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# AN IMPLEMENTABLE ECOMMERCE MODEL FOR THE INSURANCE INDUSTRY

By

**M.S.A.M.Naleer**

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The Dissertation was submitted to the Department of Computer Science & Engineering of the University of Moratuwa in partial fulfilment of the requirement for the Degree of Master of Business Administration.

Department of Computer Science & Engineering

University of Moratuwa

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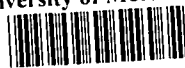
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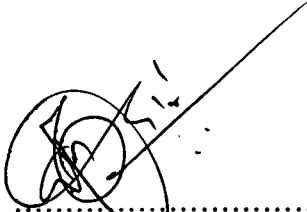


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## Declaration

I certify that the work included in the dissertation in part or whole has not been submitted for any other academic qualification at any institution.

  
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## **Abstract**

The conditions for doing business are changing rapidly. The digital world has expanded and will become a way of life for future generations. We have to adapt to online insurance services, monitoring the trends and countering the threats to retain our existing customers and attract new ones. In a long term perspective eCommerce represents an effective and timely channel to better serve our clients. At the same time it becomes a low-cost contributor to the profitability of our companies. The Internet and related advances in information technology significantly impact financial services. Yet the insurance industry has been lagging behind other financial services to embrace this new change within its activities. The growing importance of eCommerce represents a watershed event for insurance markets and institutions, as it does for most industries. By lowering information costs, eCommerce will enable insurers to classify, underwrite, and price risk as well as settle claims more accurately and efficiently. Overall, the Internet will significantly enhance the efficiency of insurance markets and institutions and benefit consumers by lowering transaction and information costs. The effects of eCommerce are the subjects of intense debate in insurance industry. Despite the emergence of eCommerce in Sri Lanka information technology and insurance industry literature, no empirical research has been reported in the Sri Lankan insurance industry.

This dissertation is presented in three sections. Firstly it begins with a survey of published materials available pertaining to the Insurance sector and highlights its specialized nature. It then examines the current status of the Insurance Companies in Sri Lanka and their readiness to embrace eCommerce. The findings demonstrate that the Sri Lanka is not that far behind in the eCommerce readiness in the Insurance Industry.

Finally an implementable eCommerce model is presented for the Insurance Industry sector with recommendation for a phase by phase deployment.

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