantage and benefits. Features are clear product specifications, which explains the hard facts of the product. An example would be “In the event of a critical illness, this policy pays out X amount” (Hase & Busch, 2018).

To sell the product features, the agent can explain the use and functions of the policy to the client by talking about the advantage of the policy, for example “In the event of a critical illness, this policy pays out X amount, which means you do not need to worry about your living expenses while seeking out treatment” (Hase & Busch, 2018).

Benefits is where the agent explains that the features and advantages of the policy directly relate to the prospect’s needs and pain points, which is even more convincing than plainly talking about features and advantages of the product. The chance of a sale is higher if the agent is able to directly connect the features and advantages of the product to the prospect’s needs and pain point. An example would be “In the event of a critical illness, this policy pays out X amount, which means you do not need to worry about your child’s livelihood and education expenses should you be unable to work anymore” (Hase & Busch, 2018).

Once the agent has successfully captured the prospect’s attention, they will move on to present the benefits of the product. The agent outlines the benefits of the specific product

or service after doing the requirements analysis. The needs analysis should be followed immediately by this second stage, since the prospect is aware that they must address their issue now and they are usually forthcoming and will also enquire about the agent's advice (Hase & Busch, 2018).

Only when a product's features and benefits can be directly linked to a particular benefit the prospect is looking for are they considered essential. As a result, the agent must be extremely knowledgeable about the policy features and pay-outs and limit their descriptions to those that are important to the prospect (Hase & Busch, 2018).

It is always an effective method to align the product to the prospect's values and benefits. The agent then needs to focus on the policy features that are essential to the prospect, only a few points are required (no more than 4) which allows the agent to discuss the benefits with the highest conviction (Hase & Busch, 2018).

The benefit is always individual to the prospect and the goal is to leave the prospect with the feeling that their issue has been addressed and were given the right solution to their problem. This reduces the prospect's ability to reject the policy since their particular need has been addressed and a solution for their problem has been identified. This leaves the only objection to be the price of the proposal (Hase & Busch, 2018).

### 2.3.6 Price Talk

Most prospects are not prepared to sign a purchase agreement even after an excellent product and service presentation with clearly stated benefit arguments; the price is frequently disconnected from the actual performance of the product, particularly during the "price talk" period. The agent's job is to stop just that from happening. The agent should

first listen and let the prospect fully explain his objection. Not only is interrupting the prospect unpleasant, but it can also result in the loss of important information (Hase & Busch, 2018).

The agent can proceed to address the objection once they are certain that everything has been clearly understood. It is crucial to demonstrate to the potential customer that the described offer properly meets his wants and that the estimated price is unquestionably worth the value. Before moving on with the contract, the agent should make sure there are no other objections after responding to the pricing objection (Hase & Busch, 2018).

### 2.3.7 Closing

The agent then ensures that proper documentation is completed, all appropriate disclosures are done with payment and submits the proposal to the appropriate insurer for evaluation; the offer may be given verbally, in writing, or by actions. It may be addressed to a single person, a team of individuals, or the general public (Hase & Busch, 2018).

If an offer has been made, a contract will be created when it is accepted, as long as all of the crucial elements have been agreed upon. As an illustration, an insurance proposer might submit a fully filled and signed proposal form to an insurer directly or through an insurance agent. The insurer has two options: it can accept the offer after evaluating the proposed risk, reject it completely, or in some circumstances, offer to assume the risk if the proposer agrees to a set of terms and conditions. This is also known as a counterproposal to be accepted at the discretion of the proposer (The Malaysian Insurance Institute, 2014).

### 2.3.8 After Sales

The agent shall adhere to the principles outlined in the Code to the extent that they apply to his interactions with current policyholders. In addition, the agent shall make every effort to stay in touch with all individuals who obtained policies through him in order to preserve the business already secured (The Malaysian Insurance Institute, 2014).

Finally, the agent shall provide claimants with all reasonable assistance in completing claim forms and generally adhering to the requirements outlined in relation to the settlement of claims (The Malaysian Insurance Institute, 2014).

Top agents do not vanish after closing a deal. The insurance customer service centre may be sought to handle customer service tasks like claims, changes in payment or complaints from customers. However, successful agents maintain communication with the policyholders. Keeping current policyholders happy is much simpler and less expensive than trying to find and win new ones (Hase & Busch, 2018).

### 2.3.9 Sales Process of the Life Insurance Industry in Malaysia

Whether or not the presence of the principal is known will determine how their activities will be affected when agents are hired to negotiate contracts with third parties. For instance, for the purposes of forming or varying the insurance contract, a person who is authorised by a licenced insurer to act as its insurance agent and solicits or negotiates a contract of insurance in that capacity shall be deemed to be the agent of the insurer, and the knowledge of that insurance agent shall be deemed to be the knowledge of the insurer (The Malaysian Insurance Institute, 2014).

### 2.3.10 Proposal

Under the Insurance Act 1996, Laws of Malaysia Act 553, Section 149 lays down the following rules with regards to control of proposal form, policy, or brochure:

“149. (1) A licensed insurer, upon being required by the Bank by notice in writing, shall submit the proposal form, policy or brochure for the time being in use or to be used by it and where the whole or part of any proposal form, policy or brochure is not in the national language or English, it shall submit a translation of it in the national language or English. (2) The Bank, after giving the licensed insurer an opportunity to be heard, by notice in writing may direct the licensed insurer to discontinue the use of the proposal form, policy or brochure from a date specified in the notice, or until it is modified in such manner as the Bank may specify. (3) Unless directed by the Bank under subsection (2), a licensed insurer may continue to use the proposal form, policy or brochure lodged with the Bank in accordance with subsection (1). (4) A proposal form and, where no formal proposal form is used, a request for particulars by the licensed insurer shall prominently display a warning that if a proposer does not fully and faithfully give the facts as he knows them or ought to know them, the policy may be invalidated. (5) The Bank may specify a code of good practice in relation to any description of proposal form, policy, or brochure”.

In order to make an educated decision about the choice and cost of the risk, the risk assessment process evaluation requires carefully reviewing the material presented by an applicant.

Specific questions on the following underwriting variables are included on the proposal form. Medical history, including family history of conditions like diabetes or haemophilia (a condition that causes slow blood clotting), and current physical condition, including height and weight, are important factors in underwriting.



An unfavourable medical history can cause an underwriter to request more information or raise the premium (The Malaysian Insurance Institute, 2014).

### 2.3.11 Underwriting

To conduct life insurance business, an insurance company must have clearly defined underwriting policies that must be applied consistently. The underwriting policies ought to at least cover:

- Criteria for choosing and evaluating risks.
- Risk categories that the insurer is willing to accept or is not allowed to take.
- the conditions under which additional medical examinations and/or paperwork are needed before accepting risks, as well as the kinds of examinations or documents needed.
- Limitations on underwriting authority.
- Limits on concentrations, such as those caused by exposure to certain health traits, professions, people, or groups.
- Staff competencies necessary for the underwriting of life insurance business, considering the necessity for specialised knowledge or appropriate experience (The Malaysian Insurance Institute, 2014).

The financial situation is crucial in deciding on the right level of insurance coverage, particularly for disability income insurance, as an excessively high disability payments benefit may deter the policyholder from going back to work and raise the propensity to prolong the period of disability in order to receive insurance benefits (known as malingering) (The Malaysian Insurance Institute, 2014).

Occupational hazards raise the possibility of illnesses and injuries related to the job, which has an impact on premium costs, notably for disability benefits insurance. Typically, low to substantial risk is categorised using an occupational categorisation system. Sedentary and administrative employment go under Class 1, while positions requiring moderate physical exertion or field work, such as working in a restaurant, fall under Class 2. Electrical, plumbing, and mechanical employees go under Class 3, whereas construction crews and agricultural workers fall under Class 4 (The Malaysian Insurance Institute, 2014).

Age and gender are crucial factors to consider when purchasing medical and health insurance because data show that women experience higher rates of morbidity than men do. Morbidity is defined as the frequency or occurrence of an illness (The Malaysian Insurance Institute, 2014).

### 2.3.12 Offer and Acceptance

An offer may also be given verbally, in writing, or by actions. It may be addressed to a single person, a team of individuals, or the general public. If an offer was made, a contract will be created when it is accepted, as long as all of the crucial elements have been agreed upon. As an illustration, an insurance proposer might submit a fully filled and signed proposal form to an insurer directly or via an insurance agent. The insurer has two options: it can accept the offer after evaluating the proposed risk, reject it completely, or in some circumstances, offer to assume the risk if the proposer agrees to a set of terms and conditions. Even if two parties achieve an agreement, there might not be a contract if they didn't intend for it to have legal force. Insurance contracts are almost always meant to be legally enforceable economic agreements between the parties (The Malaysian Insurance Institute, 2014).

### 2.3.13 Renewals

When policies are renewed with altered contract terms, the policy owner is notified at least 30 days prior to the policy anniversary of the decision to modify the conditions and terms as well as the motives for the modifications. When policies are not renewed or whose renewal is being postponed, the policy owner is notified at least 30 days prior to the policy anniversary of the decision to decline or postpone renewal, along with any pertinent reasons (The Malaysian Insurance Institute, 2014).

### 2.3.14 Ethical Behaviour of Insurance Agents in Malaysia

The trust that underpins insurance transactions as well as the public's confidence in the sector depend heavily on ethical conduct and behaviour. Since insurance is an intangible good, consumers rely on intermediaries to give them appropriate recommendations for goods that will meet their specific needs and budgets (The Malaysian Insurance Institute, 2014).

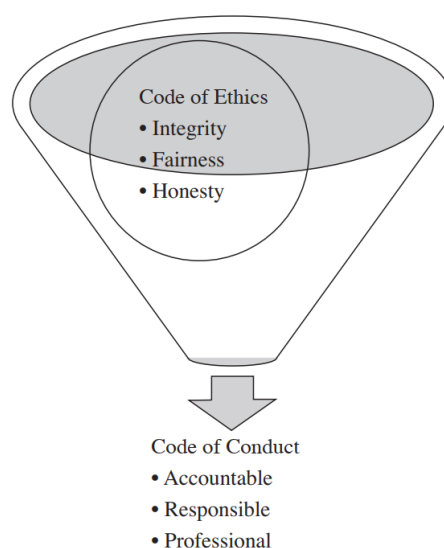


Figure 2.4: Code of Practice for Life Insurance Agents (The Malaysian Insurance Institute, 2014)

Recent research was conducted to study the factors that drive unethical conduct of sales agents, notably insurance agents, which is related to the pressure to close deals and the level of competition they face. Figure 2.4 is a funnel diagram that demonstrates how the ethical conduct of an agent directly influences the code of conduct. Managers who were interviewed concurred that agents would unintentionally act in ways that was beyond their own conduct. As a result, agents should take the proper approach in the business process because adhering to the code of conduct benefits them as well (Aziz, Ghani, & Shaari, 2016).

Insurance agents, as representatives of an insurance company, play a responsibility in keeping the firm's image so as not to be soiled by practising unethical conduct that can hurt them or the insurance company which they represent. The code of conduct and ethical standards which agents are accountable for in any professional body is an are vital and integral in order to maintain the reputation as well as the credibility which the insurance company has worked so hard to build over decades (Aziz, Ghani, & Shaari, 2016).

Clients, customers, and mid-level managers that are simply interested in their own financial benefit make unethical demands which is the catalyst when agents occasionally face moral quandaries when an unconditional scenario occurs. Insurance agents must be able to employ a variety of strategies to draw in clients. If they are successful in doing so by offering superior customer service, they will be successful for a long time as long as they can keep raising the bar (Aziz, Ghani, & Shaari, 2016).

The agent also needs to win over the customers' trust in order to compete with the competition. Customers frequently encounter a great deal of confusion when it comes to

life insurance products because of the intangibility, complexity, unfamiliarity with the service, and potential long-term benefits of an insurance policy. Agents must therefore be knowledgeable in order to persuade proposers to subscribe in the insurance. According to research, incentives like as pay, consequences, competitiveness, social acceptance, training, and customer orientation policies are crucial for motivating employees to put the needs of the customer first (Aziz, Ghani, & Shaari, 2016).

Furthermore, there is no justification for salesmen to take it upon themselves to produce a subpar product design. All these factors might motivate salespeople to treat customers well. Therefore, as a management recommendation, the insurer should be in charge of creating products that balance the interests of the company and its customers. In order to thrive—or simply survive—in today's fiercely competitive and continuously evolving business climate, firms must fully tap into the creative potential of their workforce. For long-term success, it may be especially important to improve creative performance in the sales industry (Aziz, Ghani, & Shaari, 2016).

Providing unique and practical solutions for clients is essential to both individual and corporate success. This might not be the case in the sales industry, where providing clients with creative and practical solutions in a chaotic atmosphere is essential to both individual and organisational success. Since the insurance industry is crucial to economic growth, the academics think extensive research should be done in order to address the problems. When working with policyholders, insurance agents must demonstrate their capacity to provide a quality of service that is at least as good as that of traditional insurance. Therefore, it is necessary to make investments in technology to provide high-quality service and aid in customer retention, which will ultimately benefit both consumers and insurance businesses

and enhance their competitive status and prospects in the insurance industry (Aziz, Ghani, & Shaari, 2016).

### 2.3.15 Biased Advice from Insurance Agents

According to (Schwarcz & Siegelman, 2015), agents can exhibit biasness in their advice based on factors that influence their sales behaviour. By giving both parties transactional information, insurance brokers can perform important "market-making" tasks. They can also give their prospects helpful guidance on how to decide from among a plethora of complex insurance policies. Agents may also mislead consumers or act in their own self-interest while ineffectively withholding information and influencing customer choices.

However, a key issue for insurance law and regulation is whether insurance brokers offer consumers competent and reliable advice. A variety of regulatory regulations and liability laws, including licencing requirements, suitability legislation, and doctrines like waiver, estoppel, and the responsibility to seek coverage, are all designed to ensure a minimum standard of competence and dependability among agents. Since insurance intermediaries are often only paid by insurers on the basis of commissions that can be computed as a proportion of policyholders' premiums ("ordinary premiums"), regulatory action has recently renewed emphasis on these concerns (Schwarcz & Siegelman, 2015).

There are opportunities of conflicts of interest for insurance agents due to commission payouts which is evident from scandals that has occurred which involves the sales of insurance, for example "bid-rigging" which was practised by Marsh & McLennan which was one of the largest insurance brokers in the US. There is also the practice of selling "vanishing

premiums” where agents promise that the premiums paid would not disappear, which it inadvertently did (Schwarcz & Siegelman, 2015).

Research has shown that when commissions between two policies are equal in pay-out, the agent would always ensure that they unbiasedly recommend the most suitable product to their prospects. However, should there be a difference in commission for either policy, the agent would change their sales behaviour and convince their prospects to buy in favour of the policy with the higher pay-out. This means that should an agent be faced with a prospect; they would recommend a product that pays higher despite the suitability and needs of the consumer (Schwarcz & Siegelman, 2015).

#### 2.3.16 Learned Helplessness in Insurance Agents

In the sales profession, learned helplessness is a large contributor to the failing rate of insurance agents. There are two central tenets that causes agents to fail, bring pessimism which generates feelings of helplessness and continuous, seemingly never-ending failure to close a sales leads agent to adopt a feeling of helplessness (Schulman, 1999). Research has shown that pessimistic agents quit the industry at twice the rate compared to optimistic agents within the first year in the industry selling, and if the pessimistic agents were to survive to their second year, they are selling 37% less insurance compared to their optimistic peers. This illustrates that new agents with less sales are more likely to behave helplessly as they perceive their sales performance is suffering which leads to avoidance behaviour (Boichuk, et al., 2014).

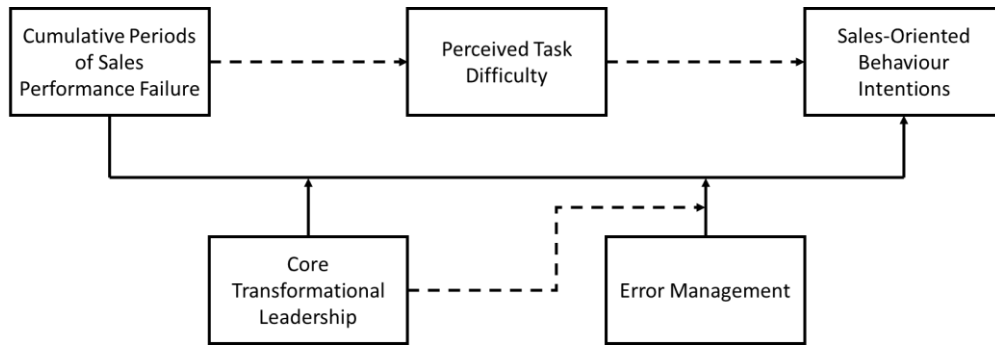


Figure 2.5: Conceptual Framework (Boichuk, et al., 2014)

Figure 2.5 demonstrates the relationship between cumulative period of sales performance failure and the sales-oriented behaviour intentions of newly hired insurance agents (Boichuk, et al., 2014). This also demonstrates that agents would engage in sales-oriented behaviours to perform outside of the code of conduct by not performing proper financial advice and fact finding, recommending policies with higher pay-out, or telling their prospects facts that might not be true in order to convince them to purchase the policy. This is also known as low-effort attempts to increase sales volume which is the beginning of the sales-avoidance behaviour which then leads to the eventual learned helplessness which ends with the insurance agent quitting (Boichuk, et al., 2014).

## 2.4 AI Tools in Current Sales Practice

According to Agnihotri (2021), although certain parts of salesperson behaviour are unquestionably enabled by sales technology tools, salesperson training is required to shape salesperson behaviour qualities that are crucial to the customer connection. Initial user training refers to the extent to which a company has taught its salespeople on how to use sales technology; ongoing continuous training, on the other hand, refers to the follow-up support in usage and informing the salespeople of changes in the sales technology.



#### 2.4.1 Customer Relationship Management (CRM)

A tool known as customer relationship management (CRM) is used to handle all interactions and relationships between the business and its clients which aids in productivity, sales management, and contact management. The objective is straightforward: to strengthen business ties. CRM systems assist businesses in maintaining contact with clients, streamlining procedures, and boosting profitability (SalesForce India, 2022).

Organizations can determine the genuine value of clients and how they might be able to increase revenue by developing individual customer profiles. The majority of businesses can now determine how much income is generated by each client. Some people might be able to calculate the cost of initially acquiring customers (Was it through frequent sales visits and significant discounts? Was there a backlash towards direct marketing?). Some people would have estimated the cost of maintaining that client from the standpoints of time, materials, and debt repayment. Via their account management procedures, some people may have a good sense of the potential new business they can bring in. Few, if any, businesses have compiled this kind of data into a single consumer profile. Fewer still would have conducted this type of analysis at an aggregate level, enabling more specific targeting of commercial marketing initiatives (Rodgers & Howlett, 2000).

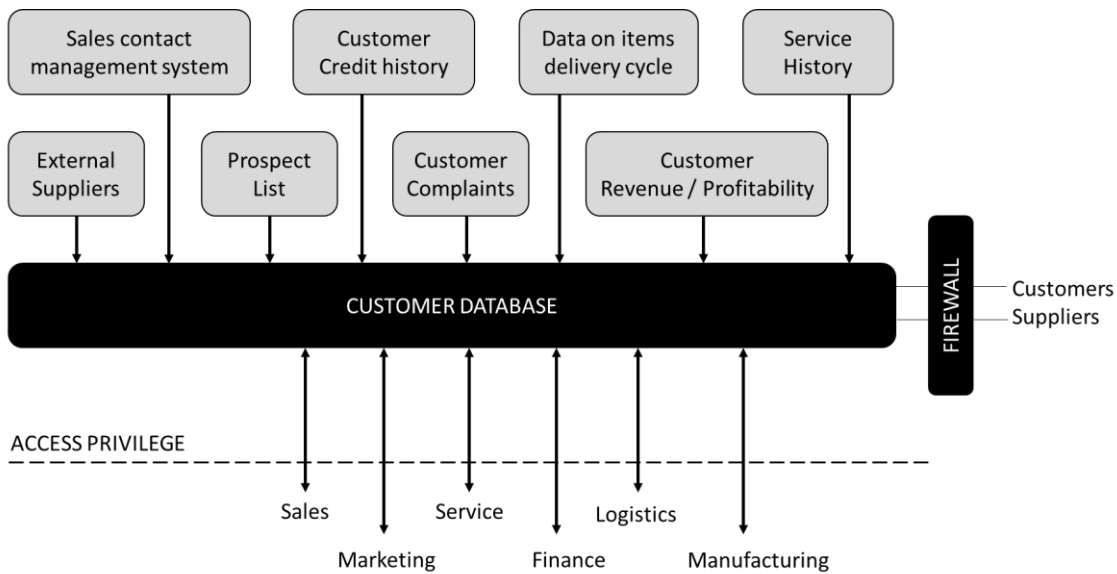


Figure 2.6: A unified view of a business' CRM (Rodgers & Howlett, 2000)

The true goal of a CRM's strategy is to allow every department to perform their functions and duties with better efficiency, the above diagram or Figure 2.6 displays how the CRM should be designed to serve as a customer retention and management system. This is achieved via automating the process and equipping them with better information. At a management level, it allows the management team to understand how the business is functioning which is then easier to measure performance and generate better profits through precise targeting (Rodgers & Howlett, 2000).

The application of a CRM system makes it easier for insurance companies and agencies to manage prospects, keep track of opportunities, and automate tasks so that agents can concentrate more on serving the clients (Zoho, 2022).

#### 2.4.2 Intelligent Communication Tools

In the past, the study of AI and communication has always been done separately as they were deemed to not be able to coexist, since AI is focused on the impersonation of human intelligence whereas communication was a human process that is assisted with the help of

technology. However, in recent years, the line that separates AI and communication has been blurred with the development of technology that is designed to communicate with humans. The advances in AI have developed more powerful technology that is slowly finding its way in our daily lives and now it is commonplace for people to chat with AI enabled devices like Apple’s Siri or Amazon’s Alexa (Guzman & Lewis, 2020).

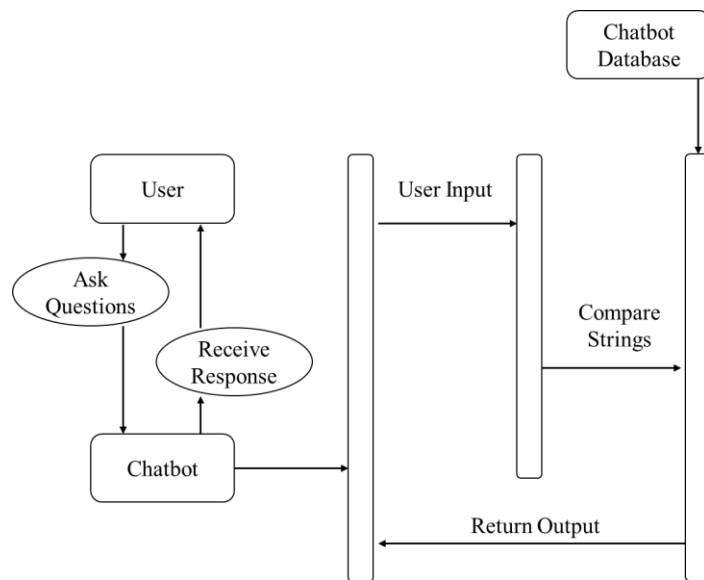


Figure 2.7: Diagram representing the Design of a Chatbot (Dahiya, 2017)

Figure 2.7 demonstrates the design and process flow of a chatbot. Businesses can synchronize real-time communications (RTC) services including audio, video, text, and instant messaging in a cloud setting with the help of communications platform-as-a-service (CPaaS). Then, businesses may quickly add RTC capabilities to their digital domains. Instead of logging onto a video communication service, a consumer might start a video call directly from the insurer's app. Employees can offer timely, informed help since CPaaS unifies the company's communication channels, eliminating the need for them to be

switched between applications or transferred over to another line. Most consumers prefer to speak with a live person when they have complex questions. They don't mind speaking to computers when they need rapid information as long as they can comprehend them and give pertinent responses (Vonage, 2022).

These systems can categorize calls, respond to straightforward inquiries and requests, and refer clients who want human assistance. When used with business instant messaging, chatbots function similarly. In any case, customers receive prompt service, while staff members have more time to assist callers with complicated issues. In the upcoming years, virtual assistants and chatbots will grow more advanced thanks to ongoing developments in AI. It will be more "How may I be of assistance?" and less "Please press 1 for policy details" (Vonage, 2022).

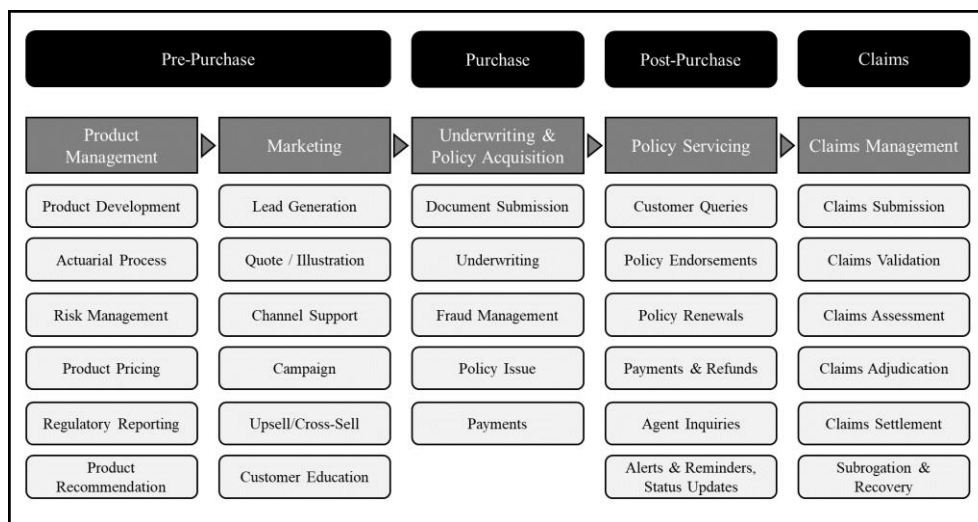


Figure 2.8: Diagram representing the Functions of a Chatbot for insurance companies

Figure 2.8 demonstrates the engagement that the chatbot would have if implemented in an insurance company. The insurance chatbot would act as a support to empower the company's departments to engage the policyholders or prospective clients proactively. This

also gives the public a personalised experience which eases the customer’s interaction with the insurance company (Mann, 2019).

### 2.4.3 Sales Force Automation (SFA)

To provide automated information gathering, integration, evaluation, and dissemination to increase sales force productivity, SFA systems use computerised hardware and software. SFA software can be used to remotely access centralised database systems that make up SFA systems. This will enable the salesperson to receive regularly updated information on many elements of their work. SFA entails using technology to support the selling process. SFA aids in the selling process by enhancing the information flow between the salesperson, client, and company. As a result, SFA can be classified as the use of information technology to assist the sales function (Ang, 2006).



Figure 2.9: Sales Force Automation (Agnihotri, 2021)

SFA has both hardware and software as components, referring to Figure 2.9, the relationship of all the peripheral functions that are related to Sales Force Automation. Hardware consists of contact/call centre technologies, desktop, laptop, and portable

devices. Software includes both integrated solutions that provide a variety of services and "point" solutions that are meant to help in a single area of sales and marketing functionality. The integrated packages might be solely devoted to applications for the sales staff, or they can be included in larger customer relationship management programmes that include the three front office functions of marketing, service, and sales (Buttle, 2005).

Utilizing a complete end-to-end digital platform would allow insurers can it to oversee every aspect of their organization. This increases productivity, increases faster turnaround time, and greater accuracy in their process. Utilizing an efficient solution is essential due to the insurance industry's stringent regulations. This will guarantee that every request from a policyholder is processed and documented correctly. Since there is limited space for error, this system has the potential to offer superior service (Pexlify, 2022).

#### 2.4.4 Social Media Technology

Businesses of all shapes and sizes can use social media to brand their goods or services for a wider audience. It has developed into a worldwide marketplace where companies can quickly reach their target audience, moving beyond places where people physically gather. There are more than 2.7 billion active Facebook users monthly. These enormous numbers demonstrate the effectiveness that these sites are as a marketing tool (Helfrich, 2021). Figure 2.10 demonstrates the workflow and design of an AI that is used to make decisions based on inputs of a user of a social media platform.

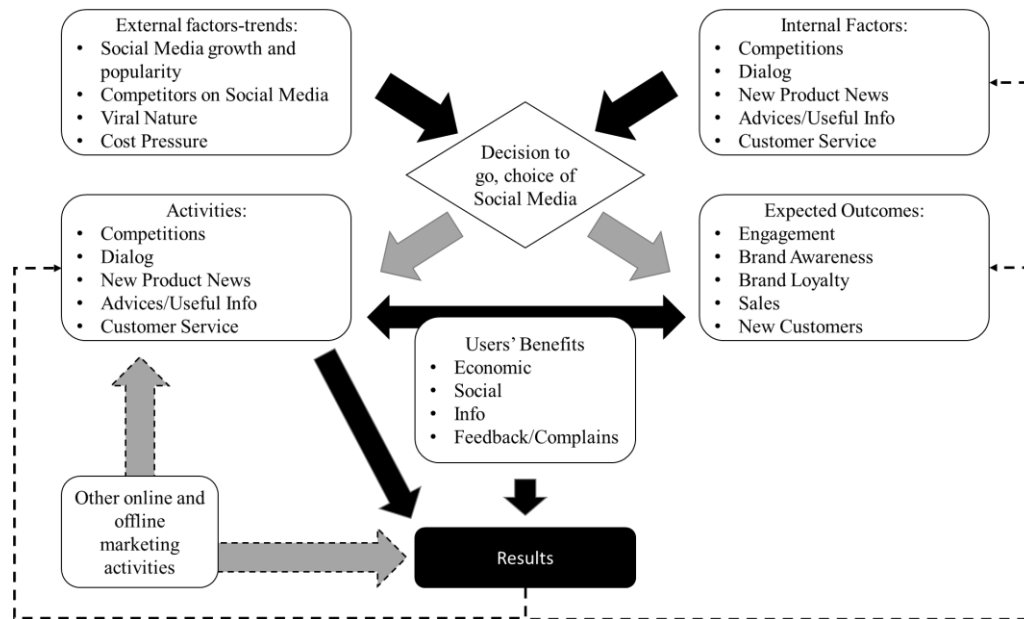


Figure 2.10: The decision-making process of social media AI (Tsimonis & Dimitriadis, 2014)

These platforms use AI to make strategic suggestions on what customers are watching, which celebrity or business entities they are following, and the online communities or groups they are a part of. Once these are place, it will be possible to market items and services to the business' target market organically because the material will appear in their friends', family', and other connections' news feeds. Businesses can use social media to spread the word about their organisation and increase sales by deliberately humanising it and creating postings that are interesting or easy to share for quality customers (Helfrich, 2021).

Businesses may now target a specific audience with their marketing strategies thanks to AI. Age, demography, gender, and other variables are considered while targeting. The commercials are managed by AI, who also targets the appropriate audience. By doing this,

you increase the possibility that someone will buy your goods by making it simple for them to find it (Helfrich, 2021).

Information about individual or groups interests are a valuable commodity for social businesses, insurance companies can benefit from the technology to uncover information, trends, and content to create, share and work on projects and ideas to attract attention and market themselves. Information sourced from social media can be used to identify trends or sentiments which allows the company to manoeuvre their marketing efforts to create high impact, relevant materials (Flamand, Martino, & Marizien, 2022).

#### 2.4.5 Sales Automation Systems

Sales automation enhances the quality of a company's connections with its clients by enabling it to understand them better. These advantages fall under the category of being customer-centric, which includes building stronger, longer-lasting relationships with clients through personalised communications and promotions, data collection and insight creation from customers, gathering customer feedback and reviews, and providing after-sale support. Real-time interactions made possible by sales automation strengthen customer relationships. 48% of the respondents agrees that using sales automation strengthened and prolonged their relationships with customers. Sales automation not only enhances lead generation but also increases the success of retention programmes. The Covid-19 epidemic has, in particular, redirected attention to a digitally driven relationship development process that emphasises the crucial significance that human connection plays in a virtual world (Corsaro, Maggioni, & Olivieri, 2021).



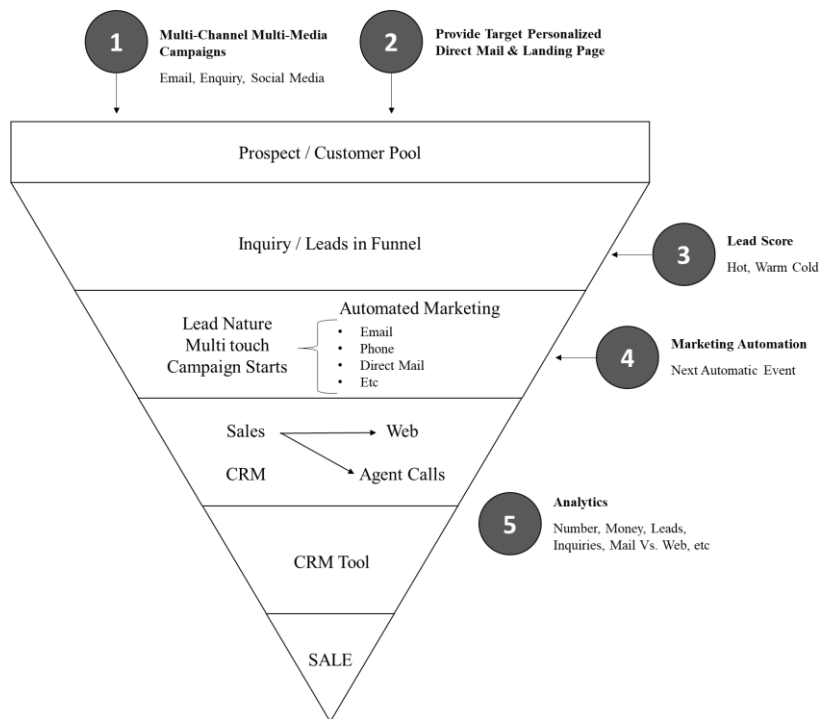


Figure 2.11: The Sales Automation Funnel Chart (Agnihotri, 2021)

Figure 2.11 is a funnel chart describing the linear process that narrows down prospects or customer pools to generate into sales. It was discovered that various segments through latent class analysis that represent various perceived value sales automation application setups. Benefits and sacrifices related to customers, integration, operations, and products were input as indicator variables, and firmographics was added as a covariate to explain segment profiles. The best model, which had four segments, was chosen based on the lowest BIC value (Collins & Lanza, 2010). Given that the smallest segment makes up 15% of the sample, the approach demonstrated good class separation and presented no over-extraction concerns (Corsaro, Maggioni, & Olivieri, 2021).

Customer-centricity, which shows the enhancements and difficulties businesses employing these solutions have to deal with in connection to their final customers and their interaction with them, is the main value driver of sales automation. By connecting the advantages of

deeper connections and greater personalisation with a post-sales perspective where the business obtains feedback and reviews that can be used to implement real-time actions and improve post-sales service. The implementation of sales automation solutions has produced better-quality leads and lasting relationships based on data intelligence, which highlight how a balance is necessary and how sales automation customer-centric value was identified as most relevant for growing small businesses (Corsaro, Maggioni, & Olivieri, 2021).

Sales automation and automated workflows allows insurance to conduct their business activities and submissions seamlessly while still complying to the strict rules and governance of the industry. This reduces the risk of an agent not complying to the proper process as the automated workflows ensures that they follow a strict sequence which is generated automatically based on the pre-defined logics and conditions set and focusing on streamlining the end-to-end process and digital workflows (Melamedov, 2022).

## 2.4.6 Relationship between Technology and Performance

Table 2.1: Empirical studies on the relationship between salespeople's technology use and performance (Agnihotri, 2021).

Technology	Characteristics	Performance
CRM Technology Information Technology Sales Force Automation Social Media Technology	<ul style="list-style-type: none"> <li>• Adaptive</li> <li>• Adjusting sales practices and activities to account for situational factors</li> </ul>	<ul style="list-style-type: none"> <li>• The use of CRM will directly benefit adaptive selling.</li> <li>• Utilizing sales technology affects performance through flexible selling techniques.</li> <li>• SFA use had no effect on salespeople operating in the South Korean market's adaptive selling behavior.</li> <li>• Utilizing SMT has a positive impact on adaptive selling, which then results in relationship and sales performance.</li> </ul>
CRM Technology Information Technology Sales Force Automation Social Media Technology	<ul style="list-style-type: none"> <li>• Knowledge (product, market)</li> <li>• The technical and commercial competence of a salesman, including knowledge of product uses, requirements, customer usage scenarios, and the sector</li> <li>• Expertise of salesperson to product specification, performance, and development</li> </ul>	<ul style="list-style-type: none"> <li>• A salesperson's prospecting and sales presentation skills will improve because of their use of information technologies.</li> <li>• SFA will have a good effect on salespeople's market knowledge.</li> <li>• Salespeople's knowledge of organizational advancements, product offerings, or applications did not improve because of SMT.</li> </ul>
Sales Automation Systems	<ul style="list-style-type: none"> <li>• Effective planning</li> <li>• Better prospecting, client qualification and development</li> <li>• Prioritization tasks, setting goals, strategizing and contingency planning</li> </ul>	<ul style="list-style-type: none"> <li>• Through improved customer prospecting, growth, and customer profiling, a successful application of sales automation might increase productivity.</li> <li>• Internal job performance is directly impacted by technology orientation, and relational performance is impacted by it via a double-mediated mechanism including the efficient use of knowledge and clever selling.</li> </ul>

Sales Force Automation	<ul style="list-style-type: none"> <li>• Competitive intelligence</li> <li>• Information on competition and changes in environment will be collected, organized, and utilized by salespersons</li> </ul>	<ul style="list-style-type: none"> <li>• Through actions related to competitive intelligence, SFA utilization affects sales performance.</li> <li>• Through competitive intelligence, social media use will impact salespeople's adaptive selling habits.</li> </ul>
Information Technologies	<ul style="list-style-type: none"> <li>• Customer service</li> <li>• Through interactions with customers, the salesman fulfills the job of a service provider.</li> <li>• Customer responsiveness before, during, and after the transaction, customer support after the sale, dependability, and delivery speed, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Using IT to enhance customer service can boost sales performance.</li> <li>• Salesperson attentiveness to consumers was not improved by SMT.</li> </ul>
Information technology	<ul style="list-style-type: none"> <li>• Information Communication</li> <li>• Informing customers about products on a regular basis in a clear and simple manner</li> </ul>	<ul style="list-style-type: none"> <li>• Information transmission is improved using IT, and customer happiness follows.</li> <li>• The relationship between the use of social media and consumer satisfaction is totally mediated by information transmission.</li> <li>• SMT has an advantageous impact on the dissemination of product information, which in turn enhances the effectiveness of customer relationships.</li> </ul>

The introduction of sales technology has altered selling techniques. Customers now expect an added value from salespeople rather than a "product" or "service," particularly in the B2C setting. Salespeople use technology to obtain, evaluate, and share information and solutions in order to meet these objectives.

AI technology may be essential at several points in the sales process. For instance, sales teams are progressively adopting artificial interactive agents (AI-powered chat bots, for example) that can mimic human behaviour in interactions with customers.

Virtual reality integration and remote presentations are growing in popularity among sales professionals as the expense of professional sales keeps rising.

The benefits of using these presentation strategies go beyond their affordability and improved customer understanding through hands-on product demonstrations.

AI tools are useful during the negotiating and closing phases as well. In order to give salespeople appropriate benchmarks for negotiating, AI systems, for instance, can determine a customer's reservation point based on their size, industry, and prior purchasing behaviours (Agnihotri, 2021).

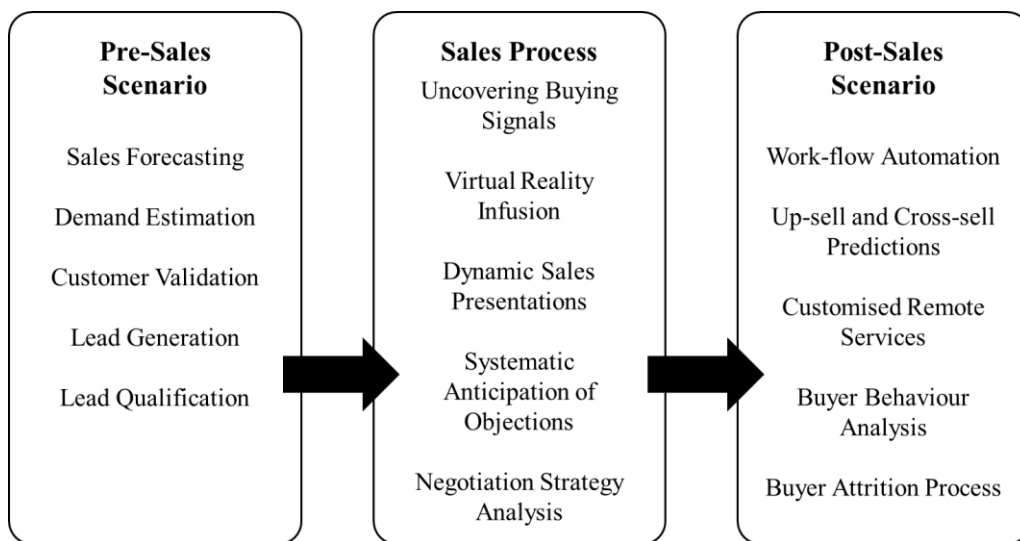


Figure 2.12: Analysis of the opportunity to use AI in sales (Agnihotri, 2021)

The significance of AI technology in generating value for seller organizations and customers is the most crucial field for academic study. The characteristics that can encourage salesmen to use AI technologies are also worth researching.

Managers must still determine if salesmen should disregard an AI-based suggestion when their gut tells them to do otherwise, as the debate over artificial vs. human intelligence continues. Figure 2.12 shows the opportunity that AI can be applied in the sales process. Future empirical research in this area may have significant management consequences.

Research will also be required to determine how much a sales organization should utilize AI technologies and what kinds of items and sectors might profit from using AI. (Agnihotri, 2021)

## CHAPTER 3 METHODOLOGY

### 3.1 Introduction

The content in this chapter is to explain the research methods employed to achieve the objectives stated in earlier chapters. In order to conduct an effective research, Saunders' research onion was chosen to be adopted in this study. The research onion explains the various choices a researcher has to make while creating a research methodology; to make a variety of decisions the study moves inside from the outside of the onion, ranging from high-level and philosophical to tactical and practical in nature.

Saunders' research onion is a good tool for considering methodology holistically, despite its obvious shortcomings. It at the very least clarifies the choices to make regarding the research design.

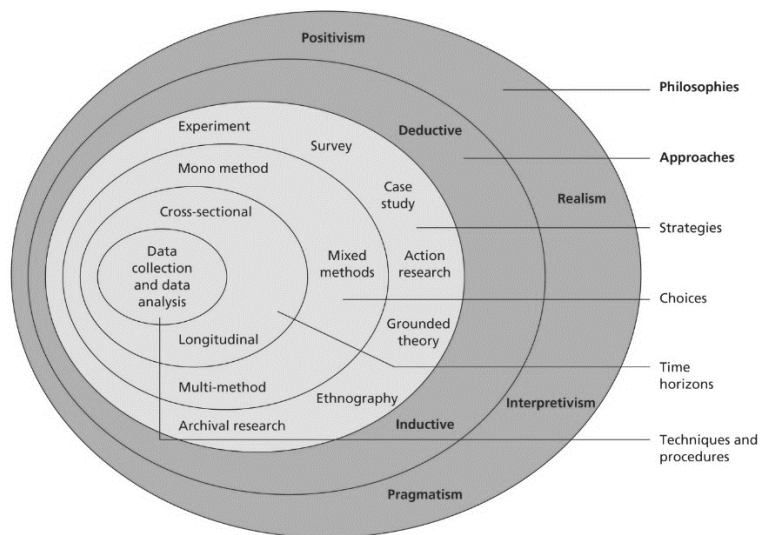


Figure 3.1: Research Onion (Saunders et.al 2019)

### 3.2 Research Philosophy and Approach

The system of beliefs and presumptions that guides and justifies the generation of knowledge is known as research philosophy (Saunders, Lewis, & Thornhill, 2019; Creswell & Creswell, 2014). There are numerous research philosophies available as shown in Figure 3.1. The inductive reasoning, deductive reasoning, and methodological assumption are three philosophical presuppositions that must be used to distinguish between each research philosophy and choose the best research philosophy (Saunders, Lewis, & Thornhill, 2019). The terms "inductive reasoning," "deductive reasoning," and "methodological assumption" all refer to the researchers' beliefs about the acceptance, understanding and perception towards AI and its capabilities (Saunders, Lewis, & Thornhill, 2019).

To get the best data, a qualitative survey by interviewing respective business leaders, insurance companies and agency personnel would be the best approach to obtain the necessary results to achieve the objectives of this research paper. To further bolster the input from these industry leaders, secondary data sourced from government statistics, LIAM, insurance data, market research reports and research into AI will also be a contributing factor to analyze the feasibility of using AI to assist the agents or intermediaries in the areas of Sales and Servicing.

### 3.3 Research Design

According to Saunders (2019), the objective of the research, methodological considerations, the research strategy, and the time horizon should all be included in the research design, which served as a blueprint for the study.



### 3.3.1 Interpretivism

The interpretivist method of data collecting is based on naturalistic methods like interviews and observations. The interpretivism theory is very common with secondary data research. Meanings in these studies typically become apparent at the conclusion of the study (Saunders, Lewis, & Thornhill, 2019). For the purpose of this study, interpretivism would lead to better results.

### 3.3.2 Inductive Reasoning

The process of inductive reasoning involves moving from the particular to the general to arrive at conclusions. Deductive reasoning, where you proceed from broad information to specific conclusions, is typically contrasted with it. For example, a person was away from their home, which was then broken into, and several items were stolen, based on this single incident, the person from then on believes that their home is no longer safe from being broken into (Heit, 2000).

Since qualitative research develops from specific observations about occurrences to more generalizations and theories, it is frequently referred to use inductive thinking or induction reasoning. When conducting research using the inductive method, the researcher starts with explicit observations and measurements before looking for themes and patterns within the data. This enables the researcher to develop a preliminary hypothesis early on that may be tested. The investigation's findings could eventually result in generalizations or theories (Creswell & Creswell, 2014).

Inductive reasoning was used in this study as there was no hard and fast rule developed that would compel an agent to use AI in their business. Since there is little knowledge behind

the use of AI as a tool to help insurance sales agent, it is a good starting point for the study of this topic. Limited study in this area can be due to one of two reasons being: a.) Subjects are unaware of the technology that could help their business, or b.) Subjects have no access to the technology to help their business.

As there is no definite answer if the technology could really help their business, it would be appropriate to use inductive reasoning to understand the subjects pain points and how feasible technology would be to assist them in their business. Executive employees who were part of this study also fall in the same categorization despite not being front liners or conducting actual sales; their role is to oversee, manage, and support the salesforce. Since there is no mandate from governing bodies which compels the use of AI, inductive reasoning could also grant some insight into their opinions if this technology would benefit the agency force.

### 3.3.3 Case Study Research

A case study is a thorough, in-depth examination of a single subject, such as an individual, a team, an organization, or an occasion, phenomenon, or problem. In this kind of research, the topic is examined in-depth to comprehend problems in a practical situation. Here, the goal is to fully comprehend the study's context; it is not (necessarily) the goal to generalize the results. Because it is crucial to include the social aspects and culture when doing case study research, this kind of study is typically qualitative in character as well as appears to be inductive (Saunders, Lewis, & Thornhill, 2019).

Case study is employed in this study as it aims to understand generally the feelings of agents and company executives towards the application and integration of technology in their traditionally run business. In the effort of this paper, the researcher endeavors to gather data

from selected individuals from a few (albeit large) insurance companies to gain better understanding of the general perception towards technology as a partner (rather than a tool) for their business.

#### 3.3.4 Mono - Methodological Assumptions

Deductive and inductive research options are presented in the selection layer of the research onion. This is a simple but crucial decision that researchers must make when planning their research; deductive choices typically result in the use of quantitative methods, whereas inductive choices result in the use of qualitative methods. Combinative research designs that combine both are possible. All the methodology, methods, tools, and techniques are included in the design. Some of the researchers who were questioned had only used one method, while others had used several. A single (mono) method could be either qualitative or quantitative, but a multi-method approach could be either qualitative, quantitative, or a combination of both (Sahay, 2016).

Due to the lack of studies and interest with regards to supplementing insurance agents with AI technology to support their sales, the mono-method is utilized to gain a brief understanding and a basic step into understanding the feasibility of using AI for insurance agents. The aim is to get a general understanding of the agent and executive employees' perception, tolerance, and possible acceptance/rejection of the proposed technology in their business.

The choice to use a mono method would be to study into one data type – which for this study will be a qualitative study. Therefore, this study will be conducted to investigate the insurance agents, agency leaders and executive employees of an insurance company's

perception and objective reasoning towards adoption of AI in their business model/strategy. This study seeks to learn from experts and industry professionals who have a wealth of knowledge and have worked closely with the agency force and in the insurance field for decades. In addition, speaking with technological professionals in the insurance industry who specialize in AI produces superior results because their input on the results of such applications is based on both their professional and personal experience.

With prior approval from the company and the interviewees, interviews were performed at their workplaces. The interviews were documented in a logbook and manually converted into digital format.

### 3.3.5 Time Horizon

According to Saunders (2019), data from one particular point in time are examined in a cross-sectional study. In this kind of study, participants are chosen based on certain variables of interest. Although cross-sectional studies are frequently utilised in developmental psychology, they are also widely used in social science and education.

Cross-sectional studies are based on observation and are classified as descriptive research; they are neither causal nor relational, therefore they cannot be used to ascertain the cause of an issue, such as a sickness. Researchers do not alter factors; instead, they record the data that is existing in a population. A community's characteristics can be described using this kind of research, but cause-and-effect correlations between various variables cannot be established. This technique is frequently used to draw conclusions about potential connections or to collect initial data to enable future study and experimentation (Cherry, 2022). A community's characteristics can be described using this kind of research, but

cause-and-effect correlations between various variables cannot be established. This technique is frequently used to draw conclusions about potential connections or to collect initial data to enable future study and experimentation (Saunders, Lewis, & Thornhill, 2019) (Cherry, 2022).

This study will utilise a cross-sectional time horizon where the data will be collected only during a certain period of time since there is no historical research conducted in this area of study. This study will only consider the current perception of AI and not the changes of AI over a period of time, therefore, this study will only be conducted during the period of October 2022 – December 2022 as it only takes the present perception and mindset of subjects.

#### 3.4 Qualitative Sampling Design

This study was conducted with convenience sampling, which is a technique used by qualitative researchers to find participants who are convenient and easily accessible to them (Saunders, Lewis, & Thornhill, 2019). This frequently entails making use of resources and physical locations that facilitate participant recruitment. For instance, three local insurance companies in Kuala Lumpur were chosen to find volunteers in order to study how agents felt about a novel piece of technology. Another illustration would be that the researcher chose participants using the contact information made available to them. Both instances were, but they would also necessitate getting consent to gather volunteers (from the district and professional organisation respectively).

### 3.4.1 Target Interviewees

Target interviewees are insurance agents, agency leaders and senior level employees of insurance companies. In this study, insurance agents refer to Malaysian individuals who have been contracted into any of the life insurance companies in Malaysia. Insurance leaders are insurance agents who have attained the rank of group managers with an agency force of at least minimum agents and above and has been working in life insurance agency business for five years or more. Senior level employees of insurance companies refer to individual holding executive (C-level) positions in an insurance company and has been in the industry for at least ten years or more.

### 3.4.2 Interview Questions

This study uses interviews and case studies as the method to collect data in a relatively short time which provides the researcher the flexibility and insight to gain in-depth knowledge from actual practitioners in the field. A series of interview questions were developed and divided into three parts, a foreword to gain insight of the interview subject, questions regarding sales behaviour and questions regarding technological acceptance based on its capabilities.

The questions were aimed towards subjects who fit the specified criteria. Explanations of the technology would always precede the question to ensure that the subject is clear on the functionality of the technology prior to answering the question.

The minimum requirements for respondents have to fit the criteria of: - being either a fully licensed insurance agent in Malaysia, an agency leader of a Malaysian insurance agency or an executive level employee of a large insurance company in Malaysia.



Table 3.1: Interview Questions Section A

No	Question
1	How long have you been in the insurance industry?
2	Which Insurance Company are you currently attached with?
3	What is your current role in <company name>?
4	What are the current technological tools that are provided to insurance agents?
5	Where do you think AI should be developed to best help insurance agents to thrive?
6	Where do you think AI should be developed to help policyholders?

Section A covers the subject's profile to ensure that he/she falls into the required demographic properties required for this research. This set of interview questions ensures that the respondent is a figure of authority to answer the questions that will shed light on the research hypothesis.



Table 3.2: Interview Questions Section B

No	Question
1	What technology is being used to assist agents in sales?
2	What are the biggest challenges that agents face in the areas of servicing their clients?
3	What are the biggest challenges that agents face in the areas of sales?
4	What technology has been employed to assist the agency force in their sales and servicing activities?
5	What causes an agent to quit?
6	What kind of technological enhancement do you think will reduce agent turnover?
7	What motivates an agent to continuously bring in more sales?
8	How can technology help to motivate an agent to continuously bring in more sales?
9	What is the best kind of support that an agent needs to thrive in this industry?
10	How can technology play a role in providing such support?

Section B's intended purpose is to uncover the sales behaviour of insurance agents, both their challenges and their process. This section is to uncover whatever challenges that agents may be facing out in the field which then leads to high turnover or bad market practises. The goal of this series of questions is to understand the agent's plight and how technology may be able to alleviate the difficulties. These set of questions lead to correlate with the final section of interview questions.

Table 3.3: Interview Questions Section C

No	Question
1	How would CRM Technology help your business?
2	How does Intelligent Communication Tools help your business?
3	How would Sales Force Automation help your business?
4	How would Social Media Technology help your business?
5	How would Sales Automation Systems help your business?
6	If there was one problem that the agents were facing that you could solve today with technology, what would it be?
7	If there was an implementation in the above technologies today, would you use it?
8	Would you kindly support your previous answer with a statement?
9	What could motivate agents to adopt and use the new technology?
10	What do you believe would be the best technological enhancement that is available today that would benefit the agents if it was implemented immediately?

The final set of interview questions in Section C are aimed to help understand if the application of various AI technology would alleviate the problems faced in Section B. These questions would help to understand and refine the needs of an insurance agent from a technological perspective.

### 3.4.3 Interview Techniques

A qualitative research technique known as an interview relies on the collection of data through the use of questions. Two or more persons participate in interviews, one of them is the interviewer who asks the questions (George, 2022).

There are various interview kinds, which are frequently distinguished by their degree of structure. In structured interviews, questions are asked in a prearranged sequence. Semi-structured interviews occur somewhere in between unstructured interviews and free-form interviews. Structured and unstructured interviews are combined to create semi-structured interviews. Although the interviewer has a rough idea of what they want to ask, the questions do not necessarily need to be asked in the same order or with the same wording (George, 2022).

Semi-structured interviews frequently have an open-ended format that promotes flexibility and a sense of order while adhering to a specified theme framework. They are frequently referred to as having "the best of both worlds" because of this. However, it can be difficult to spot patterns if the questions were significantly different for each participant, which would reduce the generalisation and reliability of your findings (George, 2022). This research paper uses a combination of both structured and unstructured interview questions. This was chosen on the basis that the researcher has strong knowledge of the topic of both insurance and AI, however, needs to understand the sentiment of an agent in order to close the knowledge gap to produce results. Therefore, the interview method chosen was semi-structured in order to produce sufficient data. All respondents were briefed prior and repeated again at the beginning of the interview that with their consent, their responses are recorded, however if the recording process would hinder them from being neutral and

unbiased, the interviewer will resort to handwritten notes. Their identities will be only retained that is deemed relevant to the study.

### 3.4.4 Sample Size

Research that is qualitative focuses on meaning and process, which may not be amenable to quantitative analysis. With less generality, qualitative research seeks to provide a specific perception of a specific phenomenon based on those experiencing it. Additionally, qualitative research seeks to get a thorough grasp of a particular case through extensive exploratory studies that make it possible to locate answers throughout the research (Creswell & Creswell, 2014).

The interview subjects in this study can be segregated into four archetypes which is based on their years of working experience, certification, hierarchical job function and annual sales contribution to the insurance industry. Therefore, the four archetypes are:

Table 3.4: Minimum subject qualification for interview

Archetype	Minimum Characteristics	Roles and Responsibility
Insurance Agents	<ul style="list-style-type: none"> <li>• 1 – 5 years’ experience</li> <li>• PCE/CEILLI licensed</li> <li>• RFP certification (1<sup>st</sup> and 2<sup>nd</sup>)</li> </ul>	<ul style="list-style-type: none"> <li>• Sales and Servicing of policies</li> <li>• Maintain 30 hours CPD yearly</li> <li>• Maintain adequate persistency</li> <li>• Minimum sales MYR 20,000</li> </ul>
Unit Managers	<ul style="list-style-type: none"> <li>• 6 – 9 years’ experience</li> <li>• Minimum 3 Agents downline</li> <li>• Certified Insurance Agent</li> <li>• BAMC Certified</li> </ul>	<ul style="list-style-type: none"> <li>• Sales and Servicing of policies</li> <li>• Maintain 30 hours CPD yearly</li> <li>• Maintain adequate persistency</li> <li>• Management of direct units (downlines)</li> <li>• Training of downlines and providing support to downlines</li> <li>• Minimum sales MYR 50,000</li> </ul>

Group Agency Leaders	<ul style="list-style-type: none"> <li>• Over 10 years' experience</li> <li>• Minimum 2 Unit Managers</li> <li>• Unit Managers must have sufficient downlines</li> <li>• Certified Insurance Agent</li> <li>• BAMC Certified</li> <li>• RFP Certified</li> </ul>	<ul style="list-style-type: none"> <li>• Sales and Servicing of policies</li> <li>• Maintain 30 hours CPD yearly</li> <li>• Maintain adequate persistency</li> <li>• Management of direct units &amp; agents under Unit Managers</li> <li>• Training of downlines and providing support to downlines</li> <li>• Motivation and Coaching</li> <li>• Managing group activities and incentives</li> <li>• Minimum Group Sales MYR 100,000</li> </ul>
Executive Employees	<ul style="list-style-type: none"> <li>• C-Suite level employee</li> <li>• Over 15 years' experience in Life insurance business</li> <li>• Currently employed in a Life Insurance company</li> <li>• Knowledge in agency business</li> <li>• Knowledge in technology related to agency business</li> </ul>	<ul style="list-style-type: none"> <li>• Management of Agency force (all levels)</li> <li>• Contests and Incentives</li> <li>• Providing business support</li> <li>• Execution of regulatory mandates and instructions</li> <li>• Management of all support teams under their jurisdiction</li> </ul>

To get adequate data, three subjects from each category were interviewed (totalling twelve individuals) to gain sufficient insight and data for analysis and review.

This strategy will enable the researcher to investigate individual experiences in-depth rather of concentrating on the ability to generalize the experiences of individual investors to a larger population, in keeping with the study's purpose. The use of semi-structured interviews with open-ended questions will give respondents some latitude to express their ideas, draw attention to areas of particular interest and experiences they believe they have, as well as allow for more in-depth questioning of specific responses to elicit justifications and explanations for those responses (Horton, Macve, & Struyven, 2004).

Using this method would deliver valuable information that is rich in context and highly descriptive which reveals interests or raises issues that would have not been identified

previously; ultimately benefitting future research in this topic which can benefit from further questioning (Horton, Macve, & Struyven, 2004).

#### 3.4.5 Pilot Testing

Prior to initiating an interview with the subjects, a pilot test was performed to identify any limitations, biases or flaws within the question or method of the interview process. This would allow the researcher to make the necessary adjustments or revisions before the actual interview with the subjects. This pilot test was conducted with individuals outside of the subject pool with similar knowledge and experience and refined to achieve better accuracy (Majid, M., S. F., & Yusof, 2017).

#### 3.4.6 Ethical Considerations

As part of University Tunku Abdul Rahman (UTAR)'s master's in business administration programme, this research requires clearance prior to the interview, therefore, the subjects are informed of the intention, objective and process of the research and the interview; assured of their omission of identity from the paper as well as safeguarding their privacy and right to anonymity of their responses. Once the consent has been obtained from the subjects, they were given codenames or pseudonyms as part of the analysis and identification.

### 3.5 Data Processing

The interview data was organised into a spreadsheet for coding to extract meaningful insights. This process includes labelling and organising the data to allow the researcher to identify the themes in the data and the relationship between these themes. Each interview was analysed to identify themes and categorised systematically to discover patterns and meaning which was then refined to ensure it was accurate and consistent.

The data is coded to identify key words and phrases which is then assigned to a category of meaning, for example, the phrase "*It would be great if AI could somehow cut down our manual paperwork, or clerical and administrative work*" would be coded as "Automation".

Using the inductive coding method to categorise the data in the interviews as it will help to identify key factors that will show which area AI should be developed to assist agents in their sales and servicing. This method was chosen as there is no study or research undertaken in this area and we seek to find and understand what matters to the agents to develop such technology.

Finally, values coding was applied in order to understand the principles and beliefs that these subjects value that would guide the development of AI to be feasible in their business.

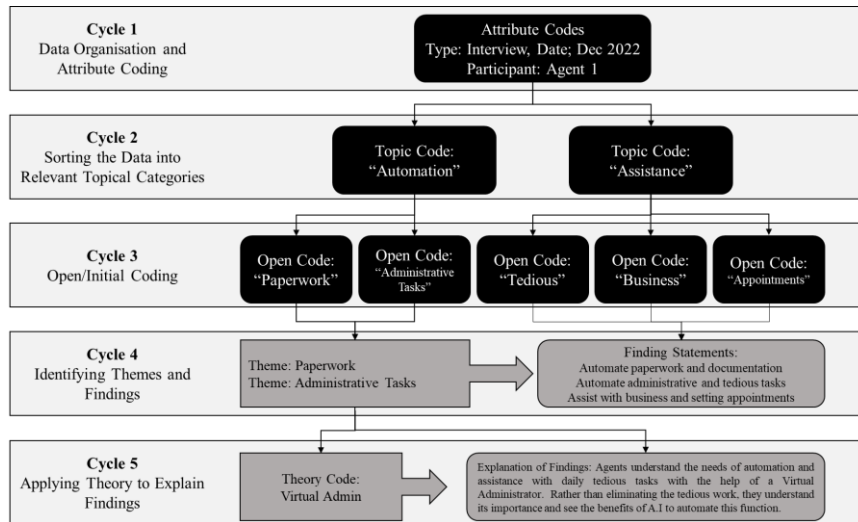


Figure 3.2: An illustrated example of the coding from the interviews (Bingham, A.J, & Witkowsky, 2022)

### 3.6 Thematic Analysis

Once the interviews were concluded and transcribed, it underwent a thematic analysis. Thematic analysis is a technique for methodically locating, compiling, and providing understanding of patterns of meaning (themes) present throughout a data set. Thematic analysis enables the researcher to see and make sense of communal or shared meanings and experiences by focusing on meaning across a data set. The goal of thematic analysis is not to pinpoint particular and peculiar meanings and experiences that can only be discovered in a single data item. Therefore, using this approach might help you find commonalities in the manner that a subject is discussed or written about and interpret them (Braun & Clarke, 2012).

Thematic analysis enables the researcher to find patterns of significance that must be important when it comes to the issue and reference material being investigated. Even though, like in some qualitative research, the exact question to be answered only becomes



evident during the analysis, analysis produces the solution to a question. Any data set could contain a variety of patterns, and the goal of analysis is to find those that are pertinent to a given research issue. A flexible approach like thematic analysis enables the researcher to concentrate on the data in a variety of different ways. Thematic analyses might legitimately analyse the meaning of the complete data set or thoroughly study a particular feature of a phenomena (Braun & Clarke, 2012). The six phases approach was utilised to analyse the data which will be elaborated in the following chapter.

### 3.7 Chapter Summary

With the help of Saunders' research onion, the methodology applied in this chapter was using the interpretivism philosophy, using an inductive approach to develop a theory with a mono-method qualitative approach, interview strategy and a cross-sectional time horizon. With justification made towards the sampling, twelve subjects were interviewed from the life insurance industry with varying characteristics and archetypes, namely insurance agents, leaders, and executive level employees. Furthermore, the interview technique was elaborated upon with justification of subject characteristics which briefly describes their roles and responsibilities. The data is analysed using thematic analysis as it is able to find recurring themes that would help identify areas that have a common occurrence amongst the industry and guide the industry decisions in the implementation of AI for insurance agents.

## CHAPTER 4 RESULTS & FINDINGS

### 4.1 Introduction

The results of the interviews of the twelve subjects from the insurance industry were analysed using the inductive, thematic analysis which reflects the context of the literature review that was conducted in Chapter 2. With the help of “Taguette”, which is an online, open-sourced program to organise, structure and analyse the interview results. Subjects were informed of the research objectives as well as the interview process one day before, and the identity of the subject was kept anonymous and confidential. Each subject was given a pseudonym in order to track and identify their responses.

### 4.2 Method of Analysis

The six-step approach to conduct a thematic analysis on the data that was collected via the semi-structured interviews with the 12 subjects. This is an ongoing, reflecting process that entails frequent backward and forward movement between phases (Braun & Clarke, 2006).

#### 4.2.1 Phase 1: Get Familiarized with the Data

First step to the qualitative analysis is to read and form a clear understanding of the transcripts. This might require the researcher to review the transcripts multiple times in order to ensure that the data is fully understood. It is crucial to familiarise with the entire interview and the data with regards to the research topic “*Feasibility of AI to Improve the*

*Sales and Service of Insurance Agents in the Life Insurance Industry of Malaysia*” before going ahead with the analysis.

At this stage, it is important to make notes and catalogue first impressions of the data. An example would be: *“Subject 1 expresses interest in automation of daily tasks which not only includes paperwork but other tasks that directly impact agent activities such as appointment scheduling and customer servicing. Subject 1 also shows significant interest in the image portrayed be it individually or as a company as it affects the buying decision of their prospects.”*

#### 4.2.2 Phase 2: Generate Initial Codes

The next phase is to apply code to the data by collecting data pertinent to each code, and methodical coding of important data aspects across the full data collection. The application of a code signifies data that is both interesting, revealing, and significant. This process of coding was unbiasedly performed both systematically and comprehensively on the interview data; this was achieved by analysing the interview and highlighting any text into categories and codes which relates to the context of this study. With the assistance of the “Taguette” coding programme, the data was organised, retrieved, and mapped according to the coding frame.

#### 4.2.3 Phase 3: Search for Themes

The term "theme" refers to a pattern that encapsulates a key or intriguing aspect of the data or research subject. There are no strict guidelines for what constitutes a theme; however, a

theme is characterised by its significance. The codes are collated into potential themes, and all data that is relevant to that theme is gathered into it (Braun & Clarke, 2006).

#### 4.2.4 Phase 4: Review Themes

The original topics that surfaced in the earlier phase underwent the following reviews:

- Is the theme essential to the research study's goals?
- Does the theme have enough solid evidence to back it up?
- Does the theme apply to both the complete data set and the coded extracts?

Themes that did not satisfy the aforementioned criteria were discarded and refined.

#### 4.2.5 Phase 5: Define and Name Themes

The aim of this final refinement of themes is to identify what truly sits at the ‘essence’ of each theme; this would entail understanding what the theme is trying to convey, or to identify the relationship between any subthemes to the main theme. Also, it seeks to identify how each individual theme relate to one another. In this stage, each theme was given a definition and identifying names as it eventually used to represent the characteristics and unique qualities.

#### 4.2.6 Phase 6: Produce Analytics and Reports

In order to explain and substantiate their validity, the themes and coded data were explained in this Chapter. As a consequence, a consistent depiction of the information was created, and each subject was adequately illustrated with in-depth context explanations and compelling data examples.

### 4.3 Background of Subjects

The interview subjects were sourced from a mixture of direct contacts and snowball technique as most of the senior respondents were from previous established relationships and junior agents were recommended by them. These respondents were selected based on the criteria outlined in Chapter 3; sub-chapter 3.4.4.

Table 4.1: Experience and Status of Respondents

Respondent	Age	Rank	Total Sales	Total Experience
A	33	Agent	MYR 33,108.89	3 years
B	42	Agent	MYR 29,580.95	12 years
C	27	Agent	MYR 67,988.09	1 year
D	37	Unit Manager	MYR 78,090.76	8 years
E	34	Unit Manager	MYR 61,455.09	6 years
F	30	Unit Manager	MYR 98,788.76	8 years
G	51	Group Agency Leader	MYR 136,988.09	20 years
H	43	Group Agency Leader	MYR 488,980.96	11 years
I	61	Group Agency Leader	MYR 655,001.72	14 years
J	48	Executive Employee	N/A	24 years
K	44	Executive Employee	N/A	15 years
L	45	Executive Employee	N/A	18 years

#### 4.4 Themes Identified

1. Perception of agency towards the application of AI to help automate daily tasks and generate sales volume to improve the sales and servicing of the agency force.
2. Amalgamation of agent motivation and application of technology to reduce agent turnover
3. Perceived benefits of the application of AI to the business
4. Factors that would increase adoption of applied technology

##### 4.4.1 Theme 1

**Perception of agency towards the application of AI to help automate daily tasks and generate sales volume to improve the sales and servicing of the agency force.**

This theme focuses on the perception that agents of all ranks and employees of insurance companies on the current issues and difficulties faced which can be solved with the application of AI in their daily business. This would help to provide a better service to the insurance companies policyholders and simultaneously generating more revenue for the company.

Theme 1 is described in detail with four categories: a) Task Automation, b) Concerns, c) Functions, and d) Agency Management.

**a) Task Automation**

This category describes the perceived key areas of improvements and the areas of concern that the technology should address. Their experience and knowledge are key to the development of the technology as their opinions are based on field experience. The respondents rich background and years of experience play a major role in the direction that AI should take that would generate the highest value and positive business impact.

Nine out of 12 of the respondents have shown an interest in the automation abilities of the AI where it removes the daily tasks of paperwork, appointment scheduling and customer servicing (such as claims of policy changes). Of the 8 respondents, 3 are Agents (Respondent A, B, C), 3 are Unit Managers (Respondents D, E, F), and 3 are Group Agency Leaders (Respondent G, H, I). The automation of these tasks would improve their sales and servicing experience as they are able to focus more on their business, agents, and customers rather than daily tedious work. As the respondents pointed out in their interview:

*“I noticed that agents who do particularly well in the industry employs personal assistants (or P. As) to help them with administrative and tedious tasks such as filling up or locating forms, document submission....”* (Excerpt of Respondent A)

*“It would be great if AI could somehow cut down our manual paperwork, or clerical and administrative work. This tedious work can be especially difficult for new agents who make a lot of mistakes in their forms which causes the proposal to be rejected, which then the agent needs to get a new form filled up and signed by the customer.”* (Excerpt of Respondent B)



*“If there was a way to reduce paperwork, and also generate sales, I think this will help a lot.”* (Excerpt of Respondent C)

*“My agent needs constant reminders on business related information such as who to follow up, which cases are still open, which training is yet to be completed as well as their sales status updates”* (Excerpt of Respondent D)

*“Take away the day-to-day tedious work, such as filling up paperwork, tracking sales, and following up with cases. If all these functions were made easier to manage using technology, it would motivate an agent to continuously bring in more sales. Agents are generally motivated by money but if the tasks to earn money were simplified with technology, they would be able to focus on the sales rather than the manual work or follow ups which while is important, takes away the focus from the sales portion which generates income.”* (Excerpt of Respondent E)

*“.... whereas I need help in areas of servicing; especially in the areas of paperwork and following up on servicing duties”* (Excerpt of Respondent F)

*“The first area that should be developed is a system that eases the daily administrative or paperwork that my agents do....”* (Excerpt of Respondent G)

*“A lot of agents who join this industry are surprised by the amount of paperwork that needs to be done in the areas of servicing. While sales are done digitally over the sales platform, most servicing activities require the agent to get physical documents from hospitals or signed physical documents from the claimant.”* (Excerpt of Respondent H)

*“Simplifying and automating daily administrative work so that the tedious tasks related to the job, such as submitting and following up on service requests, claims and changes.”* (Excerpt of Respondent I)

Three of the 12 respondents E, G and H have also indicated that besides automating paperwork, daily tasks such as engagement with his downlines or agents and updates should be automated as well especially if the agency is large. These two 2 respondents are holding leadership positions where Respondent E is a Unit Manager and Respondent G, and H, are Group Agency Leaders. These leaders pointed out that:

*“If there was a way for me to be able to get up to date reports on my agent’s sales movement and their business activity, which does not require the agent to manually input their data, that would be a steppingstone to help me track my agents and lend support where it is needed.”* (Excerpt of Respondent E)

*“Also, I need to know how much sales are done by each agent, and the AI should prompt me for any agent who is doing well so I may congratulate them, or prompt me when an agent needs help if they are performing below expectations.”* (Excerpt of Respondent G)

*“In the category of sales, these agents need leads, product knowledge, follow up reminders, activity management, appointment scheduling and management, sales tracking and progress reports should be constantly sent to the agent to keep them engaged in the business.”* (Excerpt of Respondent H)

Another perceived area that was brought up by respondents in leadership positions such as Respondent E and F who are Unit Managers and Respondents G and H who are Group Agency Leaders is to automate the follow-up between the agent, claimant, and the insurance company in the event of a claim. This would mean that the AI updates any progress of claims status immediately to all parties involved.

*“If there was an AI that instead keeps updating on claim status frequently and shows progress of the claim, that would be beneficial to me, my agent, and our customers.”* (Excerpt of Respondent E)

*“..... the technology should not only perform leads generation but also help to track current customers and update the agent on any changes or claims submitted.”* (Excerpt of Respondent F)

*“The AI should help to follow up and update both the agent and the claimant on the status of the claim and not require the agent or the claimant to consistently contact the insurance company to find out that the case is still pending.”* (Excerpt of Respondent G)

*“.....so, if there was some way for an AI to quickly review, update, approve or decline a claim, it would make the task easier. Cut down the administrative work and the agent is able to focus on the sales activities instead.”* (Excerpt of Respondent H)

Respondents with downlines like Unit Managers (Respondents E, F and G) indicate the need to automate agency management systems to reduce manual checks and using AI to help improve their visibility on the agency movement, sales, recruitment, and daily activities.

*“It would lessen my daily duties of constantly having to check on my agents and disciplining them to meet clients. I would not have to manually contact and track them if there was a system or an app that could track their movements and sales behaviour.”* (Excerpt of Respondent D)

*“Automatically prompting my agents and scheduling is one of the key areas I believe we can improve if this technology exists and is applicable. As previously*

*mentioned, I have to keep track of my agents' movements, sales success, and monitor their activity to ensure that they are doing the business and meeting people. And I have also stated, this takes up a lot of time and effort especially since I have to manually call or meet my agents in order to stay updated. Sometimes I may be focusing too much on a few agents and unable to meet as many as I like due to this, but if I had a system that gives me an overview and automatically prompts my agents to move, it would allow me to recruit a large agency and be confident that I can meet up with everyone who needs help. I believe that this technology would be most useful to me as it would help me to manage my agency more efficiently.” (Excerpt of Respondent E)*

*“If the system can help me to track my agents' movements and also remind them to make calls, set appointments or even following up with opened cases or claims, this would remove a lot of administrative work on my end and I can focus on building the agency, coaching those in need and my own personal sales.” (Excerpt of Respondent F)*

One agent (Respondent C), 1 Unit Manager (Respondent F), 2 Group Agency Leaders (Respondent G and I) and 1 Executive Level Employee (Respondent J) have shown indication and belief that leads generated from the marketing activities of the insurance companies to be distributed via an automated AI. The respondents indicated that this is one of the crucial areas that would require automation or AI assistance.

*“I think all that's needed for us to do better is a leads generation tool. Maybe if the company would be able to get some leads from social media and distribute*

*to new agents like me, it would help me to do better.” (Excerpt of Respondent C)*

*“Well, first of all, leads generation and sales assistance would be a good starting point, this would especially help new agents who are trying to get started in the business.” (Excerpt of Respondent F)*

*“Things like leads generation and easy customer service would take away the headache of having to manually check on customers, especially if there is a lot, and searching for new customers.” (Excerpt of Respondent G)*

*“Leads Generation and cutting down on paperwork to help them to focus on their sales and recruitment activities.” (Excerpt of Respondent I)*

*“However, if it was automated to another system; where depending on the eligibility, agents were to directly receive leads instead via our agency development team, it would shorten the time needed to decide on who to get these leads based on a fair and equal system.” (Excerpt of Respondent II)*

An Executive Level Employee (Respondent K) indicated that for automation to truly be effective, there should be a few different systems that work together, the perception is that different systems each have their own roles and purpose and if able to work together would be more effective rather than a standalone system that performs a single task:

*“The automation of our agents would increase their activity and reduce the risk of agents leaving due to having no leads. This technology works best if implemented together with a CRM since one system is used to monitor and manage the policyholders whereas the other is used to deploy the agents to*

*contact the policyholders. This system has the potential to increase the agency force's activity ratio which in turn translates to higher sales and revenue."*

(Excerpt of Respondent K)

**b) Concerns**

This category describes the perceived areas of concern of the insurance agents of their current technology and processes. Through their daily sales and servicing activities, we can identify key areas that the technology should target that directly contributes to enhanced customer service and increase in sales. These points should act as a guiding principle to develop an AI that is able to alleviate or eliminate their issues which deters their performance. 9 out of 12 Respondents indicated that the inhibiting factor which contributes to the poor performance of their agents is the lack of leads or prospects to follow up with. Of the 9 respondents, 1 is an Agent (Respondent C), 2 are Unit Managers (Respondent E and F), 3 are Group Agency Leaders (Respondent G, H, and I) as well as 3 Executive Level Employees (Respondent J, K, and L). Most of the time, agents would first approach their warm leads and eventually run out of leads to talk to. This is when they will need to expand their pool of customers either via referrals from existing customers or cold leads via directly approaching strangers. The latter is more difficult to perform as they are more prone to rejections and poorer results.

*"No prospects, no leads, and a lot of rejection. Since I am new, there is a lot I am not sure of, and I have to keep referring back to my leader."* (Excerpt of Respondent C)

*"Most new agents face the issue of not having enough leads or prospects"*  
(Excerpt of Respondent E)

*“New agents often have the problem of not having enough leads, and not having the skills to set appointments over the phone or close a sale during a sales presentation. Senior agents can fall into the trap of not expanding when they were starting out and hit a dry spell, where they run out of contacts and have no leads.”*

(Excerpt of Respondent F)

*“They are short on leads, most of them exhaust their natural market quite quickly and have to source for referrals or cold leads which can be frustrating and difficult.”* (Excerpt of Respondent G)

*“After exhausting their natural market, agents need to go into the cold market to source for new clients which is difficult for new agents.”*

(Excerpt of Respondent H)

*“Having not enough sales appointments, not enough people to talk to, and not enough knowledge.”* (Excerpt of Respondent I)

*“Eventually when they have exhausted their pool of warm leads, they need to venture out to referral or cold marketing which can be a daunting and difficult task.”* (Excerpt of Respondent J)

*“It is usually their lack of prospects or sales activity”* (Excerpt of Respondent K)

*“Often agents run out of leads and prospects, some try their best in the cold market, but it can be a very difficult market to enter as they have to approach strangers which unfortunately takes a long time as opposed to referrals or warm leads.”* (Excerpt of Respondent L)

Six out of the 12 Respondents have indicated that following up and servicing claim submissions can take up a lot of time and effort due to them not receiving notifications on status updates of the claims, following up on documentations and with claims personnel in the insurance company. Out of the 6 respondents, 1 is an Agent (Respondent C), 2 are Unit Managers (Respondent E and F), 2 are Group Agency Leaders (Respondent H and I) and 1 Executive Level Employee (Respondent L). Furthermore, since the claims personnel are managing the claims for the entire company and country, they are often very busy and have no time to individually inform and contact both agents and claimants which leads to poor service and reputational losses for the company.

*“I notice my seniors have to spend a lot of time managing paperwork whenever a customer wants to do a claim.”* (Excerpt of Respondent C)

*“Following up on servicing needs, my agents have the issue where they need to follow up with the client’s servicing needs. Just recently, one of my agents submitted a claim for his client. They needed to keep revisiting the client and the hospital that performed the surgery to get the documents and authorization, furthermore, my agent had to keep calling the claims and customer service department to follow up on the progress of the claim since our web portal only states basic information and has no details on why the claim is taking so long. In the end, it took my agent three months to follow up on the claim which annoyed the customer and took away valuable sales time from my agent.”*

(Excerpt of Respondent E)

*“My agent and I are not getting the information on status of claims automatically, we have to contact the company claims departments and check back every day for a single claim. Furthermore, I believe the claims staff are*



*overwhelmed since we are not the only agents calling their department.”*

(Excerpt of Respondent F)

*“Another area is that whenever an agent assists a customer to submit a claim, often times they are not updated of the claim status, which the agent then needs to spend time during the day calling the company to understand the claim status and follow up with the necessary documents.”* (Excerpt of Respondent H)

*“Most agents face issues where they are not updated from the respective departments whenever they are servicing their clients especially in the areas of claims. They have to keep calling the department in order to get a progress update on the claims. The reason they do this is because the client is pressuring the agent for updates. While this is part of the job function of an agent and should be done, unfortunately the constant follow ups take up a lot of time especially since there is a high call volume and agents. This gives a bad impression to the company and the agent especially in the area of claims as the client is anxiously waiting.”* (Excerpt of Respondent I)

*“Sometimes due to the nature of the claim, it can take a long time for agents to complete their servicing duties. Issues like documentation from hospitals can take a long time especially if the policyholder was admitted to a public hospital; they can sometimes take up to a month to generate the medical report”* (Excerpt of Respondent L)

A Unit Manager (Respondent D) stated that some agents have met many clients and fail to follow up on the opened cases to follow up for closing. This usually occurs when the agent fails to follow up after conducting a needs-based analysis or when the prospect is not ready to commit at that moment in time. While the prospect may

not be willing to commit to an insurance policy at the current moment, it does not definitely mean that they will never commit to a plan in the future. Following up with these types of cases should be done within an appropriate amount of time, too soon and the prospect will still not be ready to commit, too late and the prospect could have committed to a different agent or insurance company.

*“Most of the time, they do not have reminders for cases that they have opened and fail to meet up with their clients and would only return when they are desperate for a sale. Agents need reminders to follow up on opened cases and service existing clients.”* (Excerpt of Respondent D)

Two group agency leaders (Respondents G and H) stated that their agents are unaware of gaps within their customer’s coverage and often fail to return to existing customers to advise them. This leads to missing out on business opportunities and loss of revenue. Such phenomena frequently happen to agents with large pool of customers as they lose track of their clients and find it difficult to follow up with all of them.

*“....my agents may not know their own customer’s coverage gaps. Sometimes they miss out the sales opportunity and the customer are missing out on an important piece of coverage. Due to this, they often do not return to their own customers because they may have missed out some gaps in the customer’s financial portfolio.”* (Excerpt of Respondent G)

*“Customers from a year ago may have changed their lifestyle and their needs would have evolved and requires new coverage and protection, but because agents do not spend time servicing, they miss out on this business opportunity.”*  
(Excerpt of Respondent H)

Five out of 12 respondents have stated that they are unable to service all the customers due to their duties towards the company to chase after sales. The 5 respondents consist of 2 Agents (Respondent A and B), 1 Group Agency Leader (Respondent H), and 2 Executive Level Employees (Respondent J and K) have all stated that agents with large pool of customers would find it difficult to service them all and would instead focus on income generating activities. Having a large pool of customers becomes a double-edged sword as while they are generating a lot of income and have no lack of prospects to approach, they are unable to effectively service and follow up on all their customers.

*“I currently have quite a few policyholders and am facing time constraints. The more time I use on servicing my clients, the less time I have to solicit sales.”*

(Excerpt of Respondent A)

*“But over time, as my pool of customers grew, I have not really serviced my clients as I have to keep producing sales to reach my sales target and earn income. Right now, I can’t really service them as often as I like as I have to focus on generating more sales.”* (Excerpt of Respondent B)

*“Most agents fail to return to their customers to meet up simply because they spend too much time chasing new sales for contests and awards.”*

(Excerpt of Respondent H)

*“Senior agents who have been with the company for a long time, and we are talking about decades, accumulate a lot of clients over these years. Over time, this one agent may not have the time to revisit and meet up with all their clients which is when other younger agents may approach them and poach their*

*business from them, even within the same company.”* (Excerpt of Respondent J)

*“Most agents who have been conducting their business for a very long time find it difficult to keep track of all their policyholders, a simple matter of greetings during birthdays of festive seasons can be a daunting process.”*

(Excerpt of Respondent K)

Two agents (Respondents A and B) stated that modernisation is important to the success of an agent and that the digitisation and utilisation of technology to support their sales activity is a crucial aspect to the success of an agent.

*“If an agent like me is not able to speak the lingo of modern times, or dress according to latest trends, or use modern devices which transforms the way a sale is done, the chances of me securing the sales is lower.”* (Excerpt of Respondent A)

*“I believe if we were to use fully digital forms, it would give a better impression to our prospects as it shows that the company is innovative.”*

(Excerpt of Respondent B)

### **c) Functions**

This category highlights the perception of agents, leaders, and executive level employees of the core functions that an AI needs to focus on in order to be effective and useful to the agency force. The intention of the applied technology should improve the agent experience whilst being a catalyst that brings in more revenue to the company which translates to higher commission and lower turnover of the agency force. 7 out of 12 Respondents indicated that customer overview and

analysis with the capability to suggest or recommend suitable products or coverage would be an important function to their business as it helps the agent to analyse the needs of their customers so that they have a topic to approach them that is efficient and accurate. Out of the 7 Respondents, 2 are agents (Respondent B and C), 1 unit manager (Respondent D), 2 group agency leaders (Respondent G and H), and 2 executive level employees (Respondent J and L).

*“I think a high-level view of all my policyholders would help me to identify which policyholder requires a follow-up, review, or upgrade to their financial plans.”* (Excerpt of Respondent B)

*“If I am aware of my customer’s needs that was analysed by a system before I meet them, I would know what products to sell and I can ask my leader to teach me how to approach them.”* (Excerpt of Respondent C)

*“Being able to understand what the customer wants would help me to discuss to them about upgrading or getting a new policy and this leads to repeat business.”* (Excerpt of Respondent D)

*“In the meantime, the AI can analyse an agent’s pool of customers and after discovering a trend, able to recommend to the agent to focus on selling certain products. For example, the AI detects that this agent focuses on selling medical cards, it then prompts the agent to learn critical illness products, selling techniques and advises them to contact clients to sell this product.”*

(Excerpt of Respondent G)

*“.... if my agent has a new client and the information of the client was put into the CRM, the AI would be able to analyse the information and give future recommendations or suggestions for repeat sales.”* (Excerpt of Respondent H)

*“.... allow the system to analyse their sales patterns and behaviours, which then advises the agents on when to call back, when to follow up and remind them of upcoming sales and upcoming appointments made” (Excerpt of Respondent J)*

*“.... technology would help the agents get their contacts organized and see patterns where they could approach existing customers to fill in gaps in their protection and even ask for referrals.” (Excerpt of Respondent L)*

One agent (Respondent A), 1 Unit Manager (Respondent F), and 1 Executive Level Employee (Respondent K) mentioned that customer engagement is important as it alerts the agent whenever a customer contacts an insurance company or make any changes to their policy without the agent’s knowledge. The AI would detect the customer’s interaction and alert the agent to intercept or follow up with the transaction. This would give the impression that the agent is closely following up on a customer’s movement and are able to engage whenever the customer makes any contact with an insurance company.

*“.... if I am informed that my customer recently visited a branch and made a change to the policy, and if I am alerted, I can immediately get in touch with my customer which gives the impression that I really care and am attuned to them.” (Excerpt of Respondent A)*

*“.... customers would not feel like their agent is no longer servicing them or disappeared since there is constant updates and every time there is a change or interaction, the agent is alerted by the system, and they can follow up. This removes both administrative tasks from my agents and increases customer loyalty.” (Excerpt of Respondent F)*

*“.... anytime there is an interaction between our policyholders and the company, the agent would have been notified and they would be able to engage these policyholders to give assistance and support.”* (Excerpt of Respondent K)

A Group Agency Leader (Respondent I) stated that by using the analytical capabilities of an AI, it would be able to help Agency Leaders to generate marketing campaigns or events that would best attract the attention of their pool of customers. By doing so, they can organise events that could attract their customers and like-minded individuals to increase their pool of potential customers.

*“This can be achieved by reviewing the demographics of the customers, from their age and income to location and occupation, we can analyse trends or focus on events or strategies to appeal to most of our customers for sales or recruitment events.”* (Excerpt of Respondent I)

Seven out of 12 stated that the implementation of AI would benefit customers by enhancing the customer service function of the insurance companies. The applied technology should be catered to assist customers for both incoming enquiries and outgoing notifications. The 7 respondents consist of 2 Unit Managers (Respondents D and F), 3 Group Agency Leaders (Respondent G, H, and I), and 2 Executive Level Employees (Respondent J and K). This would cut down the call volume of the insurance companies and increase the adoption of self-serve options.

*“Since the waiting time to call our customer service can be quite long, this could serve as a tool to cut down waiting times for customers with generic*

*requests. Even better if the AI could help with seeking information, documentation, or clarification without needing to go to the customer service.”*

(Excerpt of Respondent D)

*“AI assisted chatbots would help us to get the information we want faster since it can replace the customer call centre. This would work if we wanted to get generic information about our customer’s policy information or help prospects discover more about their policy.”* (Excerpt of Respondent F)

*“The AI behind the communication should be able to provide information as soon as it is requested and not waste the agent’s time by putting them on hold like a regular customer service hotline.”* (Excerpt of Respondent G)

*“Perhaps this would reduce the need to wait on the phone for a person in the call centre when the AI is able to deliver general information or make minor changes to the policy.”* (Excerpt of Respondent H)

*“This would help deliver information to both agents and customers quickly without the need of waiting for a long time on the phone would be of great assistance to us as we can get the information, we need quickly wherever we may be.”* (Excerpt of Respondent I)

*“.... has the potential to cut down call waiting times and ease up on the call volume at our customer care centre. If implemented correctly, we can realign our cost towards other revenue making efforts since the cost of managing our call centres are lower.”* (Excerpt of Respondent J)

*“This chatbot was implemented to reduce call volumes and provide quicker assistance to the agents and policyholders.”* (Excerpt of Respondent K)



Two agents (Respondents A and B) mentioned that it would be better if information and regulatory updates be directly fed to them rather than via a web portal, as they are not notified proactively through their company websites. This means that any important, pertinent information be directly sent to their mobile devices is more efficient since they are checking their devices more than a company website.

*“.... if I am constantly updated about the changes in regulations or legislations that affects my customers, my industry, my company, or me, I can conform to these regulations quickly and make sure that I abide to these rules and reduce my risk of being terminated due to a change in BNM’s policy. If the chatbot is designed to inform me of information without needing me to ask, it would benefit me as I wouldn’t know what information I am missing unless I am prompted.”* (Excerpt of Respondent A)

*“It would be great if there is such a system that keeps me and my policyholders up to date on latest products, or if there are any changes in the market that could affect them. If I was alerted to recent changes directly to my mobile phone, I will not be uninformed and able to act on them quickly and ensure that I do not go against the industry’s rules.”* (Excerpt of Respondent B)

An Executive Level Employee (Respondent L) showed concern that such technology should have safeguards against unauthorised access to sensitive customer information or any breach in Malaysia’s Personal Data Protection Act (PDPA).

*“.... however, there must be some kind of authentication of the person’s identity otherwise there is a PDPA risk.”* (Excerpt of Respondent L)

**d) Agency Management**

The final category for this theme highlights the perceived need for agency management or the ability for agency leaders to properly monitor their agents' daily sales activities, servicing activities, sales figures, and agency maintenance. The functions of the AI should be developed to address the needs and pain points with regards to agency management. 6 out of 12 Respondents find that the management of their agents and agency is crucial to the success of individual agents and the agency. These 6 Respondents are mostly leaders of agencies with 3 Unit Managers (Respondents D, E and F), 2 Group Agency Leaders (Respondents G and H) and an Executive Level Employee (Respondent K). Their responses indicate that as leaders, they can often lose track of their agents' movements; hence they would greatly benefit from a system that actively prompts the agents to perform their daily activities and only alerts the leader when there is a need for their attention.

*“Right now, most of my agents are out doing sales on their own, I do my best to monitor their sales activity for their own good as well as mine. I would like it very much if the technology is able to check on their sales activity, so I know if they are really meeting clients and track their movement. This is very important as I need to know which agent to concentrate on and which agents do not need monitoring. Even better if I could track their movement to see where they are and whether they are doing the business.”* (Excerpt of Respondent D)

*“As previously mentioned, I have to keep track of my agents' movements, sales success, and monitor their activity to ensure that they are doing the business and meeting people. And I have also stated, this takes up a lot of time and effort especially since I have to manually call or meet my agents in order to stay*

*updated. Sometimes I may be focusing too much on a few agents and unable to meet as many as I like due to this, but if I had a system that gives me an overview and automatically prompts my agents to move, it would allow me to recruit a large agency and be confident that I can meet up with everyone who needs help. I believe that this technology would be most useful to me as it would help me to manage my agency more efficiently.” (Excerpt of Respondent E)*

*“Managing agents can be tougher than doing sales, since there is a need to follow up on their business activities daily, as we want to ensure that they are able to grow their business and serve in this industry for a long time. If the system can help me to track my agents’ movements and also remind them to make calls, set appointments or even following up with opened cases or claims, this would remove a lot of administrative work on my end and I can focus on building the agency, coaching those in need and my own personal sales.’ (Excerpt of Respondent F)*

*“.... remind my agents to schedule and meet up with prospects, follow up on sales calls and sales leads, remind them to service their customers and keep track of their sales targets. If my agents were given an automatic system to track their sales against their sales targets, it would motivate them to move faster and close sales quicker.” (Excerpt of Respondent G)*

*“Tracking my agent’s sales activities throughout the day, because right now, although we have an activity tracker, it is manually input by the agent. The agent could very well inflate, forget, or even ignore the sales tracker as it is a tedious process, based on assumption and not accurate. As mentioned before, I do not seek to micromanage my team, but this would allow me to focus my*

*time and effort to those who are struggling, recognize those who are doing their best and track gaps in their business.” (Excerpt of Respondent H)*

*“I would say the monitoring and motivation of agents, a progress tracker is one way to manage it now, but eventually we would like to find ways to implement technology to keep agents activity ratio high and reduce their turnover, paperwork, and administrative work.” (Excerpt of Respondent K)*

#### 4.4.2 Theme 2

##### **Amalgamation of agent motivation and application of technology to reduce agent turnover.**

This theme analyses the potential of AI to reduce the turnover of insurance agents through various applications to augment or simplify tasks. The application of AI should alleviate existing issues and improve the agent’s effectiveness to generate sales, provide better service, monitoring and management of customers as well as reducing errors and mistakes. For those in a leadership position, AI should help to manage, monitor, and deploy agents effectively.

Theme 2 is described in detail with 3 categories: a) Agent Turnover, b) Agents’ Motivation, c) Reduce Turnover

##### ***a) Agent Turnover***

This category is focused on the reasons and factors that contribute to an agent leaving the industry. The knowledge and insights of the reasons behind agent turnover is observed from the perspective of agents, unit managers, group agency leaders and executive level employees’ point of view which is based on their

experience and knowledge. The respondent's perception is key as they have first-hand experience through observation and by managing agents who have left the industry. Out of 12 respondents, 9 believe that the main reason for agents leaving the industry is due to lack of sales that would result in no income. The respondents consist of 2 Agents (Respondents B and C), 3 Unit Managers (Respondents D, E and F), 3 Group Agency Leaders (Respondents G, H, and I) and 1 Executive Level Employee (Respondent L). The lack of sales can stem from either lack of leads or sales activity:

*"From my experience, the major reason why agents quit is because they are not making enough money."* (Excerpt of Respondent B)

*"No passion for the job, no more commitment and also not enough sales."* (Excerpt of Respondent C)

*"Another major reason agents leave is that they are simply not making enough money to survive."* (Excerpt of Respondent D)

*"Most of the time, agents quit for two reasons, they are not making enough money, or they have a disagreement with their leaders."* (Excerpt of Respondent E)

*".... most agents who joined at the same time with me left either due to not having enough sales, not generating enough income...."* (Excerpt of Respondent F)

*"Agents normally quit when they run out of leads and are unable to generate sales, which leads to not having income."* (Excerpt of Respondent G)

*".... however, when the agent is not making enough money, has no leads, and is unable to see a future doing sales without leads, they often quit."* (Excerpt of Respondent H)

*“The usual reasons are because they are not making enough money due to not closing sales....”* (Excerpt of Respondent I)

*“Low sales which mean they don’t make enough money to pay their bills, usually this happens within the second or third year as the agent has used up most of their warm leads and fail to get more referrals.”* (Excerpt of Respondent L)

Another factor which leads to agents leaving the industry is due to disagreements with the agency leader or their direct manager. This fact was pointed out by 9 out of the 12 participants which includes 1 Agent (Respondent B), all the Unit Managers and Group Agency Leaders (Respondents D, E, F, G, H, and I respectively) as well 2 Executive Level Employees (Respondents J and L). This proves that although agents leave the industry due to lack of sales and income, they also leave due to internal conflicts or disagreements with their leaders:

*“The other bigger reason is because they had disagreements with their agency leader and decided to leave the agency as they do not agree with each other’s business practices.”* (Excerpt of Respondent B)

*“The main reason why an agent leaves are due to a breakdown in the relationship between the agent and their leaders.”* (Excerpt of Respondent D)

*“Most of the time, agents quit for two reasons, they are not making enough money, or they have a disagreement with their leaders.”* (Excerpt of Respondent E)

*“For myself, I left my previous company as I had a disagreement with the agency’s sales ethics and code of conduct, I did not agree with the philosophy*

*and methods that the agency used to recruit and close sales, hence I left due to a conflict with my agency leaders.” (Excerpt of Respondent F)*

*“However, another reason why agents quit is when they have disagreements with their leaders or their direct managers.” (Excerpt of Respondent G)*

*“Another reason is because they disagreed or are disgruntled with their agency leader.” (Excerpt of Respondent H)*

*“The usual reasons are because they are not making enough money due to not closing sales, however other contributing reasons are tedious work, difficulty in sourcing new prospects, disagreements with leaders and losing sight of their initial purpose.” (Excerpt of Respondent I)*

*“There are also those who quit the agency or industry due to arguments with their leaders or uplines; these cases more often either change agency, insurance company rather than quit but it happens as well.” (Excerpt of Respondent J)*

*“Another reason is they have a falling out with the agency or the management team and leave the company due to disagreements, miscommunication, or arguments.” (Excerpt of Respondent L)*

Two out of 12 respondents pointed out that younger agents will leave the company if the company is underutilising technological tools to support the agent’s business. Both of these respondents are Agents (Respondent A and B), and they pointed out that the younger agents are unable to identify with a company if it does not take the effort to keep up with modern trends and technology:

*“A youngster who joins an insurance company would quit sooner if the company were backwards or not following modern trends, since they are*

*unable to relate and associate with the identity of the company.”* (Excerpt of Respondent A)

*“However recently, a lot of young agents have been quitting because they are not able to identify with the company especially since we are not modernized.”*

(Excerpt of Respondent B)

Finally, respondent I who is a Group Agency Leader pointed out that tedious paperwork is a contributing factor to agents leaving the industry.

*“The usual reasons are because they are not making enough money due to not closing sales, however other contributing reasons are tedious work, difficulty in sourcing new prospects, disagreements with leaders and losing sight of their initial purpose.”* (Excerpt of Respondent I)

#### **b) Motivation**

This category explores the areas of motivation that will help to retain agents, increase sales, and provide better service to the customers of insurance providers. 10 out of the 12 respondents has stated in their response that money and income is one of the key motivators to agents of all ranks. The respondents are comprised of all Agents (Respondents A, B and C), all Unit Managers (Respondents D, E and F), 2 Group Agency Leaders (Respondents H and I) and 2 Executive Level Employees (Respondents J and K).

*“Money; no one works for free.”* (Excerpt of Respondent A)

*“Money, purpose, and recognition. First, agents like me need to pay the bills, send our kids to school and fulfil our personal dreams, that’s why money is important.”* (Excerpt of Respondent B)



*“Contests, recognition, money and having a career that is fulfilling and meaningful!”* (Excerpt of Respondent C)

*“There are only two areas that is the most effective way to motivate agents, which is income and recognition.”* (Excerpt of Respondent D)

*“Money of course is a very good motivator as they join this industry with the ambition to earn more than they could working for someone else.”* (Excerpt of Respondent E)

*“As long as their income is good and they are constantly recognized for their efforts, they would continuously do business.”* (Excerpt of Respondent F)

*“Having a life goal is an important motivator, while money, contest, recognition, and promotion plays a big factor in their motivation.”* (Excerpt of Respondent H)

*“With the income they generate, they would be able to see changes in their life that they wanted to achieve.”* (Excerpt of Respondent I)

*“The income is a great motivator, especially since it has the potential to earn more than a regular office job.”* (Excerpt of Respondent J)

*“The money is a driving factor but also the recognition that comes along with it.”* (Excerpt of Respondent K)

Recognition is amongst the top motivators that follows money closely, this was a factor that was pointed out by 9 out of the 12 respondents. The respondents consist of 2 Agents (Respondents B and C), 3 Unit Managers (Respondents D, E, and F), 2 Group Agency Leaders (Respondents H and I) and 2 Executive level employees (Respondents K and L). According to them,

*“... agents who work hard want to be recognized for their efforts.”* (Excerpt of Respondent B)

*“Contests, recognition, money and having a career that is fulfilling and meaningful!”* (Excerpt of Respondent C)

*“There are only two areas that is the most effective way to motivate agents, which is income and recognition.”* (Excerpt of Respondent D)

*“Small gestures of recognition for their efforts go a long way.... Agents who earn a good income and given recognition for their efforts would stay longer”* (Excerpt of Respondent E)

*“Money, recognition, and ease of doing business.”* (Excerpt of Respondent F)

*“Having a life goal is an important motivator, while money, contest, recognition, and promotion plays a big factor in their motivation.”* (Excerpt of Respondent H)

*“Hence money, recognition and values would be the motivator for agents.”*

*“(Excerpt of Respondent I)*

*“There is also the incentive trips and recognition from both the company and industry.”* (Excerpt of Respondent K)

*“The money is a driving factor but also the recognition that comes along with it.”* (Excerpt of Respondent L)

According to two respondents, a stronger motivation comes from the ease of conducting the business on a daily basis. A Unit Manager and a Group Agency Leader (Respondent F and G) believe that automation of tedious daily tasks such as paperwork would motivate their agents.

*“Money, recognition, and ease of doing business. As long as they income is good and they are constantly recognized for their efforts, they would continuously do business, however I believe that if there is a way to reduce paperwork and make it easier for us to service our clients, we would not hesitate to continuously do more sales as it is easy to follow up. (Excerpt of Respondent F)*

*“The conventional way to motivate an agent is by utilizing contests but in fact what really motivates agents is having sufficient leads and the ease of servicing customer. Let’s say at a push of a button, my agents are able to service their customers well, both my agent and the agent’s customer will be very happy.” (Excerpt of Respondent G)*

An Executive Level Employee (Respondent J) mentioned that their analysis has shown that agents who are pursuing leadership roles are often doing better as they have a goal to pursue which also serves as a motivation for sales and agency growth. Agents with the motivation to promote in the company are often achieving other rewards such as incentives and recognition while pursuing their main goal.

*“Our analysis has shown that agents who are on track with their leadership promotion often are more motivated to bring in more sales to achieve their promotion. This can be due to the agent having a career goal, and it is a better motivator than contests, incentives, events, or rewards. “*

(Excerpt of Respondent J)

Lastly is an unquantifiable factor which is the life goal, values and purpose of the agent that is derived from within the agent which is unaffected by the environment

they are in regardless of their earning capability, leaders or the excess or lack of recognition from the company or their peers, as pointed out by 4 out of 12 of the respondents. The respondents who pointed this out consists of 2 Agents (Respondents A and B), 1 Group Agency Leader (Respondent H) and 1 Executive Level Employee (Respondent J).

*“Meaning; agents need to know that their sales relate to having meaning in society, they are not only securing their customer’s financial future, but they are also helping the society they are in. “(Excerpt of Respondent A)*

*“Secondly, we need to have a purpose and reason for waking up and doing our job. Without purpose, even if we have money, we will still feel like we are not contributing to our society or helping people, agents tend to become depressed and question what they are doing. “(Excerpt of Respondent B)*

*“Having a life goal is an important motivator, while money, contest, recognition, and promotion plays a big factor in their motivation, having a goal in life to achieve more, elevate their status and improve their living conditions is always the main goal when it comes to sales. “(Excerpt of Respondent H)*

**c) Reduce Turnover**

This final category identifies the application of technology that could assist to reduce the high turnover rate that is faced by insurance companies. By lowering the turnover rate, the insurance companies should be able to achieve a higher sales revenue, better customer service and a penetration rate of above 70% as targeted by Bank Negara Malaysia. 6 out of 12 Respondents indicated that the tedious administrative tasks that is associated with the job such as paperwork, follow-ups, customer servicing and information dissemination. The respondents comprise of, 1

Agent (Respondent A), 1 Unit Manager (Respondent E), all 3 Group Agency Leaders (Respondent G, H, and I) and 1 Executive Level Employee (Respondent L).

*“.... their perception where everything needs to move quickly, therefore the younger generation are very negative towards tedious work; therefore, if technology can step in to do this work and make the day-to-day insurance work less tedious, it would appeal better to them. “(Excerpt of Respondent A)*

*“Take away the day-to-day tedious work, such as filling up paperwork, tracking sales, and following up with cases. If all these functions were made easier to manage using technology, it would motivate an agent to continuously bring in more sales. “(Excerpt of Respondent E)*

*“If the technology is able to reduce the workload of my agents and create value for them, they will be more motivated to bring in more sales. “(Excerpt of Respondent G)*

*“By making the job easier to perform. As it stands, it is difficult for new agents and some senior agents to continuously seek out prospects, face rejection and convince people to sign up for a policy, once the policy has been signed and sold, the process of onboarding, documentation, and servicing should be simplified. “(Excerpt of Respondent H)*

*“Simplifying and automating daily administrative work so that the tedious tasks related to the job, such as submitting and following up on service requests, claims and changes. “(Excerpt of Respondent I)*

*“I believe that if we were to make the job easier, like further cutting down on administrative tasks or paperwork, that is one factor that will help. “(Excerpt of Respondent L)*

Five out of 12 Respondents indicated the need for a robust sales or progress tracker that would keep track of the agent's completed sales figures and compares it against pre-established personal or company goals. The tracker should also be designed to keep track of the agent's promotion status to keep them informed of how much they need to complete in order to advance their career. The 5 respondents consist of 1 Agent (Respondent B), 2 Unit Managers (Respondent D and F), 1 Group Agency Leader (Respondents I) and 2 Executive Level Employees (Respondents J and K).

*“First, from a motivational sense, there should be some app or program that helps to motivate the agent by showing their production amount. Perhaps an app since most young agents are always on their phones. This app should keep track of their sales to date against the company targets or against contest targets. “(Excerpt of Respondent B)*

*“There should be a progress tracker in order to keep agents on track of their sales targets and letting them know how much more they need to do to achieve their targets. This can motivate agents as they can see their progress and not do sales aimlessly. “(Excerpt of Respondent D)*

*“One of the ways that agents are motivated is through contests, however, tracking your sales progress is a tedious process since different policies contribute differently to a contest requirement due to the company's terms and conditions. “(Excerpt of Respondent F)*

*“Younger agents who are very dependent on technology would appreciate an app that is interactive and updates them on their sales progress in a fun way.”*  
(Excerpt of Respondent I)

*“Based on our analysis, promotion and agents seeking to promote are more productive, hence there should be a system that helps them track and guide their career progression, as well as monitor the recruitment progress to help them become agency leaders. “(Excerpt of Respondent J)*

*“By showing them their progress. It is often the case that an agent with a goal is far more likely to succeed compared to an agent who is blindly doing sales for no other reason than to earn money. “(Excerpt of Respondent K)*

Four respondents pointed out the need to have a career planner to help agents plan their career path to reduce the chances of agents giving up. Goal oriented agents with a clear path tend to stay within the industry longer as they have dreams, goals, and targets to achieve. Of the 4 respondents, 1 is an Agent (Respondent B), 1 is a Group Agency Leader (Respondent I) and 2 Executive Level Employees (Respondent J and K)

*“Furthermore, the AI should help the agent plan their sales against their goals or target by creating a sales action plan of what the agent needs to do to achieve their target.” (Excerpt of Respondent B)*

*“Younger agents who are very dependent on technology would appreciate an app that is interactive and updates them on their sales progress in a fun way.” (Excerpt of Respondent I)*

*“Based on our analysis, promotion and agents seeking to promote are more productive, hence there should be a system that helps them track and guide their career progression, as well as monitor the recruitment progress to help them become agency leaders.” (Excerpt of Respondent J)*

*“By showing them their progress. It is often the case that an agent with a goal is far more likely to succeed compared to an agent who is blindly doing sales for no other reason than to earn money.”* (Excerpt of Respondent K)

#### 4.4.3 Theme 3

##### **Perceived benefits of the application of AI to the business.**

This theme analyses the perceived benefits of the application of AI to the insurance agent’s daily tasks. It will gauge where they believe that the application of AI technology needs to pay close attention to assist them to better perform their duties as agents to generate sales for the company, provide financial protection to the citizens of Malaysia and be an effective service provider to people in need.

Theme 3 is described in detail with 2 categories: a) Administrative Tasks, and b) Progress Checker

##### ***a) Administrative Tasks***

This category analyses the perceived benefits behind automation of administrative tasks and the assumed effects that it can have on the behaviour and productivity of the agents.

9 out of 12 respondents have indicated that with the automation of administrative tasks, it will free up the agent’s time to conduct revenue generating activities, reducing agent downtime, and increasing their effectiveness in the field. The 8 respondents consist of 2 Agents (Respondent A and B), 2 Unit Managers (Respondent E and F), all 3 Group Agency Leaders (Respondent G, H, and I) and 2 Executive Level Employees (Respondent K and L). Their feedback is centred on



the time saving benefits that automation of paperwork and administrative tasks can bring to their business.

*“Imagine at the point of closing a sale, that I use a form to complete the sale as opposed to using a piece of technology that can automatically fill out the details for us.”* (Excerpt of Respondent A)

*“If there was a way for AI to assist with documentation, this would free up the agent’s time to be doing sales related activities instead.”* (Excerpt of Respondent B)

*“If there was a system that could automate administrative paperwork, or even help to manage the agent’s sales or servicing leads that would also help.”* (Excerpt of Respondent E)

*“If the AI were to be sort of a personal assistant to automatically fill out the required forms or contact the right department on their behalf, it would allow the agent to focus less on administrative tasks and focus more on sales.”* (Excerpt of Respondent F)

*“If there was a system that eases their paperwork, they can instead concentrate on their sales.”* (Excerpt of Respondent G)

*“.... so, if there was some way for an AI to quickly review, update, approve or decline a claim, it would make the task easier. Cut down the administrative work and the agent is able to focus on the sales activities instead.”* (Excerpt of Respondent H)

*“This means that this technology has the potential to reduce administrative paperwork and allows the agent to do more sales since the submission and follow ups are done automatically with little attention from the agents.”* (Excerpt of Respondent I)

*“We cut down on paperwork and administrative tasks to allow the agents to focus more on the sales and servicing activities which brings revenue to the company.”* (Excerpt of Respondent K)

*“If they had information at their fingertips which automatically drives them to sales rather than administrative tasks, it will allow the agents to be focused on selling and confidence that the paperwork will be accurate and submitted all the time.”* (Excerpt of Respondent L)

Five out of 12 respondents indicated that the ability for the AI to calculate the prospects needs based on the prospect’s financial details would create a better image since it brings more confidence to the prospect compared to an agent who calculates their needs based on the agent’s understanding and formula. The 5 respondents consist of 2 Agents (Respondent A and B), 2 Unit Managers (Respondent D and E), and 1 Executive Level Employee (Respondent K).

*“If there was a sales tool that calculates the premium of the customer based on their needs, and if there was an AI that revolves around the reasons why a customer calls the insurance company.”* (Excerpt of Respondent A)

*“Also, if there is an automated process to calculate the prospect’s financial needs, it can be more impressive and trustworthy as some agents may not know how to calculate prospect’s needs.”* (Excerpt of Respondent B)

*“Furthermore, if I were to put in their income levels and basic information such as their monthly expenses, the system can calculate how much to put aside and the best policy that would suit their needs.”* (Excerpt of Respondent D)

*“In some ways I believe our sales platform currently has this function, since all I have to do is put in my customer’s details into the app which automatically calculates the premium and coverage.”* (Excerpt of Respondent E)

*“Secondly if the agent calculated the needs and performed an analysis on the customer’s financial standing, the system can recommend the most suitable product to the customer which helps the agent to decide without having to analyse all the products in the company to suit this customer.”* (Excerpt of Respondent K)

Two respondents have indicated that the application of AI automation in performing administrative tasks can reduce the number of mistakes or errors during the filling up of the proposal forms or similar documents. The 2 respondents consist of an Agent (Respondent B) and 1 Unit Manager (Respondent D).

*“This tedious work can be especially difficult for new agents who make a lot of mistakes in their forms which causes the proposal to be rejected, which then the agent needs to get a new form filled up and signed by the customer. All this could have been avoided if the proposal forms were filled up accurately by an AI in the first place.”* (Excerpt of Respondent B)

*I’m very sure this is possible as we agents follow a set of rules to advise the customer according to their needs, so if we allow an AI to fulfil these functions, it will reduce mistakes especially from new agents.”* (Excerpt of Respondent D)

**b) Progress Tracker**

This category focuses on the progress tracking capabilities of the AI to help keep agents on track with their sales targets. This function helps to keep agents motivated which reduces turnover and increases revenue. The feedback of the respondents in this area indicated a need for a progress tracker as they are currently manually monitoring their sales which can lead to errors, mistakes and miscalculations which can lead to agents missing sales targets which leads to disappointment and demotivation.

Ten out of 12 respondents have indicated that the AI developed in this area should show their sales progress against the company goals or their career goals. Out of all the respondents, all Agents (Respondent A, B and C), all Unit Managers (Respondent D, E and F), 2 Group Agency Leaders (Respondent H and I) and 2 Executive Level Employees (Respondent J and K) have indicated strong need in this area of development to support their agency or their agents.

*“If possible, I would love to have the technology where the AI is able to map out my career progression based on my set goals which then prescribes me my daily sales goals and activities.”* (Excerpt of Respondent A)

*“If possible, there should be some sort of system that keeps in touch with the agent and tracks their process, for example maybe an app that continuously tracks the agent’s business and sales activity and recommends the best course of action to reach and attain their goal.”* (Excerpt of Respondent B)

*“If I can get reminders on who to follow up, I would not have the headache of not knowing who to call, and if I were to be given a progress tracker for my*

*own business, I can plan my strategy to make sure that I hit my targets every time.” (Excerpt of Respondent C)*

*“There should be a progress tracker in order to keep agents on track of their sales targets and letting them know how much more they need to do to achieve their targets. This can motivate agents as they can see their progress and not do sales aimlessly. (Excerpt of Respondent D)*

*“Up-to-date tracking of their progress, be it in sales, servicing or even related to licensing, regulations, and training.” (Excerpt of Respondent E)*

*“If there was a piece of technology or an upgrade to the sales platform that is able to track the contest results and the policy’s eligibility for the contest, it would motivate the agent to bring in more sales.” (Excerpt of Respondent F)*

*“Technology can provide one crucial bit of support that most agencies struggle with, and that is progress checking. Meaning to say that if the agent is constantly given progress updates and status on their completion of sales for contests or monthly targets, the agent would feel motivated.” (Excerpt of Respondent H)*

*“Constant notification of sales progress and goal tracking, this motivates the agent by letting the agent know how close they are to achieving contest targets or personal targets.” (Excerpt of Respondent I)*

*“Based on our analysis, promotion and agents seeking to promote are more productive, hence there should be a system that helps them track and guide their career progression, as well as monitor the recruitment progress to help them become agency leaders.” (Excerpt of Respondent J)*

*“By showing them their progress. It is often the case that an agent with a goal is far more likely to succeed compared to an agent who is blindly doing sales for no other reason than to earn money.”* (Excerpt of Respondent K)

Three respondents indicated that there should be an application of AI towards the development of the agent’s career path, which is to guide them to promote from an agent to unit manager and eventually to group agency leader rank. Out of the 3 respondents, 2 are Agents (Respondent A and B) and 1 is an Executive Level Employee (Respondent J).

*“I would love to have a piece of technology that is able to map out my career plans according to the goals I set. Let’s say for example I would like to earn a five-figure income at the end of 2 years. The AI can prescribe me a career plan based on my set goals and chart out what I need to do daily in terms of sales activities.”* (Excerpt of Respondent A)

*“Automation and an app to help plan out an agent’s daily sales process or become a ‘coach’ to help agents to chart out their career to prepare them for targets, goals, or promotion.”* (Excerpt of Respondent B)

*“Based on our analysis, promotion and agents seeking to promote are more productive, hence there should be a system that helps them track and guide their career progression, as well as monitor the recruitment progress to help them become agency leaders.”* (Excerpt of Respondent J)

#### 4.4.4 Theme 4

#### **Factors that would increase adoption of applied technology.**

This final theme explores the factors that would motivate agents to use the AI technologies if it was developed and implemented for the agents to use. Through the process of developing a program, it will undergo multiple stages of conception, design, development, testing, implementation, and maintenance. This will incur considerable cost to the insurance company and by investing this amount, the insurance company wants to see the program utilised, and bring in sales as a form of return of interest (ROI). Therefore, it is crucial that if developed, this system is adopted.

Theme 4 is described in detail with 3 categories: a) Ease of Use, b) Compelled Use, c) Value

*a) Ease of Use*

Eight out of 12 respondents indicated that the technology applied to the agency systems should be easy and simple to use. Simplicity ensures that the agent adopt to the system rather than reverting back to their current methods. If the system was difficult or confusing, they would return back to the manual methods since they have become accustomed to it. Out of the 8 respondents, there was 1 Agent (Respondent C), 3 Unit Managers (Respondent D, E and F), 3 Group Agency Leaders (Respondents G, H, and I) and 1 Executive Level Employee (Respondent L).

*“I would be motivated if it works well and is easy to use. If there were monetary incentives as well it would be good, but most of all, it must be simple to use and effectively helps our business. Otherwise, I think many agents would not bother with it and continue with what we are doing right now.”*

(Excerpt of Respondent C)

*“The new technology needs to be convenient and easy to use, it should not be more complicated than their current process and instead, it should alleviate their pain points. It should solve their problems, and it should reduce their manual processes and paperwork”* (Excerpt of Respondent D)

*“Make it easy to use, don’t complicate it. The whole point of using technology is to simplify and de-clutter our daily tasks. If we had another administrative task to do (like updating a sales tracker) it would become another tedious aspect of the job which agents would hesitate to adopt.”* (Excerpt of Respondent E)

*“Furthermore, if the technology was simple to use, and not over complicated or requires more work to use, it will be eagerly adopted by the agents.”*

(Excerpt of Respondent F)

*“The technology must be easy to use, if it’s difficult and time-consuming, they would much rather revert to manual methods as they are used to it. Keep the system easy and simple to use and they would gladly adopt it.”* (Excerpt of Respondent G)

*“Furthermore, the system should be easy to use and appealing, for if the system is difficult to use, with no support or guidance, no matter how much money or incentives you give to the agents, if it makes the job tedious and difficult, they will not adopt it and go back to the current method.”* (Excerpt of Respondent H)

*“Agents are like any person who is faced with new technology, if it’s complicated, difficult, and tedious to use, they will not want to use it since they are already accustomed to what they have currently, so if there were any*



*developments in technology that the company wants to apply, it has to be proven to make our jobs easier to do and easy to use.”*(Excerpt of Respondent I)

*“Keep the technology simple and easy to use, although it may be a complex machine, it has to be simple to use for the agency force.”* (Excerpt of Respondent L)

There were 3 respondents who indicated that while the system may be designed to be simple and easy to use, there is a need for training and support to guide and train the agency force during the initial stages to ensure smooth adoption and operation of the system. The 3 respondents consist of 2 Group Agency Leaders (Respondents H and I) and 1 Executive Level Employee (Respondent J)

*“The most important thing with any new piece of technology is the training, support, and guidance to use the technology.”* (Excerpt of Respondent H)

*“Furthermore, there has to be a proper guidance, training and technical support team that is able to answer our queries at any time, and easy to contact whenever we need.”* (Excerpt of Respondent I)

*“.... however, through training, having a helpdesk and most importantly, upgrading the system to be simple and straightforward, our adoption rate of the app has increased to where we have almost eliminated paper proposals from the agents.”* (Excerpt of Respondent J)

#### **b) Compelled Use**

Three out of 12 respondents indicated that for the adoption of the technology, it should be implemented with the intention to replace all existing manual systems

and compelling agents to use it. Not using the system risks agents losing out on incentives or even as far as disallowing any other form of submission. Out of the 3 respondents, 1 is an Agent (Respondent A) and 2 are Executive Level Employees (Respondent J and K)

*“It’s quite simple, first if the new technology is part of the sales process, where it is made compulsory to go through the system. For example. If we do not use the system in certain parts of the sales process, we are not able to submit the case, hence, no business can be done. Secondly, if incentives and rewards were only given to cases submitted using the new technology, you can be sure that everyone will adopt it.”* (Excerpt of Respondent A)

*“When we implemented our sales platform via an app, we made it mandatory to submit all cases through it. We met some resistance from the agency force especially agents who have been practicing the traditional pen and paper for decades.”* (Excerpt of Respondent J)

*“We told the agents that to qualify for any contest or incentives, they have to use the sales platforms, and we would not entertain any backlash.”* (Excerpt of Respondent K)

**c) Value**

The last category emphasises on the perceived value aspect of the technology. This means that the value that the technology brings to the agents’ business to increase their profitability, increase efficiency, and simplify tasks. Out of the 12 respondents, 4 stated that the technology needs to bring value to the agency, and their daily business or they will not adopt it. Out of the 5 respondents, 1 is an Agent (Respondent B), and all 3 Unit Managers (Respondent D, E and F).

*“The benefits of using the technology to boost sales, case studies and success stories, show us the power of using technology to assist us in sales. You could replace our current manual sales process with this new technology which cuts down the paperwork and simplifies the sales process.”* (Excerpt of Respondent B)

*“It should solve their problems, and it should reduce their manual processes and paperwork. Sometimes you don’t need to have contests or incentives but basically solve their issues and agents will be more than happy”* (Excerpt of Respondent D)

*“The whole point of using technology is to simplify and de-clutter our daily tasks.”* (Excerpt of Respondent E)

*“If the technology brings value to the agents, the more they use it, the more their business grows, they would be happy to use it.”* (Excerpt of Respondent F)

Respondent G who is a Group Agency Leader stated that the system has to respond quickly. The experience from the leader is based upon his observation that his agents who are mostly young individuals are accustomed to high-speed internet. Furthermore, the data should be quickly updated so that they can be more effective.

*“Secondly, a system that responds quickly as most of my young agents are used to high-speed internet and would not tolerate a system that performs slowly. Not only in terms of loading, but data is updated quickly, any sales is quickly updated to their profile so that they can keep up to date.”*

Lastly, 4 respondents pointed out that although not the main motivation, but incentives or monetary rewards can help to motivate agents to use the technology. The 4 respondents consist of 3 Agents (Respondent A, B and C) and 1 Unit Manager (Respondent E)

*“Secondly, if incentives and rewards were only given to cases submitted using the new technology, you can be sure that everyone will adopt it.”*

(Excerpt of Respondent A)

*“Lastly, monetary rewards and incentives always works.”*

(Excerpt of Respondent B)

*“If there were monetary incentives as well it would be good”*

(Excerpt of Respondent C)

*“Incentivizing is a great way to promote a new piece of technology but simplicity and effective triumphs money in this case.”* (Excerpt of Respondent E)

#### 4.5 Chapter Summary

This chapter collected and presented the data from the semi-structured interviews from 12 respondents of various ranks within the insurance industry. In this chapter, four themes were inductively identified from all interviews and analysed using the thematic content analysis method. The four themes identified were:

1. Perception of agency towards the application of AI to help automate daily tasks and generate sales volume to improve the sales and servicing of the agency force.
2. Amalgamation of agent motivation and application of technology to reduce agent turnover.
3. Perceived benefits of the application of AI to the business.
4. Factors that would increase adoption of applied technology.

These themes were quintessential in elucidating the fundamental insights and experience based on the knowledge, experience, and wisdom of each respondent. These interviews have undoubtedly answered the research questions that had initiated this study. The next chapter discusses the main findings, implications, limitations and recommendations of this paper for future research, ultimately leading to a conclusion.

## CHAPTER 5 DISCUSSION & CONCLUSION

### 5.1 Introduction

The study being conducted here is exploratory, descriptive, and contextual. With the use of semi-structured, open in-depth interviews with 12 participants sourced from a mixture of direct contacts and snowball techniques from different ranks, experience, and years in the industry. With the assistance of Taguette, the interviews were analysed using the inductive thematic content analysis method. From thorough analysis of the data, four themes were derived and will be elaborated in this chapter through alignment of the initial research questions as well as its' objectives. The data was further cemented in actuality via comparison with existing literature review.

The initial research questions that will be further elaborated are:

1. What are the perceptions of Insurance Agents and Executive Employees toward using AI to support their business?
2. How would AI reduce the high turnover of Insurance Agents?
3. How would Insurance Agents benefit from using AI in their business?
4. What factors would encourage agents to accept AI in their business?

The following goals were accomplished by this study by providing answers to the research questions:

1. Understanding the current challenges and factors that inhibit the effectiveness of Insurance Agents in the field.
2. Understanding the required qualities and abilities of the AI that would best alleviate the plight of Insurance Agents.

3. Explored the intentions of Insurance Agents behind the desired qualities and capabilities of any future development of AI.
4. Understanding the factors that will ensure high adoption of developed technology in the Agency Force.

The rest of this chapter then goes into detail with a discussion of the major identified themes, implications of the study, limitations for future research and closing up with a final conclusion.

## 5.2 Discussion of Major Findings

Through this study, the data developed managed to identify four themes that contained 14 categories collectively. Therefore, the findings of this study enable one to claim that the research questions have been substantially met by the data analysed in Chapter 4.

**Theme 1:** Perception of agency towards the application of AI to help automate daily tasks and generate sales volume to improve the sales and servicing of the agency force.

**Theme 2:** Amalgamation of agent motivation and application of technology to reduce agent turnover.

**Theme 3:** Perceived benefits of the application of AI to the business.

**Theme 4:** Factors that would increase adoption of applied technology.

The first research question was answered by Theme 1: *“What are the perceptions of Insurance Agents and Executive Employees toward using AI to support their business?”*

The second research question was answered by Theme 2: *“How would AI reduce the high turnover of Insurance Agents?”*

The third research question was answered by Theme 3: *“How would Insurance Agents benefit from using AI in their business?”*

The fourth research question was answered by Theme 4: *“What factors would encourage agents to accept AI in their business?”*

Each theme will be discussed and outlined as below:

#### 5.2.1 Theme 1

**Perception of agency towards the application of AI to help automate daily tasks and generate sales volume to improve the sales and servicing of the agency force.**

The below tables summarise the findings of this study which shows that all 12 respondents have a meaningful as well as particular insight and understanding to the topic of AI functions and benefits with respects to their rank and experience in the industry.



Table 5.1: Perception towards AI in insurance agency business

Perceptions	Respondents	Opinions			Result Analysis
		Task Automation	Functions	Agency Mgmt.	
	A	Paperwork	Engagement, Business Info		Primary Capabilities of AI
	B	Paperwork	Customer Analysis, Business Info		
	C	Paperwork, Leads Distribution	Customer Analysis		
	D	Paperwork	Customer Analysis, Customer Service	Agent Tracking	
	E	Agents, Claims		Agent Tracking	
	F	Agents, Claims, Leads Distribution	Engagement, Customer Service	Agent Tracking	
	G	Agents, Paperwork, Downlines, Claims	Customer Analysis, Customer Service	Agent Tracking	
	H	Agents, Paperwork, Claims	Customer Analysis, Customer Service	Agent Tracking	
I	Paperwork, Leads Distribution	Marketing, Customer Service			
J	Leads Distribution	Customer Analysis, Customer Service			
K		Engagement	Agent Tracking		
L		Customer Analysis			

Table 5.2: Perception towards AI in insurance agency business II

	Respondents	Opinions	Result Analysis
		Concerns	
*Perceptions	A	Unable to effectively service clients due to chasing new sales, modern image important to sales	Areas of Concern that requires alleviation.
	B	Large pool of customers makes it difficult to balance servicing activities with sales activities, digitalisation improves chance of sale	
	C	Lack of Leads, Claims requires a lot of paperwork	
	D	Agents do not follow up with prospects	
	E	Lack of Leads, claims status not updated to agent on time,	
	F	Lack of Leads, claims status not updated to agent on time	
	G	Lack of Leads, Agent unaware of gaps in customer coverage	
	H	Lack of Leads, claims status not updated to agent on time, Agents not servicing due to focus on sales activities	
	I	Lack of Leads, claims status not updated to agent on time,	
	J	Lack of Leads, Senior agents unable to effectively serve all customers which causes loss of business to other agents	
	K	Lack of Leads, Large pool of customers makes it difficult to service even with simple tasks	
	L	Lack of Leads, Claims take long time due to documentation requirements	

In theme 1, a majority of agents of all ranks have indicated that the amount of paperwork is a concern which limits the effectiveness of the sales capability of agents.

Due to the nature of the business where there is a predetermine step to closing a sale as mentioned by the Insurance Act 1996, Laws of Malaysia Act 553, Section 149, as well as the guidelines determined by The Malaysian Insurance Institute (The Malaysian Insurance Insitute, 2014), means that most sales conducted by an agent must be practised in accordance to a step-by-step sales method and that forms be filled up in a standard format according to the guideline.

While the task of documentation is crucial to protect the interest of the customer, it can be a tedious part of the job which takes time away from the agent to conduct their sales activities, but there is also the possibility of mistakes happening which is due to the nature of the forms being filled up manually by agents.

Furthermore, due to the perception of younger agents who are accustomed to technology, retention of younger agents will be affected by the use of manual forms and processes.

By the application of AI in this task, the technology that would most benefit the agents would be the use of computer vision or OCR which is able to identify important and mandatory documents such as identification documents via the national registration identity card (NRIC) or passports and input the details from those documents into the proposal forms (IBM, 2022).

The application of OCR would not only fill up the standard biodata of the customer but input other important details such as their age, gender, race, religion, and location which is important for the underwriting process, while the OCR technology is able to capture documents via text, RPA would be able to fill up the proposal forms and hasten the process

since it is a standard, rule-based task that is repetitive and often standard for all customers (IBM, 2020).

It is important to note that the executive level employees (Respondent J, K and L) are unaware that the manual forms and paperwork is a matter of importance to the agents which leads to the assumption that the company executives are unaware of the needs of the agents regarding this area which is why this technology may not have yet been developed for their use.

Respondents A, B, C, D, G, H, and I have expressed similar feedback despite not being from the same company which means that collectively, no technology for automation of paperwork has been deployed for the agent's use as of today. However, this means that the technology of paperwork automation would see the most impact and adoption with the highest ROI potential if implemented today.

The next area that the respondents' shown interest was in the functions of the AI to assist with their business, a majority of the respondents pointed out the need of automated customer analysis in their business; this means that the AI should have the ability to analyse potential customers as well as existing customers profile and quickly provide suggestions. This removes the agent's inexperience or knowledge gaps as the AI is able to recommend suitable products to the agent based on the customer's profile, which the agent is able to discern and decide if the recommendation is the best solution for the client. In order for this to function correctly, the system needs adequate data of the customer; information such as financial capability, age, goals, timeline of goals, assets as well as liabilities in order to make a proper recommendation (McKinsey & Company, 2017).

This benefits the customer as it portrays an unbiased financial opinion that is based on their own data and the agent acts as an advisor and executor to the prospect's decision which

removes doubt of biased advice from the agent which benefits the agent and not the customer (Schwarcz & Siegelman, 2015). This would then help to achieve the intended penetration of 75% which was targeted by Bank Negara Malaysia to ensure financial stability amongst the country's citizens (Sang, Mohidin, & Budin, 2020).

The best application of AI assistance would be a combination of a Customer Relationship Management (CRM) system together with Social Media Technology (SMT) and Sales Force Automation (SFA). The CRM would be able to manage existing client's profile and manage the customer's interaction with the insurance company by giving updates, product recommendations, reminders and festive or birthday greetings; however, this can be improved upon if the CRM has access to SMT system to analyze and understand the customer's interest, activities, hobbies, and changes in lifestyle such as getting a new job, marriage, or having children.

If the combination of CRM and SMT is able to detect any changes or business opportunities, it can be routed to the SFA and alert the agent to follow up and close the business. This would make the agent more effective, increase business opportunities and reduce agents from feeling helpless which would reduce turnover.

Another area that would benefit from the application of AI would be the visibility and monitoring of the agent's movement, both Unit Manager and Group Agency Leaders have shown interest in being able to track their agents' movements. This is to ensure that the agents who have been contracted by the leaders are pursuing the job and performing sales activities.

As noted by Respondent D, it is important for him to be able to monitor and track agents for both their own good as well as for the good of his agency. In order to be effective, he needs to know which agents require guidance and which agents whom he needs not pay so

much attention to. Without a system of monitoring, he has to manually contact and speak to each agent individually in order to determine if they need help or not. With the application of an automated monitoring system, it would also remove the uncertainty that some agents may not be performing well but are avoiding seeking consult from their leaders due to the phenomenon known as learned helplessness amongst agents. Specifically, the known behavior where a sales agent would use low effort attempts in order to solicit sales such as giving untrue facts of a policy to the customer which is the beginning of sales avoidance behavior (Boichuk, et al., 2014).

Therefore, the combination of three systems backed by AI would serve to help leaders to monitor their agents which results in higher sales revenue for the company, better quality of service for the customers, higher and more stable income for agents with lower turnover rate.

One of the major concerns that was prevalent amongst a majority of respondents was the lack of leads to conduct their sales. While most agents in the beginning would have the luxury of approaching family and friends, this pool of 'warm leads' will eventually be used up thus forcing the agent to source for new customers.

Most of the time, these agents would work on referral business where they would seek for new customers by being referred from other existing customers. However, if this is unsuccessful, they would have to resort to cold calling which is a form of customer acquisition which involved approaching strangers (Hase & Busch, 2018). The eventual results vary as some agents thrive from the challenge, while most fall into a phenomenon known as learned helplessness since it is very difficult to convince a stranger to give the agent an opportunity to do a presentation let alone close a sale (Schulman, 1999) which

contributes to agents leaving the industry since they are no longer able to solicit sales and generate income for themselves.

This in turn affects the clients of the agent who quit, since they are now lacking their agent which leads to the possibility of customer either cancelling the policy or converting to another insurance provider with a new agent (Abu, 2021).

To avoid this from happening, the initial cause of concern should be addressed, agents should be fed leads which can be automatically distributed via SFA with the help of SMT to pick up prospects who are interested in insurance based on their online activity such as searching for financial information, loans, credit cards or even insurance itself.

Through this analysis, it has been discovered that agents are facing an issue where they are not constantly updated of the progress and status of submitted claims. This can be detrimental to the perceived servicing qualities of an agent and the reputation of the insurance company as customers who are anxious over their claims are not receiving updates to the status will turn to their agents who they themselves are not being updated by the company.

This issue is due to the insurance companies not having a system implemented to automatically analyse, update, and inform both customers and agents regarding the claim status and still relying on claims employees manually analysing documents, benefits, and limits. AI could assist with the claim evaluation; however, the progress and status updates need to be disseminated to the agents and customers more effectively and with the help of AI in the form of Intelligent Communication Tools (ICT) and CRM.

By using these tools, the AI is able to track the progress of claims, give an estimation on the timeline, and once it detects any immediate changes to the claim case, it can immediately inform both agent and customer which gives both parties the clarity, and

comfort that the insurance company has not forgotten about the case and the timeline of the case.

This would ease the customer and allow the agent to maintain an appearance of being continuously updated by the company.

Another concern of the agents, leaders and executive level employees showed a pattern where the agents suffer from lack of equilibrium between managing sales and servicing customers. Therefore, while agents sell a policy to the customer with the promise to provide service when the need arises, those with a large pool of customers may find it difficult to service all of them at the same time, with simple tasks such as updating profiles, sending greetings, checking payment schedules and even non-sales related visits may be getting in the way of their sales activities, specifically when there are contests, incentives or sales deadlines.

This behaviour has a direct impact on the perceived ethical behaviour of insurance agents where they are assumed to not only sell subpar products for the sake of higher commissions but failing to provide service to customers when they are called (Aziz, Ghani, & Shaari, 2016). The best tool to assist with this is the CRM system which is able to manage all customers simultaneously as well as monitoring the customer's interaction with the insurance company. If there was any anomaly in the customer's profile such as missed payments, changes in beneficiaries, checking of policy benefits or values, the CRM can alert the agent who can approach the customer and follow up.

Alternatively, the ICT would be able to contact customers on the agent's behalf for greetings or even guide them to self-serve their policies to make changes, enquire on policy details and benefits, and even to make payments.



5.2.2 Theme 2

**Amalgamation of agent motivation and application of technology to reduce agent turnover.**

The tables below are a summary of the theme that shows how all 12 respondents perceive the reasons behind agent turnover, motivation and areas that could help to retain insurance agents and how AI could assist to reduce turnover in the industry.

Table 5.3: Agent Motivation and cause of turnover in the agency business

	Respondents	Opinions		Result Analysis
		Agent Turnover	Agent Motivation	
Perceptions	A	Not Modern	Money, Value	Factors that influence agent decision to leave the industry
	B	Lack of Sales, Leader Conflict, Not Modern	Money, Recognition, Value	
	C	Lack of Sales	Money, Recognition	
	D	Lack of Sales, Leader Conflict	Money, Recognition	
	E	Lack of Sales, Leader Conflict	Money, Recognition	
	F	Lack of Sales, Leader Conflict	Money, Recognition, Ease of Doing Business	
	G	Lack of Sales, Leader Conflict	Ease of Doing Business	
	H	Lack of Sales, Leader Conflict	Money, Recognition, Value	
	I	Lack of Sales, Leader Conflict, Paperwork	Money, Recognition	
	J	Leader Conflict	Money, Promotion, Value	
	K		Money, Recognition	
	L	Lack of Sales, Leader Conflict	Recognition	

Table 5.4: Agent Motivation and cause of turnover in the agency business II

	Respondents	Opinions	Result Analysis
		Reduce Turnover	
Perceptions	A	Reduce daily administrative tasks	Areas AI can assist to retain insurance agents
	B	Motivate by showing sales progress, System that shows an action plan to achieve their goals	
	C	-	
	D	System to keep agents on track of the sales target	
	E	Reducing administrative tasks increases sales motivation	
	F	Tracking agent's sales against company contest and goals	
	G	Reduce workload and increase value to insurance agents	
	H	Simplify sales process especially in documentation	
	I	Simplify administrative tasks related to servicing like claims, engaging app to keep agents updated on the sales progress	
	J	System to keep agents on track of career progression and promotion	
	K	System to show agent their sales against goals progress	
	L	Reduce paperwork and administrative tasks	

Now that the areas of concerns have been identified and where AI should be developed to assist the agents in their daily tasks, this theme focuses on areas where agent retention and motivation can be enhanced with the assistance of AI through the various available systems today.

Through the interviews, it was discovered that a major reason that agents leave the industry is due to low volume or lack of sales which leads to lack of income as they are earning off only on commission.

While the reasons behind the lack of sales varies from low sales activity, low closing skills, and not enough leads; these issues can be rectified with the assistance of AI. SFA would be able to assist with the lack of leads and sales activity since it prompts the agent to meet up with leads generated from marketing activities by the insurance company, therefore any leads that are generated from the insurance companies marketing activities can be disseminated amongst new agents or to agents with sales low activity.

With the introduction of SMT to work alongside SFA, the SMT would be able to detect any interactions that existing customers or potential prospects have with the company's official social media pages and prompt agents with low activity to approach them for follow-up, sales, or even to assist those who have no servicing agents. If the agents are productive and given leads automatically to those who need it, their sales would steadily increase leading to the agents having enough income to sustain their expenses which leads to lower rate of turnover. This then translates to customers who are serviced by their agents which lowers the risk of lapsed policies and increased customer satisfaction.

Other areas where AI can assist to retain insurance agents would be to use OCR and RPA to automate administrative tasks related to the sales activity such as filling up of proposal forms, documentation, product recommendation and even follow up documents by alerting both customer and agents of the need for additional documents.

By doing this, agents will not be required to spend too much time on documentation and can instead focus on sales activities such as prospecting through events, roadshows, or even cold calling.

The service level of the agents regarding claims would also see benefit from automation as they don't need to follow up with the insurance company regarding claim status updates since they can see the progress of the claim live on their devices.

As for status updates from the insurance company regarding submitted proposals, it too can benefit from a progress checker to give the agents an estimation until the policy is enforced or immediately alerted should there be need for further documentation, this eliminates the uncertainty of the agent and ensures that the customer gets their protection quickly which also secures the sale for the insurance company and the agent.

Lastly, with the assistance of CRM and SFA, the unit managers, group agency leaders and executive level employees will be aware of the agent's growth and give acknowledgement or motivation which satisfies the agent's need for recognition. However, the second most prevalent reason as to why agents leave the industry is due to conflicts with the leader and their leadership style or business practices.

While this is a factor which causes the agents to leave the insurance industry, it is difficult to be solved with the application of AI as there is no function available that can be used for the mediation of conflicts. Other areas that could help reduce the turnover of agents would be the modernisation or digitalisation of the agent's sales tools, such as using digital form, and digital signatures rather than physical documents.

Perceived benefits of the application of AI to the business.

Table 5.5: Expected Results of AI application to the Agency Insurance Business.

	Respondents	Opinions		Result Analysis
		Admin Tasks	Progress Tracker	
Perceptions	A	Time saving, Customer needs	Comparison, Career Development	Goals and expected Results of AI application
	B	Time saving, Customer needs, Reduce Errors	Comparison, Career Development	
	C	-	Comparison	
	D	Customer needs, Reduce Errors	Comparison	
	E	Time saving, Customer needs	Comparison	
	F	Time saving	Comparison	
	G	Time saving	-	
	H	Time saving	Comparison	
	I	Time saving	Comparison	
	J	-	Comparison, Career Development	
	K	Time saving, Customer needs	Comparison	
	L	Time saving		

The next area would be the perceived benefits which the agents expect to see from the application of AI to assist with sales activity. Managing this expectation is important to the future enhancements, adoption, and direction of the development of AI to further bring value to the agency which will result in higher sales, lower turnover and increased productivity, effectiveness, and reduction in manpower cost.

Majority of agents and executive level employees have shown that the major benefit that the AI should have would be to reduce administrative efforts and cut down on the amount of time spent on paperwork, follow ups, and document delivery. The culprit responsible for time taken away from the agents to conduct sales activity rests heavily on administrative tasks, which is one of the major benefits that agents want to see with the development of AI to support the insurance business. The next benefit that was prevalent is to analyse customer needs according to their financial goals and personal financial assets, liabilities, and capability.

By having an AI automatically detect the customer's needs and suggest a product that fits their financial capability and goals, it would remove the agent's personal ethical biasness, improve the prospect's perception of the agent, and reduce the prospect's doubt of the agent's financial knowledge and capability. Lastly, since the data is automatically detected via OCR and the form filled up automatically via RPA, it reduces the rate of errors that is common in manually filled up forms.

Reducing errors would also reduce the resubmission rate which is one of the causes for agent having to set time aside for administrative tasks, instead they can use this time to conduct sales generating activities. Furthermore, in order to bring value to the agents, the system should be able to show the sales progress against the company sales target, contest qualification sales target, incentives sales target as well as promotion sales criteria.

Finally, the last expectation of the agency is to have a system that maps out the career path of the agent in order to give them a career goal to achieve.

Factors that would increase adoption of applied technology.

Table 5.6: Adoption motivators and criteria for AI powered technology

	Respondents	Opinions		Value	Result Analysis
		Ease of Use	Compelled Use		
Perceptions	A	-	Affect Incentive, Replace Manual	Incentive and Monetary Reward	User Experience is more valuable than incentive
	B	-	-	Boost Sales and cut down paperwork, Incentive and Monetary Reward	
	C	Simplicity to avoid reversion	-	Incentive and Monetary Reward	
	D	Simplicity to avoid reversion	-	-	
	E	Simplicity to avoid reversion	-	Incentive and Monetary Reward	
	F	Simplicity to avoid reversion	-	Reduce manual processes and paperwork	
	G	Simplicity to avoid reversion	-	Business Growth, Quick Response	
	H	Simplicity to avoid reversion, training	-	-	
	I	Simplicity to avoid reversion, training	-	-	
	J	training,	Affect Incentive, Replace Manual	-	
	K	-	Affect Incentive, Replace Manual	-	
	L	Simplicity to avoid reversion	-	-	

The final theme explores the factors that would encourage agents to adopt new technology. Adoption of implemented technology is an important factor for insurance companies since the company is expecting a significant return on investment. The expected outcome from this investment is to empower agents to generate more sales and stay on as insurance agents to serve the customers of the company since insurance is by nature a long-term product.

Therefore, it was discovered from analysis that the major characteristics of any new applied technology is to ensure that it is simple to use; this is because while agents are looking forward to automation and analysis that is powered by AI, it has to be simple and uncomplicated to use, otherwise they would revert to the method which they are most comfortable with and that is the current manual process which they have been practising for years.

While the nature of the business and buying habits of customers have rapidly evolved to adapt to accept AI as a means of purchasing their products, it is important to note that the salesperson or insurance agents are able to navigate the technology easily to exude confidence during their sales pitch (Agnihotri, 2021). This study has shown that while incentivising and giving monetary rewards can encourage agents to use the system, it is not sufficient to encourage long term usage of the system as after the incentive period, the agents might revert to their previous process due to their inability to cope with the system if it's too complicated.

Lastly, while not widely accepted, another method to ensure adoption of the system is by forcing agents to use the system or be disqualified from receiving their sales incentives.

This method means that while commission is still paid out to sales which were submitted manually, it would not qualify the agent for extra incentives such as trips and contests.



Furthermore, it has been pointed out that in order to agents to seamlessly adopt a new system, they should be trained and have access to a helpdesk support to assist with their enquiries and ensure smooth transition to the new technology.

Finally, the values which the agents value is the system's ability to simplify tasks, grow their business, respond quickly, and display accurate information in an easy-to-understand format.

### 5.3 Implications of the Study

The implication of this study shows the areas of development that is the most meaningful, beneficial, and important to the agency force. It clarifies the areas of focus and needs of the agency force in order to perform their business which not only benefits the company, but also the customers of the insurance company since productive agents means less orphan policies and better long-term. It is important for decision makers and software developers to keep in mind the needs and concerns that is derived from this study.

As derived from this study, the cause of agents leaving the industry which affects the sales and servicing quality of the insurance company is due to lack of sales or prospects, which eventually leads to agents who are desperate to revert to unethical behaviours in order to close sales (Aziz, Ghani, & Shaari, 2016). This behaviour is due to desperation which eventually leads into a phenomenon known as learned helplessness where the agent performs poorly due to lack of sales and motivation which begins with mis-selling, unethical sales behaviour and eventually leading to the eventual departure which is detrimental to the insurance company, customers, and agency leaders (Boichuk, et al., 2014).. Therefore, through this research, it is important that the primary focus of AI development and its functions be focused on the ability for it to capture and generate leads

to new agents or those with low sales and the best system to cater to these needs would be a combination of CRM, SFA and SMT.

Following the system's ability to generate leads would be the A. I's capability to monitor the agent's performance and provide the information to the leaders so that they can guide agents who needs help. This would help leaders to identify agents who need assistance and can arrange to help them whenever they can in an easy-to-understand format. This is especially important to agencies with a large number of agents as the leader would not be able to monitor each of them on their own effectively. This same information would also benefit the agents themselves as they would be able to track their own sales progress against the company's sales target, contests, incentives, or even the agent's own personal goals. The existing AI and technology that is able to cater to this would be a CRM dedicated to agency use, or an SFA that has been modified for the above purpose.

This is an opportunity for an insurance company to develop a system to help solve the high turnover rate as well as increase the sales and servicing capabilities of the agents.

Another important factor that is derived from this study is the motivation behind the agents which pushes them to generate sales for the company. While income and recognition are important, it was discovered that automation of paperwork and clerical duties can motivate an agent as well since they find the tedious job of administration to be the part of the job which they find unproductive, monotonous, and time-consuming.

This can be achieved with the help of OCR, RPA and SAS which helps to validate the customer, analyse their needs, fill up forms, submit and track with little to no errors while performing all these tasks quickly and efficiently. Another benefit of using AI for these administrative tasks is to reduce the number of errors and also ensure that agents abide by the sales process which has been determined by the Malaysian Insurance Institute where

the sales process must start with a Customer Fact Finding exercise, followed by the Proposal submission, which then proceeds to Underwriting and finally Offer and Acceptance with Renewals (The Malaysian Insurance Institute, 2014). The AI can potentially compel the agents to follow the steps laid out by the Malaysian Insurance Institute which was ratified by Bank Negara Malaysia; this reduces the unethical behaviours of agents where they take shortcuts in the sales process and protects the customers by ensuring that their needs have been properly analysed and calculated.

This study has also shown that agents value the A. I's ability to simplify daily tasks, providing up-to-date information on status of sales and servicing tasks such as claims as well as helping them to grow their business. This requires a combination of various technological platforms to give the best result and an amalgamation of technology to perform these tasks would best serve the agents, such as combining SMT with SFA that is managed through a CRM.

Lastly, while the development of AI to serve the agency force can be done creatively to solve their problems and issues, it must remain simple to use to avoid change resistant behaviour and reversion to previously used methods and processes, furthermore, they would benefit greatly from having training and a helpdesk to support their usage of the AI technology.

#### 5.4 Limitations and Recommendations

There are limitations to this study despite the groundwork which has revealed the findings. First, this study considered individuals who are still in the insurance industry and have not left the company or industry, therefore their opinions of agent turnover are not based on

personal experience but on their personal observation. Another issue is that these agents are not geographically diverse, with all of them actively performing their business in the Klang Valley area of Malaysia, which is a combination of Selangor and Kuala Lumpur, this did not consider other areas of Malaysia that could have other differing factors that would contribute to this study.

Another limitation is that most of the respondents are known to the researcher and was directly contacted with only a few respondents being recommended, therefore although their response was unbiased, the respondents could have tried to respond in a manner which was beneficial to the researcher's question in order to achieve the intended results, however these attempts were sternly pointed out by the researcher as honest feedback and responses were preferred, however this serves as a caution to future researchers to ensure that respondents are not directly related to the researcher and chosen from a community of outsiders. This is crucial as the in-depth and unbiased responses are important to ensure clarity, objectivity and individual characteristics are captured during the interview.

While it is important to ensure that a variance of opinions from agents of different ranks are important, having a combination of individuals with varying experiences could not effectively reflect the actual scenario of the situation which is why their perception towards concerns and values could not be effectively measured. But the current study lays the foundation for future researchers in this topic to find difference between the agent's experience and their perception towards AI. Furthermore, the opinions of executive level employees greatly differ from that of insurance agents as they have a very different set of values, beliefs and perspective compared to agents who are in the field, which made analysis of the interviews difficult.

Finally, the analysis of the feasibility of using AI to support insurance agents should be performed quantitatively. While this study is able to provide exploratory finding that is rich in contextual opinions from each respondent, the feasibility of using AI to support the business of insurance agents in the areas of sales and servicing is not concrete nor evident, therefore as a follow up research, a quantitative study should be conducted to provide better insight to the feasibility of using AI and determine if it is indeed a feasible concept as per the factors explained in this study. This topic requires more research and theories in order to generate a framework or mechanism that correlates to the variables of this research study.

## 5.5 Conclusion

AI, if implemented properly is able to alleviate the agent's concern's, reinforce their values and reduce their pain points. AI needs to be developed with the goal of saving time, reducing paperwork, monitoring customers automatically and increasing their sales activity. This research paper has answered the areas which agent's feel that AI is able to help but that implementation must be done with the philosophy that it should not increase their job tasks but alleviate it or risk the agents reverting back to their old methods and processes. It has also been concluded that money and incentives are not the primary motivator for agents to use a new system, but in fact, it is the ease and simplicity of the system as well as the potential benefits it has to reduce administrative tasks which gives them more time to perform sales generating activities. Therefore, insurance companies have the opportunity and potential to greatly improve their market penetration by implementing AI into the business of the agents as the agents are not only willing to use the technology but are waiting anxiously for such technology to become available to use in their business.

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## Appendices

Subject: A

Insurance Agent 1

### Interview Questions Section A

How long have you been in the insurance industry?

I have been an insurance agent for 3 years and doing quite well

Which Insurance Company are you currently attached with?

I am with Prudential Malaysia

What is your current role in <company name>?

I am currently holding the rank of Agent

What are the current technological tools that are provided to insurance agents?

We currently have a single app that contains a few functions, there is a sales platform, a recruitment platform with a career presentation function, product platforms which catalogues all the product details and benefits and a sales activity tracker.

Where do you think AI should be developed to best help insurance agents to thrive?

The AI should help me to recruit more agents and display the potential earning opportunity as I want to grow my agency. Furthermore, I noticed that agents who do

particularly well in the industry employs personal assistants (or P. As) to help them with administrative and tedious tasks such as filling up or locating forms, document submission, customer service (birthday/holiday greetings) or making calls and setting appointments. However, most agents are unable to afford a human P.A, hence if the company were to provide an AI who can perform the duties of a P.A to a certain extent, it would be beneficial to us as we are able to focus more on the business.

Where do you think AI should be developed to help policyholders?

If there was a sales tool that calculates the premium of the customer based on their needs, and if there was an AI that revolves around the reasons why a customer calls the insurance company. Customers with orphan policies (policies where the agent is no longer servicing) are a good example as the customers would need to service themselves and their first point of contact is the customer service center (who's only concern is to end the call). The AI should liaison between the customer and the insurance company, which guides from what they need to know, to what they need to do, where they can perform these functions and bring the customers to the place, they can perform these functions. For example, if the customer wants to know more details regarding their policy or make changes to their profile, the AI should be able to fetch the information they need immediately and assist them to make the changes as required.

## **Interview Questions Section B**

What technology is being used to assist agents in sales?

Currently, mostly sales platforms and activity tracking apps in a tablet. The sales platform allows us to submit proposals to the company electronically and the sales tracker allows us to keep track of our daily activities. The sales activity is manually input by us at the end of the day if we can remember to.

What are the biggest challenges that agents face in the areas of servicing their clients?

I currently have quite a few policyholders and am facing time constraints. The more time I use on servicing my clients, the less time I have to solicit sales.

What are the biggest challenges that agents face in the areas of sales?

The market is constantly evolving, where salespeople like me not only need to be able to connect with people, but in modern times, prospects do not solely consider about the content of what I say, but prospects will only buy or subscribe with products and people that they want to associate with. If an agent like me is not able to speak the lingo of modern times, or dress according to latest trends, or use modern devices which transforms the way a sale is done, the chances of me securing the sales is lower.

What technology has been employed to assist the agency force in their sales and servicing activities?

We currently have tablets which houses the app that I have mentioned that assists us with sales and recruitment technology

What causes an agent to quit?

A youngster who joins an insurance company would quit sooner if the company were backwards or not following modern trends, since they are unable to relate and associate with the identity of the company. The mindset of most young agents nowadays is that life insurance career is something elective and non-permanent (they treat it like a part time job)

What kind of technological enhancement do you think will reduce agent turnover?

I think if there is a chance to digitalize more of the work that an insurance agent does, like for example, digitalizing the day-to-day administrative work which is involved in the insurance sales process. Modernization of the insurance industry would make young people associate and identify with the industry or company better.

What motivates an agent to continuously bring in more sales?

There are 3 aspects to this: Mentorship: if the agent is well guided and taught things by a mentor who oversees and takes interest in their growth, this would really help them to perform better than an agent who is working solo. Meaning; agents need to know that their sales relate to having meaning in society, they are not only securing their customer's financial future, but they are also helping the society they are in. Money: no one works for free

How can technology help to motivate an agent to continuously bring in more sales?

I have to say, most youngsters are quite privileged, since they grew up in a society where everything is presented quickly, and their waiting time has significantly reduced. For

example, most older generation people had to wait for their food where the younger generation grew up with fast food. This influenced their perception where everything needs to move quickly, therefore the younger generation are very negative towards tedious work; therefore, if technology can step in to do this work and make the day-to-day insurance work less tedious, it would appeal better to them.

What is the best kind of support that an agent needs to thrive in this industry?

The best kind of support is monetary in nature, which is obvious as we need to survive, but other than that, we need to find meaning in what we do and a good mentor to help. Regarding the technological support, we need a system to cut down tedious administrative work and help us to quicken the sales process

How can technology play a role in providing such support?

We need a system or technology that can cut down our tedious office work such as filling forms, submitting documents, collecting payments and if can, making and setting appointments.

### **Interview Questions Section C**

How would CRM Technology help your business?

Based on what I just heard, this kind of technology would help me to manage my customers as it gives me a bird's eye view of my customer's interaction with Prudential or the activities happening around my customer. If this applies to all my customers that's even better. I see it that if I am informed that my customer recently visited a branch and

made a change to the policy, and if I am alerted, I can immediately get in touch with my customer which gives the impression that I really care and am attuned to them.

How does Intelligent Communication Tools help your business?

There are a few ways that Intelligent Communication Tools can help: From a legal or regulatory perspective, if I am constantly updated about the changes in regulations or legislations that affects my customers, my industry, my company, or me, I can conform to these regulations quickly and make sure that I abide to these rules and reduce my risk of being terminated due to a change in BNM's policy. If the chatbot is designed to inform me of information without needing me to ask, it would benefit me as I wouldn't know what information I am missing unless I am prompted. In terms of a marketing perspective, updates on new products and services will give the impression that the company is progressing and up to date which ensures that customers are well-informed and that the company is not complacent and not evolving. Lastly, rather than going through a website, to read and find what I or my policyholders need, if I can just ask and the AI can verify my question and respond with the answer, it will cut down waiting times, speed up process and reduce calls to our customer service branch.

How would Sales Force Automation help your business?

We have a current system that does this as part of our sales platform, the system ensures that agents are notified about any progress or status of our submitted proposals. This means that we are actually immediately alerted if there is an update to whether the case we submitted is rejected/accepted/or requires additional documents to be submitted to move the case further.

How would Social Media Technology help your business?

I can see two angles in the technology: Supply and Demand, like if the AI algorithm can detect a trend in the market based on recent media consumption or activities, we can skew our online marketing materials (posts, videos, blogs, tweets) to attract the consumer's attention. For example, I could make a video that is related to the latest trend to attract more view and exposure about myself and the services I can provide. Another angle is let's say my social media account is very actively posting about my values; and one of those values is helping people, the things I do for my customers, how I help my customers and their testimonials about me, this helps me to build up my profile and reputation which if it becomes viral, able to give me free marketing and allows me to attract more views or gain more traction which helps with overall visibility which then can be translated into sales.

How would Sales Automation Systems help your business?

There are 3 points that Sales Automation Systems that can help; Imagine at the point of closing a sale, that I use a form to complete the sale as opposed to using a piece of technology that can automatically fill out the details for us. This would be much faster and impressive which also has the benefit of aligning with the expectation of youngsters as they expect things to move quickly. In the modern world where looks and impression plays a huge role in whether people want to associate with you or not, using a system on a device looks more professional and modern in comparison to older ways of doing business where people use physical paper forms and pens. Lastly, I would like to touch on the issue of trust. I notice that people have a higher trust in an app compared to

someone using a calculator. This is because prospects have the impression that the app is unbiased and has no agenda compared to a salesperson like me who is trying to solicit sales.

If there was one problem that the agents were facing that you could solve today with technology, what would it be?

I would love to have a piece of technology that is able to map out my career plans according to the goals I set. Let's say for example I would like to earn a five-figure income at the end of 2 years. The AI can prescribe me a career plan based on my set goals and chart out what I need to do daily in terms of sales activities. For example, the AI analyses my goals and prescribes me to do 10 calls every day and bring in 2 cases at the end of every week to achieve this goal. Furthermore, if the AI can adapt to changes in my goal or due to my activity, it would be helpful in my career.

If there was an implementation in the above technologies today, would you use it?

Yes.

Would you kindly support your previous answer with a statement?

If there is a manual to doing successful business, I don't think anyone will say no to it!

What could motivate agents to adopt and use the new technology?



It's quite simple, first if the new technology is part of the sales process, where it is made compulsory to go through the system. For example. If we do not use the system in certain parts of the sales process, we are not able to submit the case, hence, no business can be done. Secondly, if incentives and rewards were only given to cases submitted using the new technology, you can be sure that everyone will adopt it.

What do you believe would be the best technological enhancement that is available today that would benefit the agents if it was implemented immediately?

If possible, I would love to have the technology where the AI is able to map out my career progression based on my set goals which then prescribes me my daily sales goals and activities.

-End of Questions-

Subject: B

Insurance Agent 2

### **Interview Questions Section A**

How long have you been in the insurance industry?

I have been in the insurance industry for 12 years

Which Insurance Company are you currently attached with?

I am currently attached with Great Eastern Life Assurance (M) Bhd

What is your current role in <company name>?

I am currently an insurance agent

What are the current technological tools that are provided to insurance agents?

We have an insurance agent portal which gives us information about customer policy status, we have a sales platform that we can create quotations and a sales submission system to submit proposals electronically to Great Eastern. All these systems are accessed through an internet browser

Where do you think AI should be developed to best help insurance agents to thrive?

I believe that AI should help agents with administrative and repetitive tasks such as filling out of forms and submitting insurance documents to the insurer. If there was a way for AI to assist with documentation, this would free up the agent's time to be doing sales related activities instead. For example, let's say I convince a prospect to start an insurance plan, that the agreements and documentation be handled by an AI, then while the AI is preparing the proposals for submission, I can move on to the next prospect. So, while I am busy closing sales, the AI can simultaneously complete my documents and I don't need to complete repetitive tasks.

Where do you think AI should be developed to help policyholders?

Policyholders often do not think of insurance until something happens, or when they need to make a claim. If the AI can assist them with claims or for any servicing matters, this would make it easier for them to get what they need done quickly. Some policyholders who are missing an insurance agent may need access to their policy details or make changes, hence if there is no agent, the policyholder must either physically go to the insurance counter (which is troublesome) or manage it through the customer service staff on the phone (which is inefficient). If the AI can act as a bridge between the policyholder and the insurance company to help them get policy details or make changes, I believe this would greatly benefit both the policyholder and the company.

### **Interview Questions Section B**

What technology is being used to assist agents in sales?

Currently we have our sales platform, our submission platform, agency portal and some reward apps for our policyholders

What are the biggest challenges that agents face in the areas of servicing their clients?

In the beginning it was quite easy to service my clients, as I didn't have that many. But over time, as my pool of customers grew, I have not really serviced my clients as I have to keep producing sales to reach my sales target and earn income. Right now, I can't really service them as often as I like as I have to focus on generating more sales.

What are the biggest challenges that agents face in the areas of sales?

I would say that one of the biggest challenges faced by agents in Great Eastern is that we are not really in the digital era. Great Eastern still practices manual forms in some areas of the sales process, I believe if we were to use fully digital forms, it would give a better impression to our prospects as it shows that the company is innovative. I'm quite sure that other insurance companies have already adopted some form of digitalization in their sales process and hope that my company does the same as well.

What technology has been employed to assist the agency force in their sales and servicing activities?

We have our agency portal that updates us of our policyholder's policy status. Information such as whether the policyholder has been making regular payments, or if there are changes made without my knowledge.

What causes an agent to quit?

From my experience, the major reason why agents quit is because they are not making enough money. The other bigger reason is because they had disagreements with their agency leader and decided to leave the agency as they do not agree with each other's business practices. However recently, a lot of young agents have been quitting because they are not able to identify with the company especially since we are not modernized.

What kind of technological enhancement do you think will reduce agent turnover?

It would be great if AI could somehow cut down our manual paperwork, or clerical and administrative work. This tedious work can be especially difficult for new agents who

make a lot of mistakes in their forms which causes the proposal to be rejected, which then the agent needs to get a new form filled up and signed by the customer. All this could have been avoided if the proposal forms were filled up accurately by an AI in the first place.

What motivates an agent to continuously bring in more sales?

Money, purpose, and recognition. First, agents like me need to pay the bills, send our kids to school and fulfil our personal dreams, that's why money is important. Secondly, we need to have a purpose and reason for waking up and doing our job. Without purpose, even if we have money, we will still feel like we are not contributing to our society or helping people, agents tend to become depressed and question what they are doing. Lastly, agents who work hard want to be recognized for their efforts.

How can technology help to motivate an agent to continuously bring in more sales?

First, from a motivational sense, there should be some app or program that helps to motivate the agent by showing their production amount. Perhaps an app since most young agents are always on their phones. This app should keep track of their sales to date against the company targets or against contest targets. Furthermore, the AI should help the agent plan their sales against their goals or target by creating a sales action plan of what the agent needs to do to achieve their target. Again, if the AI could automate daily repetitive tasks and take away clerical work from their daily activities, the agent can focus more on sales and see results from higher sales activity.

What is the best kind of support that an agent needs to thrive in this industry?

Money is a factor, however besides money the agent needs step by step direction to thrive. This support can come from an agency leader, however there are times when a large agency may be too much for a leader to handle and agents must have the self-discipline, knowledge, and motivation to continuously do well.

How can technology play a role in providing such support?

If possible, there should be some sort of system that keeps in touch with the agent and tracks their process, for example maybe an app that continuously tracks the agent's business and sales activity and recommends the best course of action to reach and attain their goal. If the agent is frequently reminded of their sales progress and how much more they need to achieve their sales target, they can focus on what they need to do instead of working blindly. Lastly, as always, cut the daily tedious paperwork from our daily sales activities and we would be able to focus on our sales.

### **Interview Questions Section C**

How would CRM Technology help your business?

If we had such a system, it would benefit me by letting me know what my policyholders frequently contact the insurance company for, from there I can use this information to support my sales pitch by letting my prospects know what to expect after buying a policy from me or my company. If I am alerted to a policyholder's recent changes in policy, I can immediately contact them and offer an upgrade to their plan or a review of their policies and recommend new products that would suit their needs. I think a high-level

view of all my policyholders would help me to identify which policyholder requires a follow-up, review, or upgrade to their financial plans.

How does Intelligent Communication Tools help your business?

It would be great if there is such a system that keeps me and my policyholders up to date on latest products, or if there are any changes in the market that could affect them. If I was alerted to recent changes directly to my mobile phone, I will not be uninformed and able to act on them quickly and ensure that I do not go against the industry's rules. Also, if my clients were able to ask for information or make changes through an AI, they would be impressed with the technology, even better if the AI could detect their questions via voice, it would show that the company is moving forward technologically.

How would Sales Force Automation help your business?

If we could be immediately updated on status changes to our submitted proposals, we can act on them quickly so that our policyholders' financial protection is not delayed. If for example there is a need for supporting documents to a proposal, and I am informed via my mobile device, then I can immediately plan to quickly find the policyholder and get the case in forced, to benefit both the policyholder and me.

How would Social Media Technology help your business?

If I know what my policyholders are currently interested in, I can make an event to appeal to that trend. For example, if I knew that most of my policyholders are liking posts about hiking, I can set up a small hiking event for all my policyholders to network and for them

to bring other prospects along so that I can meet up with them and perhaps work out a financial plan for them as well. Another thing that I could do was create videos myself based on what is trending to attract more views and possibly increase the chances of meeting up with more prospects whom I can convert into sales.

How would Sales Automation Systems help your business?

I believe that it will speed up my sales closing process. I believe that using a device with a sales platform that is technologically advanced and appealing, it would give my prospects a better impression rather than using a physical paper form; after all, some restaurants don't have a menu anymore, relying on QR codes to display their menu. The younger generation come to expect that agents use technology to conduct their sales and presentations since they themselves grew up with technology. Also, if there is an automated process to calculate the prospect's financial needs, it can be more impressive and trustworthy as some agents may not know how to calculate prospect's needs.

If there was one problem that the agents were facing that you could solve today with technology, what would it be?

Most agents in the field are unable to plan their sales activity efficiently. Some of them either lack the knowledge, motivation, or commitment to perform their sales. Most of the time it is because agents blindly conduct their sales without a target or goal, and even those who have targets or goals do not plan their activities well enough to achieve them. If there is some way that an AI or app can suggest daily activities or even help plan out their sales activities based on their goals or targets, it would motivate and give agents a clear view of what they need to do.



If there was an implementation in the above technologies today, would you use it?

Yes, I would use it, but I would need to know how much it would cost me first.

Would you kindly support your previous answer with a statement?

I believe that such systems are not cheap to implement, and agents such as myself do not have the means to implement it myself. I hope that the company would be willing to investigate this area and support the agents with new technology.

What could motivate agents to adopt and use the new technology?

The benefits of using the technology to boost sales, case studies and success stories, show us the power of using technology to assist us in sales. You could replace our current manual sales process with this new technology which cuts down the paperwork and simplifies the sales process. Lastly, monetary rewards and incentives always works.

What do you believe would be the best technological enhancement that is available today that would benefit the agents if it was implemented immediately?

Automation and an app to help plan out an agent's daily sales process or become a 'coach' to help agents to chart out their career to prepare them for targets, goals, or promotion.

-End of Questions-

Subject: C

Insurance Agent 3

### **Interview Questions Section A**

How long have you been in the insurance industry?

I have been in this industry a little over a year since I joined in September 2021.

Which Insurance Company are you currently attached with?

AIA Bhd

What is your current role in <company name>?

Insurance Agent

What are the current technological tools that are provided to insurance agents?

We are provided with tablets that is installed with a sales platform that is able to create and submit proposals, view customer policy details, set appointments, track our sales activity, view our agent profile, and see important information such as training dates and new product training, recruitment module that is able to do presentations and recruit new agents on the spot, and a career planner which advises us on our daily activity.

Where do you think AI should be developed to best help insurance agents to thrive?

I think all that's needed for us to do better is a leads generation tool. Maybe if the company would be able to get some leads from social media and distribute to new agents like me, it would help me to do better.

Where do you think AI should be developed to help policyholders?

I think AI should be developed to help policyholders with servicing, a lot of people that I meet often complain that agents don't service them, so maybe if there is an AI to take over the servicing portion, it would be beneficial to them.

### **Interview Questions Section B**

What technology is being used to assist agents in sales?

We have our sales and recruitment app, activity management and a career planner to help us plan our daily activity and goals.

What are the biggest challenges that agents face in the areas of servicing their clients?

Since I am new, I don't have many clients to service, so I don't face any issues in this, but I notice my seniors have to spend a lot of time managing paperwork whenever a customer wants to do a claim, maybe that's the biggest challenge they face.

What are the biggest challenges that agents face in the areas of sales?

No prospects, no leads, and a lot of rejection. Since I am new, there is a lot I am not sure of, and I have to keep referring back to my leader. As of now I am focusing on learning the job and approaching my warm market like family, friends, and co-workers.

What technology has been employed to assist the agency force in their sales and servicing activities?

We have our agency portal that gives us up to date information on our policyholders, this makes sure that every payment is made, or if the policyholders need to make a change, I can refer to the portal to find the correct documents.

What causes an agent to quit?

No passion for the job, no more commitment and also not enough sales.

What kind of technological enhancement do you think will reduce agent turnover?

If there was a way to reduce paperwork, and also generate sales, I think this will help a lot.

What motivates an agent to continuously bring in more sales?

Contests, recognition, money and having a career that is fulfilling and meaningful!

How can technology help to motivate an agent to continuously bring in more sales?

I would love to see an app that gamifies the experience, basically making sales like a game, for every sale we make, maybe we get a badge which we can use on our social media or just for us to collect, sort of like Pokémon! Or we can get points or coins to claim from a virtual store for our avatar, just like a video game! I really think that young people like me enjoy the virtual landscape, so an app that gives us virtual assets for every sale or achievement we make would make selling fun!

What is the best kind of support that an agent needs to thrive in this industry?

We need a good leader who will mentor and guide us throughout our sales journey, sales support that would guide us to convince prospects and also, if possible, some way of simplifying and automating the paperwork that needs to be done for sales or servicing.

How can technology play a role in providing such support?

Automation of the paperwork and guidance on how to submit the right documents for the right scenario, right now I'm very unsure of the documents I need to provide for a sale, let alone a servicing or claims in the future!

### **Interview Questions Section C**

How would CRM Technology help your business?

If I am aware of my customer's needs that was analyzed by a system before I meet them, I would know what products to sell and I can ask my leader to teach me how to approach them. Also, if my customer's portfolio is analyzed and their interactions with the

insurance company is updated to me, I can follow up and provide service to those who need it.

How does Intelligent Communication Tools help your business?

If I were to receive constant updates regarding my customers, I will be able to plan and approach to make appointments with them, if even better I can get updates on changes in their lives such as new job or marriage, I can call to approach them to update their financial protection and provide insights to new products from the company. I believe some companies are using voice verification instead of a pin code to verify their customers, this is impressive and cool and would be great if we had the same capabilities. I think AI assisted communication tools would have the potential to service my customers for generic needs, and it would be great that if a sales opportunity arises within the enquiries, the AI would alert me to contact the client immediately.

How would Sales Force Automation help your business?

If I can get reminders on who to follow up, I would not have the headache of not knowing who to call, and if I were to be given a progress tracker for my own business, I can plan my strategy to make sure that I hit my targets every time.

How would Social Media Technology help your business?

Social media technology is my current go to method of prospecting. I use Facebook, Instagram, WhatsApp and TikTok to reach out to customers. Most of the time I get people who interact via likes or direct messages, and I do get a lot of prospects who are

interested to know more from my efforts. If there was an AI that would help me to manage, reply and filter out prospects based on interests, location, and profile, it would be easier for me to manage my appointments and schedule. Better yet, if there was a single AI that could simultaneously manage all my social media websites in one app, it would definitely help my business.

How would Sales Automation Systems help your business?

I believe AIA has something like this, we basically just submit our documents through the app, and I don't need to go to the branch to submit paper documents. However, if there is a need for more documentations like doctors' reports, I need to physically deliver the documents to the company. I hope that there is a way to digitally upload these documents as well as it would make my job easier and better.

If there was one problem that the agents were facing that you could solve today with technology, what would it be?

I think leads generation and paperwork would be the area that technology needs to solve. After all, a new agent like myself don't have that many leads and our warm market will eventually be exhausted, I hope that there are some warm leads that can be passed to us so that we can at least have some start to our career. Furthermore, I would hope to see that AI reduces the paperwork that we have to do so that we can focus on sales and servicing instead.

If there was an implementation in the above technologies today, would you use it?

Yes, I would

Would you kindly support your previous answer with a statement?

I think if the technology developed for agents were made by people who understood how agents work, it would be better as they would know what our challenges are.

What could motivate agents to adopt and use the new technology?

I would be motivated if it works well and is easy to use. If there were monetary incentives as well it would be good, but most of all, it must be simple to use and effectively helps our business. Otherwise, I think many agents would not bother with it and continue with what we are doing right now.

What do you believe would be the best technological enhancement that is available today that would benefit the agents if it was implemented immediately?

CRM technology and automation of paperwork which I believe is possible right now and would benefit the agents immediately if it was implemented right now.

-End of Questions-

Subject: D

Unit Manager 1

### **Interview Questions Section A**

How long have you been in the insurance industry?



I have been in this industry for 8 years

Which Insurance Company are you currently attached with?

AIA Bhd

What is your current role in <company name>?

Unit Manager

What are the current technological tools that are provided to insurance agents?

We have a business app which has our agent data which includes number of recruits, total sales done for the year or the month, commission status, contest status and policyholder status and details. There is a personal activity tracker which helps me to track my daily activity for example, number of calls, number of fixed appointments, presentations done, and sales closed. However, this tool requires me to manually input the information and can be very inaccurate if I falsify or forget to input data. There is a Sales & Recruitment Tool, which is accessed via iPad. This tool is used to submit proposal forms or new agent recruitment forms digitally. Lastly, there is an agent monitoring tool, which is basically the agent's personal activity tracker which is then reported to me. However, this system has flaws because if my agent gives false data or does not provide me data, I am unable to see their true activity.

Where do you think AI should be developed to best help insurance agents to thrive?

If possible, AI should be developed in the area of Leads Management. The reason is because my agents have the habit of meeting up with prospects, or servicing their clients, or meeting a potential recruit and they forget to follow up and over time the lead goes cold, the client complains that the agent doesn't service them or the recruit joins someone else after being given the recruitment presentation.

Where do you think AI should be developed to help policyholders?

Most of the time when policyholders need to know about their policy details, benefits or if they need to make changes to their policy, they need to either go through their agent or they need to go to a physical branch. Furthermore, sometimes the policyholder wants to perform 'switching' or portfolio readjusting, they need to go through the aforementioned methods. If there was a way for the customer to check all their details, cash values, and insurance details by themselves; this would benefit some policyholder who prefer to self-serve, using the app should not need a password, just like how banking apps allow you to login using your fingerprint, but transaction or changes requires a password. Everything should be provided to the policyholder at their fingertips, from checking cash values to making changes in nomination.

### **Interview Questions Section B**

What technology is being used to assist agents in sales?

We currently have a sales platform to submit through iPad, it's an app to submit proposals and recruitment forms digitally. They are verified using e-signature technology and payment is all captured (initial and recurring via FPX).

What are the biggest challenges that agents face in the areas of servicing their clients?

Most of my agents sell based on the clients request and are unsure on the methods to upsell or repeated sales. They lack the confidence to upsell their customers or relook into their existing pool to ask for referrals or repeat sales. Most of the time, they do not have reminders for cases that they have opened and fail to meet up with their clients and would only return when they are desperate for a sale. On the other hand, some agents visit the same client too many times and never visit others which is a loss in sales and clients would feel that they are being ignored. Agents need reminders to follow up on opened cases and service existing clients.

What are the biggest challenges that agents face in the areas of sales?

My agents are still doing product benefit selling without triggering the emotion of the prospect. As of now, my agents are more comfortable selling single products rather than a packed product to deliver on more than one need.

What technology has been employed to assist the agency force in their sales and servicing activities?

In sales, we have our sales platform, in servicing, everything is done with physical forms, however AIA has developed an app to allow policyholders to withdraw cash from their policies remotely. However, this app requires the agent and policyholder to be present to authorize the transaction. There are digital forms in our agent website however they still need to be printed out and submitted to the branch.

What causes an agent to quit?

The main reason why an agent leaves is due to a breakdown in the relationship between the agent and their leaders. Another major reason agents leave is that they are simply not making enough money to survive.

What kind of technological enhancement do you think will reduce agent turnover?

Apps that provide reminders and lead generations. My agent needs constant reminders on business related information such as who to follow up, which cases are still open, which training is yet to be completed as well as their sales status updates (underwriting status, requirements), and they need to know their business progress in terms of how much sales they have done and how much more to go to achieve their sales targets.

What motivates an agent to continuously bring in more sales?

There are only two areas that is the most effective way to motivate agents, which is income and recognition.

How can technology help to motivate an agent to continuously bring in more sales?

There should be a progress tracker in order to keep agents on track of their sales targets and letting them know how much more they need to do to achieve their targets. This can motivate agents as they can see their progress and not do sales aimlessly. Even better if there was a way for the company speed up the calculation and tracking of contest results

and also helps to filter winners, give the rewards to the agent faster; for example I had an agent who won the iPhone contest but the company took 3 months to calculate the results and give out the reward, if agents were given their rewards quicker, they would be motivated to do more as they have instant gratification for their effort. Agents who are rewarded faster would be motivated better and will produce more sales.

What is the best kind of support that an agent needs to thrive in this industry?

An agent with constant guidance from their agency (such as their leaders or peers) and company management (such as their district managers, or employees that support the agency force) would be able to do better as they have guidance, support, and someone to advise them compared to an agent who decides to fly solo.

How can technology play a role in providing such support?

If there was a way for the agency leader or management to be alerted to agents who are struggling, we can intervene or step in to help. The communication between agent and company should not only be one-way, where the insurance company contacts the agents regarding sales or recruitment, but the agent's performance and struggles to be alerted to us so that we can help guide and grow the agent to perform better. If there was some form of technology to not only guide but track their progress, we can diagnose their issues and come up with ways to help the agent.

### **Interview Questions Section C**

How would CRM Technology help your business?

Being able to understand and see a customer's interaction with the insurance company would help me to see a clear image of what my customer wants. If they were browsing through the company's website for information related to a certain need, I can be alerted and follow up immediately since they had shown interest in the product. Being able to understand what the customer wants would help me to discuss to them about upgrading or getting a new policy and this leads to repeat business.

How does Intelligent Communication Tools help your business?

I believe that AI assisted communication would help in customer service. Since the waiting time to call our customer service can be quite long, this could serve as a tool to cut down waiting times for customers with generic requests. Even better if the AI could help with seeking information, documentation, or clarification without needing to go to the customer service. I remember needing almost an hour to speak to someone in my company's customer service hotline, so maybe the AI can assist there. Perhaps another way it can help is by prompting agents about changes in policy status, customers or even regulations. Rather than we agents seeking out information that we might not know exists, the AI prompts us the information and keeps us informed proactively.

How would Sales Force Automation help your business?

It would lessen my daily duties of constantly having to check on my agents and disciplining them to meet clients. I would not have to manually contact and track them if there was a system or an app that could track their movements and sales behavior. It would be good that if a customer was interested in my company's product, that the system would automatically alert me of a potential buyer. Once I am aware of this, I can then

either allow the system to choose the best agent to contact this client or ask me to suggest and agent who would be able to close this case.

How would Social Media Technology help your business?

This could help by alerting me about my customer's interests in investments, finance, or insurance. In fact, it could help in other ways as well. If my client was recently looking into cars or properties, I could bring this up as a conversation started based on their interest and slowly make my way into talking about insurance. Another example is that if the AI can detect changes in lifestyle, career, or family, take for example my client is celebrating their child's birthday, I would be immediately aware and able to take the necessary steps to strategize my next meeting with them

How would Sales Automation Systems help your business?

Sales automation is the best technology that could help our business. For example, right now we have to manually key in the customer's profile into our sales system in order to generate a proposal form. This could have been automated if we could use a camera to capture the client's details from their NRIC, and if they were existing customers, we didn't even need to refill all the data since we already know their NRIC number, address, and contact details. Furthermore, if there were no changes to their health status, we could just extract the data required, and refill the document using their data (if there were no changes to their profile). Furthermore, if I were to put in their income levels and basic information such as their monthly expenses, the system can calculate how much to put aside and the best policy that would suit their needs. I'm very sure this is possible as we

agents follow a set of rules to advise the customer according to their needs, so if we allow an AI to fulfil these functions, it will reduce mistakes especially from new agents.

If there was one problem that the agents were facing that you could solve today with technology, what would it be?

Right now, most of my agents are out doing sales on their own, I do my best to monitor their sales activity for their own good as well as mine. I would like it very much if the technology is able to check on their sales activity, so I know if they are really meeting clients and track their movement. This is very important as I need to know which agent to concentrate on and which agents do not need monitoring. Even better if I could track their movement to see where they are and whether they are doing the business.

If there was an implementation in the above technologies today, would you use it?

Yes, I would

Would you kindly support your previous answer with a statement?

Because this industry is all about trust, I want my agents to succeed, if they are not doing what they said they are doing, I can shift my focus to more committed agents. Right now, I can only judge based on what my agents tell me, sometimes they don't tell me the whole picture because they are afraid of owning up to their own failures or they are afraid to tell me the truth. If the system is able to unbiasedly tell me the movement and activities of my agents, I don't need to have that conversation and monitor everyone and only focus those who are committed and struggling



What could motivate agents to adopt and use the new technology?

The new technology needs to be convenient and easy to use, it should not be more complicated than their current process and instead, it should alleviate their pain points. It should solve their problems, and it should reduce their manual processes and paperwork. Sometimes you don't need to have contests or incentives but basically solve their issues and agents will be more than happy. Furthermore, the implementation of this technology should also be able to cut my operating costs, such as making calls, hiring assistants to follow up and even administrative work.

What do you believe would be the best technological enhancement that is available today that would benefit the agents if it was implemented immediately?

The Sales Automation System would be the one that solves most of our problems, we just want our job to be more convenient, faster, and easier to work.

-End of Questions-

Subject: E

Unit Manager 2

### **Interview Questions Section A**

How long have you been in the insurance industry?

I have been in insurance for 6 years

Which Insurance Company are you currently attached with?

I am currently attached with Prudential Malaysia

What is your current role in <company name>?

Unit Manager since 2019

What are the current technological tools that are provided to insurance agents?

Prudential provides an app for agents to do their business. It is installed on an iPad device, and it can perform many functions. It has multiple functions, but the main function is a sales platform where we submit our insurance proposals on behalf of our clients to the insurance company. This app also has other useful functions like a recruitment module which allows us to submit documentation to recruit new agents. There is also a product catalog that contains useful information about our products and services so whenever my agents and I need to refer to a product document, we can access it via this module. The most useful function for me as a unit manager is the sales activity tracker which my agents need to fill in every day in order for me to track their sales behavior, activity, and submissions.

Where do you think AI should be developed to best help insurance agents to thrive?

Definitely in the sales area, if the AI is able to generate warm leads or help the agent manage their daily schedule, it would be very beneficial. Some agents tend to meet a lot of people but follow up with few. As they pursue a single person for a sale, they tend to get tunnel vision and inadvertently ignore other potential sales opportunities. This is very obvious when agents are pursuing higher net-worth clients, which is why if there was a system that unbiasedly manages their leads, it would help agents close more sales. Furthermore, this system should also act as a reminder to follow up, close or service their customers.

Where do you think AI should be developed to help policyholders?

In my experience, policyholders often do not think about their insurance protection or even remember their policy number and benefits. This can cause the customer to sometimes be unaware that they have an insurance coverage when seeking treatment or meeting with an unfortunate event. Maybe it's best that the AI helps to keep our policyholders updated with regards to their financial interest. For example, if the policyholder has recently been interested in savings and retirement, the AI can share general information about the topic and later guide the policyholder to contact me or my agents to meet them to discuss.

### **Interview Questions Section B**

What technology is being used to assist agents in sales?

As far as I am aware, we have the sales platform that we spoke of, and Prudential has recently started to generate leads for agents who qualify. From what I understand these

leads come from social media and also from general enquiries to the company. The sales platform has the function which suggests policies based on the customer's needs and concerns, so new agents who are just starting out can also follow the suggestions in the sales platform.

What are the biggest challenges that agents face in the areas of servicing their clients?

Following up on servicing needs, my agents have the issue where they need to follow up with the client's servicing needs. Just recently, one of my agents submitted a claim for his client. They needed to keep revisiting the client and the hospital that performed the surgery to get the documents and authorization, furthermore, my agent had to keep calling the claims and customer service department to follow up on the progress of the claim since our web portal only states basic information and has no details on why the claim is taking so long. In the end, it took my agent three months to follow up on the claim which annoyed the customer and took away valuable sales time from my agent. If there was an AI that instead keeps updating on claim status frequently and shows progress of the claim, that would be beneficial to me, my agent, and our customers.

What are the biggest challenges that agents face in the areas of sales?

Most new agents face the issue of not having enough leads or prospects, more senior agents face the issue of servicing their customers versus doing sales. Unit Managers face the issue where they have to manage their agency and most of the time, we need to track our agents' movements manually or through the sales tracker. The problem with the sales tracker is that it depends on the input of the agent. If my agent does not fill up their activity for the day, I am not aware of their sales activity. Sometimes it is an unintentional

as they forgot, but most of the time it is inaccurate because agents either inflate the numbers or they forget the actual activities they had done. If the sales tracker was more accurate, I would be able to diagnose and help agents who are trying their best but not achieving results.

What technology has been employed to assist the agency force in their sales and servicing activities?

For sales, they have their sales platform and to track the policy status, they can log in to their agency portal. However, these two systems are not connected, and they need to visit different websites or apps to access them. It would be great if all the different systems in the company were to be integrated into a single app. For servicing, there is no technology other than an agent portal where agents are able to check on policy or claim status.

What causes an agent to quit?

Most of the time, agents quit for two reasons, they are not making enough money, or they have a disagreement with their leaders.

What kind of technological enhancement do you think will reduce agent turnover?

Simply put, any technology that would help in their sales. If there is something that can help them meet more people, that would help reduce turnover. If there was a system that could automate administrative paperwork, or even help to manage the agent's sales or servicing leads that would also help. More importantly, the technology has to improve

the agent's sales experience and make it easier and more convenient for them to do their job.

What motivates an agent to continuously bring in more sales?

Small gestures of recognition for their efforts go a long way. Money of course is a very good motivator as they join this industry with the ambition to earn more than they could working for someone else. Agents who earn a good income and given recognition for their efforts would stay longer

How can technology help to motivate an agent to continuously bring in more sales?

Take away the day-to-day tedious work, such as filling up paperwork, tracking sales, and following up with cases. If all these functions were made easier to manage using technology, it would motivate an agent to continuously bring in more sales. Agents are generally motivated by money but if the tasks to earn money were simplified with technology, they would be able to focus on the sales rather than the manual work or follow ups which while is important, takes away the focus from the sales portion which generates income.

What is the best kind of support that an agent needs to thrive in this industry?

Up-to-date tracking of their progress, be it in sales, servicing or even related to licensing, regulations, and training. Most of the time my agents come to me for advice and guidance which is easy to manage, the difficult part to manage is the daily tracking and progress checking of agent's sales movements, appointment scheduling, sales status, and policy

status. This is why most leaders hire a personal assistant to track the agent's daily movement and perform administrative duties as they need to focus on building the agency and administrative work takes away their focus.

How can technology play a role in providing such support?

If there was a way for me to be able to get up to date reports on my agent's sales movement and their business activity, which does not require the agent to manually input their data, that would be a steppingstone to help me track my agents and lend support where it is needed. Just a simple example if I were to know that my agent made twenty calls today and secured two appointments which means his appointment ratio is 10%, I will know to reach out and help this agent to secure more appointments by evaluating their telephone techniques or conversation. I'm not saying that I want to monitor and micromanage, only that I wish to help those who need help, alternatively if I have an agent that makes ten calls and secures nine appointments, I can ask this agent to showcase their telephone skills to other agents who are struggling to help each other. Up to date information that is immediate, and constant helps me to guide my agents and make decisions quicker. Right now, we are chasing to finish the year with as much sales as possible to hit our sales target and contest goals so if I have up to date information that tracks my agent's sales, I can reach out to those who are struggling and recognize those who have already achieved what they set out to do.

### **Interview Questions Section C**

How would CRM Technology help your business?

If this technology is applied to my policyholders, I would be able to see their interaction with the company and follow up with them if they were to make an enquiry or visit the branch for any reason. This would give the impression that I am constantly aware of the policyholder's intentions and feelings towards me, and my company and I can step in to assist. This would give my policyholders the confidence that I am always up to date with their interactions with my company and I can constantly be in the mind of my policyholders. This would increase my chances of getting referrals or repeated sales.

How does Intelligent Communication Tools help your business?

Definitely in the area of customer service, I believe most banks are using this to serve their clients, but the technology is still quite underdeveloped. I believe there is potential for an AI to recognize the questions and queries asked by a customer and assist them without the need of reaching an actual human operator as it sometimes takes up to an hour to reach someone especially when there is high call volume. On the other hand, if this technology is able to contact agents and update them, it would also be a great benefit to the business. Agents who are constantly updated on the company's business and direction would let them feel more connected and loyal to the brand, furthermore, agents who are constantly informed of new products, changes in market landscape, regulations and how the current news affects them and their business, it would prepare them to meet prospects who are also well informed, and gives the agents the ability to have more deeper conversations with their prospects which not only impresses the prospect, but gives them the confidence that the agent is up-to-date and would be a good agent to service them.



How would Sales Force Automation help your business?

Automatically prompting my agents and scheduling is one of the key areas I believe we can improve if this technology exists and is applicable. As previously mentioned, I have to keep track of my agents' movements, sales success, and monitor their activity to ensure that they are doing the business and meeting people. And I have also stated, this takes up a lot of time and effort especially since I have to manually call or meet my agents in order to stay updated. Sometimes I may be focusing too much on a few agents and unable to meet as many as I like due to this, but if I had a system that gives me an overview and automatically prompts my agents to move, it would allow me to recruit a large agency and be confident that I can meet up with everyone who needs help. I believe that this technology would be most useful to me as it would help me to manage my agency more efficiently.

How would Social Media Technology help your business?

This technology would help me to advertise my business and understand the current issues and topics that is currently being regularly discussed. If there was an AI that analyzes trending posts or status updates of my customers, I can match customers with similar interests, see what most of them like and organize an event or gathering based around that trend. For example, if I had a pool of customers who were interested in football, I can organize a football viewing session with food and ask my customers to invite like-minded friends, in the meantime I can get my agents with friends who have similar interests to join and allow everyone to network. This grows my business network and list of prospects which would potentially increase sales and recruitment possibilities.

How would Sales Automation Systems help your business?

In some ways I believe our sales platform currently has this function, since all I have to do is put in my customer's details into the app which automatically calculates the premium and coverage. Once that is done and the customer accepts, they sign on the device's screen, make payment online and then I tap a button and the document is digitally submitted to the company for underwriting. While that works well, we are not updated about the sales status within the same app and have to go to the agent portal on a website to view the policy status. If we were to be updated from the app rather than having to log in to check the status all the time, it would save time and effort from the agent having to constantly check with the company.

If there was one problem that the agents were facing that you could solve today with technology, what would it be?

As a unit manager, I am facing the issue of not getting exact and accurate data with regards to the agents in the field. My agents on the other hand are facing issues with follow up and servicing, especially if the claims process is confusing and requires a lot of documentations. If technology could somehow alleviate these issues, I'm sure that it would increase productivity and boost morale.

If there was an implementation in the above technologies today, would you use it?

Yes, I would and I'm sure my agents would as well.

Would you kindly support your previous answer with a statement?

Ease and convenience are one of the pain points that we face. Some issues like, not being able to close a sale, not having enough leads, or rejection is expected part and parcel of the job. However, administrative, and tedious tasks wasn't an expected part of the job. While we can expect and tolerate sales challenges, it would be nice to alleviate the administrative part of our work so we can focus more on revenue generating activities.

What could motivate agents to adopt and use the new technology?

Make it easy to use, don't complicate it. The whole point of using technology is to simplify and de-clutter our daily tasks. If we had another administrative task to do (like updating a sales tracker) it would become another tedious aspect of the job which agents would hesitate to adopt. Incentivizing is a great way to promote a new piece of technology but simplicity and effective triumphs money in this case.

What do you believe would be the best technological enhancement that is available today that would benefit the agents if it was implemented immediately?

I believe that Sales Force Automation and Sales Automation Systems would benefit the most to the agency force as it cuts down tedious administrative work and increases my clarity and ability to oversee my agency to assist.

-End of Questions-

Subject: F

Unit Manager 3

## Interview Questions Section A

How long have you been in the insurance industry?

I have been in the insurance industry for 8 years, under 2 different companies

Which Insurance Company are you currently attached with?

Previously I was under Hong Leong, but am now currently under Allianz

What is your current role in <company name>?

I am a direct appointed Unit Manager in Allianz

What are the current technological tools that are provided to insurance agents?

We are given a tablet with a sales platform, an agency web portal, sales activity tracker, and a customer management tool. The sales platform is used to submit proposals online, the web portal allows us to check our business status such as policy status, commission, total sales for the month or year. The activity tracker helps us track our daily activity to gauge our effectiveness and our customer management tool lets us input customer details and create a profile with their biodata and contact details so we can set appointments.

Where do you think AI should be developed to best help insurance agents to thrive?

It depends on the agent's level, new agents would need help with sales and leads generation, while unit managers like myself would require help in recruitment, servicing clients and not to forget sales as well. New agents would need help sourcing for clients

and closing sales, whereas I need help in areas of servicing; especially in the areas of paperwork and following up on servicing duties. For example, I am not promptly updated on the status of my claims submission and have to follow up almost daily on certain cases. Secondly, different claims have different documentation which requires me to travel between the company and the hospital to get the necessary documentation. If AI were to be developed to help, it should be focused on the agent level, their needs and also the ability to simplify our workload.

Where do you think AI should be developed to help policyholders?

Insurance is the kind of product where you buy it, and you don't think about it anymore, until you need to use it. Unlike traditional products or even other financial tools, people don't generally monitor their insurance policies, and some even forget which company they bought it from. What policyholders do remember is the agent from whom they bought the policy from. What I believe would best serve the policyholder is an AI that message them once in a while and keep them updated on their policy details such as coverage, cash values, promotions from the company, and the agent who is servicing them. We want to keep ourselves in the mind of our customers, yet we do not want to spam them unnecessarily. Too often agents who have been in the industry for more than 5 years would have a substantial pool of customers, and they have to keep in touch with them while sourcing for new clients. This is the administrative work which I mentioned, and the agent could miss out opportunities since they did not contact the client for a while, hence the AI should be developed to keep in touch with clients and even better, generate interest using promotions, for example, the AI could ask the client to give referrals and for every successful sale, the client gets a token of appreciation.

## Interview Questions Section B

What technology is being used to assist agents in sales?

We have a sales platform that submits documents digitally to the insurance company, an FPX service to collect initial and renewal payments, customer management platform which allow us to keep track of our customers; it can even detect their location via the customer app to alert the agent that the client is near to their location, this allows the agent to meet up with the client if they are within the vicinity. We also have a sales tracker which the agents fill up to allow us to check our effectiveness and allow uplines to see their agent's progress to lend assistance or coach them.

What are the biggest challenges that agents face in the areas of servicing their clients?

Following up on the service request, simply put, my agent and I are not getting the information on status of claims automatically, we have to contact the company claims departments and check back every day for a single claim. Furthermore, I believe the claims staff are overwhelmed since we are not the only agents calling their department. If we were given constant updates and information on the progress of the claim. Another issue for senior agents is that due to the size of their customer pool, they are finding it difficult to manage all of them. If they have a lot of customers, they have to divide their attention amongst their clients and often the clients with smaller policies unfortunately are paid less attention to compared to those with large policies; and there could be loss of business opportunity as the smaller policy holders could have a change in lifestyle and have the capacity to purchase large policies, but since the agent did not see them often, these clients would look for other agents who so happen to be there at that time.

What are the biggest challenges that agents face in the areas of sales?

New agents often have the problem of not having enough leads, and not having the skills to set appointments over the phone or close a sale during a sales presentation. Senior agents can fall into the trap of not expanding when they were starting out and hit a dry spell, where they run out of contacts and have no leads.

What technology has been employed to assist the agency force in their sales and servicing activities?

Currently as mentioned we have our sales platform to assist with our sales, as for servicing we have our agency portal that gives us information about the policyholders. However, there is a lack of notification and updates as any changes in policyholder status or payments are not alerted to us, and we need to manually search our pool of customers to be alerted to these changes.

What causes an agent to quit?

For myself, I left my previous company as I had a disagreement with the agency's sales ethics and code of conduct, I did not agree with the philosophy and methods that the agency used to recruit and close sales, hence I left due to a conflict with my agency leaders. However, most agents who joined at the same time with me left either due to not having enough sales, not generating enough income, or decided to return to work for a company as they were uncomfortable with the business model.

What kind of technological enhancement do you think will reduce agent turnover?

Well, first of all, leads generation and sales assistance would be a good starting point, this would especially help new agents who are trying to get started in the business. Senior agents who have a lot of customers would face issues in servicing their customers and getting new sales. So, to help senior agents to perform better, the technology should not only perform leads generation but also help to track current customers and update the agent on any changes or claims submitted.

What motivates an agent to continuously bring in more sales?

Money, recognition, and ease of doing business. As long as their income is good and they are constantly recognized for their efforts, they would continuously do business, however I believe that if there is a way to reduce paperwork and make it easier for us to service our clients, we would not hesitate to continuously do more sales as it is easy to follow up.

How can technology help to motivate an agent to continuously bring in more sales?

One of the ways that agents are motivated is through contests, however, tracking your sales progress is a tedious process since different policies contribute differently to a contest requirement due to the company's terms and conditions. Just so you know, not all policies contribute to the contests run by the company, and the agent has to wait until the policy is in force in order to see if it was calculated into the contest results. If there was a piece of technology or an upgrade to the sales platform that is able to track the contest results and the policy's eligibility for the contest, it would motivate the agent to bring in more sales.



What is the best kind of support that an agent needs to thrive in this industry?

They need guidance from their leaders and upline, motivation from the agency and the company, knowledge as well as skill development from the agency or the training department.

How can technology play a role in providing such support?

If there was a system to track my agent's movement and also see their daily activities, that would be a step forward in helping me identify the agents that require more attention. If I can see which agents are trying very hard based on their activities but having no sales, I can pay more attention to them to help them until they are independent enough to sell on their own. Secondly, most agents do not have the knowledge to service their clients, for example, they don't know which document to use, or they don't know which department to contact. If the AI were to be sort of a personal assistant to automatically fill out the required forms or contact the right department on their behalf, it would allow the agent to focus less on administrative tasks and focus more on sales.

### **Interview Questions Section C**

How would CRM Technology help your business?

I think having a system to keep track of our customer's interaction and interests would be a game-changing factor in our business. As I mentioned before, most of my agents who have been in the industry for a while have a large pool of customers and often lose sight of the customer status. If this system is able to track the customers, keep them engaged and update my agents of any interaction or changes, it would keep the agents in

the customer's mind and that visibility increases the chances of referrals, new sales and repeated business. Lastly, customers would not feel like their agent is no longer servicing them or disappeared since there is constant updates and every time there is a change or interaction, the agent is alerted by the system, and they can follow up. This removes both administrative tasks from my agents and increases customer loyalty.

How does Intelligent Communication Tools help your business?

AI assisted chatbots would help us to get the information we want faster since it can replace the customer call centre. This would work if we wanted to get generic information about our customer's policy information or help prospects discover more about their policy. In fact, we could help our customers and prospects to self-serve if the AI is robust enough to cater to their needs. This is simply so that we can avoid waiting on the phone for one hour just to get some basic information. Furthermore, if the AI could help agents connect with customers or prospects regarding upselling, servicing, or appointment scheduling, this would help our business operations to run smoother.

How would Sales Force Automation help your business?

Managing agents can be tougher than doing sales, since there is a need to follow up on their business activities daily, as we want to ensure that they are able to grow their business and serve in this industry for a long time. If the system can help me to track my agents' movements and also remind them to make calls, set appointments or even following up with opened cases or claims, this would remove a lot of administrative work on my end and I can focus on building the agency, coaching those in need and my own personal sales. This system's biggest benefit is that it would engage the agents to

follow up with their prospects and customers, and the agent doesn't have to depend on their own memory or writing it down on a journal which is easily forgotten.

How would Social Media Technology help your business?

Social media is a tool that our younger agents use regularly for business and leisure. Right now, the advertising capability in social media has to appeal to latest trends. There is a fine line between appealing to a trend or becoming cringeworthy. Youngsters in the social media space are no longer using Facebook but moving on to other forms of social media such as YouTube, TikTok, and Instagram. Therefore, the AI that is connected to these platforms should assist my agents to promote their business while leveraging on latest trends. If it is able to achieve that, the potential advertising would help to build a brand and increase visibility which can eventually translate into sales.

How would Sales Automation Systems help your business?

If our administrative work was further automated, it would benefit me and my agents by cutting down office time and focusing more on looking for clients and securing sales. Right now, our sales platform allows us to submit out proposals online, however there are still some manual processes such as filling out customer details, calculation premiums based on their needs and following up on submitted proposals and servicing activities. Our web portal only shows us information of the policy status when we log in and we do not get an update of the progress of the case, it can sit in our inbox for weeks and we have to call the underwriting department to understand the cause of the delay.

If there was one problem that the agents were facing that you could solve today with technology, what would it be?

For new agents, I would say the problem of them not getting enough leads, for senior agents, the problem of following up with servicing activities, and for myself, the problem of manually administrative tasks to monitor my agent's progress

If there was an implementation in the above technologies today, would you use it?

Yes, I would!

Would you kindly support your previous answer with a statement?

My focus is to grow my business and to help my agents to grow their business. While I can advise and guide them, any piece of technology that helps them to achieve their goal would be worth investing into.

What could motivate agents to adopt and use the new technology?

If the technology brings value to the agents, the more they use it, the more their business grows, they would be happy to use it. Furthermore, if the technology was simple to use, and not over complicated or requires more work to use, it will be eagerly adopted by the agents.

What do you believe would be the best technological enhancement that is available today that would benefit the agents if it was implemented immediately?

Out of the few items you mentioned, I believe that the Sales force Automation and the Sales Automation Tools would be most beneficial if implemented today.

-End of Questions-

Subject: G

Group Agency Leader 1

### **Interview Questions Section A**

How long have you been in the insurance industry?

I have been in the insurance industry for over 20 years

Which Insurance Company are you currently attached with?

I am currently attached with MCIS Insurance Bhd

What is your current role in <company name>?

Here in MCIS, the term 'Agency Leader' also known as 'Group Agency Leader'

What are the current technological tools that are provided to insurance agents?

We have an agency portal, a sales portal, a recruitment portal, and an online training portal.

Where do you think AI should be developed to best help insurance agents to thrive?

I believe that AI should be developed in three areas to help my agents to thrive. The first area that should be developed is a system that eases the daily administrative or paperwork that my agents do. In order to complete their paperwork, they need to return to the office and fill out papers which could take anywhere between an hour or two not including the travel or queuing time. If there was a system that eases their paperwork, they can instead concentrate on their sales. Secondly, there should be a system that provides the latest updated business status, meaning to say what is the sales status of my agent's policies; is it still processing, rejected or requires anything else? Also, I need to know how much sales are done by each agent, and the AI should prompt me for any agent who is doing well so I may congratulate them, or prompt me when an agent needs help if they are performing below expectations. In the same way, the system should let me know how many agents I have recruited either in total or in this year, this way I don't have to manually track my agent's movement and performance and I can keep track on the growth of my agency automatically rather than manually keeping track as I am doing currently. Lastly, I need something that allows me to project business trends, for example, what is my agents market currently like and how can I strategize a small event to entice more customers? In this way, I can manage my agent's activity and also get some projections in order to plan my next sales move.

Where do you think AI should be developed to help policyholders?

One area where AI should be developed is in the area of servicing. Claiming is a big part of the insurance experience and while most customers call their agents, the agents themselves may not know how to process the claim as different claim types require

different documents and procedures. If possible, the AI guides the customer or agent to make a claim, giving them step by step assistance, not just providing information or contact options, but giving the customer or agent a step-by-step process to actually submit the claim to the right department. Then once the claim is complete, the system gives up-to-date reminders or update of any changes in the claim from requiring more documents to approvals or rejections to both the agent and the customer. Also, another way that AI could help is reminding customers of their coverage, telling the customer what their benefits covers or any gaps in their coverage, this is to make sure that the policyholders are reminded of their coverage amount and would mention where the policyholder is lacking in coverage. If possible, if the AI has the information, it can relate to their loans. For example, if the policyholder is taking a new car loan; the bank will be able to prompt the agent regarding this loan and send the agent to sell a policy to cover the loan amount.

### **Interview Questions Section B**

What technology is being used to assist agents in sales?

Directly helping my agents is the sales system that is installed in their laptops and tablets, and indirectly a recruitment web portal is available the assist agents to electronically submit new agent applications

What are the biggest challenges that agents face in the areas of servicing their clients?

Relating to earlier question, my agents may not know their own customer's coverage gaps. Sometimes they miss out the sales opportunity and the customer are missing out

on an important piece of coverage. Due to this, they often do not return to their own customers because they may have missed out some gaps in the customer's financial portfolio. The AI should analyze the customer's current coverage gaps and prompts the agent to meet up with them to cover those gaps, as of right now my agents have no idea and reviewing all their customers takes time and they could miss out some opportunities.

What are the biggest challenges that agents face in the areas of sales?

They are short on leads, most of them exhaust their natural market quite quickly and have to source for referrals or cold leads which can be frustrating and difficult. Currently they are trying to advertise and generate interest via their social media. Another challenge most of my agents' face is they find it difficult to follow up on sales calls which they had made, most depend on a diary but that is a manual process with no automatic reminder. They also have issues with scheduling as they tend to focus more on sales appointments rather than servicing. Sometimes they also face an issue whereby they need to follow up with a claim or sale with the insurance employees, however because they are not sure of the status of the case/claim, they keep calling the insurance company which takes up time.e

What technology has been employed to assist the agency force in their sales and servicing activities?

For now, we have an agency portal which gives us customer policy details and sales status, the portal can also show us our agent or agency status such as number of training hours, number of recruits, total sales, and updates from the company. We also have a sales platform which digitized the onboarding experience for customers so instead of



signing paper forms, they sign on a tablet. Recently, our company has launched a recruitment website to recruit agents, however this website functions as a digital form to replace our manual forms.

What causes an agent to quit?

Agents normally quit when they run out of leads and are unable to generate sales, which leads to not having income. However, another reason why agents quit is when they have disagreements with their leaders or their direct managers.

What kind of technological enhancement do you think will reduce agent turnover?

A system that is able to capture interested parties and generate into leads, for example if the AI is able to track social media behaviors and target advertise to individuals who have been searching for insurance. Once the person on social media clicks the advertisement, it will prompt the AI to turn interest into leads and disseminate the leads to agents. Another area that technology could help is in the area of business activity management, let the AI help the agent to perform his business duties such as administrative work, follow up, servicing and activity management. These are the major areas that if automated will probably keep the agent from quitting.

What motivates an agent to continuously bring in more sales?

The conventional way to motivate an agent is by utilizing contests but in fact what really motivates agents is having sufficient leads and the ease of servicing customer. Let's say at a push of a button, my agents are able to service their customers well, both my agent

and the agent's customer will be very happy. Let's say for example if the AI were to prompt the agent that a customer has submitted a claims request online, my agent would know immediately and be able to call and follow up with the claim. This will impress the customer which will lead to them recommending others to purchase from my agents which in turn generates more income for my agents.

How can technology help to motivate an agent to continuously bring in more sales?

If the technology is able to reduce the workload of my agents and create value for them, they will be more motivated to bring in more sales. Things like leads generation and easy customer service would take away the headache of having to manually check on customers (especially if there is a lot) and searching for new customers. They can just fully focus on sales presentation and closing, this makes the job less stressful, and they are motivated to keep doing their presentations. If customer service was easy to manage and execute, both agent and customer would benefit as the customer gets their service completed quickly and efficiently, and the agent won't need to spend too much time performing non-sales activities.

What is the best kind of support that an agent needs to thrive in this industry?

To have ease of customer service, anything that helps an agent to serve the customer well would mean that they get referred often and get repeated business and a lot of referral business.

How can technology play a role in providing such support?

If the technology is able to provide information about customers, reminders that prompt agent regarding customer gaps and possible income changes, customer biodata changes (for example: birthday; a new baby, a new job) will be prompted to agents and they know how to approach the client. Another area is business opportunity information, such as detecting the customer's gap in financial protection and alerting the agent of possible repeat sales. If possible, the AI could perform scheduling based on agent's calendar. For example, the system can automatically prompt a notification via WhatsApp to my agent's customer on their birthday, and then it will help to make appointment based on the agent's availability and inform my agents. My agents will then be alerted that the system has made an appointment for them, and they can go and meet the customer. Even better if the AI could arrange multiple appointments in the same area, so my agents won't spend too much time travelling from place to place.

### **Interview Questions Section C**

How would CRM Technology help your business?

All activities that touch the agent should be stored in a company database, this way it can prompt the right departments to develop products or marketing initiatives to attract existing customers. For example, the company analyses the customer data pool and discovers that most policyholders are not buying critical illness, therefore based on this data, the AI will prompt the product and marketing teams to concentrate efforts on creating products to appeal to this need. This can be a business opportunity to create a and inform marketing department to focus their efforts to advertise accordingly. In the meantime, the AI can analyze an agent's pool of customers and after discovering a trend, able to recommend to the agent to focus on selling certain products. For example, the AI

detects that this agent focuses on selling medical cards, it then prompts the agent to learn critical illness products, selling techniques and advises them to contact clients to sell this product. This way the agent is given a target sales and target product concentration to the right customer. The CRM AI should analyze the business opportunity and informs decision makers where they can benefit the most. Customer profiling – AI recommend certain specific product based on the customer’s data. Based on the customer’s interaction with the company, and based on the products they have purchased, the AI can analyze the client’s profile, for example, their age, risk profile, job, location and recommend a product to the agent and set up an appointment to close the sale.

How does Intelligent Communication Tools help your business?

Information is important as the more informed my agents are, the easier it is for them to sell. This technology should focus on two areas, which is to inform agents about the potential business opportunities (as previously mentioned) and also inform the policyholder of gaps within their coverage. The AI behind the communication should be able to provide information as soon as it is requested and not waste the agent’s time by putting them on hold like a regular customer service hotline. This works the same for a policyholder who wants to make a claim or perform some enquiries or changes in their policy, the AI should be able to verify the customer, perform the transaction and answer enquiries without the need of visiting a branch or be on hold for an hour or more.

How would Sales Force Automation help your business?

If this technology would be implemented, it would benefit my agency a lot. It would remind my agents to schedule and meet up with prospects, follow up on sales calls and

sales leads, remind them to service their customers and keep track of their sales targets. If my agents were given an automatic system to track their sales against their sales targets, it would motivate them to move faster and close sales quicker. It would be great if this technology were to combine with CRM since it could generate leads from social media, and make appointments for the agents based on their availability and location

How would Social Media Technology help your business?

Social media creates more opportunity for leads generation, personal branding and agency branding to recruit more insurance agents to join me. If there was a possibility of having an AI target the right individuals who are interested to buy insurance or become an agent, that would create a lot of benefit to my agency.

How would Sales Automation Systems help your business?

This technology would give my agents more time and mobility to pursue and close sales rather than being bogged down by paperwork and administrative tasks. It would also increase my agent's income. If the sales automation is able to automate advertising functions, and reach out to more customers, even with a 10% take up rate from those advertisements with a small commission, as it adds up, it will become more substantial due to the volume of sales.

If there was one problem that the agents were facing that you could solve today with technology, what would it be?

The ease of performing customer service. As previously mentioned, all my agents face the issue of delivering good customer service, simply because when there is a claim made to the company, both the agent and the policyowner are unsure of the documents required, process, steps, and status of the claims. The agent has to keep calling the customer service hotline and wait for a response just to find out that it is still being processed. If there was a system that guides the customer or agent through the claims process, and assisting to inform what documents to collect, and using the same system, submit documents it would be much easier. Furthermore, the system or AI should give up to date status updates and even better, timeline to completion. For example, if there was a progress bar to show how long it would take and at what stage the claim is being processed, my agents would be freed up from the servicing and focus on sales.

If there was an implementation in the above technologies today, would you use it?

Yes, of course

Would you kindly support your previous answer with a statement?

Good customer service that is easy and seamless would grow repeated sales and generate new sales via referrals. A happy customer would recommend my agents to their friends and families, all the while, my agents are able to focus on sales and the AI can process claims quickly and efficiently while giving constant updates to both agent and customer which relieves the administrative work.

What could motivate agents to adopt and use the new technology?

The technology must be easy to use, if it's difficult and time-consuming, they would much rather revert to manual methods as they are used to it. Keep the system easy and simple to use and they would gladly adopt it. Secondly, a system that responds quickly as most of my young agents are used to high-speed internet and would not tolerate a system that performs slowly. Not only in terms of loading, but data is updated quickly, any sales is quickly updated to their profile so that they can keep up to date. Lastly, if the information provided is inaccurate or misleading, there's no point in having it, so it must be accurate information all the time.

What do you believe would be the best technological enhancement that is available today that would benefit the agents if it was implemented immediately?

I believe that the CRM technology and the ability to do automatic scheduling would be the best enhancement to have right now.

-End of Questions-

Subject: H

Group Agency Leader 2

### **Interview Questions Section A**

How long have you been in the insurance industry?

This is my 11<sup>th</sup> year in the insurance industry

Which Insurance Company are you currently attached with?

I am currently working in Prudential Malaysia Bhd

What is your current role in <company name>?

I am the Group Agency Leader based in Klang

What are the current technological tools that are provided to insurance agents?

Prudential provides my agents with an app that contains multiple functions. It is predominantly a sales app that allows the agent to submit proposals digitally to the insurance company. This app also has a recruitment platform that allows the agent to do recruitment presentations and submit recruitment forms over to the insurance company. The app also has a product platform with information and details of the products in Prudential. Lastly, there is a sales activity tracker that new agents mostly use to record their sales activity for me to analyze their sales behavior and areas that need improvement.

Where do you think AI should be developed to best help insurance agents to thrive?

There are two categories of agents, those who need help with sales and those who need help with servicing. In the category of sales, these agents need leads, product knowledge, follow up reminders, activity management, appointment scheduling and management, sales tracking and progress reports should be constantly sent to the agent to keep them



engaged in the business. In the category of servicing, the AI should help to follow up and update both the agent and the claimant on the status of the claim and not require the agent or the claimant to consistently contact the insurance company to find out that the case is still pending. Again, progress reports are important to keep the agent and the claimant informed.

Where do you think AI should be developed to help policyholders?

Help them to service themselves, if they want to know certain basic information such as their benefits, payments, nominees, and personal details, it should be readily available for them to view as they are the owner of the policy. We should not subject our customers to be on hold for a long time just to get their basic information or change minor details. Hence if there was a system that could immediately attend to basic calls, it would reduce call volume and lighten my agent's workload.

### **Interview Questions Section B**

What technology is being used to assist agents in sales?

Well, we have our sales platform that my agents use to submit proposals to the company, it also can help recommend products based on the customer's needs, and there is a sales tracker which I use to monitor my agents and unit managers who in turn manage their agents. From there I can get a high-level overview of all the business activities and call for a meeting with individuals to coach them and guide them.

What are the biggest challenges that agents face in the areas of servicing their clients?

Most agents fail to return to their customers to meet up simply because they spend too much time chasing new sales for contests and awards. Customers from a year ago may have changed their lifestyle and their needs would have evolved and requires new coverage and protection, but because agents do not spend time servicing, they miss out on this business opportunity. It would be beneficial to the agency force if there was a system that analyses the policyholder's data and prompts a suggestion to the agent to visit and follow up with the customer just to check on them. Another area is that whenever an agent assists a customer to submit a claim, often times they are not updated of the claim status, which the agent then needs to spend time during the day calling the company to understand the claim status and follow up with the necessary documents. If there was a system to prompt the agent and client of any changes or requirements, approval, or rejection, it would save valuable time and the agent can focus on meeting up with new prospects and catching up with old customers.

What are the biggest challenges that agents face in the areas of sales?

The normal problems are not enough leads; however, I believe that only affects new agents and some agents who did not put in the effort to meet new people. After exhausting their natural market, agents need to go into the cold market to source for new clients which is difficult for new agents. Most of the times, agents fail to follow up with prospects which whom they have met or been rejected a while ago. This industry is often filled with rejection but agents who persevere can even close cases from previously rejected prospects. As you age and become a more senior agent, it would be time for the agent to promote to become a unit manager and recruit agents into their agency, but even

as a senior agent, or a new agent, most of them fall into the same habits of not following up with their opened cases. This opens the opportunity for other agents or unit managers to poach the opened case which makes my agents feel disappointed that they worked very hard to convince the person to buy a policy or join their agency only to be sold or recruited to a competitor. This can be avoided if the case was closely followed up.

What technology has been employed to assist the agency force in their sales and servicing activities?

For sales and recruitment, we have our sales platform. To follow up on sales status, agent status, servicing related activities, will be communicated via an agent web portal. For me track agency sales activities, there is an activity tracker which updates me on the agent's daily activity and sales.

What causes an agent to quit?

There are many reasons from family pressure to lack of fulfilment, however, when the agent is not making enough money, has no leads, and is unable to see a future doing sales without leads, they often quit. Another reason is because they disagreed or are disgruntled with their agency leader.

What kind of technological enhancement do you think will reduce agent turnover?

A lot of agents who join this industry are surprised by the amount of paperwork that needs to be done in the areas of servicing. While sales are done digitally over the sales platform, most servicing activities require the agent to get physical documents from

hospitals or signed physical documents from the claimant. This can take up a lot of time especially if the hospital is located outstation or in a different state, even worse if the hospital makes a mistake in their documentation which forces the agent to revisit the hospital and guide them on the necessary documents to proceed with the issuance of a guaranteed letter or a claim. If there was a way that a technological tool is developed to help in this area, it would reduce the agent's workload and can contribute to agent retention. Another reason is because agents simply are not making enough money and not having enough warm leads. If the insurance company could gather leads from marketing activities and funnel them to the agency force, it would benefit both the company and their agents. Insurance companies are already performing advertising, marketing, and sponsored events, they should also generate leads together with that effort and channel them to the agency force.

What motivates an agent to continuously bring in more sales?

Having a life goal is an important motivator, while money, contest, recognition, and promotion plays a big factor in their motivation, having a goal in life to achieve more, elevate their status and improve their living conditions is always the main goal when it comes to sales.

How can technology help to motivate an agent to continuously bring in more sales?

By making the job easier to perform. As it stands, it is difficult for new agents and some senior agents to continuously seek out prospects, face rejection and convince people to sign up for a policy, once the policy has been signed and sold, the process of onboarding, documentation, and servicing should be simplified. An example as I have mentioned

before, agent who struggle with claims is always due to there being no progress reports, and the agent has to call the insurance company every day to update their claimants or policyholders. This frustrates the agent and the customer, so if there was some way for an AI to quickly review, update, approve or decline a claim, it would make the task easier. Cut down the administrative work and the agent is able to focus on the sales activities instead.

What is the best kind of support that an agent needs to thrive in this industry?

Guidance and coaching, regular meetings with their leaders, sales training from both the agency and the insurance company, knowledge transfer and training, high level of service support from the insurance company and motivational events that is held in-house or by an external consultant.

How can technology play a role in providing such support?

Technology can provide one crucial bit of support that most agencies struggle with, and that is progress checking. Meaning to say that if the agent is constantly given progress updates and status on their completion of sales for contests or monthly targets, the agent would feel motivated. This is because psychologically, if an agent is able to see how close they are to reaching their goal, or given a progress report about their progress, they would be more motivated than an agent who is blindly doing sales without a purpose or a goal. So, if there was a progress checker that informs agent how close they are to achieving their goal, it would add value to the support rendered by the agency and the company.

## Interview Questions Section C

How would CRM Technology help your business?

If I have more visibility of my agent's customer's interaction with my company, it will allow me to be more aware of future upselling business opportunities. For example, if my agent has a new client and the information of the client was put into the CRM, the AI would be able to analyze the information and give future recommendations or suggestions for repeat sales. Better yet, if the system can allow us to see the relationship between clients across my agents, I can link customers who may know each other or have similar interest and plan events to network and grow the business opportunities. CRM related to my agents would help me understand their sales behaviors and if the AI is able to analyze their preferred customer portfolio such as office workers, businessmen or shopkeepers, I can help advise them to either diversify their pool to avoid exhausting their leads or suggest my agents to learn important information to give added-value services to their customers to build loyalty.

How does Intelligent Communication Tools help your business?

This kind of technology is best suited to assist customers, however it can be adapted to assist agents as well. Perhaps this would reduce the need to wait on the phone for a person in the call center when the AI is able to deliver general information or make minor changes to the policy. However, if this technology is used to assist agents in the area of sales, for example during a sales presentation, if the agent is asked a question they cannot answer, they can ask help from the AI which then analyzes the question to give the answer to the prospect. Right now, most agents call upon their leader or senior for help,

however if we are away or busy, we cannot help immediately, but an AI would be available 24 hours a day every day to answer and assist the agent.

How would Sales Force Automation help your business?

I feel that this type of technology would benefit the leaders of the agency force as it is able to mobilize the agents and automatically prompt the agents to follow up with opened cases or any servicing cases that require them to follow up. Furthermore, if leads were to be generated in this system for new agents, it would lessen the burden and help give new agents assistance and help them to start their business. For agents, if they use this technology, they wouldn't miss out on following up with opened cases or business opportunities as there is a digital assistant to help them schedule sales presentations, follow up on service calls, and most importantly, keep them on track to hit their sales target and goals.

How would Social Media Technology help your business?

Social media can be an advantageous tool to help strategize and plan our business. This is because every quarterly, our agency tries to arrange an event to boost sales and recruitment. Sometimes we have to take risks and make an educated guess to host events based around a theme like family day, or futsal or health talks. However, if social media technology is able to guide us on latest or upcoming trends, we can plan a suitable event to attract the quality of recruits or business opportunities. For example, the recent world cup event means we can host a football viewing party and we can brush up on our football knowledge to create a talking point amongst the attendees and follow up later for recruitment or for sales.

How would Sales Automation Systems help your business?

If my agents were able to gain access to this technology where it automates the sales process, it would help to cut down paperwork, and free up more time for my agents to focus on sharpening their sales techniques, servicing their clients, building relationships, and growing their agency.

If there was one problem that the agents were facing that you could solve today with technology, what would it be?

Tracking my agent's sales activities throughout the day, because right now, although we have an activity tracker, it is manually input by the agent. The agent could very well inflate, forget, or even ignore the sales tracker as it is a tedious process, based on assumption and not accurate. As mentioned before, I do not seek to micromanage my team, but this would allow me to focus my time and effort to those who are struggling, recognize those who are doing their best and track gaps in their business.

If there was an implementation in the above technologies today, would you use it?

Yes, I would definitely use it!

Would you kindly support your previous answer with a statement?

Our business relies on a lot of follow up, closely monitoring agents progress and success, dealing with the insurance company and paperwork. If technology is able to simplify our



daily task, such as paperwork or following up, we can focus on grooming our agents, sales, growing our agency and even planning and strategizing business events to boost sales and recruitment.

What could motivate agents to adopt and use the new technology?

The most important thing with any new piece of technology is the training, support, and guidance to use the technology. Furthermore, the system should be easy to use and appealing, for if the system is difficult to use, with no support or guidance, no matter how much money or incentives you give to the agents, if it makes the job tedious and difficult, they will not adopt it and go back to the current method.

What do you believe would be the best technological enhancement that is available today that would benefit the agents if it was implemented immediately?

I believe all that we spoke about today should be implemented! But if I had to choose one, I would say definitely the area of CRM followed by the Sales Force Automation and the Sales Automation System.

-End of Questions-

Subject: I

Group Agency Leader 3

**Interview Questions Section A**

How long have you been in the insurance industry?

I have been in this industry for 14 years

Which Insurance Company are you currently attached with?

I have been with Prudential BSN Takaful for 14 years

What is your current role in <company name>?

I have been an Agency Leader since 2015, started in 2008

What are the current technological tools that are provided to insurance agents?

We have an app on our iPad that allows us to submit our proposals digitally, this app also has a recruitment presentation, product description and brochures, as well as a sales activity tracker.

Where do you think AI should be developed to best help insurance agents to thrive?

Leads Generation and cutting down on paperwork to help them to focus on their sales and recruitment activities.

Where do you think AI should be developed to help policyholders?

The nature of an insurance customer is that most of them do not remember what they have bought, hence the AI should help give a summarized reminder once in a while and

also highlight gaps in their protection. After highlighting these gaps, it should then proceed to direct the customer to the servicing agent for repeat business.

### **Interview Questions Section B**

What technology is being used to assist agents in sales?

Our sales app allows us to submit proposals digitally without needing to submit any physical documents to the company. The app not only collects the necessary documents, but it also collects the initial payment as well as the recurring payments for the policy. The app also has a recruitment page which we use to do recruitment presentations and show the potential earnings if they were to join me as an agent. The app also has a sales tracker which the agents input their daily activities, and this report is generated daily and submitted to the unit managers for review. These reports also come to me, and I can review the overall business activities of my agency. For any other information related to in forced policies, servicing, or claims, will be stored in the agency portal. The agency portal keeps track of the policyholder's status, agent sales status, promotion status, training and also incentives and upcoming contests and events.

What are the biggest challenges that agents face in the areas of servicing their clients?

Most agents face issues where they are not updated from the respective departments whenever they are servicing their clients especially in the areas of claims. They have to keep calling the department in order to get a progress update on the claims. The reason they do this is because the client is pressuring the agent for updates. While this is part of the job function of an agent and should be done, unfortunately the constant follow ups

take up a lot of time especially since there is a high call volume and agents. This gives a bad impression to the company and the agent especially in the area of claims as the client is anxiously waiting.

What are the biggest challenges that agents face in the areas of sales?

Having not enough sales appointments, not enough people to talk to, and not enough knowledge. It is especially difficult now since there are so many scam calls that a lot of prospects immediately block a number that they do not recognize, so making calls has become counter-productive and my agents and I shift our strategy to make appointments face to face.

What technology has been employed to assist the agency force in their sales and servicing activities?

We have our sales platform, which we use to submit new proposals, and our agency portal which we use to check on our agent's information, agency information, business information and customer information. Other than that, we track our cases manually, we track our sales progress manually as well as our recruitment numbers manually. The portal gives us information regarding our client's policy and claim status but there is no notifications or updates that are sent to agents.

What causes an agent to quit?

The usual reasons are because they are not making enough money due to not closing sales, however other contributing reasons are tedious work, difficulty in sourcing new prospects, disagreements with leaders and losing sight of their initial purpose.

What kind of technological enhancement do you think will reduce agent turnover?

Most of the time, my agents leave because they are not following the business plan which I have advised for them to do. And often times it is difficult for me to track their actual sales activity, meaning to say, I don't know how many calls they are making, how many appointments they have set and how many presentations they have actually done. This industry is all about activity, the more activity you have, the more sales will come in, it's that simple, so any piece of technology that keeps track of their actual daily activity would be helpful to reduce the turnover.

What motivates an agent to continuously bring in more sales?

Changing their lifestyle and status. With the income they generate, they would be able to see changes in their life that they wanted to achieve. Furthermore, as they achieve more sales, generate more income, and gain more recognition and promotions, their goals and values change and their motivation to do sales would serve a higher purpose. Hence money, recognition and values would be the motivator for agents.

How can technology help to motivate an agent to continuously bring in more sales?

Simplifying and automating daily administrative work so that the tedious tasks related to the job, such as submitting and following up on service requests, claims and changes.

Constant notification of sales progress and goal tracking, this motivates the agent by letting the agent know how close they are to achieving contest targets or personal targets. Younger agents who are very dependent on technology would appreciate an app that is interactive and updates them on their sales progress in a fun way.

What is the best kind of support that an agent needs to thrive in this industry?

Agents thrive when they have guidance and moral support of their leaders and the collective support of the agency, which is why the agency culture is crucial to the development and success of an agent. Other aspects that contribute to their success include sales knowledge, product knowledge, financial planning knowledge, and the individual drive to succeed in this business no matter how difficult times might get.

How can technology play a role in providing such support?

Activity tracking is one way that technology could support the agents. This can be achieved by the system being able to track the agent's business activities and progress which if compared to their results give an overall picture of their success or struggles. For example, if I see my agent who is hardworking and busy doing activities until night but still unable to close a case, I can narrow down on their activities and see where they are struggling. Let's say if I had an agent with high call activities but low appointments, this means that they struggle with phone skills. Alternatively, I have an agent with many appointments but little sales, it could mean this agent is struggling to close sales but has no problems securing appointments. Information like this helps me focus my attention on agents who need it, and technology would help me get an unbiased review of their activities.

## Interview Questions Section C

How would CRM Technology help your business?

If I were to be aware of my customer's or my agent's customer's details, we could strategize to build my agency's sale or workforce. This can be achieved by reviewing the demographics of the customers, from their age and income to location and occupation, we can analyse trends or focus on events or strategies to appeal to most of our customers for sales or recruitment events.

How does Intelligent Communication Tools help your business?

This would help deliver information to both agents and customers quickly without the need of waiting for a long time on the phone would be of great assistance to us as we can get the information, we need quickly wherever we may be. Imagine we are at a sales presentation and a prospect needs to check their policy information. The agent does not need to wait for an hour on the phone further delaying the sales presentation and eventual sale, they can get the information immediately and the agent can diagnose potential gaps in the prospect's coverage and close the gaps quickly.

How would Sales Force Automation help your business?

This system would help to alert my agents of potential business opportunities and help to remind them to follow up on them. This would lower the agent's problem of not having enough sales or leads since they are being fed leads from the system. I believe this system

if implemented well could potentially lower the turnover rate of agents as their first and most common reasons for quitting is that there are not enough leads.

How would Social Media Technology help your business?

This technology would help to analyze customer movement and understand their interests. It could even detect where they are concerned about since a lot of people tend to post how they feel on social media. We could group customers according to their posts and find a pattern to approach them. Scanning their connections on social media or friends list would let us know who they are close with and based on the online interactions, ask for referrals of their closest friends.

How would Sales Automation Systems help your business?

The technology to automate the sales process or functions will help to smoothen and quicken the sales process. This means that this technology has the potential to reduce administrative paperwork and allows the agent to do more sales since the submission and follow ups are done automatically with little attention from the agents.

If there was one problem that the agents were facing that you could solve today with technology, what would it be?

New agents would need help with sales leads or sales generation, whereas senior agents and leaders require assistance on getting updated information on our service requests as well as our agents' movements.



If there was an implementation in the above technologies today, would you use it?

Yes, I would

Would you kindly support your previous answer with a statement?

Technology that helps me to smoothen my business or ease up administrative tasks would always be a welcome addition to our business.

What could motivate agents to adopt and use the new technology?

Agents are like any person who is faced with new technology, if it's complicated, difficult, and tedious to use, they will not want to use it since they are already accustomed to what they have currently, so if there were any developments in technology that the company wants to apply, it has to be proven to make our jobs easier to do and easy to use. Furthermore, there has to be a proper guidance, training and technical support team that is able to answer our queries at any time, and easy to contact whenever we need.

What do you believe would be the best technological enhancement that is available today that would benefit the agents if it was implemented immediately?

There should be an improvement to the sales activity tracker. As a leader I would like to be able to keep track of my agent's business activities and movement since it is the only area that currently requires input from an agent. The information can be inaccurate if it is manually keyed in as per our current practice. If the AI is able to track the activities automatically via their mobile device, it would give us a clearer picture of their progress

and we can help the struggling agent, focus on those who are committed to the business and spend time on agents with the greatest potential based on their actual activity.

-End of Questions-

Subject: J

Executive Level Employee 1

### **Interview Questions Section A**

How long have you been in the insurance industry?

24 years

Which Insurance Company are you currently attached with?

Prudential Malaysia

What is your current role in <company name>?

Chief Agency Officer

What are the current technological tools that are provided to insurance agents?

Currently in Prudential we have many technological tools that helps the insurance agents' business. In the front end, we provide them with a sales platform that is accessed through a tablet, which carried multiple functions related to their sales role. For example, the app

contains the Proposal Forms, Customer Fact Finding Forms, Sales Illustration, Payment Gateway, e-Signature, E-mail, product brochures and a presentation module that helps agents to do the sales presentation. There is also a career presentation platform which helps them to recruit agents and an activity tracker which they can fill up with their daily call activities, presentation activities, sales and closing activities for their leader to oversee and help them improve on their performance.

Where do you think AI should be developed to best help insurance agents to thrive?

AI should be developed in the areas that helps the agents to monitor their business and the policyholders. The agents should be able to see potential gaps in their policyholder's protection and alert them of potential problems that may happen if they are not covered. Furthermore, they should be aware on the status of their customer's claims or any other servicing matters that should be addressed. This is so that customers who needs help are notified to the agent, or their leaders and they can contact the customer to give assistance. Agents should also be well aware on their business and career progress; the AI should help the leaders monitor the agent's progress to help them guide their career path and grow their agency and develop more leaders.

Where do you think AI should be developed to help policyholders?

The AI should alert the policyholder of potential promotions, events, or changes in their policy as soon as it happens. This is to ensure that they customers of prudential are constantly updated on the status of their policy and of potential gaps in their coverage and what it would mean to them.

## Interview Questions Section B

What technology is being used to assist agents in sales?

As I have previously mentioned, we have a sales platform that provides agents with the tools to submit proposal forms and collect payment, perform their sales presentations, recruit agents and report to their leaders regarding their business activities.

What are the biggest challenges that agents face in the areas of servicing their clients?

Senior agents who have been with the company for a long time, and we are talking about decades, accumulate a lot of clients over these years. Over time, this one agent may not have the time to revisit and meet up with all their clients which is when other younger agents may approach them and poach their business from them, even within the same company. Newer agents may have the opposite problem where they have very few clients hence, they do not have the issue that a senior agent has, however, some may choose to perform sales activities instead of servicing activities, and especially during contest period, the agents may forgo the existing clients, which is when these clients are then poached by other agents from the same or competing company.

What are the biggest challenges that agents face in the areas of sales?

The willpower to stay in the industry despite the challenges. New agents may be lacking in skills to secure an appointment or close a sale. Eventually when they have exhausted their pool of warm leads, they need to venture out to referral or cold marketing which can be a daunting and difficult task. This is when the agent would either make it or break it and it usually is the ones that persevere that is able to succeed.

What technology has been employed to assist the agency force in their sales and servicing activities?

In their sales, as mentioned they have their sales platform, in servicing, we have the agency web portal which updates them on claim status, policy changes and their business information which includes total sales, training hours, events, contests and promotions.

What causes an agent to quit?

Agents that do not persevere through difficulty are the ones who often quit. They face a lot of rejection, get disappointed when they cannot make a sale, are often low in commission which causes them to decide to throw in the towel and leave. There are also those who quit the agency or industry due to arguments with their leaders or uplines; these cases more often either change agency, insurance company rather than quit but it happens as well.

What kind of technological enhancement do you think will reduce agent turnover?

We are currently trying to tackle this issue by implementing a lead generation system for our agents. This system will track leads from our marketing activities from both traditional and virtual pools and distribute to agents according to their performance. The theory is to give these high quality, qualified leads to new agents with high activity ratios, low complaints, and recommended by their leaders. The leaders will vet through their pool of agents, pick out those who have potential but are struggling, and we shall give them leads to close and help them to develop to become leaders. This system will not

give leads to agents with low activity, or those with little interest in the business as recommended by their leaders.

What motivates an agent to continuously bring in more sales?

Our analysis has shown that agents who are on track with their leadership promotion often are more motivated to bring in more sales to achieve their promotion. This can be due to the agent having a career goal, and it is a better motivator than contests, incentives, events, or rewards.

How can technology help to motivate an agent to continuously bring in more sales?

Based on our analysis, promotion and agents seeking to promote are more productive, hence there should be a system that helps them track and guide their career progression, as well as monitor the recruitment progress to help them become agency leaders.

What is the best kind of support that an agent needs to thrive in this industry?

They need to be motivated with long term goals. Agents who have short term goals like end of the year contests or incentive rewards are often not as successful as agents with long term goals such as becoming an agency leader, or even an industry leader. We have agents who did not perform well as an agent but due to their persistence and self-motivation are right now industry leaders achieving not on company recognition but industry recognition as well.

How can technology play a role in providing such support?

Motivate them by showing career progression, sales progression and breakdown the effort it will take to achieve the results, for example if an agent is RM100,000 away from their target, it may seem like a big challenge, however if you break it down for them and show that if they bring in an average RM 3,000 case per sale, and they make a sale every three presentations, which is obtained for every ten calls, if they make ten calls a day and follow this pattern, they can achieve their target in three months, however if you double your activity, you can even achieve that target in a month, while this is all willpower and determination, if the technology can give them a guide and daily activity goal, it would help more agents.

### **Interview Questions Section C**

How would CRM Technology help your business?

This technology is currently in the midst of being implemented in our upcoming app, in strictly agency terms, it would help agents manage their pool of customers if they are diligently updating the CRM with information regarding their clients' details such as basic information, sales history, appointment history and call history. This will allow the system to analyze their sales patterns and behaviors, which then advises the agents on when to call back, when to follow up and remind them of upcoming sales and upcoming appointments made. Furthermore, every time a customer calls us, likes our page, or even complains about us through our social media or customer care center, the agent will be notified and able to approach the customer.

How does Intelligent Communication Tools help your business?

This technology has the potential to cut down call waiting times and ease up on the call volume at our customer care center. If implemented correctly, we can realign our cost towards other revenue making efforts since the cost of managing our call centers are lower. If possible, this technology could help inform and update our clients on their claims status or if they had made any amendments to their policy which gives the customer confidence of the agent and the company.

How would Sales Force Automation help your business?

I believe that this system has the potential to increase the activity level of the agency force as it automatically prompts the agent to chase sales. This works best when both agent, leader and the system come to an agreement together to work together as business partners to build their income, agency, and leadership capabilities.

How would Social Media Technology help your business?

We have our team at the marketing department who manages our social media pages, most of our team uses the in-build analytics and AI within these platforms. What we have achieved so far is increased reach through shares and likes, targeted advertising which increase our visibility and generates interest. Through direct messaging request, we can resolve complaints, answer enquiries, and even produce leads for our agents. Most of the leads that we have generated are funneled to our agency development teams who will distribute the leads manually. However, if it was automated to another system were depending on the eligibility, agents were to directly receive leads instead via our agency development team, it would shorten the time needed to decide on who to get these leads based on a fair and equal system.



How would Sales Automation Systems help your business?

We have our integrated system that enables us to process proposals quickly, through RPA and automated underwriting tools, also known as jet-underwriting, we are able to receive and in force cases in a shorter turnaround time than before. We are happy to report that if the proposal submitted to the company is a standard, low-risk case, we can underwrite, approve, and return the policy to the customer within two working days. For our agents, we also have a faster turnaround time for recruitment which takes three working days. In the context of automating leads to our agents, this would help us connect enquiries from our marketing efforts to agents and ensure that the time between enquiry and sales is shortened which reduces the risk of the customer losing interest in buying the policy.

If there was one problem that the agents were facing that you could solve today with technology, what would it be?

Increasing the agent's activity, if there was a way for technology to increase the agent's activity, it would benefit the agent, the business, and the industry.

If there was an implementation in the above technologies today, would you use it?

Yes, but it depends on the cost effectiveness of the system.

Would you kindly support your previous answer with a statement?

We cannot implement a system based on a few case studies. Just like how we underwrite our customers, we need to ensure that the system we implement is beneficial to our agents, customers, shareholders, and employee. Any new system that is recommended

need to undergo a series of proof of concepts, case studies, business models and analysis before implementation. It is prudent that we ensure that the system is truly beneficial with the potential to bring in profits otherwise it will be a pet project that is a waste of resources.

What could motivate agents to adopt and use the new technology?

When we implemented our sales platform via an app, we made it mandatory to submit all cases through it. We met some resistance from the agency force especially agents who have been practicing the traditional pen and paper for decades, however through training, having a helpdesk and most importantly, upgrading the system to be simple and straightforward, our adoption rate of the app has increased to where we have almost eliminated paper proposals from the agents. Therefore, any new technology that we implement in Prudential must be easy to use, straightforward, with a support team that is able to manage their technical and navigational issues including training is crucial to the change management and adoption of new technology.

What do you believe would be the best technological enhancement that is available today that would benefit the agents if it was implemented immediately?

The CRM technology that would help agents to manage their customers, appointments, leads and servicing duties would be helpful to arrange their schedule and help them manage their appointments better.

-End of Questions-



Subject: K

Executive Level Employee 2

### **Interview Questions Section A**

How long have you been in the insurance industry?

15 years

Which Insurance Company are you currently attached with?

AIA Bhd

What is your current role in <company name>?

Chief Digital Transformation & Innovation Officer

What are the current technological tools that are provided to insurance agents?

We provide the agents with a sales app that replaces the need for physical documents, brochures, and sales illustrations. Within this app also resides the recruitment module that has all the documents and information the agent needs on career path, potential income and trainings provided by the company to support new recruits to the business. Furthermore, it also allows the leaders to track the agent's business activities, movements, and sales from as the app monitors the agent's movements and sends a daily report to the leader every day. The app also has servicing documents stored within which the agent can use whenever they need to help the client submit a claim document, make changes, or even withdraw cash from the policy. All these documents can be submitted

digitally through the app to the right departments which cuts down on agent administrative tasks and travelling costs.

Where do you think AI should be developed to best help insurance agents to thrive?

We have covered most aspects of the agent's selling process and workflows, however now we are trying to innovate a system to monitor customer movement, capture interest and drive traffic to our website, social media pages and even agents themselves.

Where do you think AI should be developed to help policyholders?

We are currently developing a system that keeps policyholders actively involved in their insurance policy and its benefits, the AI should be developed to change the customer's behavior to see insurance as a means of investment, saving or even as a business to become an agent as well to earn unlimited income.

## **Interview Questions Section B**

What technology is being used to assist agents in sales?

We have a sales platform that simplifies the sales process but is able to extract accurate data from the client. For example, we use OCR technology to recognize the text characters of the customer's NRIC instead of getting the agent to manually input the data. This not only simplifies the process, but it is more accurate than manual inputs. Secondly if the agent calculated the needs and performed an analysis on the customer's financial standing, the system can recommend the most suitable product to the customer which

helps the agent to decide without having to analyze all the products in the company to suit this customer.

What are the biggest challenges that agents face in the areas of servicing their clients?

Most agents who have been conducting their business for a very long time find it difficult to keep track of all their policyholders, a simple matter of greetings during birthdays of festive seasons can be a daunting process. Most of the agents who have a large network would often employ a personal assistant to assist with servicing such as greetings and claims follow up.

What are the biggest challenges that agents face in the areas of sales?

It is usually their lack of prospects or sales activity, other than that, they could be facing emotional issues or lack of motivation.

What technology has been employed to assist the agency force in their sales and servicing activities?

To manage their sales activity, we have an app that tracks their daily sales activities, such as phone calls, appointments, sales presentation, and sales submission. This data will be sent to the leaders and our database to analyze the agent's movement and reach out to those with high activity but low sales. For servicing, we are in the process of implementing a CRM to help the agents track their customers movement and engage them immediately when the system detects a business opportunity.

What causes an agent to quit?

A lot of agents leave the industry due to lack of sales which again is due to lack of activity or leads. Most of the time since these agents are not putting in the effort to the business, the leaders of these agents will not invest their time to manage them anymore which leads to the slow and eventually demise of the underperforming agent. Often times these agents who are underperforming are always due to lack of motivation, perseverance, and willpower. To succeed as an agent is like succeeding in any other business, it takes fierce determination and a dream that is bigger than the problems they face.

What kind of technological enhancement do you think will reduce agent turnover?

Perhaps one of the ways that could help is by easing the management of their customers and prospects. Some agents who were rejected in the past would be apprehensive about calling the person again after a few months. There have been cases where rejected agents back then have the opportunity to close the case again in the future. This is because circumstances have changed, mindsets have changed, and needs have changed in the time between the first interview and now. But most agents do not contact rejected cases due to apprehension or they forgot, hence there should be a system which manages these contacts and force the agent to contact them again.

What motivates an agent to continuously bring in more sales?

The income is a great motivator, especially since it has the potential to earn more than a regular office job. There is also the incentive trips and recognition from both the company and industry. After a while, agents would be satisfied monetarily and seek to

do more such as groom others or become an industry leader to motivate other agents to succeed in this industry.

How can technology help to motivate an agent to continuously bring in more sales?

By showing them their progress. It is often the case that an agent with a goal is far more likely to succeed compared to an agent who is blindly doing sales for no other reason than to earn money. While money motivates in the beginning, eventually over time when their income has been stabilized, they will seek to achieve other goals such as recognition, and promotion. The technology should show them their progress and how close they are to their goal, this would show agents of their progress, and how far they've come since they joined the industry.

What is the best kind of support that an agent needs to thrive in this industry?

AIA has a training academy that serves to guide the agents on their insurance journey. There are many programs that not only impart important skills and knowledge, but motivation and further learning to support their business. Agents need motivational support and guidance from their leaders as well to succeed, and with the combination of support from the agency as well as the company they would have a better chance of success.

How can technology play a role in providing such support?

Technology could be implemented to support the activities of the training academy and leaders. The technology could monitor the agent's activity to alert both the training team



and leaders of agents who have a high activity but low closing ratio. We would be able to quickly identify agents who need help before they succumb to depression and help them to get out of their predicament.

### **Interview Questions Section C**

How would CRM Technology help your business?

We are currently implementing a CRM system to help both internal staff and agents manage the policyholders of AIA. This technology would help us identify orphan policies and redirect them to agents who need assistance in leads and lower the risk of policyholders moving to other insurance companies. Other than that, anytime there is an interaction between our policyholders and the company, the agent would have been notified and they would be able to engage these policyholders to give assistance and support.

How does Intelligent Communication Tools help your business?

AIA has an AI chatbot that services both agent and policyholders. This chatbot was implemented to reduce call volumes and provide quicker assistance to the agents and policyholders. In order for this chatbot to be effective, it had to have a lot of data from language to enquiries. This system is currently being used for incoming communication but there is a current effort to implement it to reach out to the policyholders and agents to create awareness, interest and notify of any changes in the policy, industry, agent, or customer. This has the potential to keep all parties involved and engaged which then translates to future business and sales opportunities.

How would Sales Force Automation help your business?

The automation of our agents would increase their activity and reduce the risk of agents leaving due to having no leads. This technology works best if implemented together with a CRM since one system is used to monitor and manage the policyholders whereas the other is used to deploy the agents to contact the policyholders. This system has the potential to increase the agency force's activity ratio which in turn translates to higher sales and revenue.

How would Social Media Technology help your business?

We have a marketing team that is working with social media AI to monitor the trends of the individuals who have liked or shared our page. This increases our visibility to the market better than billboards or radio or TV advertisements since most of the public are engaging with businesses through social media. We have data on the market trends and are able to advertise according to the trends of the public with the help of our marketing experts.

How would Sales Automation Systems help your business?

Automation of our business processes is nothing new to AIA and we have systems that not only automate the sales function but the backend processes as well. We cut down on paperwork and administrative tasks to allow the agents to focus more on the sales and servicing activities which brings revenue to the company. We are currently further developing this system to further reduce administrative work, such as getting documents

from hospitals to process claims. We are allowing the system to do this work so that our agents are more able to focus on the business and their clients and less on paperwork.

If there was one problem that the agents were facing that you could solve today with technology, what would it be?

I would say the monitoring and motivation of agents, a progress tracker is one way to manage it now, but eventually we would like to find ways to implement technology to keep agents activity ratio high and reduce their turnover, paperwork, and administrative work.

If there was an implementation in the above technologies today, would you use it?

Yes, I would

Would you kindly support your previous answer with a statement?

The agency force is the driving factor for any insurance business to survive. An agency force that is motivated, happy, and earning a good income would only do more to help the company. Any technology that brings value to the agents would only serve to help the company and its employees.

What could motivate agents to adopt and use the new technology?

When we first moved to our sales platform being a digital app, we changed our rules. We told the agents that to qualify for any contest or incentives, they have to use the sales platforms, and we would not entertain any backlash. They can still earn commission if they submitted using a paper form, but it will not be counted in their sales for incentives. This method worked as we now have an agency force with 100% adoption of the sales system.

What do you believe would be the best technological enhancement that is available today that would benefit the agents if it was implemented immediately?

The CRM and Progress tracker would be a good enhancement with immediate benefit to the agency and the company.

-End of Questions-

Subject: L

Executive Level Employee 3

### **Interview Questions Section A**

How long have you been in the insurance industry?

This will be my 18<sup>th</sup> year in the industry

Which Insurance Company are you currently attached with?

MCIS Bhd

What is your current role in <company name>?

Chief Agency Officer

What are the current technological tools that are provided to insurance agents?

We provide our agents with a sales platform on an app which allows agents to submit proposals online, a training app for them to complete their compulsory training online and an agency website that has their business status details, commission, recruitment module, servicing forms as well as email, contests and events details and results as well as their product brochures.

Where do you think AI should be developed to best help insurance agents to thrive?

It should be developed in the areas of lead generation and customer management.

Where do you think AI should be developed to help policyholders?

AI should help policyholders reach out to the right departments quickly to help them self-serve on claims, enquiries and even complaints.

## **Interview Questions Section B**

What technology is being used to assist agents in sales?

We have our sales platform which enables agents to submit their proposals online which reduces their administrative work as they do not need to submit physical forms to the company. We also have an agent portal online which has their business details such as

policy status, commissions, contest results and training registration which removes the administrative paperwork for agents to conduct their business.

What are the biggest challenges that agents face in the areas of servicing their clients?

They have to balance between sales and servicing, sometimes due to the nature of the claim, it can take a long time for agents to complete their servicing duties. Issues like documentation from hospitals can take a long time especially if the policyholder was admitted to a public hospital; they can sometimes take up to a month to generate the medical report and the agent needs to spend time to follow up on these activities which takes time away from their sales.

What are the biggest challenges that agents face in the areas of sales?

Often agents run out of leads and prospects, some try their best in the cold market, but it can be a very difficult market to enter as they have to approach strangers which unfortunately takes a long time as opposed to referrals or warm leads.

What technology has been employed to assist the agency force in their sales and servicing activities?

We have our sales app for them to use in their business, to help with servicing we have an agency web portal which is updated on the details of the claim progress.

What causes an agent to quit?

Low sales which mean they don't make enough money to pay their bills, usually this happens within the second or third year as the agent has used up most of their warm leads

and fail to get more referrals. Another reason is they have a falling out with the agency or the management team and leave the company due to disagreements, miscommunication, or arguments.

What kind of technological enhancement do you think will reduce agent turnover?

Helping the agents to manage their customers and get leads or referrals, a system that helps the agents organize their contacts to either get more sales or referrals.

What motivates an agent to continuously bring in more sales?

The money is a driving factor but also the recognition that comes along with it. Also, the agency force and the leader play a big role to motivate the agents to bring in more sales.

How can technology help to motivate an agent to continuously bring in more sales?

I believe that if we were to make the job easier, like further cutting down on administrative tasks or paperwork, that is one factor that will help. We are trying to improve our sales app to have more functions like FPX payment, OCR, and even a tracker to help the agents check their policy status from the app. Another thing that it should do is help leaders track their agent's business activity, so that leaders are able to see which agents are putting in the effort and which agents are not, then they can focus on those who are committed to the job but require help to produce sales.

What is the best kind of support that an agent needs to thrive in this industry?

They need motivation from their leaders, guidance, training, knowledge, and the support from the insurance company to help underwrite cases faster, come out with incentives and contests as well as listen to their feedback to understand how to help them and get more sales.

How can technology play a role in providing such support?

Technology can play a role in understanding the agent's sales patterns and how they conduct their daily activities. This means that if there was an app to track the agent's sales behavior, we can funnel the information to the leaders or business development managers to help them focus on potential high achievers and motivate as well as support them.

### **Interview Questions Section C**

How would CRM Technology help your business?

This technology would help the agents get their contacts organized and see patterns where they could approach existing customers to fill in gaps in their protection and even ask for referrals. This way, agents would not have the issue of running out of people to call since they have an AI that analyzes their customer pool and gives suggestions on the next steps, they should take to increase their pool of customers.

How does Intelligent Communication Tools help your business?

I believe that this technology should help to notify both agents and policyholders about the status of their policies or claims. It should be a two-way chat system which allows



the agent or policyholder to converse with an AI that is able to reply to them and direct the person to the right place in order to solve their issues or gain more information. This would be a powerful tool, however there must be some kind of authentication of the person's identity otherwise there is a PDPA risk.

How would Sales Force Automation help your business?

This would generally help the agents be more active in their business. Most agents are not lazy, but they have run out of leads and may not know what to do. If this system is able to instruct and give tasks to the agent to perform, they will have a guide on what to do and not be so lost in their business. As long as the agent were to follow the recommendations of this system, it will create business opportunities as they have more activity which will naturally result in more sales.

How would Social Media Technology help your business?

I believe that most interactions that come through out social media is a potential business opportunity since most of the time people who are genuinely interested in insurance would seek out our company. This would mean that the visitors to our social media websites are more likely to purchase a policy, hence the AI should monitor all activities on our social media and prompt the marketing department to pass the leads to a distribution system to our agents.

How would Sales Automation Systems help your business?

This would help to reduce the paperwork and manual tasks that an agent has to perform in their business. If they had information at their fingertips which automatically drives them to sales rather than administrative tasks, it will allow the agents to be focused on selling and confidence that the paperwork will be accurate and submitted all the time.

If there was one problem that the agents were facing that you could solve today with technology, what would it be?

Their lack of leads and lack of activity, these are the two areas for now that agents commonly face, eventually there should be an implementation which helps with customer service but that would come after we have a large sales volume.

If there was an implementation in the above technologies today, would you use it?

Yes, we would.

Would you kindly support your previous answer with a statement?

Our agency force is currently relying on simple tools to do their business, however even with that simple tool we are producing and ranked one of the top growing insurance companies over the past two years. I believe that if technology and AI can play a role to further grow our company, we should at least consider the possibilities and embrace change.

What could motivate agents to adopt and use the new technology?

Keep the technology simple and easy to use, although it may be a complex machine, it has to be simple to use for the agency force. Our agency force is a large group of individuals that varies in age, education, capability, and abilities, hence, to be able to at least accommodate 80% of them by making it simple enough to use, it is enough to motivate the agents to use the technology.

What do you believe would be the best technological enhancement that is available today that would benefit the agents if it was implemented immediately?

CRM technology right now would be the best tool for us to analyze our customers and find potential business opportunities.

-End of Questions-