

Michael G. Jacobides
Anubhab Goel
M. Dalbert Ma
Aryan Mittal

CS-24-009
March 2024

HDFC ERGO: A product ecosystem built on mindshare

In 2020, Anuj Tyagi, Joint Managing Director of HDFC ERGO, a leading insurance company in India, found himself engaged in an intriguing conversation. He was in the middle of presenting the newly digitally transformed HDFC ERGO, an important insurance player in India, to one of the country's most celebrated entrepreneurs. His pitch was vibrant with excitement, showcasing HDFC ERGO's impressive transformation from a traditional insurance player to one that was fully prepared for a digital future – despite the tumultuous challenges it had faced in recent years, from disruptive technological innovations and shifting customer preferences to radical changes in the regulatory landscape.

Anuj was in mid-flow when the entrepreneur suddenly interjected. "This digital transformation is all very well, but what does it have to do with me?" he demanded. "I only interact with my insurer once or twice a year." This pointed observation hit home with Anuj because he recognised that it conveyed a stark truth. If HDFC ERGO was to evolve from a mere insurance provider to a bona fide tech company, it needed to transcend the limitations of annual interactions. Beyond merely capturing market share, the firm had to establish a meaningful presence in its customers' minds. As Anuj pondered the path to doing so, he began to reminisce about HDFC ERGO's journey thus far.

Overview of HDFC ERGO: The impetus for digital transformation

HDFC ERGO General Insurance Company Ltd. was founded as a joint venture in 2002 between HDFC Ltd., India's premier housing finance institution, and ERGO International AG, a key player in the global insurance landscape. ERGO International AG, part of Munich Re – one of the world's leading reinsurers and risk carriers – operated across 25-plus countries, with a keen focus on Europe and Asia.

Exhibit 1 provides a comprehensive overview of HDFC ERGO. The new venture positioned itself as a provider of general insurance, covering everything from Motor, Health, Travel, Home and Personal Accident insurance in the retail sector to custom solutions such as Property, Marine and Liability Insurance in the corporate domain.

HDFC ERGO adopted a balanced approach to distribution that drew on all four primary channels: agency, direct (including online), bancassurance (banks and corporate agents) and broking. As shown in Exhibit 2, Numerous insurance carriers continued to prioritise their entrenched legacy insurance models, hence maintaining an agency workforce that inefficiently promoted outdated products and services.

Michael G. Jacobides is Professor of Strategy and Entrepreneurship; Sir Donald Gordon Professor of Entrepreneurship and Innovation at London Business School. Anubhab Goel is Head – Digital Innovation at HDFC-ERGO. Dalbert Ma is a PhD Student in Strategy and Entrepreneurship at London Business School. Aryan Mittal is a Research Assistant at London Business School. The case was developed with the support of HDFC ERGO and Evolution Ltd and was copy-edited by Tom Albrighton.

London Business School cases and teaching notes are developed solely as the basis for class discussion and are not intended to serve as endorsements, sources of primary data, or illustrations of effective or ineffective management.

© 2024 London Business School. All rights reserved. No part of this case study may be reproduced, stored in a retrieval system, or transmitted in any form or by any means electronic, photocopying, recording or otherwise without written permission of London Business School.