



Insurance and  
Risk Finance  
Facility



# The Inclusive Insurance Navigator

A guide to designing inclusive insurance products and markets

December 2025



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## List of abbreviations

<b>A2ii</b>	Access to Insurance Initiative
<b>ADA</b>	Appui au Développement Autonome (Support for Autonomous Development)
<b>B2B</b>	Business to business
<b>BRS</b>	Belgian Raiffeisen Foundation
<b>CEO</b>	Chief Executive Officer
<b>CGAP</b>	Consultative Group to Assist the Poor
<b>CRM</b>	Customer relationship management
<b>ER</b>	Emergency room
<b>FSP</b>	Financial service provider
<b>ILO</b>	International Labour Organization
<b>IRFF</b>	Insurance Risk and Finance Facility
<b>IT</b>	Information technology
<b>KPI</b>	Key performance indicator
<b>KTDA</b>	Kenya Tea Development Agency
<b>MFI</b>	Microfinance institution
<b>MILK</b>	Microinsurance Learning and Knowledge
<b>MVP</b>	Minimum viable product
<b>NPS</b>	Net Promoter Score
<b>P&amp;L</b>	Profit & loss
<b>PACE</b>	Product, Access, Cost and Experience
<b>PROFIN</b>	Fundación para el Desarrollo Productivo y Financiero (Foundation for Productive and Financial Development)
<b>RCT</b>	Randomized control trial
<b>RICE</b>	Reach, Impact, Confidence and Effort
<b>ROSCA</b>	Rotating savings and credit association
<b>SaaS</b>	Software as a service
<b>SACCO</b>	Savings and credit co-operative society
<b>SDGs</b>	Sustainable Development Goals
<b>UNDP</b>	United Nations Development Programme
<b>UN-INSTRAW</b>	United Nations International Research and Training Institute for the Advancement of Women

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## Section 1

### Using the Navigator and preparing for the work



## 1.1 About the Navigator

UNDP's Insurance Risk and Finance Facility (IRFF) has developed this Navigator to address the needs of insurers, distribution channels and other stakeholders planning to develop inclusive insurance products and markets. Starting from scratch in this market can be daunting, costly and time-consuming. To make it easier, this Navigator leverages lessons learned by experts over the past decade and condenses them into practical applications that can be used by practitioners who have varying degrees of experience in inclusive insurance and research methods.

Insurance is a tool for managing the unforeseen risks that can impact financial security and health. It can protect clients' businesses and farms, not to mention their lives and health, from climate, disaster and unexpected life events. Climate change, in particular, has exacerbated risks, creating an urgent need to expand insurance to a majority of the world's population. Insurance has a critical role to play in building financial inclusion, helping to protect the lives, health and assets of the majority of the population in the face of these growing risks.

Inclusive insurance represents an opportunity for insurers: it can help them expand and diversify their business model by reaching market segments that are currently excluded or underserved. It can also strengthen the business models of third parties that have strong distribution access to broad segments of the population, enabling them to increase and diversify their revenues, while improving their value proposition.

This Navigator provides resources to support you and your organization as you develop or strengthen a client-centric approach to inclusive insurance. It is centred on the premise that client-centric products and processes can successfully build a sustainable market in which clients understand and perceive the value of insurance products, and are able to realize that value. Only in this way can the insurance sector gain the trust of new customers and ensure their sustained interest in, and commitment to, using insurance products to manage their risks. As you use this tool, you will learn how to create, communicate and offer this value to customers who have not typically been targeted by traditional insurance products. With this in mind, the Navigator offers guidance on how to ensure your approaches are inclusive, empathetic and respectful of differences.

The Navigator covers the entire process of product development, from designing products to selling them and servicing them. Throughout, you will find tools, case study examples and resources for methods and processes. Some research methods discussed are also used in contexts outside inclusive insurance, and in these cases, this Navigator provides insurance-specific examples of their application.

The Inclusive Insurance Navigator is meant to be used by a variety of practitioner audiences working with or within insurance companies and insurance distribution channels. Managers and work teams alike can use this tool. It offers practical hands-on steps, examples and checklists to track progress.

### i

#### MANAGER'S BRIEF

Each section begins with a **Manager's brief**. This box is designed for busy managers who may not have the time to scroll through all the content, but who need just enough information to understand what their teams are working on. Both managers and work teams will also benefit from reviewing the case studies, which illustrate ways in which some of the tools have been applied by local operators.



Your organizational journey into inclusive insurance can be seen as a road that your team will follow. Not everyone needs to follow the same road to achieve their desired result. The market and institutional context matter, as do the goals of your institution. For example: Are you aiming to create a new market in your local context, or is inclusive insurance prevalent in your market? Are you developing a new product, or planning to evaluate an existing offer to improve impact, uptake or claims? Does your institution have

existing experience and, if so, what experience exactly? The Navigator offers different tools that can be customized to your needs in each section. It allows you to build the route along your inclusive insurance journey that is most useful for your organization.

**Case study 1** and **case study 2** illustrate the journeys of two institutions and show how they used some of the tools included in this Navigator to build their inclusive insurance business.



Kuala Lumpur, Malaysia / Adobe Stock

#### **CASE STUDY 1**

##### **The inclusive insurance journey of Crezcamos S.A. in Colombia**

Crezcamos S.A. (Crezcamos), a microfinance institution (MFI) working in rural Colombia, offers multiple personal and property insurance covers for its loan clients. Over 30 percent of its portfolio consists of loans to agricultural clients. As such, the MFI was keen to offer its clients climate insurance to protect their crops from extreme weather events.

Since this type of product was new to the institution and to its clients, Crezcamos chose to engage in the full market research and product development process and hired a consulting firm to manage the process. It used internal data from its credit portfolio to segment clients by crop, land size, loan size and location. This was complemented with external data on the number of farmers in the country by crop to help assess market sizing.

Next, the company segmented the clients and held focus groups with segments that were stratified by crop, loan size and location. It worked with external consultants to hold focus groups and in-depth individual interviews with clients and identify their main climate risks. Smaller loan clients were invited to participate in focus groups, while larger clients with more land were visited for one-on-one interviews. The interviews covered existing risks, existing coping mechanisms and the cost of coping with climate events. They also addressed client understanding of insurance and parametric insurance concepts, as well as customers' interest in paying for these products.

As a result of the interviews, the MFI was able to approach an insurer with specific parameters for its insurance. For example, only excess rain and drought were ubiquitously cited as damaging to the main crops in Crezcamos's portfolio.

Since willingness to pay was low, particularly for a new product that had no track record, the institution also worked with domestic and international public agencies to design a subsidy programme that would initially offer products at no charge to "educate" clients about insurance. Over time, as clients began to trust the product, subsidies would gradually be reduced.

Once the insurer had a prototype, consultants returned to clients with the prototype to test various educational materials and marketing messages, as well as channels that would be most effective to promote enrolment. The process showed that it would be critical to explain key concepts like basis risk to clients in order to build knowledge and transparency in the product.

The process also identified the potential for an omnichannel strategy to promote the product through both high-touch loan officer visits and lower-touch call centre calls, audio messages, SMS and radio. The following tools and channels were used to reach target users:

#### **Tools**

Integrated information technology (IT) platform; simple marketing materials; staff training; incentives (indirect).

#### **Channels**

Loan officer; brand staff; audio messages; call centre outbound; call centre inbound; radio; SMS; social media.

Finally, while loan officers would not receive direct incentives for enrolling clients, they were trained to educate and enrol clients, and to understand that clients who receive payouts are more likely to pay back their loans. Since loan officers receive an incentive for managing delinquency, this was attractive to them.

Crezcamos launched the product in 2020 and placed over 68,000 policies in its first 3 years of operations in 13 departments of the country. Over 4,850 clients have received payouts on the product, which has led to greater interest in paying for the product and more voluntary enrolment through inbound call centre calls.

**FIGURE 1: PRODUCT DEVELOPMENT PROCESS USED BY CREZCAMOS S.A.**

Source: Interviews with Crezcamos S.A.





## CASE STUDY 2

### The inclusive insurance journey of APA Insurance in Kenya

**“To develop a product, we use the feedback (from the clients); the clients say the positive and negative aspects of the insurance policy and we correct the product accordingly.”**

John Kamau  
Business Developer at APA Insurance Limited

The product design and development of [APA Insurance](#) (Apollo Group) in Kenya provides a good example of a company that has done market research but wants to improve their products and processes using information. APA Insurance Limited (Kenya) is one of the parent group's most important companies and has become the largest insurance firm in Kenya. Serving both business and individual customers, it has an innovative range of product offerings.

Focusing on bottom-up segmentation, APA develops different activities with staff and potential clients to get input to develop inclusive insurance products, prototype in the field and iterate based on client feedback.

APA's teams regularly visit different communities to talk to potential and existing customers and gather ideas for new inclusive insurance products. To create a new product, APA uses the method outlined in **figure 2**.

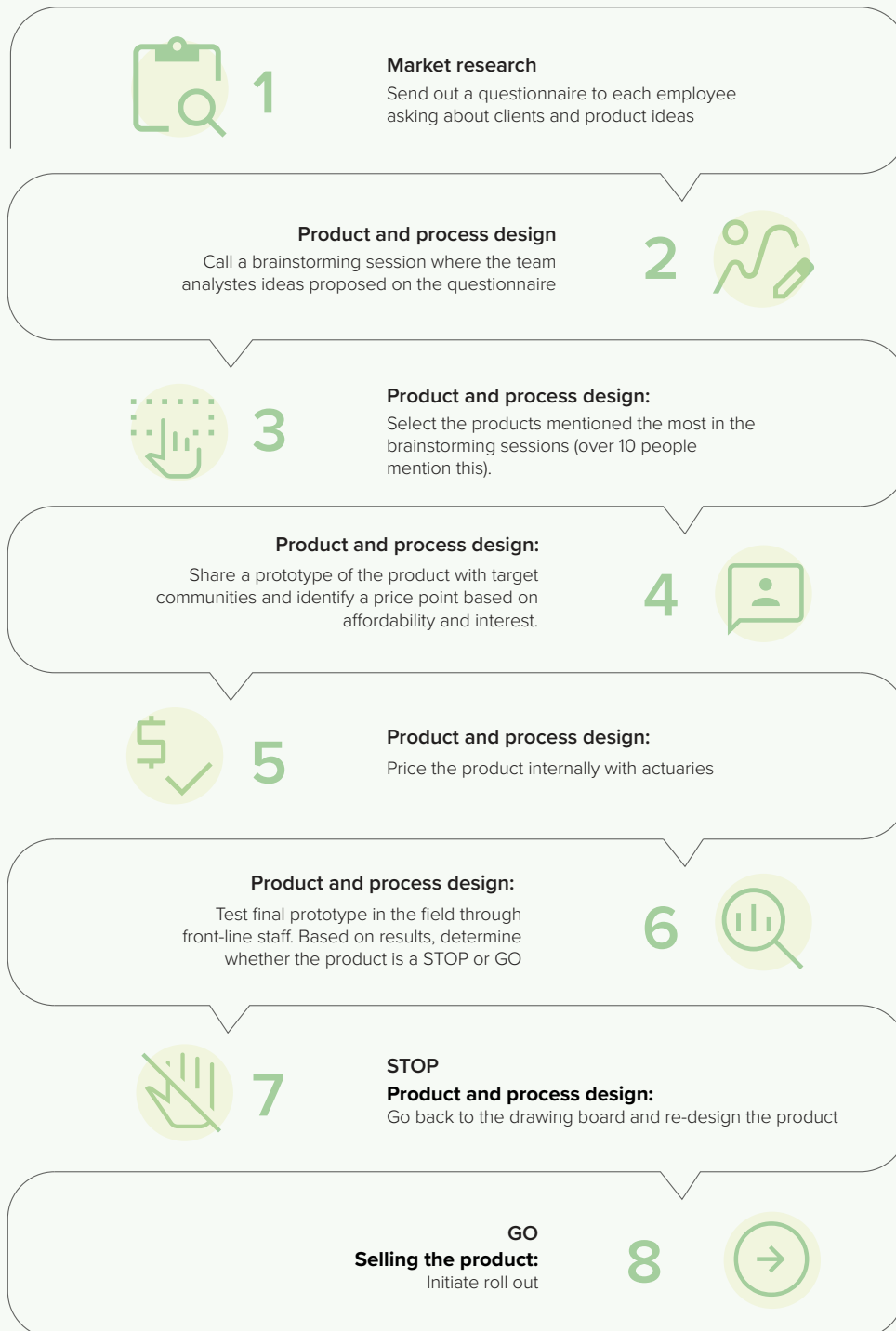
APA also focuses on customer education, regularly organizing groups to explain who the company is and what it can offer, describing the policies in simple terms, giving reasons why acquiring insurance can be beneficial for potential clients and trying to address negative past experiences some people have faced with other insurance companies. The company considers that it is very important to gain communities' trust and prove through actions that insurance policies can help them in times of need.



Kenya / Adobe Stock

**FIGURE 2: APA'S METHOD FOR CREATING A NEW PRODUCT**

Source: APA Insurance.





## 1.2. Establishing a working group

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### MANAGER'S BRIEF

In section 1, your team will learn how to use this Navigator and prepare to develop and offer inclusive insurance products. This section describes important first steps for you and your team.

First, identify the members of your team and develop an internal working group to drive, execute and support your process. This group should be multifunctional, with representatives of commercial, marketing, operational, financial and IT functions in your organization. It may also include your partners.

Once your team is in place, ensure they understand that they will need to use client-centric approaches if they are to develop products and processes that are innovative, new and bring value to end customers. Client-centricity is critical when designing or improving products and services, so that clients understand, perceive and obtain good value from the products they purchase. We discuss in this section the importance of taking a client-centric approach. To do this, consider the team's existing understanding of the target market and its needs. This can be very useful in framing hypotheses.

An inclusive process that involves clients and those closest to them can help uncover unmet needs and underserved markets. Insurers may not be reaching every market segment in the country because they may not be aware of how to reach them, or even how to identify unexplored segments. In part, this may be because insurers and their teams are very distant from the end customer, and have limited experience of the process of developing products that meet their needs. To help put this right, you need to recognize the internal biases that your team may have and ensure they do not influence your research results and product design.

Inclusive insurance initiatives require the participation of every unit in an insurance company. Distribution channels, such as financial institutions, also need multiple units to be involved to ensure that products, processes and services are client-centred and effective. Every institution embarking on a new initiative or improving an existing initiative should create a working group for this purpose.

Typically, working groups are made up of a commercial unit representative, someone who serves a marketing function, somebody who handles operational issues (such as call centre management), partnership leads, actuarial or financial units and IT units. Internal legal or compliance staff may also be invited to the group to ensure that processes include these considerations from the start. If no internal representative is available, you

may consider hiring an outside resource or inviting members of insurance associations on occasion for this purpose.

It can be useful to include someone who represents the clients' perspective in the working group. This could be a former client or an internal staff member from a similar background to the target client. It may be better to avoid using members of the sales team in this role, since they may have conflicts of interest.

Your working group should also have a coordinator, who may be one of the people selected as a participant, or may be someone assigned specifically to lead the project, depending on your organizational needs. In some cases, a coordinator may be assigned specific staff to support different efforts from time to time.

The working group should participate in the process from its earliest stages, including project planning and design workshops. While weekly meetings are most effective, not everyone needs to participate in these weekly meetings. However, everyone should be informed of progress through memos and called on to participate in weekly meetings at critical times.

Your working group will need to meet and discuss at various stages on the road to inclusive insurance. Make sure that this Navigator is accessible

to everyone. You might even consider assigning readings on different sections of the Navigator throughout the process. As you follow this Navigator with your working group, remember that no inclusive insurance journey is a completely linear process, and that you will need to access different sections of the tool as you go. For example, while we include a section on servicing your product at the end of the Navigator, it is important to set up targets and systems before launching your programme, and in some cases, before even defining your product.

#### **BOX 1**

##### **Building your working group**

As you build your working group, consider including a broad range of functions in your organization, including people with the following responsibilities:

- Commercial
- Technological
- Financial
- Actuarial
- Operational
- Marketing
- Legal/compliance representative
- Partnership development and management
- “Client” representative
- External partners

Make sure you assign one person to be the coordinator of the working group.

### 1.3. Recognizing internal biases

The process of developing inclusive insurance products can uncover unmet needs and underserved markets. Insurers may not be reaching every market segment in the country, for the simple reason that they do not know how. They may be distant from the end customer and have limited experience with the process of developing products that meet customer needs.

We might think that we already understand our target population. After all, it may be a population that we know from our family and community. It may even be a population with which we interact daily. For example, your target market might include the taxi driver who drives you to work, your housekeeper, the owner of the small grocery shop on the corner of your street, or your own family members nearby or in more remote areas of your country. We share a country and geography with these people, and we might enjoy the same sporting events, popular television shows or local amenities. We come from a shared cultural history and we may use the same slang and idioms, follow the same rituals and hold the same attitudes. Indeed, we know a lot before embarking on the process of defining a market.

However, some of what we “know” comes from beliefs. It is not knowledge that we have gained

from a deep engagement with our target community about the risks they face, how they manage these risks and their financial vulnerabilities. Our beliefs can misguide us into making assumptions about the behaviours of people of different socio-economic classes, ethnicities, genders, sexual preferences, ages and abilities.

This Navigator seeks to be client-centred, which will challenge us to question what we already know and to listen deliberately to client voices, behaviours and preferences. There may be many differences between our experiences and those of the target population, which may make it difficult to fully understand their financial risks and lives. You may be very different from your target market in terms of education, work and daily life.

To illustrate these differences, we will be accompanied by Eduardo and Erica. They live in a small town in the Philippines (see **box 2**). Eduardo and Erica are personas, which means they represent a compilation of stories and experiences from various people we interviewed as well as some of the literature we reviewed on the region. They are not real people, but using them as examples will help you understand how to apply the lessons in this Navigator more closely.



Vietnam / Adobe Stock

## BOX 2

### Meet Eduardo and Erica

Meet Eduardo, Erica and their two children, Justin and Jasmine. Eduardo is a 35-year-old shopkeeper in rural Luzon, the Philippines. He sells groceries. His wife, Erica, is 26 and works at a local garment factory as a salaried employee. Her employer has opened a bank account for her, into which she receives her biweekly pay. She saves about one-quarter of her salary each month. She is very proud of her job because of the money it brings in, which contributes to achieving her family's dreams. For example, last year, she purchased a small motorcycle on credit that she received through her bank because of her good savings habits.

Eduardo and Erica rent an apartment from Erica's father, who lives upstairs, in an older housing complex that often suffers from flooding. They pay for the rent in cash from Eduardo's income at the grocery store. While their apartment is small, it is convenient for Erica's work, and her parents often help watch their two young children while Eduardo and Erica are at work. Eduardo usually drives Erica to work on the motorcycle before he opens the shop. In the afternoons, Erica takes a mototaxi home. Erica and Eduardo are saving money to buy a place of their own near a private school for when the children are a little older. Keep their stories in mind as you read through this Navigator.



As users of this Navigator, we likely do not fully understand the life experiences of Eduardo, an informal sector worker, or Erica, a textile factory worker. Some of us may live very different lives from them; others may recognize elements from their own experience. Either way, it is important not to start out by making assumptions, because doing so will hinder our ability to create and distribute products that truly respond to their circumstances and needs.

For example, we might see Erica and Eduardo as being very vulnerable and in need of many different types of protection. And this may be true – but keep in mind that they recognize their vulnerabilities and have already worked on strategies to reduce their vulnerability. While they may have little control over some risks, they may manage others very carefully, for example, by diversifying income streams. In this way, they manage risks through their multiple jobs and the support of family members.

## DEFINITION

A **client-centric organization** is one that recognizes that the client's perception of the value they derive from a product is key to its long-term success. Thus, your value proposition needs to start from the perspective of the client. For example, to serve Erica in a client-centred approach, you do not start with a business problem, like: "Erica has very low income and cannot pay a large premium." Instead, you start from the client: "Erica has a costly and risky commute to work every day."



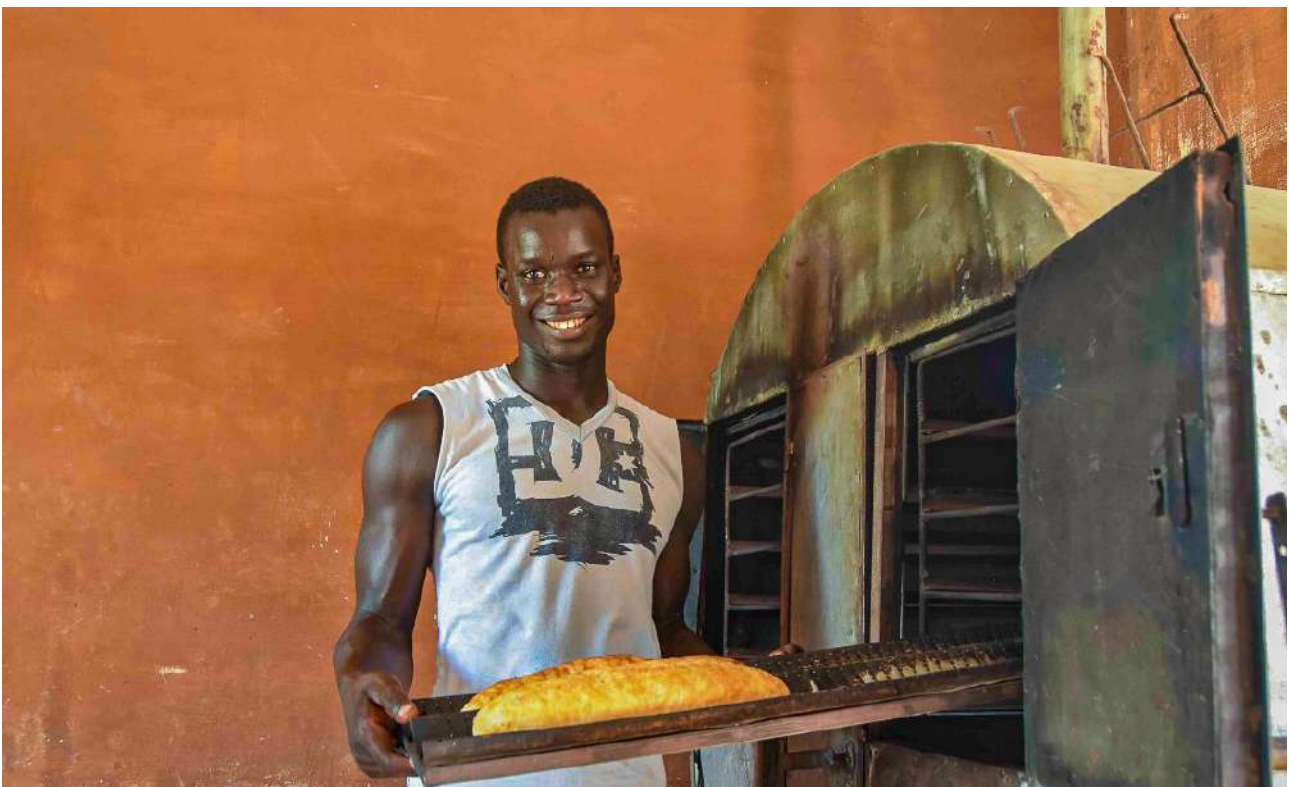
**BOX 3**

**Recognizing internal bias exercise**

Think about your own beliefs about your target population and conduct a bias check to identify where your own internal biases may be influencing your thoughts about your target market.

1. Ask yourself a question about how a member of your target market, such as Eduardo, might respond to a shock. For example, as a shop owner, how does he manage when he is ill? Does someone else take care of his shop? Does he need to pay that person? Does the shop's total income fall when that happens, or is it the same? How does he pay for his healthcare while he is ill? Does he use government facilities and, if so, does he get healthier there?
2. Now think about your own family and how you would respond to a similar shock if you were in Eduardo's shoes. Emotionally, you may feel very much the same, but the financial choices you make may be different from Eduardo's.
3. Consider whether you have made assumptions about Eduardo's situation based on your own experience and possible response to his problem. What factors may Eduardo consider differently? You may be more willing to spend money on what you perceive as better care from more convenient medical facilities, for example, or you may be more inclined to close your shop or pay a worker to cover your job.

This Navigator will help you pose these questions and answer them most effectively to ensure that your inclusive insurance design responds to the actual needs of your target population.



UNDP Senegal



### CASE STUDY 3

#### **Being client-centric – Listening to inspirational leaders**

Ovia K. Tuhairwe is Deputy Managing Director at Radiant Insurance Services Company Private Limited in Rwanda, and was involved in the establishment of Radiant Yacu, a specialized arm of Radiant dedicated only to microinsurance, created to focus on the low-income segment in Rwanda.

One challenge in developing the initiative was thinking beyond health insurance provision in the context of the Government of Rwanda's recent universal healthcare initiatives that addressed many of the health needs of this target population. Radiant Yacu used a client-centred approach to understanding new opportunities in this market and developing products for low-income households that did not duplicate existing government efforts.

Tuhairwe's team spoke to motorcycle riders to understand their needs. The answer to one question resonated with her, and led to the development of funeral insurance for motorcycle riders and passengers: when asked, *"What would happen if you were to pass away?"*, drivers replied, *"When something happens, we just take off our helmets and we start soliciting money from the public."* This visual picture was worth a thousand words. The client-centric approach helped Radiant sell over 150,000 policies in their first year of operations. [\(Learn more online from the LEAD series 2021 with this video\).](#)

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Claire Burns was MetLife's Chief Customer Officer between 2010 and 2018. The company is a US-based global giant, providing insurance, annuities and employee benefit programmes to 90 million customers.

When Burns arrived at MetLife, she shifted the company from a product-oriented P&L to a customer-focused P&L. This change was enormous; the company had been organized in product silos that were not intuitive to customers, but were the result of a 145-year company legacy.

A critical moment for the company was the development of customer-driven task forces to jump-start the transition. It established internal forums where teams worked together on a segment, looking at the end-to-end customer experience map, and began designing products, services and other touchpoints with clients from a segment perspective. Key to this process was understanding customers and delivering solutions that addressed their problems and needs, rather than trying to push products that may or may not be relevant to them. [\(Learn more about MetLife's client-centred journey with this video\).](#)

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Lorenzo Chan is Chief Executive Officer (CEO) of Pioneer Inc. and manager of Pioneer Life's microinsurance portfolio. He is also the Chair of the Microinsurance Network. In 2008, Pioneer's first full year of operations in inclusive insurance, it had 30,000 enrolments and US\$100,000 in premiums. The company closed 2021 with 18.5 million enrolments and \$35.4 million in premiums.

The company's growth cannot be attributed to any single factor, but reflects a long-term commitment to growing with the market and learning from clients along the way.

One key to its success is that the company has built its strategy around understanding and responding to customer needs. *“Our early forays into inclusive insurance were a mistake”,* Chan says; when they began working in inclusive insurance, Pioneer lacked knowledge about the market and had lacklustre results. *“We combined what we thought we knew about the market with a couple of little focus groups.”*

Today, the principle of client-centricity has been incorporated throughout the company, including in the HR onboarding process. New staff are invited to live with clients for three or four days when they join the company, to fully experience their home lives. “In rural areas, they even go to the field with the client.” Chan emphasizes that wearing the client’s shoes is key to getting to know them. *“[Staff] may think 2,000 pesos is not a lot of money, but when they live with the customer, they realize it represents their food for the month!”* [\(Learn more about Pioneer’s customer-centric approach with this video\).](#)



#### CHECKLIST

##### **Preparing for the work**

Did the team...

- ☐ Establish your working group?
- ☐ Name the members of your working group?
  - ☐ Coordinator
  - ☐ Commercial unit representative
  - ☐ Marketing unit representative
  - ☐ Operational unit representative
  - ☐ Actuarial unit representative
  - ☐ Financial unit representative
  - ☐ IT unit representative
  - ☐ Partner representative (if you have a partnership)
  - ☐ Other operational members
- ☐ Complete the recognizing internal bias exercise (**box 3**)?

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## Section 2

### Conducting market research





i

## MANAGER'S BRIEF

Market research can define your value proposition in critical ways, from creating a product that is truly client-centric and responds to customer needs, to designing effective marketing and post-sales strategies that communicate the product's value and ensure clients receive an excellent experience that will build their engagement, loyalty and long-term value to the initiative.

During the market research process, your team will identify the human resources that will conduct your research; define your research design; analyse the data you gather; and begin to prototype process and product ideas.

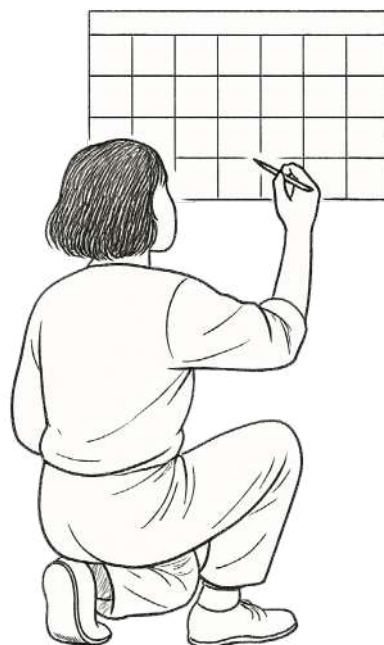
In this section, we will discuss how to develop hypotheses and turn them into research questions, as well as how to turn your research questions into tools for data collection. We will also look at the data sources you may want to gather and how they can help you develop inclusive insurance products. These sources include internal quantitative data, external publicly available quantitative data and new data collection carried out specifically for the initiative. When collecting new data, you may choose qualitative, quantitative or hybrid methods.

There is no one way to approach this work. In some cases, institutions may choose to begin with the product and process prototyping and then conduct research to fill any gaps or test their ideas. In other cases, institutions will begin with a hypothesis and test it by conducting research. Some institutions will instead decide to gather some initial data, develop hypotheses from those data, and either conduct additional research or prototype products to test from there. There are many routes available, and this section should be read not in a linear fashion but depending on the route that fits your organization best.

## 2.1. Who does the market research?

Before you begin your market research, you need a plan to help identify the resources and timing of the research. Your organization needs to consider how much of the work will be done internally and how much will be outsourced.

The decision about who does the research will be a function of your specific needs, in-house capacity and financial constraints. **Table 1** displays some options and the benefits and drawbacks of each one. You may choose to have different actors contribute to different parts of the process, or you may choose to have one actor take on the entire process. This Navigator can be a useful complement to any of the choices you make.



**TABLE 1: WHO DOES THE MARKET RESEARCH?**

Actor	Benefit	Drawback	How the Navigator can help
Insurance company (In-house)	<ul style="list-style-type: none"> <li>• Cost-effective</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of research expertise in-house</li> <li>• Possible bias in the results</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthens in-house expertise and helps reduce bias</li> </ul>
Distribution partner	<ul style="list-style-type: none"> <li>• Cost-effective</li> <li>• Staff is closer to end customers</li> </ul>	<ul style="list-style-type: none"> <li>• Partner may lack in-house research expertise</li> <li>• May lack time and resources</li> <li>• May have a limited understanding of insurance possibilities and pricing</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthens distribution partners' in-house expertise</li> <li>• Provides some concrete examples of inclusive insurance projects</li> </ul>
Market research consulting firm	<ul style="list-style-type: none"> <li>• Removes bias by using external, objective experts</li> <li>• Keeps project on schedule and efficient</li> <li>• Relevant experience with research methodology</li> </ul>	<ul style="list-style-type: none"> <li>• Cost</li> <li>• Requires significant time to review scope of work and deliverables to ensure they make sense in an insurance context.</li> <li>• Requires in-house or external analysis to apply to insurance</li> </ul>	<ul style="list-style-type: none"> <li>• Can help define a scope of work</li> <li>• Can help analyse results of market research in-house</li> <li>• Over time, some additional research functions can be done in-house.</li> </ul>
Specialized inclusive insurance/finance consultancy	<ul style="list-style-type: none"> <li>• Relevant experience, using proven methodologies</li> <li>• Keeps project on schedule and efficient</li> <li>• Understands financial lives of the poor and how financial services needs can be met</li> </ul>	<ul style="list-style-type: none"> <li>• Highest cost</li> <li>• Requires expertise in managing external consultancies</li> <li>• May reduce internal engagement and buy-in</li> </ul>	<ul style="list-style-type: none"> <li>• Can help define the scope of work</li> <li>• Over time, some additional research functions can be conducted in-house</li> </ul>
Short-term consultant in-house	<ul style="list-style-type: none"> <li>• Removes bias using proven methodologies</li> <li>• Keeps project on schedule and efficient</li> <li>• Understands financial lives of the poor and how financial services needs can be met</li> </ul>	<ul style="list-style-type: none"> <li>• Additional cost</li> <li>• May be hard to identify someone with both project management and inclusive finance skills</li> <li>• Consultant may feel less able to make independent methodological and process decisions to conform to supervisors' approach, thereby losing rigour.</li> </ul>	<ul style="list-style-type: none"> <li>• Can help identify candidates</li> <li>• Can improve consultant supervision capacity</li> </ul>



## 2.2. Setting hypotheses and developing research questions

A hypothesis is an informed guess: something you believe based on your prior experience, research or knowledge. For example, based on your own experience visiting clients with sales people, you may think that clients do not understand an insurance product. At this point, your opinion is only an informed guess, and you may want to ask clients additional questions to validate the hypothesis.

Alternatively, you may make an informed guess about something based on internal or external

research and data analysis. For example, you may learn that few people in your target market own new vehicles. From that information, you might establish a hypothesis that there is a need for supplementary insurance for used vehicles.

If you host a design workshop as your first step, then your team will create hypotheses in the workshop. **Box 4** provides more examples of hypotheses and demonstrates how to turn your hypotheses into research questions.

### BOX 4

#### Hypotheses and research questions

When conducting research, it is best to begin with hypotheses. These informed guesses will help you to design specific research questions to explore your hypotheses further. Once you have your research questions, you can transform them into data collection tools (see **box 9** and **box 10** for this last step). For inclusive insurance research, your hypotheses will likely revolve around some common themes. Here, we list those themes and present sample hypotheses and sample research questions that you may want to use to investigate them.

#### 1. Awareness

- *Hypothesis:* Most potential clients in my market have never heard of insurance.
- *Research questions:* How much of my market is familiar with insurance? Where did those who are familiar with it learn about it? Why are others unaware?

#### 2. Gaps in the market

- *Hypothesis:* Low-income consumers are having trouble financing funerals and may benefit from a life insurance product that covers funeral expenses.
- *Research questions:* Do other products on the market already offer funeral insurance? In what other ways do people pay for funerals? How much of a burden do the other financing strategies represent?

#### 3. Demand

- *Hypothesis:* Hospital insurance will sell very well because hospital stays are so expensive.
- *Research questions:* How aware of hospital costs are potential clients? How worried are they about them? How would they pay for a hospital stay now, without insurance?

#### 4. Distribution

- *Hypothesis:* Clients will buy insurance through their mobile carrier.
- *Research questions:* How much do potential clients trust their mobile carriers? Would they want a higher-touch delivery channel so that they can ask questions?

#### CASE STUDY 4

##### **Setting up a hypothesis – Fundación PROFIN Bolivia**

**“You have to create a product that suits the needs of the client, so always start with a demand study”**

Erika Pacheco  
Insurance Coordinator, PROFIN

The Foundation for Productive and Financial Development (PROFIN) is a market facilitator and non-profit dedicated to promoting financial inclusion in Bolivia. With financing from Swiss Cooperation Bolivia, PROFIN developed an inclusive insurance project called “personal accident insurance in the court”, a client-centred product offering insurance coverage for sports teams.

**The product:** Personal accident insurance in the court

**Description:** Medical coverage of personal accidents that occur while participating in a sporting event

**Coverage:** More than 10,000 athletes.

PROFIN used a human-centred design process to design this innovative product. The idea originated with a PROFIN staff member who was an active soccer player and who suggested there was a need for accident coverage for participants in amateur soccer matches. PROFIN found the idea innovative and interesting and transformed it into a set of hypotheses, as follows:

1. Soccer players are at high risk of accidents on the field
2. Soccer players are not especially concerned about accidents that they might have off the field
3. Soccer leagues would be willing to distribute insurance to their members to ensure greater safety and sense of belonging among members

The PROFIN team then designed demand-side market research to better understand the size of the market, test their hypotheses and ascertain potential interest in coverage. They partnered with sports leagues, which provided access to players and input into the product design process. The results of their research (focus groups, interviews and survey) showed a strong interest among amateur players, who were looking for something simple, inexpensive and very short-term (for example, a product that covered accidents during a single match).

PROFIN designed just that – a simple product that could cover accidents only during a single soccer match, including accidental death – and then identified an insurance company partner with a good medical network to offer the product. To test the product, they partnered again with sports leagues, which promoted it among their teams.

Once the product began to roll out in the market, PROFIN was able to calculate more accurate numbers on the risk and accident rate for this product. This allowed some iteration and improvements, including improved coverage, lower premiums and expanded eligibility that included other sports such as basketball and volleyball. The product was so successful that other insurance companies started to offer similar products.

To learn more about this experience, visit [the PROFIN case study](#) on the Microinsurance Network page.

## 2.3. Identifying client segments, typologies or personas

Developing inclusive insurance products requires truly knowing your current and potential clients. This includes demographic and financial characteristics, but also more abstract features, such as preferences, fears and values. Client segmentation is a very useful tool in market research, because it allows you to define the client types to focus on when you collect data. For example, if you see that a certain client segment is underserved, you may want to focus research efforts on that segment.

### DEFINITION

**Segments** are clusters of people that can be identified by observable characteristics. They may share similar experiences and aspirations. Each cluster is also likely to share a similar understanding of insurance, insurance needs and potential interest in purchasing new products. For example, Erica may be in the client segment of young women with salaried jobs and bank accounts, while Eduardo may be in a client segment of informal small business owners.

Segmentation allows you to group clients by their different needs. It will help group your target clients in ways that make the most sense for product design, distribution or servicing. Once you understand the specific needs of groups of clients, you can see the commercial benefits of customizing products, distribution and servicing a bit more to ensure every group is well served.

Even before you begin your research, you may have some ideas about the segments you want to target: for example, you might want to aim your product at rural women with loans from microfinance providers, or at urban bus drivers. A segment needs to be large enough to be attractive and have measurable characteristics that allow you to differentiate it from other segments. Some segments may be too broad, such as “bottom of the pyramid”, which would encompass many different types of people with different needs and financial capacities. Other segments may be too

narrow: for example, “hairdressers” might contain too few people to justify a product. A measurable segment might instead be “urban businesses”, or “rural farmers”, or “factory workers”.

Gender is an important consideration when segmenting, as women and men often behave differently and have different needs resulting from household roles, social norms and economic inequities. But segmenting between men and women is not enough. Some women are wives and mothers, while some are single; some are employees and some have informal businesses, and so on.

Your client segmentation will only be as good as the data that you have, so having more data leads to more accurate client segments. Think about the segments and people you are planning to target. This will help you identify the internal and external data that you might need to deepen your understanding of these groups and validate that they are indeed an attractive market segment. It will also help you plan your data collection process if you are planning to conduct your own market research. Once you have some data, you can identify client segments using a range of methods, which may be as simple as descriptive tables or as advanced as machine learning clustering algorithms. If you lack data, consider the bottom-up segmentation technique explained in **box 5**.

After you identify your segments and understand them better through some research, you can assign these “typologies” using your data and understanding of the market. You may then want to personify these groups, creating “personas” that make them come alive within your team or when explaining their needs and behaviours to managers or potential partners.

Personas are fictional, but based on real information about clients. They can help bring to life, through description, an example of the type of person you are grouping into a segment. They may be a composite of different people you interview in a segment. Ideally, you should create personas with some research from the segment in hand, which will contribute to your understanding of the group more fully.

For example, Erica is a persona. She is not a real person. But in rural Indonesia (see **case study 5**), we met many women like Erica who worked in factories as employees. Many of them were offered multiple financial services, including direct deposit, through their work. Many travelled to work on motorcycles, and many had dreams of home ownership. From our conversations with these women, we could create a persona, whom we named Erica, that can help us imagine the person for whom we are designing when we start our product design process.

When you create personas, consider how gender disparities and social norms may influence the person and their perceptions of risk, financial vulnerability, knowledge and interest in insurance. Consider also whether some groups may have greater access than others to transportation, technology and information as you think about channels for enrolment, payments and claims. This will ensure that your persona is a reflection

of your efforts to empathize with and understand your potential clients.

A final note: client segment development might be an iterative process. You might identify certain segments and then during external data collection find that they are more fluid than expected, or that you missed sub-segments. So, after you gather additional information, iterate and revisit your segment.

You may not always have access to adequate data sources to define segments. Bottom-up segmentation can validate hypotheses about market segments in your current market drawn from quantitative data or, in some instances, can entirely replace this information with insights from the people who have regular contact with your current or target clients. **Box 5** offers guidance on conducting bottom-up segmentation in a focus group setting.



Myanmar / Adobe Stock

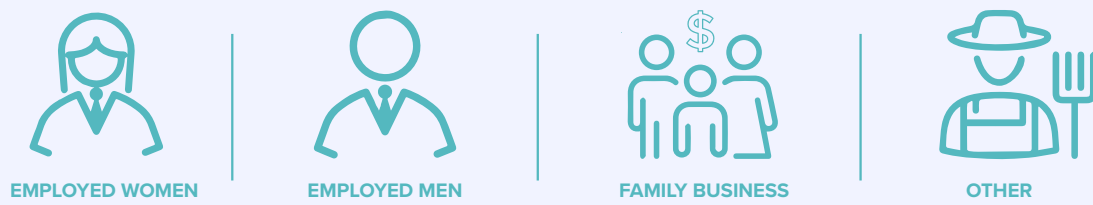
## BOX 5

### Bottom-up segmentation

A bottom-up segmentation exercise is very similar to a focus group. Your team will want to gather 6–8 people who know the market best – these may be field staff from a distribution channel or your internal staff. These staff members should have gained valuable information through interactions with clients, including about the questions that clients and potential clients ask, the types of products that garner the greatest interest and the hesitations people express. Neither clients or potential clients should be among the participants.

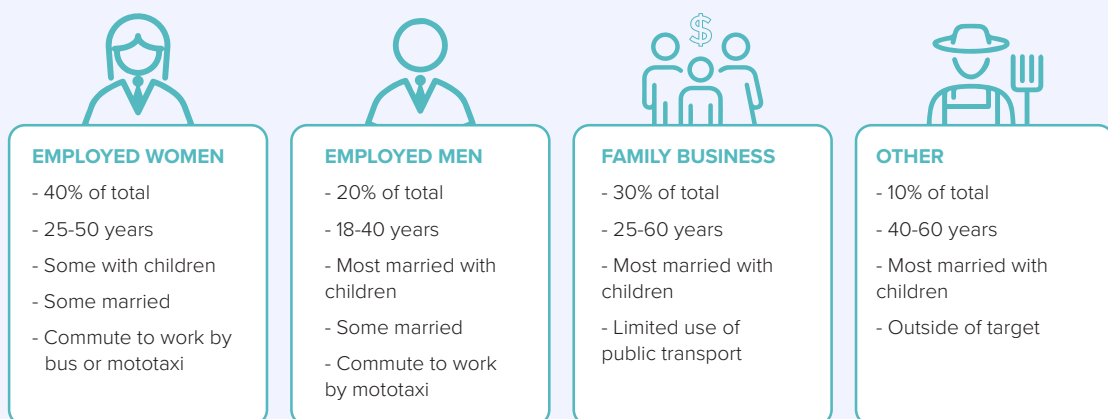
**Step 1.** Ask participants who their “typical” clients are and begin to build profiles of these clients to understand some of the main characteristics of different groups. Identify demographics such as the age, gender, occupation and risk exposure of each group. Stay organized by keeping a list on a board that everyone participating can see.

FIGURE 3: TYPICAL CLIENT DEMOGRAPHICS



For example, one segment might be formally employed low-wage workers (like Erica), and another might be informal small business owners (like Eduardo). Other segments might be organized around occupation (for example, a segment of factory workers, taxi drivers or household workers), risk exposure (those living in a flood zone), or age and gender (women of child-bearing age). Take some notes on the board as a group to describe these segments in more detail.

FIGURE 4: TYPICAL CLIENT DEMOGRAPHICS IN DETAIL

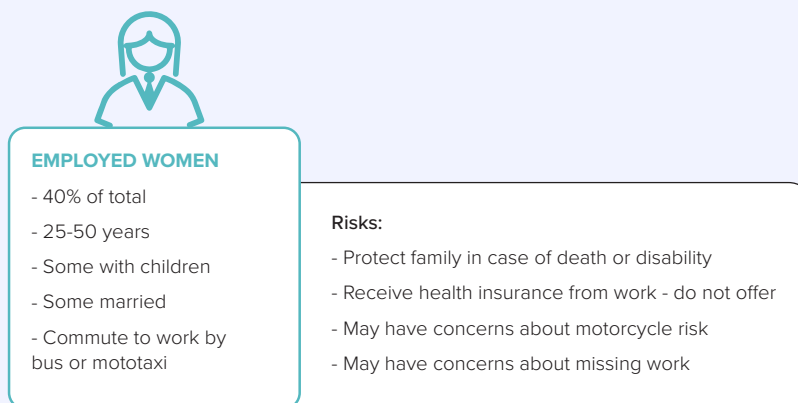




**Step 2.** Once participants have identified typical clients, discuss each segment's financial and digital awareness, along with any characteristics that are important to the products that you are developing. For example, if you are developing a health product, you might want to identify which segment is most likely to need healthcare.

Taking the example of Erica's segment, employed women, for example, what might the focus group participants say? Maybe that this segment might not be interested in health insurance, because they may already receive it from their employment. However, they might be interested in accident insurance to support their family if they have an accident and are unable to work. They might also be interested in micro life insurance coverage to protect their young children. **Figure 5** illustrates how you might document this on your board in collaboration with your front-line staff.

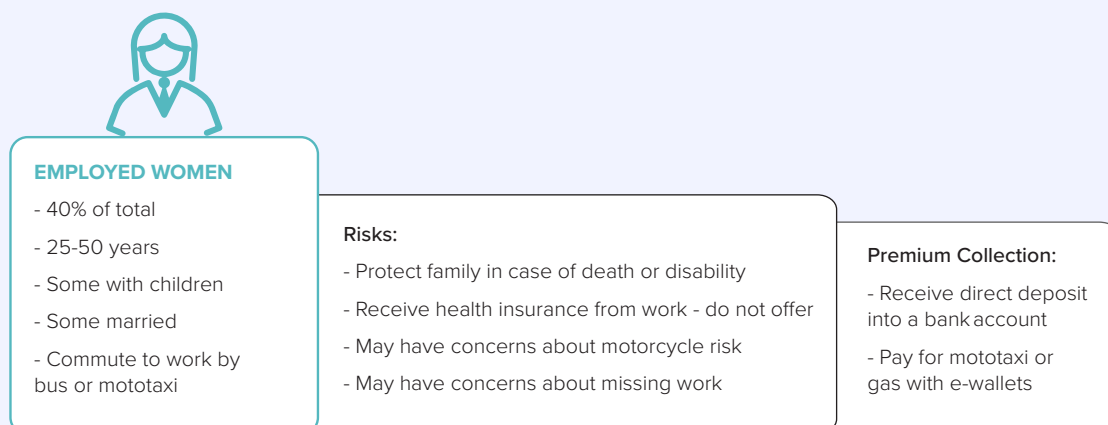
**FIGURE 5: TYPICAL CLIENT RISKS AND INTERESTS**



**Step 3.** Next, discuss the commercial approach for each group. How do they prospect? Which products do they use? Which products might they need? What distribution channels do they touch?

Erica's segment, for example, might be reached through the bank where they receive their direct deposit from work. They could also be debited through a mobile app when they pay for their mototaxi on their daily commute

**FIGURE 6: COMMERCIAL APPROACH FOR TYPICAL CLIENTS**



## CASE STUDY 5

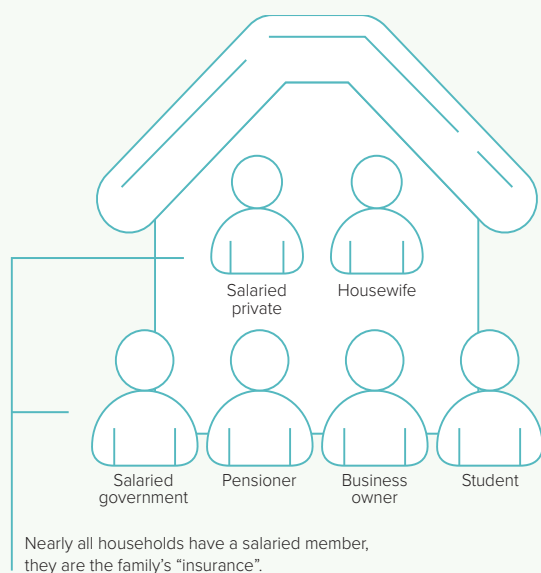
### Identifying client personas through focus groups – AXA Mandiri, Indonesia

AXA Mandiri wanted to add new products to their microinsurance line. It had an existing partnership with a distribution channel, Mandiri Bank, through which it distributed three insurance products.

AXA began the market research by conducting a bottom-up segmentation exercise with Mandiri Bank tellers and agents. The bottom-up segmentation exercise was conducted at a branch during the employees' lunch break, and began with the question: "What does a Mandiri Bank household look like?" Bank employees agreed that nearly all Mandiri Bank households had a salaried member that acted as the household's "insurance" – which was identified as an important detail to consider in thinking about household vulnerabilities.

**FIGURE 7: A TYPICAL MANDIRI BANK HOUSEHOLD**

SOURCE: AXA MANDIRI.



They then discussed the gender and occupation of bank account holders and split the account holders into a few segments, noting that the biggest and most active segment was made up of female salaried workers making minimum wage. They also agreed that this segment was the one that most often purchased insurance, estimating that about 80 percent of insurance purchases through Mandiri Bank were made by salaried, minimum wage earners who were women.

This information allowed AXA Mandiri to target market research towards the segment of bank customers that were already familiar with and interested in insurance products: women on payroll making minimum wage. Through that research, AXA Mandiri found out that these salaried women were worried about the risk of a traffic accident when traveling to and from work, which they did on motorbike taxis. AXA Mandiri developed a product that covers injuries to motorbike passengers, and in doing so, determined that the best distribution mechanism would be through rideshare apps.

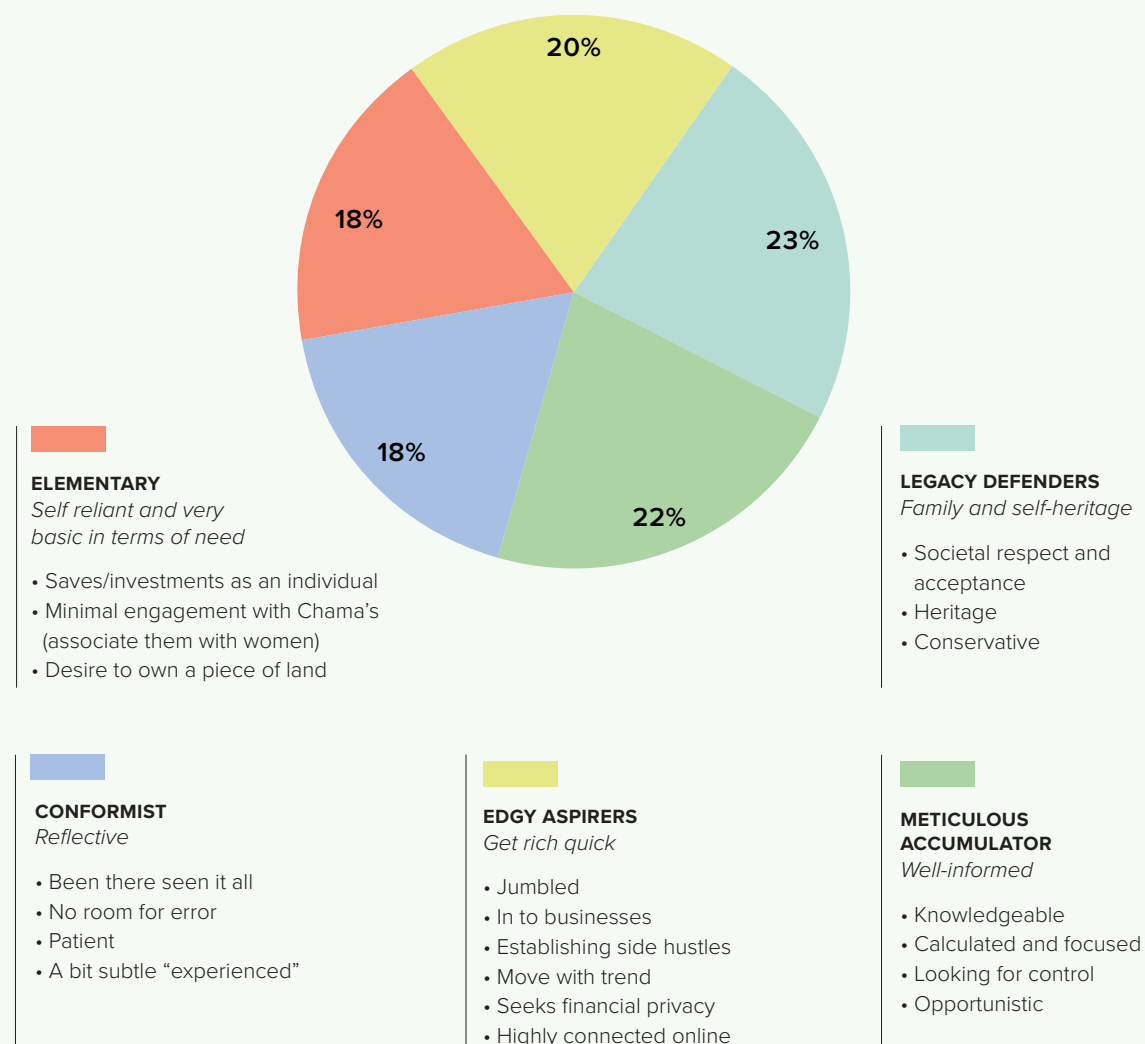
## CASE STUDY 6

### Using behavioural customer personas to design a client-centric inclusive insurance product strategy – Britam in Kenya

In 2018, Britam was looking to reposition its microinsurance business to expand its scope by covering emerging risks in the digital and climate change space. Britam decided to adopt a client-centric approach to reorient the business. The company first conducted client segmentation research using behavioural factors instead of demographic ones. It identified five different customer personas for its inclusive insurance business, as well as each persona's perceptions and attitudes.

FIGURE 8: BRITAM'S CUSTOMER PERSONAS

Source: Britam.



In the next step, Britam was able to set up a comprehensive strategy for each of these personas using targeted products and distribution approaches:

TABLE 2: STRATEGIES TO TARGET PERSONAS

Persona	Behavioural profile	Demographic profile	Examples	Appropriate products	Appropriate distribution
Meticulous accumulator	Knowledgeable, calculated and focused on growing wealth	Men and women, mostly aged 35–45	Owners of small and micro enterprises	Business interruption covers, savings-linked covers	Digital and formal credit institutions
Elementary	Self-reliant, hardworking, focused on basic needs in life	Mostly urban/ peri-urban self-employed males under 40 with limited formal education	Self-employed such as farmers, mechanics, artisans etc.	Business and health covers, climate insurance for crop and livestock	Agents, microfinance institutes
Edgy aspirers	Risk takers, hustlers and online generation	Well-educated formally employed urban men and women millennials	Salonists, gig workers etc.	Investment-linked insurance, mobile and income replacement covers	Telcos, mobile money and other digital platforms
Legacy defenders and conformists	Conservative, with societal respect and family heritage as driving factors	Well-educated, formally employed men and women, aged 40–55	Formally employed private and government level 2 and 3 workers	Education policies, savings-linked, health, life and property cover	Formal financial institutions such as banks, savings and credit co-operative societies (SACCOs) and agents

Britam then repositioned its business from microinsurance to emerging consumers with a customer-first tailored strategy for each persona. Since the repositioning, Britam has been able to enrol over 1.2 million customers across the above personas as follows:

Table 3: OUTCOMES BY CUSTOMER PERSONA

Customer persona	Product & distribution	Number of Customers
Elementary and meticulous accumulator	Health covers distributed through intermediaries	211,416
Edgy aspirers	Micro moment insurance distributed through telcos, ride hailing and e-commerce platforms	325,411
Legacy defenders and conformists	Credit linked covers through banks and SACCOs	602,000
		<b>1,138,827</b>



## 2.4. Selecting your data collection methods

Once you have broadly sketched your segments, your working group can use them to identify what information you are missing about your segments. You may be able to use existing data from internal or external sources to supply this information. Any remaining research gaps need to be filled with new data collection using quantitative or qualitative tools.

Collecting quantitative data will allow you to gather information from a larger sample and generalize your findings to the market segment. These data are

numerical or statistical, and best suited to answer questions like “how much?”, “how many?” or “which one?” Qualitative data, on the other hand, are valuable because they include the kind of descriptive information that allows you to gain insight into your market’s underlying opinions, reasons and motivations. These data are best suited to answer “why” and “how” questions.

**Table 4** can help you identify which methodology or type of tool to use, depending on your research questions and gaps.

**TABLE 4. MATCHING RESEARCH QUESTIONS TO AN APPROPRIATE METHODOLOGY**

Question subject	Internal data analysis	External data analysis	Qualitative: Interviews	Qualitative: Focus groups	Quantitative surveys
General objective	Good for answering the question “How many?”	Good for answering the question, “How many?”	Good for answering the questions “Why and How?”	Good for answering the questions “Why and How?”	Good for answering the questions “What product/ service/ channel?”
Quantifying market size		Determining market size			Determining financially viable size of the market with demand for a product*
Client segmentation	Identifying and quantifying client segments	Identifying and quantifying client segments	Identifying attitudes, needs and behaviours of client segments	Identifying attitudes, needs and behaviours of client segments	Identifying and quantifying client segments*
Risks	Identifying mortality, unemployment, debt default data	Identifying mortality, health, accident and climate risks in a country	Identifying the types of risks that concern clients and are hard to manage	Identifying the types of risks that concern clients and are hard to manage	Identifying the types of risks that concern clients and the costs of managing risks*
Product pricing	Identifying client transactional and financial behaviours (payments, loan disbursements, savings balances, etc.)	Identifying ability to pay	Identifying willingness to pay (approximate)	Identifying willingness to pay (approximate)	Identifying willingness to pay

Table 4 continued on next page

**TABLE 4. MATCHING RESEARCH QUESTIONS TO AN APPROPRIATE METHODOLOGY (CONTINUED)**

Question subject	Internal data analysis	External data analysis	Qualitative: Interviews	Qualitative: Focus groups	Quantitative surveys
Mitigation strategies			Identifying specific costs of and financial strategies for managing an insurable event	Approximating costs of and financial strategies for managing an insurable event	Identifying specific costs of and financial strategies for managing an insurable event*
Preferences			Ranking preferences	Ranking preferences	Ranking preferences*
Insurance sensitization			Identifying product understanding	Identifying product understanding	Identifying product awareness*
Marketing language			Understanding language used by clients to describe events, losses and fears	Understanding language used by clients to describe events, losses and fears	
Potential distribution channels	Identifying client transactional and financial behaviours (payments, loan disbursements, savings balances, etc.)	Identifying client financial services utilization in the country	Identifying client engagement with and trust of distribution channel	Identifying client engagement with and trust of distribution channel	Identifying client use of specific financial services and touchpoints*
Evaluating existing products	Documenting internal process and IT failure rates and client and partner complaints information		Identifying friction in the customer journey	Identifying friction in the customer journey	Discerning client satisfaction levels with specific operational issues*

\*Can explore for statistical significance

### 2.4.1. Internal data sources

Internal data can be a valuable tool in designing a demand-driven product. If you or your distribution partner have worked with clients in any capacity, these clients may be a great target market to start with when offering inclusive insurance for the first time. You already have a trusted relationship with them, you likely already have some data on them that can help you design products, and you can reach out and speak to them to learn more.

In developed or saturated markets, designing products for a current client base can allow providers to take advantage of existing relationships and build brand loyalty without directly challenging first movers. It can also facilitate a smoother entry into a market that is underdeveloped, because your current client base is made up of the type of people who are willing to engage with a financial institution.

Internal data can come from an insurance company's people and systems, or from those of your distribution partners (financial services provider, mobile network operator, etc.). Internal data can

tell you things about your clients (age, gender, family characteristics, address, online/social media engagement, claims or loan records and payment or sales receipts, etc.) and about some of their risks and behaviours (mortality, repayment struggles, etc.). However, they cannot tell you very much about why your clients make the choices they do. If you only have resources to use internal data, you can make some hypotheses or guesses about your clients' needs. But remember, these are only guesses until you test or validate them.

Internal data can be general or specific. You might have data that are not client-specific, such as the geographic areas in which loan officers work. Alternatively, you might have very detailed client data, such as yearly income or alternative credit scores. If you begin to develop client segments, typologies or personas before this step, these data can help you segment the market and refine ideas around the specific types of people you are targeting. **Table 5** gives some examples of internal data sources and how you might be able to use them.

#### BOX 6

#### Internal data from financial service providers

Financial services providers (FSPs) that make loans to informal sector workers often have data on these workers that can help insurers price their mortality risk. These workers tend to be of working age and strong enough to work every day. As a result, they may have a low risk of mortality. Some lending organizations also cover their loans in the case of death and can identify the likelihood of death very precisely. For example, by reviewing internal data, you may discover that Eduardo has a low likelihood of death.



**Table 5: POTENTIAL INTERNAL DATA SOURCES**

Data	Queries	Use these data to...
Client demographics	<ul style="list-style-type: none"> <li>• Ages <ul style="list-style-type: none"> <li>- Mean age</li> <li>- Age categories</li> </ul> </li> <li>• Gender</li> <li>• Location <ul style="list-style-type: none"> <li>- Rural/Urban/Semi-urban</li> <li>- City, town or neighbourhood</li> </ul> </li> <li>• Occupation</li> <li>• Household size</li> <li>• Income</li> <li>• Loan size/type</li> </ul>	<ul style="list-style-type: none"> <li>• Build client segments or client personas that describe the clients by type</li> <li>• Make some guesses, or hypotheses, about the types of risks and needs that clients may have by segment.</li> </ul>
Risks	<ul style="list-style-type: none"> <li>• How many clients are in riskier age groups?</li> <li>• What economic activities do they engage in, particularly risky ones?</li> <li>• Are there security risks in the areas where clients most commonly live?</li> <li>• What climate risks are common in the region?</li> <li>• To what extent do your clients rely on salaried employment to live?</li> <li>• Is there a public health system available and what services are included or excluded?</li> <li>• Which clients have stronger credit scores?</li> </ul>	<ul style="list-style-type: none"> <li>• Identify some guesses or hypotheses about the risks clients face and which they need to cover. This information is best used when considering client segments and developing profiles of “typical” clients, or personas, and guessing about the risks different client types or personas may face.</li> </ul>
Sales	<ul style="list-style-type: none"> <li>• Which products sell the best?</li> <li>• Who buys which products?</li> <li>• What sales channels are most effective?</li> </ul>	<ul style="list-style-type: none"> <li>• Consider which sales channels are trusted, which payment channels are common and which types of products your clients prefer</li> <li>• Identify the most common products currently used by clients (for example, group loans). These can then be used as a starting point for developing product bundles with insurance cover.</li> </ul>
Mortality or claims	<ul style="list-style-type: none"> <li>• How frequently do your clients pass away?</li> <li>• If you offer insurance already, which products see the most claims?</li> <li>• What segments of clients make the most claims?</li> <li>• What segments do not make claims?</li> <li>• What is the average claim amount?</li> </ul>	<ul style="list-style-type: none"> <li>• Help support pricing decisions by showing typical mortality rates, for example, of the unique population you are targeting. This may be different from those shown by standard actuarial mortality tables.</li> <li>• Identify which segments benefit most from existing products and which may be underserved, where insurance data are available. Then, you can target underserved clients with new products, or work with them to ensure that they understand the claims process of existing products.</li> <li>• Identify the potential risks to the insurer, where insurance data are available, including fraud and moral hazard.</li> </ul>
Payments (premiums, loan repayment, etc.)	<ul style="list-style-type: none"> <li>• What types of payments are late or are never made?</li> <li>• What time of the year or season do clients have more or less access to cash to pay for premiums?</li> <li>• What client segments make late payments, miss payments, or drop out because they do not make a payment?</li> </ul>	<ul style="list-style-type: none"> <li>• Learn where clients are struggling to meet a financial responsibility or where there may be an operational barrier to payment that disincentivizes timely payments</li> <li>• Identify when and whether to change payment channels (for example, are digital payments more often made than cash?) or change payment schemes (maybe lump-sum payments are less frequently made, which might mean it is better to shift to instalments).</li> </ul>



#### CASE STUDY 7

##### Using internal data for product development – LOLC in Cambodia

**“The challenge in the research is that sometimes the research project can’t get the fully correct information. Responses may be biased ... but data is not biased. We rely on internal data from the microfinance institution for the product.”**

Ban Phalleng

Chief Operating Officer, Serendib Microinsurance Plc. Cambodia.

Serendib is a fully owned subsidiary of LOLC Group, a business conglomerate and proprietor of LOLC (Cambodia) Plc., which with over 25 years of experience is one of the leading microfinance institutions in Cambodia. Serendib was born out of business opportunities identified by LOLC Group and inspired by the group’s successful experience with insurance in Sri Lanka.

In developing products, the Serendib team has abundant knowledge of statistical and data analysis available to them, but a key challenge is finding reliable data about the current market. They have found it hard to rely on survey research findings to evaluate whether hypotheses are fully true or not. So, they have developed alternative strategies for using client data for product development.

Serendib has leveraged its on-the-ground exposure to clients through the microfinance business, as well as a large amount of data collected over the years from microfinance clients to better understand clients’ insurance needs and create new client-centric products. For example, with the credit data from over 200,000 clients, the company does not have to rely on external data sources to develop its own qualitative and quantitative research to design new innovative products that target the market.

To learn more about Serendib Microinsurance Plc. you can visit its [web page](#).



Cambodia / Adobe Stock

## CASE STUDY 8

### Using internal data to develop an effective distribution model – VisionFund International

**“As a microfinance institution network, selling insurance as part of a package of financial services – embedded with a loan or savings account – is the most efficient model to bring safety nets to vulnerable communities”**

**Théo Dervaux**  
Insurance Operations Director, VisionFund International.

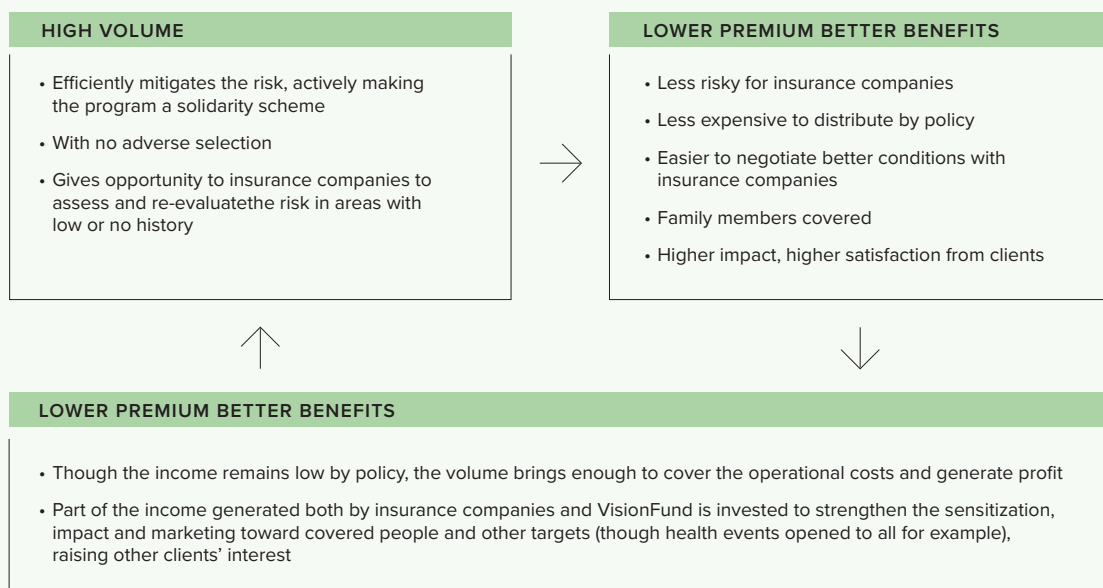
VisionFund International (VFI), the financial arm of World Vision International, is committed to improving children’s futures through financial services. Working in 25 countries, VFI impacts 4.25 million children’s lives and insures more than 2.5 million people through 50+ programmes.

VFI implemented voluntary insurance pilot programmes for more than a decade, but results showed problems with the model. Voluntary insurance models, in which clients fully opt in or purchase stand-alone policies, often failed to achieve scale and sustainability. VFI’s data revealed that key challenges included high acquisition and distribution costs per policy, adverse selection leading to higher premiums and financial risks, and limited reach, which made it difficult to generate positive word-of-mouth or showcase evidence of impact.

VFI addressed these issues by developing embedded insurance models, in which insurance is bundled with loans or savings products, creating a sustainable, virtuous cycle (figure 9).

**FIGURE 9: VFI’S EMBEDDED INSURANCE MODEL**

SOURCE: VFI



VisionFund learned that to be sustainable, embedded insurance requires careful design. Products must be affordable to keep financial solutions competitive and accessible, while addressing client risks. They must be easy to understand and use, bringing tangible value to clients and the MFI. Transparency and clear communication about the product's benefits and services are essential to building trust.

After implementation, qualitative surveys assess client satisfaction and understanding. Partner collaboration and monthly monitoring track key metrics such as claims ratios, settlement times and client experiences. Adjustments can be made to benefits, premiums or commission structures if the product is not meeting client needs.

By using its experience to embed insurance into financial products, VFI leveraged a model that creates sustainable safety nets for vulnerable communities while maintaining a balance between client value and programme sustainability.



UNDP Uzbekistan / Sherzod Alimov



### 2.4.2. External data sources

External data are best suited to research questions about broad market characteristics and trends. The availability and quality of external data will vary by market. Some countries have very basic census data, while others carry out annual or even quarterly financial inclusion surveys. Regardless of the depth of data available, external data will give you a broad picture of the market and allow you to be strategic about whom to target with products.

If you began to develop client segments, typologies or personas before this step, external data

can help you segment the market and refine ideas around the specific types of people you are targeting. For example, you might decide not to develop a product for rural youth if external data show that youth are moving into urban areas. Or, you might discover that, in the specific geographic area of the country in which you want to launch your product, there are too few women like Erica, and thus the market is too small to ensure a profitable outcome.

#### BOX 7

##### External census data

External data sources, such as census data, can tell us how many women like Erica are working in the formal manufacturing sector in a region or city. This can help define the potential market size and determine whether it is worthwhile to pilot a product in that location.



UNDP Indonesia / Fieni Aprilia



**TABLE 6: POTENTIAL EXTERNAL DATA SOURCES**

Data	Queries	Use these data to...
Census data and national financial inclusion surveys	<ul style="list-style-type: none"> <li>• What is the size of the low-income population?</li> <li>• Where do they mostly live?</li> <li>• What jobs do they most often have?</li> <li>• Where is access to public utilities or healthcare available, and where is it not?</li> <li>• Where is there access to cellular phone connections?</li> <li>• Where is there access to Wi-Fi?</li> <li>• What are low-income households' residential buildings made from?</li> <li>• What is the average income of low-income workers?</li> <li>• Where are banks located?</li> <li>• Where are non-bank correspondents and other bank channels located?</li> </ul>	<ul style="list-style-type: none"> <li>• Consider client segments to target and develop or enrich personas or typologies about these segments</li> <li>• Identify relevant risks that your product can cover</li> <li>• Spark ideas about the distribution channels that are accessible to your clients.</li> </ul>
<b><u>World Bank DataBank</u></b>	<ul style="list-style-type: none"> <li>• How many people have bank accounts?</li> <li>• How many people have mobile phones?</li> </ul>	<ul style="list-style-type: none"> <li>• Think about distribution channels</li> </ul>
Industry publications (i.e., trade association journals, <b><u>The Landscape of Microinsurance</u></b> , etc.)	<ul style="list-style-type: none"> <li>• What insurance products have the highest penetration?</li> <li>• What are the characteristics of products that sell well?</li> </ul>	<ul style="list-style-type: none"> <li>• Understand trends in the industry – both to mimic what is successful and to avoid duplicating products that have already secured a large share of the market.</li> </ul>
One-off research papers (i.e., financial diaries)	<ul style="list-style-type: none"> <li>• How do low-income households manage unexpected shocks?</li> <li>• What informal financial tools do households use to cope with unexpected events?</li> <li>• How does cash flow fluctuate in low-income households?</li> </ul>	<ul style="list-style-type: none"> <li>• Understand what existing mechanisms insurance products need to replace to add value to low-income households</li> <li>• Understand purchasing power and strategies for payment frequency and collection.</li> </ul>
News and social media (i.e., articles and commentary about, for example, financing risks, market gaps or market trends)	<ul style="list-style-type: none"> <li>• What is changing about the market (i.e., is it aging)?</li> </ul>	<ul style="list-style-type: none"> <li>• Think about the products and people on which to concentrate your efforts.</li> </ul>

## CASE STUDY 9

### Using external data – Fasecolda in Colombia

In 2019, Fasecolda, the Colombian Insurance Association, in conjunction with Banca de las Oportunidades and the International Labour Organization (ILO) Impact Insurance Facility, embarked on a project to increase the accessibility and transparency of public data in order to facilitate the development of appropriate coverage for underserved rural populations.

The results included an Excel database organized into four categories based on the ILO Impact Insurance Facility's [PACE Model \(Product Access, Cost and Experience\)](#) for evaluating the value of an inclusive insurance product. Data from all publicly available sources are grouped and identified for easy access along with examples of insights that can be found in the data. A snapshot of this extensive data set is provided in **table 7**.

**TABLE 7: FASECOLDA'S CUSTOMER DATA MATRIX**

SOURCE: FASECOLDA

<b>Category</b> Product, Access, Cost, Experience	<b>Experience</b>
<b>Subcategory</b>	Sales Channel
<b>What?</b>	Physical coverage of the financial system. Data on territorial coverage of offices and correspondents, coverage density by municipalities and rurality.
<b>Source</b>	Banca de las Oportunidades, Financial Inclusion Report with the Colombian Bank and Insurance Superintendency
<b>Description</b>	The data and statistics on the territorial presence of the financial system as a whole allow for a global mapping of the areas where there is an infrastructure of financial institutions in which the insurance market can leverage. Additionally, it provides relevant information when evaluating the sales channels to be implemented to serve a new customer segment. These data are an input when defining expansion strategies.
<b>Indicators</b>	<ul style="list-style-type: none"> <li>• Number of branches -Number of Correspondents</li> <li>• Number of Dataphones and ATMs</li> <li>• Density of Coverage with respect to the Population</li> <li>• Density of Coverage with respect to the Territory</li> <li>• Density of Population Coverage by Region, Rurality and Municipalities</li> </ul>
<b>Insights</b>	1.236 (21.45%) municipalities do not have offices, of which 73.7% (174) are rural or dispersed rural municipalities. 2. Although the coverage indicator as a whole has increased (100% of municipalities have at least one correspondent), not having an office presence in a large number of rural municipalities may limit the supply of available products. Source: Financial Inclusion Report 2020, Banca de las Oportunidades
<b>Links</b>	<a href="https://bancadelasoportunidades.gov.co/index.php/es/cobertura">https://bancadelasoportunidades.gov.co/index.php/es/cobertura</a> <a href="https://bancadelasoportunidades.gov.co/es/publicaciones/reportes-anuales">https://bancadelasoportunidades.gov.co/es/publicaciones/reportes-anuales</a> <a href="https://www.superfinanciera.gov.co/inicio/simulador-y-tarifas-de-servicios-financieros/simulador-de-tarifas/oficinas-y-corresponsales-bancarios-en-colombia-61277">https://www.superfinanciera.gov.co/inicio/simulador-y-tarifas-de-servicios-financieros/simulador-de-tarifas/oficinas-y-corresponsales-bancarios-en-colombia-61277</a>
<b>Navigation</b>	In the link download Office Coverage files December 2020 and Correspondent Coverage December 2020. Alternatively, access the Annual Report on Financial Inclusion that includes analysis of coverage based on said data.
<b>Frequency</b>	Annual
<b>Data Base</b>	Sheet 1

#### CASE STUDY 10

##### **Aligning external data with qualitative research for innovative insurance design – Blue Marble in India**

Blue Marble, an impact-focused insurtech, provides climate parametric insurance to underserved populations in the Global South.

**The product:** Parametric insurance against heatwaves

**Description:** Tailored index-based insurance for women in the waste disposal industry

**Coverage:** 21,000 women in the pilot scheme.

The Self Employed Women's Association (SEWA), India's largest women's trade union with nearly 3 million members, approached Blue Marble to provide a solution for a highly vulnerable segment: women working as garbage pickers, rubbish collectors and waste recyclers in India's slums. These workers face significant health and financial risks from extreme heat.

Existing parametric insurance products focused on livestock or agricultural contexts and did not account for this demographic's unique challenges. Blue Marble sought to address this gap with a tailored index-based insurance product.

Blue Marble partnered with Arsht-Rock, an organization specializing in heat-related health impacts. Through desk research, the team sought to understand the negative effects of heat on the human body, and assessed factors like humidity and day-time and night-time temperatures to identify triggers for the product.

The team also worked with SEWA, who conducted extensive qualitative research using focus group discussions and in-depth interviews with women in the demographic. This helped align scientific findings with real-world experiences of heatwaves to understand the kind of coverage the target population needed.

The resulting product, piloted in 2023, combined these insights to create a parametric microinsurance policy offering income protection during heatwaves. Coverage was triggered when temperatures exceeded a defined threshold for three consecutive days. Claims were designed to be processed in 10-day cycles rather than at the end of the season, ensuring timely financial relief. The project also included the distribution of solar lamps, shade tents and water coolers, providing tangible support against heat and strengthening trust in the product.

Feedback from the 2023 pilot revealed that bundling extreme heat insurance with coverage for other weather events would more holistically address the women's risks. Blue Marble plans to iterate on the product to include bundled coverage for heat and rainfall.

## 2.5. Collecting new data – Conducting field research

Since truly inclusive insurance requires a client-centred approach, collecting new data can help you ensure that clients' voices are heard throughout your process. Every situation is different and access to client voices can be very easy or very difficult to obtain, depending on your organization's contact and engagement with end users.

When thinking about collecting new data, consider your closest points of contact to your target clients. Do you have a distribution partner with close ties to the community? Do you have active social media platforms that engage your target clients? Maybe your front-line staff know your target market well and can offer some interesting insights, or maybe you have access to others' front-line staff? This section can help you think

through how to collect data, how to decide on the types of data you want to collect and how to develop the tools that your team will use to collect the data. Alongside the guidance in this section, you will also find several useful resources in the Toolkit.

Remember that once you reach your target market with questions, you need to leverage this point of contact for as many types of information as you can: not only on product needs but also on pricing, marketing, distribution and payment channels, and more. This does not mean you need to have lengthy and time-consuming questionnaires – only that you need to consider your top priority questions from the start, and make sure they are covered in your research.

### CASE STUDY 11

#### Using partner insights – Pioneer Life in the Philippines

According to Lorenzo Chan, CEO of Pioneer Inc., distribution partners often offer the best access and insights to clients. He says: *"[Early on in our work in inclusive insurance], we realized we needed to learn from and work with our partners and their knowledge of that market segment we were not familiar with."*

With over 80 distribution partners for its microinsurance business, one of the valuable lessons Pioneer learned is that partners need to be proactive and trusted, and have credibility with their clients. Partners can be especially helpful in understanding the gaps clients face, the risk coverage needed and the most appropriate price points, as well as in co-designing affordable products.

*"We used to meet with our partners quarterly to review indicators, talk through the customer experience, and look at customer complaints. With over 80 partners today, we are unable to meet as frequently but still make it a point to meet biannually. We cannot afford to lose touch,"* Chan says.



#### CASE STUDY 12

##### **Using a participatory approach to gain insights for product design – the R4 Rural Resilience Initiative in Ethiopia**

The R4 Rural Resilience Initiative, a partnership between the World Food Programme (WFP) and Oxfam America, aims to improve the resilience and food security of vulnerable rural households facing climate risks.

**The product:** Index-based insurance for smallholder farmers in Ethiopia

**Description:** Coverage against climate events for poor smallholder farmers, including an insurance-for-work scheme allowing premiums to be paid through labour

**Coverage:** Nearly 25,000 farmers by 2014.

R4 designed and developed an innovative insurance product for poor smallholder farmers in Ethiopia. The product uses index-based insurance to transfer risks such as regional droughts. The insurance was designed to complement other R4 strategies, such as savings and microcredit, creating a holistic risk management framework.

The programme introduced an insurance-for-work (IFW) scheme, allowing participants to pay premiums through labour in community drought risk reduction activities. In 2014, a combination of cash and labour payments was introduced, enabling farmers to gradually transition out of the IFW programme.

A crucial aspect of the design process was the inclusion of farmers through the Social Network for Index Insurance Design (SNIID). This participatory approach engaged community leaders and farmers to co-develop the insurance product. Farmers provided input on what risks needed coverage, when payouts should occur and how contracts should be structured. Experimental risk simulation games helped gauge preferences, revealing a strong demand for higher-frequency payouts.

Gender-inclusive design ensured women farmers participated and benefited from the product. Financial education sessions and community-based strategies for managing basis risk were also integral parts of the process.

Through directly involving farmers and engaging local and international stakeholders, the R4 Initiative successfully built trust and an institutional framework for scaling the product. By 2014, the programme insured nearly 25,000 farmers across 82 Ethiopian villages, demonstrating that inclusive design and development processes can empower even the most vulnerable communities.

### 2.5.1. Quantitative data collection tools

Quantitative data are often collected through surveys, which allow the researcher to ask a large number of people the same questions to reflect market trends. Collecting this kind of data can help you to find out representative information about a group or segment.

In quantitative data collection, closed-ended research questions are best. For example, you might ask which financial products a person owns, how many people they support financially, whether they bank online, or how much money they have in savings. You might provide multiple choice or binary options as potential answers to these questions.

The first step in developing data collection tools is to turn your research questions into data collection questions. Data collection questions can be

closed-ended (with specific options or choices) or open-ended (which can be answered in any way that the person being questioned wishes), and these question types are suited to different methodologies: closed-ended questions are more often used in quantitative data collection, while open-ended questions lend themselves to qualitative data collection. Either way, to facilitate analysis, the questions need to be consistent.

The questions should also be phrased simply, using language that is understandable to the respondent (the person who is the subject of the research). By pushing yourself to use simple language, you will be moving one step closer to your future marketing strategy. You will start to test what is “simple” and “easy to understand” for your potential customers.

**Box 8** gives you some examples.

#### **BOX 8**

##### **Using simple language when formulating questions**

Sometimes we think we sound more informed or professional when we use technical language. However, the danger is that the person listening to us may not understand, and may be too embarrassed to ask clarifying questions. To get the information you need, explaining things clearly is important – and doing this is easier than you think.

First, forget all the training and explanations you have learned about insurance; instead, just describe the terms in your own words. Drop the technical jargon and avoid asking your customers to learn a lot of new terms and conditions. Knowing these specialized words is not essential to their basic understanding of a product or of their financial lives and risks.

##### **Consider some ideas for replacements:**

- Insurance = You pay a little every month (day/week/year) and if an unfortunate event happens, it covers part of your loss. If an unfortunate event does not happen, you have paid to cover someone else’s loss, and one day, they may help to pay for yours. It is a protection.
- Premium = Price
- Term = Duration
- Sum assured = Benefit paid
- Mobile/e-wallet = Account on your phone
- Deductible = You pay the first xx amount of the benefit
- Claim = You inform the company of your loss
- Lapse = Your protection ends because you did not pay
- Value-added Services = Additional benefits
- Exclusions = What is not covered

BOX 8  
CONTINUED

These are just some of the terms you may be trying to explain, but there are many more technical terms about finance and insurance that you can make accessible. Try imagining that you are explaining the ideas to your elderly relative or a young adolescent – that can help you focus on the best words to use.

**Box 9** considers the sample hypotheses and research questions from the themes in **box 4**. It illustrates how to turn a hypothesis into a research question, and then how to make these research questions easily understandable for your audience by turning them into data collection questions.

The exercise also explains the methodology that might be best to use to collect the information from your respondents. When you begin to discuss your questions with clients, there is no need to start by saying that you are developing an insurance product. Instead, you should explain you are looking to offer services that will help them manage costly events. If they have a negative image of insurance, mentioning it at the outset might influence their attitudes about your conversation and colour the responses you get.

Remember that data collection takes time and that respondents become tired after they have spent time answering questions. To ensure that you keep your participants' attention and so get thoughtful and honest answers, a guiding rule is that closed-ended quantitative surveys should take no longer than 15 minutes over the phone or 20 minutes in person. Individual qualitative interviews can take longer, up to 30 minutes, because they are more engaging and conversational. Focus group discussions should be no longer than 75 minutes. Also remember that more data is not always useful; in fact, too much data can make the data analysis process more difficult to navigate.



Sri Lanka / Sanasa Life Insurance Company Plc

## **BOX 9**

### **Turning research questions into data collection questions**

#### **1. Awareness**

- *Hypothesis:* Most potential clients in my market have never heard of insurance.
- *Research questions:* How much of my market is familiar with insurance? Where did those who are familiar learn about it? Why are others unaware?
- *Data collection questions:* What do you know about insurance? Where did you learn about insurance? Was that a useful and trusted resource for learning?
- *Methodology:* Client focus groups.

#### **2. Gaps in the market**

- *Hypothesis:* Low-income consumers are having trouble financing funerals and may benefit from a life insurance product that covers funeral expenses.
- *Research questions:* Do other products on the market already offer funeral insurance? In what other ways do people pay for funerals? How much of a burden do the other financing strategies represent?
- *Data collection questions 1:* (to investigate through desk research or mystery shopping) Which existing products offer funeral financing? What segment do they serve?
- *Data collection questions 2:* (for potential clients) Have you had any recent deaths in your family? If yes, what were the exact costs of the funeral (burial, food for guests, flowers, etc.) and how did you pay for each of these? If not, what might you do if you had to pay for a funeral? Was it/would it be difficult to fund a funeral?
- *Methodology 1:* External data analysis.
- *Methodology 2:* Client interviews.

#### **3. Demand**

- *Hypothesis:* Hospital insurance will sell very well because hospital stays are so expensive.
- *Research questions:* How aware of hospital costs are potential clients? How would they pay for a hospital stay now, without insurance?
- *Data collection questions:* How much money do you think it would cost to spend one night in the hospital? How much money would you lose if you or your family member had to spend a night in the hospital (from lost wages or sales)? How much would you spend on transportation to the hospital if you had a serious illness or accident? Which sources would you use to pay for a five-night stay in the hospital if you had to check in for something tomorrow?
- *Methodology:* Surveys.

#### **4. Distribution**

- *Hypothesis:* Clients will buy insurance through their mobile carrier.
- *Research questions:* How much do potential clients trust their mobile carriers? Would they want a higher-touch delivery channel so that they can ask questions?
- *Data collection questions:* Have you ever bought something using your phone? Would you buy a financial product using your phone? Why or why not?
- *Methodology:* Client focus groups.



**Box 10** discusses how to create surveys for inclusive insurance, and the Toolkit contains several other resources to help you author surveys.

Once you have decided on your survey instrument, you need to decide whether the information will be collected on paper or digitally. Paper surveys and questionnaires are more operationally complex, because they need to be printed, numbered, digitized and stored. However, if surveyors do not have access to mobile phones or tablets, paper surveys can be less expensive than digital alternatives.

In the past, digital instruments relied on Wi-Fi or data connectivity on the ground, which could be sparse and unstable. Today, free tools such as [KoBoToolbox](#) are designed to work offline with most smartphones, tablets or desktop computers. Digital instruments can be more efficient, because you only need to enter data once, so information does not need to be re-typed. However, you should put in place protocols for uploading and reviewing quality to ensure that surveyors are accurately following the process. Protocols should include rules for how respondents' data privacy will be secured, aligned with local regulatory privacy norms and regulations.



UNDP Mexico / Zoe Cox



#### BOX 10

#### **Designing quantitative survey instruments about inclusive insurance**

Survey questions should be closed-ended, allowing respondents to answer questions by selecting one or more answers from a list of options. Always include demographic questions, including income questions, so that you know how to target the appropriate client segments. You can also use surveys to understand the potential of different marketing strategies and delivery channels, by asking about trust and engagement with different potential partners.

Avoid, however, discussing pricing and willingness to pay in any great detail on surveys like this. Since there is as yet no tangible product that clients can assess and assign a fair and affordable price, any discussion of pricing is likely to be too abstract. Refer to the strategy described in the prototype testing section to deal with pricing, once a more concrete offer has been outlined.

The following are suggestions for survey sections, along with a few example questions.

- **Insurance awareness.** These questions will help you understand how familiar your market is with insurance products.
  - **Question:** Which of the following have you heard of?
    - Insurance that covers healthcare or hospitalization
    - Insurance that gives my family money if I die
    - Insurance that covers crop loss
    - I am not familiar with any of these
- **Current financial service utilization.** These questions will help you understand how well integrated your market is into the formal financial system. It will also provide ideas for distribution channels.
  - **Question:** Which of the following products do you have?
    - Bank account, MFI account or cooperative account
    - Membership in a rotating savings and credit association (ROSCA) or village bank
    - Insurance (build the survey so the respondent is given options that include the products with which they reported being familiar in the previous section)
- **Product demand.** These questions give insight into which products a customer might purchase.
  - **Question:** Choose three statements of the following that you are most worried about.
    - If I die or my spouse dies, our family will have no support
    - I'm worried about getting sick and having high medical costs
    - I'm worried about getting sick and missing work
    - I'm worried about getting into an accident and having high medical costs
    - I'm worried about getting into an accident and missing work
    - I'm worried that my home will flood during the rainy season
    - I'm worried about something happening to my business, like theft or fire

### CASE STUDY 13

#### Using phone surveys to gain customer insights – MAPFRE Colombia and Bancamía

**“First [we] identify what the customer is interested in through our partners at Bancamía. Clients will tell them what products they need.”**

Diana Angel  
financial channel chief, MAPFRE Insurance.

#### The products:

- Funeral insurance for up to six beneficiaries with coverage nationwide
- Purse theft covering theft of a purse or personal items, as well as disability or death in the case of a robbery.

MAPFRE, an insurance company, and Bancamía, a microfinance bank, partnered to design and develop inclusive insurance products for Bancamía’s clients in Colombia. In their partnership, Bancamía had strong market research capability but limited insurance knowledge. So, to understand the needs of Bancamía’s non-bank correspondent clients, MAPFRE hired a specialized consulting firm to conduct a market study.

The consultants used literature review, analysis of successful experiences in other markets and countries, phone surveys and field visits to suggest the best way to implement a pilot. Since the research took place during the COVID-19 pandemic, the consultants used KoBoToolbox (see more information in the Toolkit) to carry out phone surveys remotely. A sample of the survey topics is included below.

The surveys enabled the teams to understand the needs of their clients. The consultants identified specific risks about which clients were concerned and helped MAPFRE select minimum viable products already available in their product portfolio to test with clients. This allowed the partners to go through a fast three-month iterative and agile process to test and tweak product design, training materials, marketing materials, operations and technology needs without waiting for a full product design process.

#### Structure of MAPFRE’s phone survey:

##### 1. Introduction

One-paragraph explanation of the study you are conducting and the purpose.

##### 2. Consent

A consent question to make sure the person wants to answer the survey.

##### 3. Knowledge about insurance

Types of questions: have you ever heard about insurance? Do you own any insurance? What types of insurance do you own? Are you satisfied with insurance?

##### 4. Demographic information

Keeping the information anonymous, ask about age, gender, etc.

##### 5. Risk and coverage

Questions about their workplace, and the risks they are most worried about in their day-to-day life. Some examples: which of these risks do you worry about in

your day? (Multiple choice answers). What do you think is the likelihood of any of these happening? Which of these risks do you believe would affect your household income more?

#### 6. Coverage and premiums

Questions regarding the amount they would be willing to pay to receive a certain coverage. For example: If you had the opportunity to acquire insurance that would pay X in case risk Y happened, how much would you be willing to pay? (Multiple choice answers starting with the higher price you are trying to prototype; only ask for a lower number if the answer is negative, and introduce lower possibilities until the minimum price that would be viable for the product).

#### 7. Client experience with the commercialization channel

Ask if they use the channel you are studying, and how frequently? Do they use the competition? Which channels are the most trustworthy for the client? Ask for opinions about the channel and the personnel working in it. How would you like to receive insurance information? What type of information would you like to receive about insurance? What is your disposable income when visiting the financial channel?

#### 8. Thank the client and ask whether the client would be willing to participate in additional research activities.



Bancaria, Colombia / Adobe Stock

#### CASE STUDY 14

##### Using surveys to inform effective product design – VisionFund in Rwanda

“We believe it is essential to understand the community before introducing a new product. Sometimes, we may think we know everything about the community we aim to serve, but the reality is that there is so much information to be gathered through direct engagement.”

Damas Filiyedi

Insurance Support Manager for VisionFund International's African operations

VisionFund Rwanda began insurance operations in 2017, initially offering products for individual borrowers. To better serve the community, the team set out to understand the unique needs of savings groups: local community collectives often excluded from formal financial services.

In 2021, VisionFund Rwanda conducted a comprehensive survey, engaging with 70 percent of the savings groups in its network. The survey showed that health-related expenses and funeral costs were significant financial burdens.

“This research was pivotal,” explains Filiyedi. “It gave us a clearer understanding of the risks these communities face and their willingness to participate in insurance programmes.”

Armed with the survey data, VisionFund Rwanda partnered with key stakeholders to develop a health and funeral insurance product specifically for savings groups. The product was piloted in a limited number of branches, allowing the organization to refine its approach based on ongoing feedback.

Key insights from the market research and pilot phase included:

- Since many savings group members struggled with premium payments, adjusting the **pricing structure** ensured accessibility.
- Attitudes toward insurance were influenced by **cultural factors**, underscoring the need for clear communication and community engagement.
- Feedback highlighted additional needs, such as crop and livestock insurance, suggesting **future product opportunities**.

VisionFund's research-driven approach yielded immediate and long-term benefits. Post-launch surveys showed 70 percent of the insured were women, a key demographic in savings groups. The programme also spurred demand for insurance beyond the initial target audience, with individuals outside savings groups expressing interest in coverage.

### 2.5.2. Qualitative data collection tools

Think about qualitative data collection as a series of guided conversations. These conversations can be individual conversations, conducted through interviews, or group conversations, conducted through focus groups. Research questions best suited to qualitative data collection are exploratory and open-ended. For example, you might ask questions about what financial risks someone faces, what financial anxieties someone has, or how someone prioritizes their expenses.

- Interviews allow you to speak with a single person in great depth and to ask them questions about sensitive topics that might not be appropriate in a group setting. Interviews also enable you to record individual stories, which can be a powerful tool for understanding your market.
- Focus groups allow respondents to engage in conversations with each other (guided by your data collection questions). Focus groups are a useful format for listing and ranking client needs and preferences, since participants can work together to agree on lists and ranks that resonate with them as a group. They are also the best medium for customer journey mapping, and for gaining insight into how a market segment discusses its needs and preferences – your team will want to mirror this language in marketing materials.

It is important to conduct focus groups with each client segment separately, both to learn as much as possible about that segment and to create a comfortable environment for participants. For example, having Erica and her fellow garment workers in one group would allow you to gather more information about how they are paid, the financial instruments they use, and their hopes and dreams for the future. This can help you consider which assets female garment workers are most interested in protecting. **Box 11** provides guidance on conducting focus groups.

- Mystery shopping is typically seen as supply-side research, enabling you to find out what your competitors are offering, as well as how and through which channels they are offering it. Mystery shopping can also provide a more nuanced understanding of customers' experience during the sales process. When you or your team put yourselves in the customers' shoes, you can feel whether customers are being treated respectfully, observe whether customers are receiving consistent and clear messages about the product and find out how staff respond to questions. The Consultative Group to Assist the Poor (CGAP) offers a [Guide to Mystery Shopping for financial services](#) that can help orient your team on this path.

Most qualitative analysis involves small samples, because it does not seek to be representative. This means data can be analysed using spreadsheet software such as Microsoft Excel or any simple matrix format. Specialized software is also available for larger and more complex data sets. This kind of software can also be useful when organizational capacity for sophisticated analysis is low. Our Toolkit offers resources that can help.



## BOX 11

### Focus groups with potential clients

**Starting the focus group:** Introduce the group to what you are doing and make it clear that you are trying to learn from the group – there are no right or wrong answers. If speaking with a delivery channel or internal staff, emphasize that their performance is not being validated in any way.

**Questions:** The ideal focus group question is one that will inspire a discussion. There should be 3–4 broad questions, and each question you ask should be associated with some additional “probing” questions, which can be more narrow. These probing questions are follow-up questions that can help to move a discussion along if it is stalled. Here is some guidance on focus group questions for inclusive insurance:

- Start with a warm-up question, such as “Tell us about your work, business or household”, depending on who the participants are. If your participants are connected to you through a work-related relationship (microfinance institution, merchant group, etc.), ask work questions. If you know them through a family-related relationship (school, church, etc.), ask family questions.
- Organize your questions around three topics: risk, financing and trust/distribution. Some suggestions for questions and probes for these categories are below.

#### 1. Risk: “What do you worry about?”

Probe for risk types such as health emergencies, deaths, accidents and disasters. Listen to the language used to describe these risks and fears. They can help you design marketing language.

#### 2. Financing burden: “What events would be most difficult for you to pay for?”

Probe for the risk types that were mentioned in the previous question, specifying which are most costly and difficult to pay for. Consider ranking these from difficult to easy to pay for and from likely to unlikely and then creating a preferential ranking of insurable risks.

#### 3. Trust/distribution: “If an insurance product existed that could help you pay for the consequences of the risks that we discussed, who would you trust to buy it from?”

Probe for distribution channels like insurance agent, bank, MFI or mobile operator.

**Final tips:** Focus groups for inclusive insurance tend to be centred around ranking activities (for example, the most relevant risk, the most expensive risk or the most desirable distribution channel). It can be helpful to write these down on a board that everyone can see and ask the group to rank them together. This gives you a group consensus and also allows you to hear the group’s thoughts about the issues, which can be very helpful in product development and marketing. Listen for specific language used to describe these things to make sure that when you design marketing strategies, the language is simple and accessible.

## CASE STUDY 15

### Understanding barriers to customer demand – AXA Mandiri, Indonesia

**Table 8** shows some of the insights collected through qualitative focus groups with clients with AXA Mandiri in Indonesia. Insights were sorted according to four themes or dimensions (trust, understanding, unpredictable cash flows and family decisions) to gain a richer understanding of how clients make purchasing decisions. This allowed the researchers to better understand how explaining products clearly to customers could build trust, and to see that these explanations alone were not sufficient. Product simplicity and one-time payments were also critical to avoiding misunderstandings and late payments.

By discussing family relationships and dynamics, the researchers identified the difficulties in marketing products to women. Men had strong opinions about their wives' purchasing decisions and were often a barrier to purchasing insurance. Mandatory products linked to women's existing product consumption or family, for example, avoided this problem.

**TABLE 8: DEMAND SIDE BARRIERS IDENTIFIED THROUGH FOCUS GROUP DISCUSSIONS**

Trust	<p>"I trust the insurance [card] because we are inside the bank [branch]" Formal employed woman</p> <p>"Once I had insurance ... when I could not pay the premium, it stopped [and I lost everything]. I realized it was my mistake, but I never trust insurance" Formal employed woman</p> <p>"Insurance agents hike the prices up in order to make more money" Retail bank customer</p>
Understanding	<p>"I had AXA insurance, but when I went to use it I learned that the system was reimbursement. I was shocked" Female Mandiri retail customer</p> <p>"Most people understand insurance here in Tangerang, but not in the villages" Female microloan customer</p>
Unpredictable cash flows	<p>"I had health insurance, but I stopped paying the premiums. I needed the money for something else" Female microloan client</p>
Family decisions	<p>"My wife would not buy [insurance], she already has credit and that is too many expenses" Formal employed man</p> <p>"I can't buy anything without talking to my husband first" Female microloan client</p>

#### CASE STUDY 16

##### **Right-sizing benefits through customer engagement – Turaco in Ghana**

Turaco provides affordable, mass-market insurance products across the Global South. Leveraging partnerships with fintechs and traditional financial institutions, Turaco has insured over 2.5 million people in Ghana, Kenya, Uganda and Nigeria. Its primary focus is on life and health insurance, distributed digitally to underserved populations.

In Ghana, as competition has increased in the insurance market, insurers have tried to differentiate their products by adding extra benefits, which has sometimes meant extra costs for consumers. However, many customers neither understood the extra benefits nor found them useful.

To better understand the needs of its target customers, Turaco conducted focus groups with representatives from existing client segments. Based on the responses, the company identified that some client segments were particularly interested in specific risks like maternity care and post-natal care, for example.

Using this customer research, Turaco developed a simplified health insurance product for low-income women. By unbundling benefits from traditional health insurance plans, Turaco created a more affordable option. This simplicity and affordability, in turn, allowed Turaco to distribute the product digitally through broad partnerships with local financial institutions, thus reducing adverse selection.

To ensure that customers are well served and truly understand the product, Turaco directly offers SMS and call centre support to clients.

Early feedback indicated strong customer interest and appreciation for the simplicity and affordability of the product. Turaco plans to regularly refine and scale the product based on customer feedback and market demand.



Ghana / Adobe Stock

### 2.5.3. Sampling and recruitment strategies

Your research sample is made up of the people whom you will survey, interview or speak with in a focus group. Ensuring that you choose the right people for your research is as important as designing your research tools. They have to be comfortable speaking to you and not be worried that their jobs, loans or commercial relationships might be affected by what they say. It is important to invite people as randomly as possible to avoid only selecting those who are most engaged and outspoken.

You also need to ensure that when people are speaking to you, they are in a space that feels safe and private. In practice, this may be difficult. Some people from your segments might live very far away and lack access to transportation to reach you. Some people may be uncomfortable participating. To ensure you hear from a broad range of people, you might consider having a trusted

person or institution invite respondents, you may need to travel to respondents' communities, and you might offer participants a small incentive.

To begin, think about the kinds of people you want to have in your research sample. If you have started to create segments before this step, you can use them to determine the right people to speak to, as well as to ensure that you interview enough members of each segment or typology. If you have a large pool of clients to draw from and they represent the market well, you can focus on recruiting your clients for the research. If you have identified client segments that are not represented in your client base, you will want to include outside respondents. For example, if your market includes a high frequency of college-educated, single women, but you currently have no products that serve this segment, you may want to make a connection with a local university to recruit female alumni.

#### BOX 12

##### **Respondent recruiting strategies**

While many good resources exist to help you find the best way to reach participants (see the Toolkit), you may want to be a little more strategic about the people you sample when doing research for inclusive insurance. Here are some ideas for how to sample effectively:

- 1. Go where potential clients are.** If you are hypothesizing a need for a product for small business owners, go to the locations where the kind of businesses that you want to target are and ask people if you can talk to them during their downtime.
- 2. Take advantage of community organizations.** If you want to speak with smallholder farmers, get in touch with a cooperative or a community savings and loan organization for farmers, and find out if you can attend one of their meetings.
- 3. Ask respondents if they can refer you to friends.** This strategy is called snowball sampling and it is a great way to increase your sample of a specific segment.
- 4. Talk to current clients.** Since they are already engaged with your company, they can be an excellent resource.
- 5. Talk to sales agents and distribution channels.** The staff who work directly with clients will have important insights to share. Also, you need to understand potential distribution channels to design and distribute your product.
- 6. Offer incentives** such as transport reimbursement, refreshments or even cash to make sure everyone attends. Check with your distribution channel first to make sure you align with their incentive policy.

Another important decision is defining the number of people to whom you will speak. This is your sample size. Different methodologies require different sample sizes and determining a sample size may be partially dictated by your capacity to reach people and by your budget.

When sampling respondents for qualitative data, you should aim for 13–20 respondents per segment. After about 10 respondents, you begin to see patterns you can analyse in preferences and behaviours. For focus groups, two groups of 6–8 people per segment are better than one large group. This way, a group dynamic that goes awry can be mended by a second, similar population and findings can be validated between groups. Qualitative data is not statistically significant or representative. You are just looking to discuss the

answers to the questions “why?” and “how?” and to understand them across different experiences.

Selecting the right sample size is a critical step in quantitative data gathering. Tools like SurveyMonkey and Creative Research Systems offer guided processes for determining sample sizes, and generative artificial intelligence (AI) tools, such as ChatGPT, Claude, Copilot or Deepseek, can also help with this process if you provide specific inputs (see **box 13** for an example). Inputs might include the total size of your population or market, your hypotheses about the differences you expect to observe between groups or segments, the desired confidence level for your results, and the acceptable margin of error. For instance, a 95 percent confidence level and a margin of error of  $\pm 5$  percent are standard parameters in many studies.

#### **BOX 13**

##### **Input for using AI tools to help select sample size**

To use a generative AI tool (such as ChatGPT or Deepseek) for sample size guidance, you can input the following:

- 1. Total population size: (e.g., 10,000)**
- 2. Expected differences: (e.g., “I expect a 10% difference between groups A and B”)**
- 3. Confidence level: (e.g., “I want 95% confidence”)**
- 4. Margin of error: (e.g., “I need  $\pm 5\%$  precision”)**

Example input: *“I am conducting a survey on a population of 10,000 people. I expect a 10% difference between two groups and need a 95% confidence level with a  $\pm 5\%$  margin of error. Can you help me determine the required sample size?”*

The AI tool will then calculate or guide you through determining the appropriate sample size based on your inputs.

If your goal is to assess statistical significance, you will need to account for statistical power in your sample size calculations. Statistical power ensures you have a high probability of detecting meaningful differences in your data, typically set at 80 percent or higher. Many online sample size calculators automatically include this consideration.

However, if your focus is on exploratory research to gain insights or describe your market, and

you are constrained by time or budget, statistical power may not be your priority. In these cases, a practical guideline is to aim for at least 200 total survey responses, with about 60 responses per segment for meaningful subgroup analysis. Of course, more is always better, but less is workable too – just try to get as many respondents as you can! Finally, if you are conducting an academic survey, you will likely want to work with an academic researcher or institution.



#### **2.5.4. Best practices: Respecting participants and data protection**

Whether you are speaking with your clients or with other members of the population, be mindful of some important principles in collecting this type of data, as outlined in **box 14**.

#### **2.5.5. Planning fieldwork for data collection**

When your data collection instruments and sample recruitment plans have been finalized, your team will need to finalize a data collection plan. Along with the guidance in this section, the Toolkit contains resources for managing data collection, including tools that can be used to ensure gender inclusivity is considered throughout this process.

Data collection includes managing the fieldwork, including the recruitment, training and supervision of the people conducting the data collection, as well as managing the data that are collected to ensure they are complete and well organized. Fieldworkers perform the researcher tasks of surveying, interviewing and facilitating focus groups. Make sure that your fieldworkers are experienced with the target population, and ideally ensure a gender balance to enable people of all genders to speak more freely and comfortably.

Regardless of who is doing the fieldwork (whether it is surveyors from a survey firm, loan officers from a distribution partner, etc.), training should be provided to ensure that questions are asked in the same way and with the same intention to all respondents. This is an important part of the research process that can be easy to let slide, but without providing formal training, you risk wasting time, funds and energy collecting data that do not adequately answer your research questions. **Box 15** provides tips on recruiting, training and compensating surveyors, interviewers and focus group facilitators.

Training should include a session on how to ensure that you are respectful and inclusive of all types of respondents. This includes women, youth, the elderly and people with disabilities. It might be helpful to have a discussion to explore the biases that fieldworkers may have when recruiting and talking to respondents, to ensure that they are aware of the need to be as inclusive as possible. Fieldworkers may come from different socioeconomic groups or age groups and may not be sensitive to the types of constraints older or more vulnerable respondents face. Fieldworkers should also be instructed to be gender inclusive, highlighting that in some cultures and contexts, women may prefer to be interviewed separately from men. In other contexts, women may need

#### **BOX 14**

##### **Ethical principles when collecting data from individuals participating in your research**

- 1. Gain the informed consent of all participants** by explaining the goals of your research as well as who will have access to the information that they share. Participating in data collection must be voluntary, and respondents should be allowed to decline to answer any specific questions and to stop participating at any time.
- 2. Anonymize the data** in any meetings or publications, even internally. Any opinions, stories or quotes that a person shares with you should not be repeated alongside their name. Instead, you can share their story with anonymous descriptors, such as their age, location and job. Ensure that these descriptors are not specific enough for someone to be able to identify the person. Consider giving participants identifying numbers and storing their names and numbers in a separate file from the data. Store all data in a secure way.
- 3. Compensate participants** for participating in your research. Not only will this help encourage people to participate, but it will also demonstrate your respect for their time and opinions.

to be spoken to with more caution, since they may have reservations about revealing personal information. Consider the perspective of your more vulnerable respondents and ensure they are reflected in your approach.

You will also need to make sure you have a plan for quality checks. Checking surveyors, for example, could involve calling a few random respondents and ensuring that they spoke with the surveyor, or it could include analysing data for outliers or patterns among surveyors that might indicate they are making up (fake) data. To quality check interviews and focus groups, you might listen to parts from a few recordings.

Unless you are outsourcing all of the fieldwork to a market research firm that has protocols in place, you will want to think about how to best compensate and incentivize fieldworkers. Consider paying a small daily rate for “showing up”, alongside a fee

per completed survey for surveyors (and make sure these are reviewed before payment), or for interviewers and facilitators, a fee per completed interview/focus group and relevant notes. Reimburse fieldworkers for transportation and air-time as well as any other work-related expenses.

Data collection involves determining the form in which you want the data. For surveys, this might mean a plan for downloading data from mobile devices, or a programme for data entry when paper surveys are being used. For interviews and focus groups, you will need to think about the requirements of your analysis plan. Do you want interviews and focus groups recorded? Do you want interviewers and facilitators to take notes? Would it be useful to have recordings transcribed (written down word for word)? Are you comfortable using AI tools for any of these functions and if so, what privacy protocols should you follow?



Bhutan / Adobe Stock

**BOX 15**

**Tips for recruiting, training and paying your surveyors, interviewers or facilitators**

**Training sessions** should be held to ensure that data collection questions are asked in the same way and with the same intention to all respondents. A template for a training session is below.

**1. Sensitization** (roughly 1 hour):

- Begin the training session by asking one or two trainees about their own experiences, or those of friends and family, with unexpected financial shocks. Ask recruits to explain the financial measures they took to deal with the problem.
- Introduce the concept of insurance and explain the purpose of the research.
- Ask if anyone has had bad experiences with insurance and discuss the importance of not introducing their personal experiences into the research process.
- Engage in a discussion of biases towards people and how to remove these prejudices from data collection.

**2. Review of instrument** (roughly 2 hours)

- Go around the room and have the trainees take turns reading sections of the instrument. After each section, explain the meaning and purpose of the question as well as exactly how you want them to ask the question. Allow trainees to ask questions before moving on.

**3. Break** (30 minutes)

**4. Technology or note taking**

- If performing a survey, introduce the trainees to the survey app and its features.
- If performing a focus group, discuss plans for transcripts or note taking. For example, if recording and asking the interviewers to transcribe the interview, explain exactly what the final product should look like (i.e., an exact transcription of the interview or notes on the responses). If training note takers for focus groups, discuss what is important for them to write down and what to listen for.

**5. Practice** (Remainder of day):

- Divide trainees into pairs and have them practise on each other.
- Share experiences and tips from practice with the entire group.



## 2.6. Customer journey mapping

Customer journey mapping is a qualitative tool that relies on understanding and empathizing with the client around their entire experience with a product. It can provide the key to discovering frictions in the customer journey as clients learn about how to acquire, pay for and make claims on an insurance product. This can improve the customer experience and ensure greater acquisition, payment compliance and claims.

Remember that inclusive insurance needs to offer value for end customers, so it is essential that customers understand products and make claims when they are due. That means that processes need to be clear and simple, with as little friction as possible. The customer journey map can help identify which products, services, actions and interactions or touchpoints will lead to a smooth customer experience.

You can map your customer journey by individually interviewing a sample of clients about their experiences, or by conducting focus group discussions. Before you begin, it is a good idea to capture in which segment each participant belongs, since different types of clients may have very different perceptions and experiences, giving them very dissimilar journeys. You can reference the qualitative data collection section to learn more about preparing for and running client interviews and focus groups.

**Box 16** discusses how to lead an individual or group in a customer journey mapping exercise. Customer journey mapping can also be conducted during design workshops to map out the process that your institution would ideally imagine for a client.



UNDP Mexico / Andrea Egan

**BOX 16**

**Customer journey mapping (example of products currently in the market)**

Customer journey maps can be used to understand how a client learns about a product and the client's experience with the product. With this information, a service provider can generate client-centric recommendations for product development, process improvement and customer satisfaction improvement. Customer journey maps can also be used in the product design phase when developing new products.

Follow these steps to construct a customer journey map for current clients:

**What you need:** This exercise works best as an interactive focus group activity, though it can be done with individuals as well. You will need something to draw on that is big enough for the group to see, and a few different coloured pens.

**Step 1.**

Identify the objective for the map. You may want to focus on the customer's journey when purchasing your product, when paying premiums or when filing a claim for the product. Or you may want to look at the entire journey from start to finish. For this example, we will focus on purchasing the product.

**Step 2.**

Next, design the map. Ask respondents to tell you the steps they took in their journey. Start by asking how they first heard about the product, and then ask what happened next. Customers may have unique processes. Identify the steps in the process from the client's perspective and create a column for each step. For example: Discover, Consider, Enrol, Pay and Confirm.

**Step 3.**

Once you have written these down and agreed on the steps with clients, add rows that represent actions, touchpoints, thoughts, emotions and areas of improvement. Go back through each step and ask your clients questions about each of these. Write the answers for each in the column under the step. For example, "What were you thinking at this step?", "How did it make you feel?" or "How could this step have been improved?"

**Step 4.**

Finally, analyse the data. This might lead, for example, to insights such as that the customers would have benefited from product materials, or that the distribution channel (for example, the bank branch) is creating significant friction in the process.



## 2.7. Analysing your data

Most projects suffer not from too little data, but from too much data. Keeping your data collection tools short and to the point will reduce the complexity of data analysis and make it more effective. To be as efficient as possible, think about your analysis plan before you create your data collection tools. Remember that your analysis needs to be unbiased, and that it needs to consider the results of the research rather than your initial hypotheses and opinions.

Analysis of qualitative interviews should focus on how respondents (by segment) manage risks and their perceptions of the difficulties of their risk management tools as well as of the likelihood of the events that pose risk. Analysis should also assess which delivery channels are most trusted.

You might find qualitative software programs such as [Dedoose](#) or [Nvivo](#) helpful in analysing your data. This kind of software is particularly useful if you have large sets of data or if you do not have analytical personnel available to work on the study. You can also use a spreadsheet table, using Microsoft Excel or another spreadsheet application, with questions as the column headings and respondents as the rows. This can enable you to compare responses across individuals and identify patterns. Remember to make note of the demographic characteristics of respondents to ensure that your analysis includes segmentation. Focus group analysis can also be grouped in tables, with one row for each group.

Finally, generative AI tools can support you in the process of data analysis. You can start by preparing your transcripts to ensure they are clear and organized, removing unnecessary filler words while preserving the original meaning. Then, you can provide an AI tool such as ChatGPT with some brief context for the project, such as explaining that the focus group discussed barriers to accessing inclusive insurance. Then, share a portion of the transcript and ask for specific insights, such as identifying common themes, highlighting challenges, extracting key quotes or summarizing participants' recommendations. For example, you might say, "This is a transcript from a focus group on inclusive insurance. Please identify the main themes and barriers discussed and highlight any suggestions or participant quotes about improving access." The AI tool will analyse the text and return a summary or analysis, which you can refine further by asking follow-up questions tailored to your specific focus.

This process can help you quickly uncover meaningful insights to guide your work. However, be aware that it is not a perfect solution. Part of the "magic" in analysing voices from clients is in understanding nuances that transcripts may miss. Consider people's body language, moods and tones during discussions. Were they relaxed? Did they fully understand the topic? Did they suggest that some of their verbal responses were too optimistic, perhaps to please you or a partner organization? It is important to make sure that technology is your helper and not a crutch.

### BOX 17

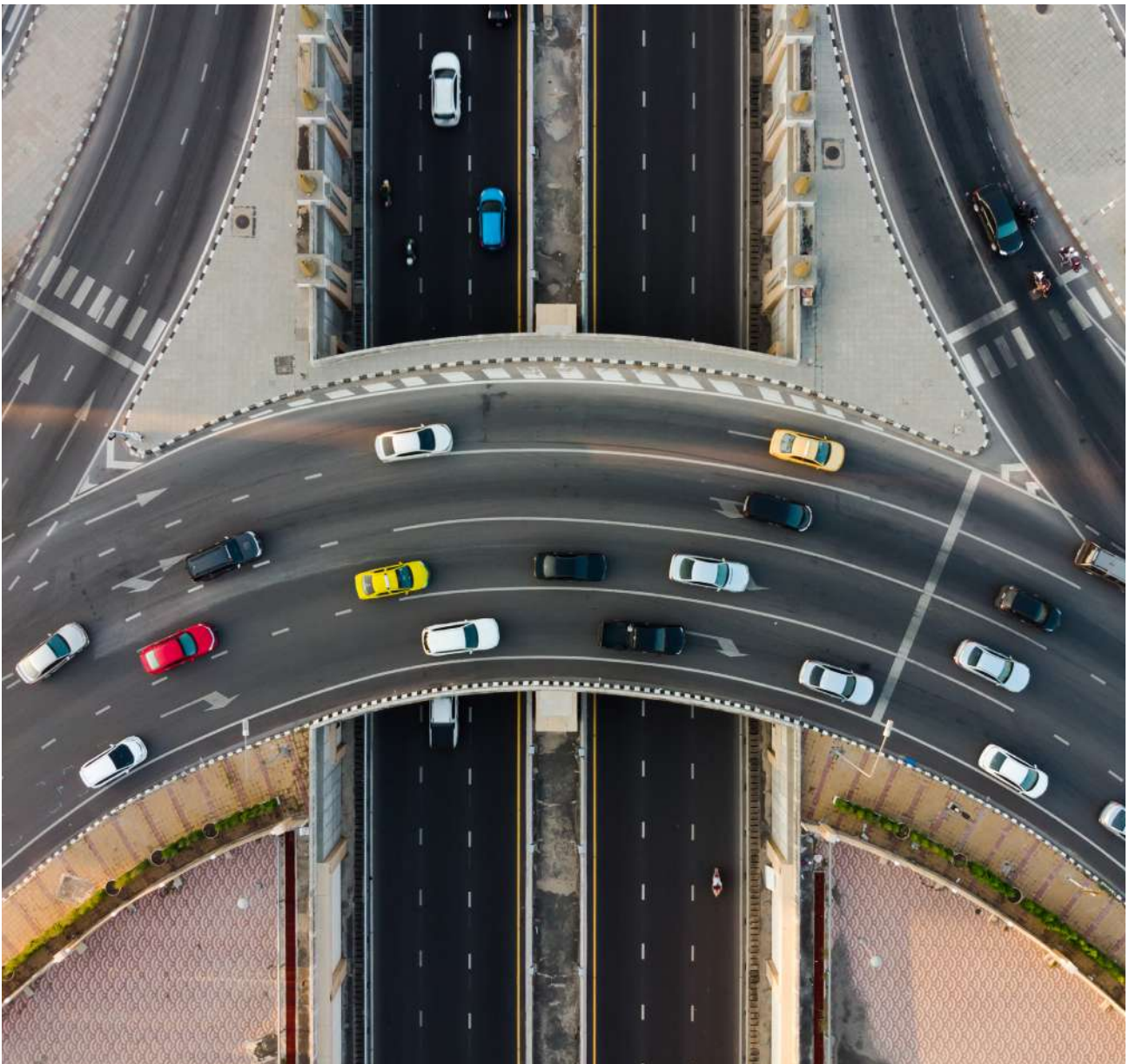
#### Using AI tools to support qualitative data analysis

If you are using an AI tool to support your analysis of your focus group transcripts and notes, consider this prompt when attaching the transcript or a portion of it:

*"This is a transcript from a focus group where participants discussed their experiences with inclusive insurance. Please identify the main themes and challenges they mentioned. Also, highlight any specific suggestions or quotes about how insurance providers can better serve low-income populations. Here is [a portion of] the transcript: [Insert transcript]."*

Analysis of quantitative data should begin with thorough data cleaning. Before you begin, go through your data and “clean” them. First, eliminate duplicate and blank entries. After this, consider coding some open-ended answers or adjusting any inconsistencies: for example, if the answer to a question is “3”, and the responses are written as “3”, “three” and “III”, these should all be recoded to “3”. The analysis can be conducted in a statistical software package or in a spreadsheet application such as Microsoft Excel, depending on internal capacity.

You can learn a lot from survey data without doing anything sophisticated. Begin with basic descriptive tables that show who was interviewed (gender, age, occupation, income, etc.), as well as tables of survey responses to each question, giving frequencies and averages depending on the questions. If you want to know how many people answered that they have a loan, you can show the frequency of this response (e.g., 40 percent). If you want to know how often people see a doctor, you may want to show an average (mean) and standard deviations if you have a large data set. You can then make tables of the results by segment to explore the risks, preferences and financial constraints specific to each segment.



Thailand / Adobe Stock



## CHECKLIST

### Market research

Did the team...

- ☐ Define resources and timing for the research?
  - ☐ Decide who will do the research (in-house or outsource)?
  - ☐ In cases where research activities are being outsourced, hire the consultant?
- ☐ Frame hypotheses (**box 4**)?
- ☐ Develop research questions (**box 4**)?
- ☐ Identify client segments?
  - ☐ Conduct a bottom-up segmentation exercise (**box 5**)?
  - ☐ Define client segment(s) or typologies?
  - ☐ Create personas for the market segment(s)?
- ☐ Analyse internal data (**box 6**), including...
  - ☐ Client demographics?
  - ☐ Risks?
  - ☐ Sales?
  - ☐ Mortality / Claims?
  - ☐ Payments?
- ☐ Identify and analyse external data sources (**box 7**), including...
  - ☐ Census? National surveys?
  - ☐ World Bank DataBank?
  - ☐ Industry publications? Research papers?
  - ☐ News? Social media?
- ☐ Identify closest points of contact to your target client (external partner, front-line staff, etc.)?
- ☐ Identify research gaps that will need new data collection?
- ☐ Design data collection tools to collect new data, including...
  - ☐ Turning research questions into data collection questions (**box 9**)?
  - ☐ Creating quantitative data collection tools (interviews, focus groups, etc.) (**box 10**)?
  - ☐ Creating qualitative data collection tools (**box 11**)?
  - ☐ Creating a customer journey map (**box 16**)?
- ☐ Calculate and set your sample size?
- ☐ Conduct fieldwork to collect data in the field (**box 12, box 13, box 14, box 15**)?
  - ☐ Create a sample recruitment plan and a data collection plan?
  - ☐ Determine who will collect the data?
  - ☐ Recruit the personnel that will collect the new data and train them (**box 15**)?
  - ☐ Conduct quality checks on the information collected?
- ☐ Analyse the data, including...
  - ☐ Descriptive tables?
  - ☐ Charts and graphs?
  - ☐ Tables of results by segment, risk, preferences and financial constraints?



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## Section 3

### Designing products and processes





**i**

### **MANAGER'S BRIEF**

This section puts into practice many of the insights and ideas that were developed during the market research phase. At this point in your process, the whole working group needs to actively participate, since many of the ideas that arose in the market research phase will need to be tested, both with clients and operationally within the organization. So, it is essential that the entire working group participate in design workshops, taking ownership of ideas, providing feedback and committing to responsibilities and action items. Design workshops help you brainstorm ideas and ensure the engagement of the entire working group – because when everyone participates, everyone feels ownership of the product.

Offering inclusive insurance can be an exciting project for your institution's staff; you are not only developing new and innovative products and processes, but also interacting with new partners, and perhaps most importantly, serving vulnerable communities and other new market segments with useful products. This provides a social and commercial value that everyone can be excited about. In this phase, you will build on that excitement.

This section also briefly addresses ways to operationalize ideas from the design workshop into partnerships with new delivery channels and pricing exercises. It provides tips for testing the prototypes generated through the design workshop with actual clients and for finalizing the product development process.



UNDP Tanzania



## 3.1. Prototyping and design workshops

Design workshops, which use human-centred design processes, are one efficient way to develop product prototypes and to engage your internal team, allowing them to share their knowledge and take ownership over the product and process. These workshops enable you to think about distribution, marketing and customer journeys at the same time as you develop your inclusive insurance products. You can also use a design workshop to work on and improve an existing product.

### DEFINITION

**Human-centred design** is a problem-solving technique that puts real people at the centre of the development process, enabling you to create products and services that resonate with and are tailored to your audience's needs. The goal is to keep users' wants, pain points and preferences front of mind during every phase of the process. By doing this, you can build and improve more intuitive, accessible products that are likely to turn a higher profit because your customers have already vetted the solution and feel more invested in using it. Tools such as customer journey mapping, co-creation and focus groups can be very useful in this process.

Many resources are available on how to manage design workshops. [IDEO](#) offers extensive training courses, and other, free courses are listed in the Toolkit. And in **box 18** you can see a sample schedule and content for a design workshop. In **box 19**, you can read a case study of an inclusive insurance initiative in which design workshops were held remotely.

The main guiding principle of design workshops is to empathize with your target customer, which will help you to imagine their lives and their financial vulnerabilities and how they manage them. You will begin with what IDEO classifies as “Inspiration”, which is a process of empathizing with your customers. Then, you move on to “Ideation”, where you brainstorm ways to solve customers’ problems. Finally, in the “Implementation” phase, you design products and processes from the clients’ perspective rather than the perspective of the organization.

Through this process, you will find ways to create value for clients, which will, in turn, translate into value for your organization. You may invite a distribution partner to these workshops, or you may use the workshops to identify potential delivery channels (see section 3.2) and establish partnerships afterwards.

To the extent that you have data to support your ideas, it will make the design workshop a more enriching experience. Even if you start with no data, however, these workshops allow you and your partners to work collaboratively to solve problems around one common goal: developing more inclusive insurance products for vulnerable households and businesses. Be aware that creating a product or prototype in a bubble is risky. To be client-centric, you need to be absolutely sure that you are solving real problems for real people. The workshops are a step towards inclusive product design, but they should not be used to replace client data and insights

**BOX 18**

**Hosting a design workshop**

**Step 1. Set aside time and space:** These sessions should last at least four hours, either consecutively or over two days. They should take place in a conference room or other space away from everyone's daily workstation.

**Step 2. Choose your team:** This should be your working group, plus other relevant stakeholders in your organization. To ensure the widest range of experience possible, include people from different positions and different levels of your organization, as well as from different product lines.

**Step 3. Throw away preconceived notions.** Ensure that everyone leaves their biases outside the door and that you create a non-judgmental space. You can do this by discussing internal biases that may restrict your ideas, or by sharing something personal (but not intimate) about each other (such as people's favourite hobbies, special skills, etc.).

**Step 4. Go over all of the data that you have collected.** Ask one person to briefly summarize the results of all your market research efforts to date.

**Step 5. Identify some hypotheses about the risks and covers that are needed by some target segments.** Do this by considering the data as well as your experiences. Validate your hypotheses with available data if you can, or else identify the data you will need to validate them.

**Step 6. If you have not already done so, define your customer segments** through internal, external or new data collection. While this might be done at a different phase, a design workshop is a great place to integrate bottom-up segmentation. If no data are available, make some initial assumptions and identify the data you need to validate the segmentation and market sizing.

**Step 7. Brainstorm product ideas** for each segment by thinking about products that will address the risks you have identified. You may use information from your market research to design products or you may use hypotheses, or alternatively you may begin the process by modelling your product ideas after existing products. Have everyone put forward ideas and be bold! You can use props like whiteboards and sticky notes and have people move around the room and observe each other's suggestions.

**Step 8. Prototype products** based on the product ideas from step 6. In this step you will consolidate product ideas, organize them by product segment and streamline them into actual products. You may want to consult product leads and an actuary at this point in the process to assess feasibility.

**Step 9. Consider the customer journey,** keeping in mind the ways in which the products will be sold and marketed and the payment channels that could be effective both for collecting premium payments and for distributing claims. Use the principles of design thinking and empathy to consider how clients will best understand and use products.

**Step 10. Create an action plan** to refine prototypes and test them in the field.

**Step 11. Refine products** and develop a final product description to submit to regulators (if needed), as well as a client journey to consider as operational issues are finalized.

## BOX 19

### Inclusive insurance design workshop tools

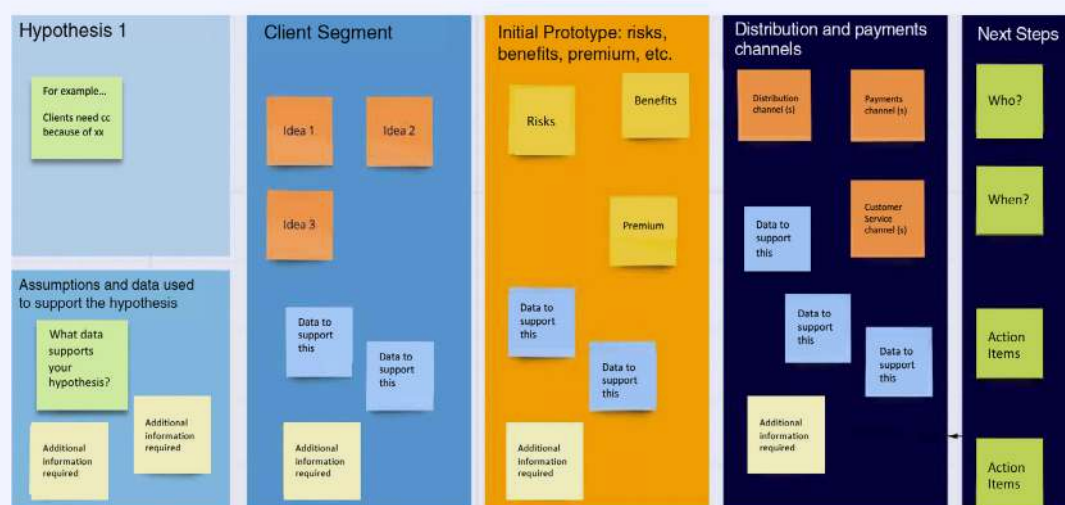
EA Consultants has conducted online design workshops to help insurers develop inclusive insurance products using Miro, an online tool. The tool facilitates remote discussion and brainstorming and allows participants to work on the same virtual board, filling out their ideas collaboratively.

**Figure 10** shows how a Miro board can be set up for thinking about a hypothesis for a specific client segment: for example, rural market vendors cannot lose income during severe climate events and would benefit from insurance coverage. The board considers the assumptions included in this hypothesis (for example, that market vendors cannot transport materials during severe events), the characteristics of the client segment and the type of cover that may be useful to support this client. It also considers the distribution and payments channels to be used, and it can be set up to consider concrete actions and next steps.

The example in **figure 10** can be used as a Miro board or else adapted to in-person brainstorming. Remember to question your assumptions and use data to justify your thinking as much as possible if you want to prototype with clients at the centre.

**FIGURE 10: EXAMPLE OF A MIRO BOARD**

SOURCE: MIRO



## 3.2. Distribution channels

You have already gathered a lot of information about the way clients think about different distribution channels, how frequently they use them and how much or little they trust them. Frequency and trust are very important in considering the role of a distribution channel. Today, many insurers are integrating digital tools into some aspect of back-end or front-end distribution. But since many target markets may not be comfortable with fully digital processes, it can be useful to think about distribution more broadly, as a multichannel process that reaches some target clients digitally and others with a more human touch.

If you are an insurer, consider what you need from your distribution channel before you open partnership discussions. You can rely on your distribution channel for all or part of the work along the customer's journey. **Box 20** provides a checklist that your working group can discuss to identify your partnership needs. But remember, it is a partnership: you are not outsourcing the work, you are collaborating towards a joint outcome. Partners need simple, useful and attractively priced products. They need training to understand how the product works and how to make claims when needed. They need excellent customer support to ensure that their clients are not disappointed. And they need a smooth and simple claims process. Sometimes, partners need special sales training that can teach them how to offer insurance responsibly and not mis-sell (see section 3). If an insurer can provide all this, distribution partners will be excited to collaborate with them.

Once you have identified what you are looking for in a partner, make sure that the partner has sufficient capacity. For example, if you need a retail partner's cashiers to explain insurance to customers at the cash register, make sure that the existing business model allows for cashiers to be trained, and then take the time to do this.

It is very important in this part of the process to define an attractive incentive scheme for these front-line workers. Some partners will engage insurers actively and even pay the front-line sales force directly with commissions from insurers. Others will prefer to manage their own incentives and collect a general amount of commission to divide up among staff. Be aware of how different schemes might influence the incentives of front-line workers. If they are rushed, can they explain a product well? If incentives are very high, how will you manage the risk of mis-selling?

You should also be aware that without regular and sufficient training, partners may not explain your product well to customers. To be client-centric, front-line staff need to understand the product and communicate effectively about it. Training should be conducted before rolling out products, but it also needs to be frequently refreshed, since staff turnover is common. Technology can help reduce the cost of these refreshers by allowing for text, web-based and video modules to explain and reinforce front-line staff's understanding of concepts.

**BOX 20**

**Checklist for preparing a conversation with a distribution partner**

Fill out this checklist in advance of discussions to help guide your negotiations. Make sure expectations are clear from the start. As you consider each point, think about whether this distribution channel is a convenient and trusted source for customers in accessing these services. Ultimately, your aim is to get closer to the customer to improve their experience.

☐ **Awareness**

Do you need the distribution channel to educate customers about your product and how to use it? Will this be done with above the line marketing (traditional advertising) or using below the line resources that engage directly with clients on the ground? Can the distribution partner help design marketing materials that are attractive to customers and easy to understand?

☐ **Acquisition and enrolment**

Will the distribution channel be enrolling customers onto your product and if so, will it use its own forms and technology, yours, or a combination of both? Are there any regulatory constraints that impact its role in this process?

☐ **Payments**

Will the distribution channel collect premium payments on your behalf? Will these be grouped or paid individually by clients? Consider the cost of these transactions and the benefits of using one or multiple partners to collect payments.

☐ **Servicing and post-sales support**

Does the distribution channel have the capacity, either through branches, call centres or field staff, to answer questions about your insurance product or solve issues that arise when clients lose policies or need to change beneficiaries?

☐ **Claims management**

Managing claims is part of post-sales support, and it is a very important part of ensuring that clients receive value from the product. Can the distribution channel facilitate this process by collecting information from clients and their families when they make a claim? Can it help gather required documentation?



#### CASE STUDY 17

### **Leveraging distribution partnerships to benefit partners and customers – Turaco in Kenya**

**“[Partnerships] are incredibly powerful ... But it is a relationship that takes investment and communication and ... a shared vision for what we’re trying to build together”**

Rachel Levenson  
Chief Commercial Officer, Turaco

Turaco provides affordable insurance solutions to underserved populations in Ghana, Kenya, Nigeria and Uganda, integrating with fintechs and financial institutions to deliver mass-market products digitally.

In Kenya, financial constraints combined with a lack of trust in insurance hold back insurance purchases. Turaco identified the need to align insurance offerings with customers’ existing financial relationships to better reach customers and ensure smoother processes.

Turaco partnered with a large pay-as-you-go (PAYGO) financing company to embed insurance into customers’ existing financial transactions. Low-cost hospitalization coverage was bundled with financed cell phones.

For Turaco, this meant being able to leverage the partner’s brand trust and payment systems, making insurance more accessible for customers. For its PAYGO partner, bundled insurance served as a differentiator in a competitive market, while mitigating credit risk by protecting customers from financial shocks. Insured customers were 60 percent less likely to default on their loans.

Customer feedback highlighted the value of embedded insurance, and many clients opted for additional coverage after their initial exposure. This helped convince the PAYGO financing company to continue to partner with Turaco and improve product design and processes. Meanwhile, Turaco was able to scale a small product to achieve sufficient volumes for profitability and risk reduction.

A key element of Turaco’s strategy is making sure people at all levels of their partner organization understand the insurance and know how to talk about it. This requires continuous engagement and training, including back-office staff as well as field staff. Levenson says: *“every single person at the company needs to understand the insurance.”*

### 3.3. Pricing your product

Pricing is an iterative process and should be considered as part of the product development process, rather than as the start or end point. When iterating product design, getting the price right is important, since clients' resources are limited and even a very relevant cover may not be useful to a client if it is not affordable. Actuaries can be useful in helping you to determine some initial pricing estimates. You can then test these estimates with target clients in a prototype testing activity, and adjust and finalize them as the product coverage and benefits are refined.

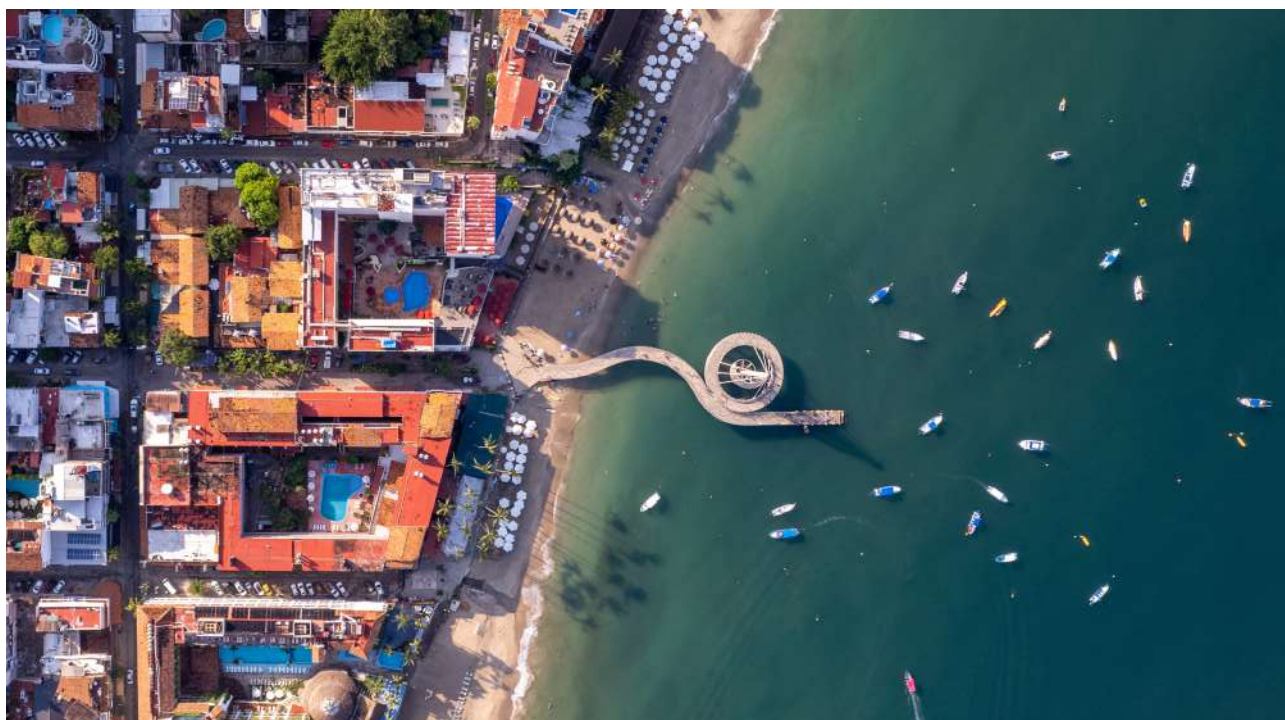
Inclusive insurance products require a new approach to pricing, because data may not be available, and even if they are available, data may not be accurate. Traditional actuarial tables may not include the type of client that inclusive insurance aims to serve. In some cases, these clients may have lower risks than the general population (for example, if they belong to a distribution partner that only covers healthy young workers); in other cases, they may have higher risks, for example, if they live in precarious conditions.

#### BOX 21

##### Expert tips on pricing inclusive insurance

In [Actuaries in Microinsurance: Managing Risks for the Underserved](#), J. Blacker and M. Yang recommend some guidelines:

- Identify evidence-based financial risks
- Pool risks through scale, diversification and appropriate reserving
- Stress-test various pricing scenarios
- Reduce costs that you can control, such as operations, by reducing inefficiencies and leaning on partnerships for distribution
- Build rigorous actuarial models



Mexico / Adobe Stock

**Experience pricing** can be a useful tool in setting prices. This model allows insurers to use real data from past experiences to make assumptions about future claims. It requires a relatively large longitudinal sample, which may be available for some risks. The great advantage of this method is that it helps you leverage existing internal information without requiring large external data sets on populations that may not be well studied. For example, microfinance institutions may track their own client mortality rates to assess client risk. They can share this information, and actuaries can use it to extrapolate future mortality risk. For some risks, it is important to stress test varying scenarios and have clear assumptions to ensure that they can be monitored appropriately. For example, if an MFI portfolio is primarily composed of urban merchants, but has plans to expand to older, rural farmers, mortality probabilities might change.

**Exposure pricing**, on the other hand, uses external data, often leveraging non-traditional data sets. It can be most useful when considering new, innovative product covers, where experience is limited. Exposure pricing makes assumptions about the frequency and severity of claims. When data are not available, actuaries can use alternative sources of information to complement their models. For example, climate risks can be estimated by reviewing records in local government agricultural departments and/or asking clients directly about their own recent experiences and damage. Similarly, fires in public markets are usually documented by local radio stations or newspapers. And extensive bodies of research exist on low-income communities, some of which offer data on financial shocks in local communities. By working with partners and collecting data from clients, national surveys and third-party sources, insurance companies can build sufficiently robust models.

**Credibility pricing** combines both methods, when they are available, to ensure a more credible scenario. It assigns relative weights to each method, allowing actuaries to leverage the most available information. This can be especially useful when submitting new products to regulators who might require a robust explanation of pricing in approving new products.

**Administrative expenses** for inclusive insurance products can differ significantly from traditional insurance, depending on the value chain. For example:

- Embedded insurance products may have lower operational expenses but higher marketing costs
- Agriculture insurance schemes, such as area-yield products, often incur high administrative expenses due to claims administration costs

Instead of applying a standard administrative expense loading, companies should analyse the value chain to determine a more accurate representation of these costs.

**Distribution expenses** are typically regulated through caps on commissions paid to intermediaries. However, the role of distribution partners can vary significantly, encompassing awareness creation, enrolment, servicing and claims management. These roles should guide the allocation of distribution expenses.

In some regions, regulators permit additional costs for platform or technology providers, such as insurtechs. These expenses can also be incorporated into product pricing in accordance with regulatory guidelines.

## 3.4. Prototype testing

Prototype testing takes us back to the principles of collecting new data and can happen in focus groups or surveys. When you are testing prototypes, create presentable, easy-to-read materials to show clients the product prototypes. These should mimic the marketing materials, language and sales speech that you would use if your product had already been defined. This way, you will obtain the most realistic feedback possible and can test out your draft marketing materials, language and training for front-line staff at the same time as you test out your product.

When showing clients a new product, make sure that you develop an instrument for surveys and focus groups that allows clients to explain what they like and dislike about each product. If you have a few options, it would be very useful to ask clients to rank the products in order of preference. Remember to ask clients to provide their gender, age, occupation and any other characteristics by which you will segment them, so that you can later see if one particular segment preferred one product to another.

Since you will be speaking to clients about very concrete products, work with your actuary and define some approximate premiums for each one. This way, when clients give you their opinions about the product, they are also providing their opinions about the product's affordability. You can test hypothetical pricing. When your clients state their product rankings, ask whether they would pay a premium 100 percent higher than

the one you estimate. If they say no, ask whether they would pay a lower price. Keep reducing the price, thereby learning their price sensitivity threshold. If you reach your estimated premium and they are not interested in paying for the product at that price, ask what features, if any, would make the product worth that price, or whether any features could be eliminated to make the product more affordable.

A more ethically dubious method, but one that some insurers do use, is selling the client a prototyped product (for example an MVP, or minimum viable product), which is not yet available in the market and may not be ready to be serviced, at a set premium in order to find out whether potential clients will buy it through the planned distribution channel. In this case, when clients agree to buy it, they are told that they will be officially enrolled in a few weeks, and their responses are tracked in a survey instrument with some elements that mimic an enrolment form. The clients' information is captured so that they can be contacted with updates on the product's development.

Be aware of the ethical issues with selling customers products that do not yet exist, and if you decide even so to take this approach, do not take any payment from the customer. When the exercise is complete, explain to the customer that the product has changed and offer a different product if they are interested.



#### CASE STUDY 18

### Designing and prototyping products – Pioneer Life in the Philippines

Pioneer Life's innovative ER Care product covers clients when they go to the emergency room. It is cashless (subject to coverage limits) and enables clients to avail of emergency care from a hospital or clinic.

The product was born out of conversations between Pioneer and their customers during field visits. In one such conversation, Pioneer Inc. CEO Lorenzo Chan and his colleagues were visiting a customer in his home and found around 10 more visitors than expected waiting to receive them. Chan decided to turn this visit into an informal interactive townhall and asked the visitors if they have needs with which an insurer could help them. Some shared that when they go to the emergency room (ER), the hospital requires a deposit. Being unable to pay means no access to urgent medical services.

Chan found the insight interesting, but says that *"two or three anecdotes do not make a concept"*. He went back to Pioneer's microfinance partner to validate the exchanges, and then organized a few focus group discussions with clients. These provided confirmation that there was a need for cashless emergency care in that market segment.

Pioneer found a partner with access to a network of clinics and hospitals that was accessible to the market. They designed a product prototype and ran it past more potential clients. One salient input was to include maternity care as an emergency benefit, since women faced the same issue when they arrived at the hospital for delivery. Pioneer went back to the drawing board and included a small coverage for maternity.

Designing the product required multiple iterations of talking to clients, going back to the drawing board and adjusting the product. It also required a very clear idea of the type of partnership that would be critical to ensuring the client's needs were met. After a pilot test in 2019, the product launch was interrupted in 2020 as a result of the COVID-19 pandemic. The product was relaunched in April 2021, and by 2022, Pioneer had sold 11,600 policies with a total premium value of \$440,000.



Philippines / Adobe Stock



### 3.5. Final product development

After prototype testing, your team will assess the results of your testing and go through some iterations with your actuarial and product teams. This step can include a second design workshop in which the same participants take the feedback from testing and refine the designs. This is also a good time for actuarial consultation, if you have not already done this.

You may want to use tools such as the [RICE Scoring](#) prioritization model, which scores products by Reach, Impact, Confidence and Effort (RICE). This can help determine which products are most viable in terms of opportunity, risk and resources needed. The ILO's [PACE model](#) can help you think through the I in RICE (Impact) by understanding more holistically the value of the product to customers across four dimensions: Product, Access, Cost and Experience (PACE).

This development part of the process requires a lot of discipline to ensure that products are simple as well as easy to understand and use. Be aware that having to explain complicated exclusions, waiting times and deductibles to clients adds to distribution costs and the risk of mis-selling. It will also reduce the likelihood that clients understand the product, and thus they might value it less than

you anticipate. Moreover, inclusive insurance products tend to have short terms, between one day and one year, and as such, waiting periods may make little sense.

Making a product tangible is always a challenge in inclusive insurance, particularly if the product covers unlikely, catastrophic events. Value-added services such as telemedicine, pharmacy discounts and vehicle support may be very attractive to customers, as they are tangible and can be used even when a policyholder does not suffer a catastrophic event covered by insurance.

Remember that some extra features may increase the price but not add value or tangibility, since they will most likely go unused. While some value-added services are very useful, others are designed for higher-income customers and may not meet the needs of your clients. Review evidence of usage of value-added services in other inclusive markets before you consider them. If this evidence is not available, analyse the usage of value-added services in traditional markets. If it is already low in those markets, it will likely be lower in inclusive markets where clients may have less time or be less comfortable using remote services.



Ghana / Adobe Stock

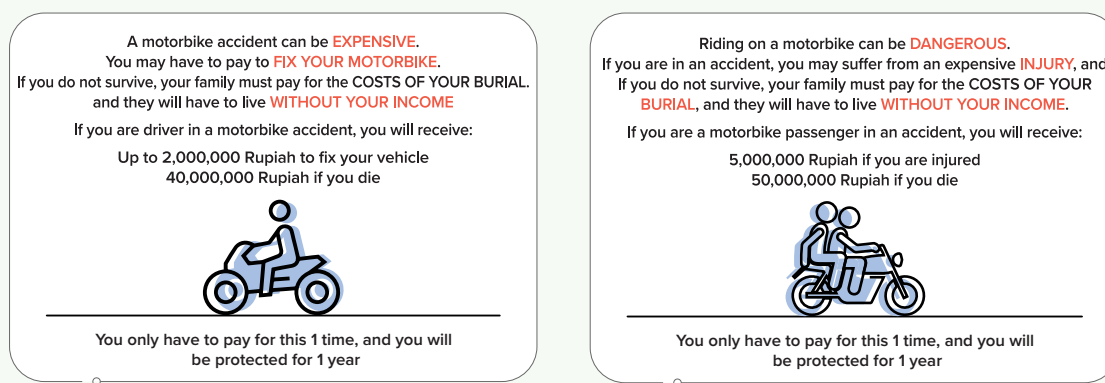
## CASE STUDY 19

### Testing product prototypes with clients – AXA Mandiri, Indonesia

AXA Mandiri's research in Indonesia (see **case study 5**) led to the development and testing of various products based on the external data collection exercise and design thinking workshops. These cards were then used to test prototypes with sample clients.

**FIGURE 11: AXA MANDIRI'S PROTOTYPE CARDS**

Source: AXA Mandiri.



## CHECKLIST

### Product and process design

Did the team...

- ☐ Conduct a prototype and design workshop (**box 18**)?
- ☐ Identify possible delivery channels?
- ☐ Review partnerships needs and possible collaborations (**box 19**)?
- ☐ With the support of the actuarial team, price the product?
- ☐ Roll out a prototype test, involving...
  - ☐ Testing hypothetical pricing, or offering the client the prototyped product and seeing whether they buy it?
  - ☐ Developing an instrument to collect client feedback (surveys or focus groups)?
- ☐ Analyse data collected in the prototype test?
- ☐ Conduct a second design workshop with actuarial consultation?
- ☐ Develop the final product?



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## Section 4

### Selling the product



**i****MANAGER'S BRIEF**

It can be very tempting to stop the client-centric process once you design a product, but instead of an ending, think of it as a beginning: the beginning of your new client-centric approach to ensuring that you have created a valuable product and process that is inclusive of even the most vulnerable. As marketing expert Philip Kotler says, “Marketing is not the art of finding clever ways to dispose of what you make. It is the art of creating customer value.”

This section emphasizes the importance of using the information you have gathered about the client to design an effective marketing strategy that strengthens the process of value creation. A strategy should address **who, what, where and how** you will reach out to potential clients and transform them into new and recurring clients.

Many operators assign all the marketing and communications of their inclusive insurance products to an internal marketing or communications department within their institution. This has some risks when working on inclusive insurance. First, marketing your product depends very much on what you are marketing and on whether your product is appropriately designed for your target customer and segment. The process begins there; this client-centric design can be then incorporated into a strategy to offer the product. Consider also that the skills and capacity of different external stakeholders may not be sufficient to completely outsource this role.

If your business's usual target customer is in a low-income or vulnerable segment, you may be very experienced in how to communicate with the customer but not in how to explain insurance products and their technical characteristics. Alternatively, if you are specialized in insurance, you may be experienced in offering explanations about insurance, but less familiar with how to communicate in simple and transparent language that is easily understood by the target segment. This is why market research can be especially helpful when you plan a marketing strategy for an inclusive insurance product. It can tell you more about the clients you are targeting, the risks they worry about, their expectations when buying a product, how they learn about the product and which channels they trust most.

Market research can also tell you about clients' income and ability to pay, as well as the most accessible payment methods for them. Your target clients may also have insights into the claims process and how benefits should be paid out. If your market research involved distribution channel front-line staff, such as loan officers at an MFI, government workers, mobile money agents or programme staff at a non-profit organization, they will have given you some important insights into how they work and what motivates them. This will help you identify appropriate partners, design effective incentive systems and customize training programmes.

Clients who buy insurance should know what they are buying, understand how to use it and value it. Otherwise, you will just be taking clients' money without offering value in return. This is why proving clear marketing messages and tracking performance are essential in inclusive insurance.



If you completed section 1 and section 2 of this Navigator, you already have most of the elements of a successful marketing strategy. Through this process, you have likely defined your target market, as well as your product and its value to that market. You have come up with some ideas about distribution partners and you have some sense of the language that clients use to understand your insurance product. You will likely have discovered many other interesting insights about your existing and potential clients. For example, are they easy to reach by phone, in groups or individually? How easy is it for them to understand the concept of insurance? Who do they trust most to explain or offer this product? All this information will help you design your marketing strategy.

Once you have defined your strategy, you can consider the cost and whether it is affordable. Marketing a small premium to many customers requires strategies that are different from

marketing a large premium to a few customers. Above the line strategies such as billboard advertisements, radio and TV can be extremely expensive. Consider instead using local radio stations, or social media and influencers. Technology can be useful in promoting your product as well, but remember, your segment may have less understanding of insurance and lower trust in technology, so analyse any digital plans carefully to see if they work. Below the line strategies that deploy variable costs, such as face-to-face agents, may be more effective on a per unit basis in reaching and building trust with your end clients.

As **box 23** describes, your strategy should address **who, what, where and how** you will reach out to potential clients and transform them into new and recurring clients. The tips in **box 23** can help you think about how you can use your research findings to address each of these issues.



Argentina / Adobe Stock



**BOX 22**

**Below the line marketing example**

Many insurers in Colombia use their own call centres to reach potential customers with new insurance offers. They partner with utility companies, for example, which provide lists of clients that insurers can call to promote products and enrol new customers. Premiums are then deducted from utility bills. Some utility companies even have their own call centres dedicated to this function and earn commissions from sales.

**BOX 23**

**Considerations in your marketing strategy**

Consider these elements of your marketing strategy as you plan to take your product to market. A strategy is not just a set of materials or an incentive scheme. It should be a plan that identifies targets and how they will be achieved, and assigns responsibilities, resources and deadlines to the process.

**TABLE 9: THE ELEMENTS OF A MARKETING STRATEGY**

WHO	<b>Market sizing.</b> How many customers do you want to reach in the short, medium and long terms?
	<b>Client segments.</b> Which specific segments will you target?
WHAT	<b>Competition.</b> What value-add will your products offer versus the competition? Remember that in informal or underserved markets, the “competition” might be the informal strategies that clients currently use to manage risk rather than a formal financial product.
	<b>Value proposition.</b> What is the value proposition of the product and process vis-à-vis what clients have access to already?
WHERE	<b>Distribution.</b> Who will enrol clients? Who will take premium payments? Who will offer post-sales customer support? Who will process and pay claims?
HOW	<b>Communication.</b> Who will make clients aware of a product? How will you train them? What points of contact are most effective in your segment: face-to-face, billboards, phone, social media, web or a combination of many types?
	<b>Marketing.</b> What materials, training and incentives are needed to support the product distribution?
	<b>Budgeting and planning.</b> Who will be responsible for each action item in the marketing strategy? How will these responsibilities be embedded in partnership agreements, commissions and other incentives? When are key milestones for the project? How much will this cost?

## 4.1. To whom are you selling?

A marketing strategy begins with defining your target market by assessing the market size and defining the client segments you want to reach. Your internal and external data collection exercise should have provided you with an idea of which market segments you are targeting and the approximate size of these segments in your target geographic area. You might develop some personas (such as

Eduardo and Erica) to bring these clients to life and imagine how they will interact with your products. **Box 24** gives a detailed example of a health shock suffered by Eduardo and Erica and how the family handles it. This can help you consider all of the elements to keep in mind in defining a client-centric marketing strategy.

### **BOX 24**

#### **A client-centred marketing strategy**

When Eduardo became sick with malaria in 2019, he was ill with high fever symptoms and weakness and was unable to work for over two weeks. Eduardo's wife, Erica, could not manage his shop because of the very rigid schedule she had at the factory. Moreover, Erica relied on Eduardo to bring her to work in the morning, which he was unable to do.

Luckily, Eduardo was able to get help from his sister, who watched the shop. His mother watched his sister's children while his sister worked in the shop. After work, Erica checked in on the shop and made sure all the accounts were in order.

Everyone worked together to help out, but one problem was that Erica had to pay extra for a mototaxi to take her to work every morning. This represented a big part of her monthly income. Additionally, she had to pay for medicine for Eduardo's illness.

To deal with the financial impact on the household, the couple did a few things:

- Reduced their food expenses for the month
- Obtained a small loan from a neighbour to cover the cost of Eduardo's medication and other expenses
- Saved money on gas from Eduardo not driving his vehicle.

When you are marketing to people like Eduardo and Erica, remember to emphasize the value of the product to them. The product could help them avoid borrowing from friends and family and cover Erica's additional expenses (transportation) until Eduardo can go back to work. The couple would likely not respond to the message of the product as a way to protect Eduardo, since he has managed much of his risk.



## 4.2. Defining your “what”: The value proposition

Consider the value proposition of your product for these clients and how the product might be different from what the clients can already access. When thinking about your value proposition, it is not enough to consider whether your target market has access to similar insurance coverage; you must also consider the informal ways in which they already manage their risks.

Think about the case of Eduardo, and how he manages the risk of falling ill in **box 24**. What would be the value proposition of a malaria insurance cover for Eduardo? The product might appeal to him if it covers the cost of medicine and household expenses, such as Erica’s transportation. If the product was marketed as one that would help cover business losses, Eduardo might think *“my sister can watch the shop, I don’t need the insurance.”*



Thailand / Adobe Stock

#### CASE STUDY 20

##### **Improving the value proposition – VisionFund Ecuador**

**“By integrating affordable health solutions with value-added services such as ambulance support and medical brigades, we not only improve the well-being of communities but also foster trust and sustainability”**

Nataly Galán

Regional Insurance Manager for Latin America and the Caribbean, VisionFund International.

In Ecuador, VisionFund recognized enhanced health solutions were needed to fill gaps in the national health insurance system, especially for vulnerable communities for whom transportation and out-of-pocket costs were significant barriers to healthcare access.

It introduced Seguro Familia Protegida (Family Protection Insurance), an embedded opt-out insurance product priced at just \$1.15 per month. The product provides telemedicine coverage, including reimbursement for medical expenses and accident coverage.

However, telemedicine is a new concept in Ecuador, and after the initial roll-out, low claims on telemedicine suggested new approaches were needed to bridge remote health services with clients’ needs for in-person provider contact.

VisionFund partnered with World Vision Ecuador to introduce Ambulancia Naranja (Orange Ambulance), a dedicated ambulance service, and medical brigades offering direct health support. These additional services enhanced the product’s coverage, increased accessibility, promoted preventative health and extended outreach to both clients and non-clients. The services were particularly impactful in providing essential health assistance during climate emergencies.

Since October 2022, the Ambulancia Naranja and medical brigades have served more than 14,000 people, with a 97 percent satisfaction rate. Notably, 78 percent of beneficiaries were non-clients. Approximately 30 percent of these non-clients transitioned into becoming VisionFund clients after benefiting from Ambulancia Naranja and medical brigade services.

Learn more about Ambulancia Naranja [here](#).



### 4.3. Where will you offer the product? Identifying distribution and partnerships

In the example of malaria insurance for Eduardo, an ideal distribution partner for an insurance company might be the pharmacy. Ideally, a distribution partner has a financial relationship and a relationship of trust with the end customer. This helps both provide a trusted acquisition process and a payment channel. Learning about who clients trust is an important part of market research, as some will be more trusted than others, such as in the case of Erica in **box 25**.

When you identify a suitable distribution partner, consider the following:

#### Does this partner work with the target market I have identified?

Ask the distribution channel for internal data on their clients or hold some bottom-up segmentation focus groups with front-line staff to verify that you are, indeed, targeting the same population. Remember that “the poor”, “the vulnerable” or “bottom of the pyramid” are not one single segment. There may be multiple segments in these broad categories.

#### Are our incentives aligned?

Incentives are not everything, but they are critical. You might have a great product, but if your distribution channel does not offer the product to clients or does not spend time highlighting and explaining it, the product will not get to your end customer. If you are partnering with a brick-and-mortar business, when you interview front-line staff, ask them what motivates them. Make sure you offer ideas that are not only financial. See section 4.5 for a discussion of sales incentives.

Consider different types of incentives for different distribution channels. For example, fintech or insurtech distributors may not ask for a commission, but instead, might use your insurance product

to incentivize client behaviours. **Case study 14** explains how insurance was used to incentivize acquisition by women of a credit card reader, for example. This case emphasizes the importance of tracking performance by sex to understand the gender implications of different strategies.

#### What role will the partner have along the delivery spectrum?

Distribution channels can take on different roles. One mistake that insurance companies might make in partnering with a distribution channel is assuming that the partner can be useful across the whole delivery spectrum (**figure 12**). Each actor should focus on their core competencies. To ensure this happens, it is important to discuss what these core competencies are when sitting down with distribution channels and insurers and identifying the relative roles and responsibilities in detail.

You can see from the delivery spectrum in **figure 12** that finding a partner that can do all of the tasks in the spectrum is not easy. For example, trusted sources of support might be very useful for awareness-building, education and acquisition but may not have the technical interface to cover enrolment.

#### How will we monitor success?

In section 5.1, we discuss servicing your inclusive insurance product and how to measure success. Consider both social and financial goals and assign indicators to the appropriate partners. For example, if you are measuring claims, insurance companies may be best prepared for this. If you are measuring poverty indicators, a distribution channel may be closer to the customer and may have more data or better capacity to collect data for the product.

**FIGURE 12: THE INCLUSIVE INSURANCE DELIVERY SPECTRUM**

SOURCE: AXA MANDIRI.





#### **BOX 25**

##### **Identifying the right distribution partners in the Philippines**

When interviewing Erica and her colleagues in a series of focus groups, we discovered that Erica trusts her company and her manager. Many of the workers eat together with their managers during lunch and have picnics with their colleagues on special holidays. Their managers have connected them with a bank that receives their salary, and this bank has offered them loans that allow them to buy vehicles and even homes. Erica used one such loan to purchase Eduardo's motorbike, and she trusts the bank because her manager connected her with it. This experience is important in considering a potential delivery channel for insurance both to Erica and to Eduardo. As Eduardo works informally, there are fewer ways to reach him, and Erica's work might be a useful channel.

However, the lessons we learned from interviewing Erica and her colleagues are not applicable to all situations. In another series of focus groups, we heard that a different factory has gained much less trust from its workers. In fact, there have been some uncomfortable situations in the factory, in which some women were given longer breaks and more leniency because they smiled at a manager more and "acted friendly". This bothers the workers a lot. They feel vulnerable and prefer to keep their lives as private as possible so as not to create any conflict at work. When trust in the employer is low, it is less likely that staff will trust the institutions with which the employer works.



#### **CASE STUDY 21**

##### **Using insurance to incentivize fintech adoption – Noahui Soluciones in Mexico**

Noahui Soluciones, a platform that onboards low-income merchants to fintech products, partnered with KiWi, a fintech providing low-cost pay-as-you-go credit card readers, to test the impact of adding free life insurance to each KiWi terminal to incentivize client acquisition and usage. After a pilot test, they learned that 5.8 percent of women purchased KiWi terminals when they were offered free insurance vs. 2.8 percent of men. This was a good opportunity to expand KiWi's reach to a new client segment: women, who typically purchased fewer KiWi terminals than men.

Source: Noahui Soluciones, México.

## CASE STUDY 22

### Plugging multiple partners into one insurance platform – Democrance in the United Arab Emirates

**The product:** Personal accident insurance for remittance senders

**Description:** Accidental death and accidental permanent total dismemberment

**Sum assured:** ~\$11,000

**Term:** 1 month

**Volume:** 104,479 policies.

Democrance is a business to business (B2B) data-enabled, white-label, software as a service (SaaS) plug-and-play technology platform that digitizes sales and distribution verticals of the insurance value chain for emerging market segments. It allows insurance companies to leverage existing distribution channels that are not set up to offer insurance.

For example, in the United Arab Emirates, the company partnered with AXA Insurance and Hello Paisa, a remittance operator, to facilitate the addition of a free insurance product to Hello Paisa remittance transactions with minimal IT integration. This offers value to Hello Paisa customers, gives the company a competitive advantage in a crowded market, and helps AXA Insurance with the acquisition, enrolment and payment collection pieces of the delivery spectrum. AXA is able to handle claims through the Democrance platform as well, covering the final two parts of the spectrum. The only gap in the delivery spectrum exists in awareness and education; Hello Paisa may be trusted by its customers but may not have the right incentives in place to educate clients.

**FIGURE 13: DEMOCRANCE, AXA AND HELLO PAISA'S HELLO PROTECT PRODUCT**

Source: Hello Paisa.



## 4.4. How to effectively communicate with clients

Whether you conducted full market research, limited market research or some prototype testing, you have learned something from your clients about their impressions of your product. These insights are very important because they reflect the understanding and perceptions of clients in their own words. When clients hear explanations of your products in their own words with their priorities and needs in mind, they will be more open to understanding the products and they will see more value in them. Often, a clear and transparent marketing

flyer or speech can have a much greater impact on building client awareness and education than a long education session – and it can be more cost-effective as well.

**Box 26** contains some tips you can use when you analyse the results of your client conversations to develop marketing messages and materials. If you can, test your draft materials with a small sample of clients to make sure that you have identified the most relevant images, explanations and language.

### BOX 26

#### **Tips for using market research to develop education and communications materials**

Listening to customers has huge benefits in developing marketing and education materials. Clients can tell you the risks that they worry about and the aspects of a product that they like the most or understand the least, which can help you focus your materials so that they are as simple and relevant as possible.

**Language:** If you have listened carefully, you may discover the best name for your product from listening to clients. For example, at one insurance intermediary in East Africa, researchers discovered that explaining a “hospital cash” product as “sleep in the hospital cash” was a clearer way to explain that coverage only began if the insured person spent the night in the hospital.

**Personal characteristics:** If you decide to use animated characters or photos of clients, you should look at the people you interview and try to demonstrate to them through visual aids that the product is meant for them. Some insurers aim for “aspirational” photos that show middle-class houses. While this might be appropriate to your market, it can also signal to some clients that the product is not for them. Instead, consider aspects of the people you interviewed. You do not want to show anyone in messy work clothes, which could be offensive, but you want to show and celebrate what the target clients really look like.

**Main product characteristics:** Through your qualitative research, or perhaps through your work prototyping products, your team should also have identified the main points that clients will find attractive in the product, including whether the premium is affordable. They may also find the product very relevant in terms of coverage because they are very aware of the financial cost of a covered event. Another point clients may have noticed is the amount of the benefit or that it is the right size for their needs. Or maybe the ease with which they can enrol appeals to them. Listen carefully and make sure these qualities are included in your marketing materials, sales pitches and messaging. Keep your main points short, though, or they will be hard for clients and front-line staff to remember!

**Other issues to consider:** Perhaps in your discussions with potential clients, you identified the brands they trust most. In your materials, consider using similar styles and colours to those used by clients’ trusted brands. Or maybe you have found that the locations where

they can make a claim are important to them. This would suggest highlighting the locations with a map or photos.

You may find that different market segments or people from different regions use different cultural references or even languages. This may require adapting the materials to suit these differences. Using populations from the target market in your materials can help your marketing team adapt to these differences easily. The most important thing is to listen carefully to all your target clients and reflect on anything you learn that can help them better understand the product.

## 4.5. Distribution: How to train and motivate a sales force

### 4.5.1. Who will be trained?

Before you consider ways to train and motivate a sales force, you need to figure out whom you need to train. For example, if you are working with a microfinance distribution channel, loan officers may be tasked with offering the product, but cashiers who are taking loan payments also need to understand why there is a monthly charge in their customers' loan payment receipt. Often, cashiers need to resell the insurance product because clients have forgotten they have coverage and complain about a bill.

If you are working through a multichannel delivery process, consider also call centre staff, social media managers and senior managers who control performance evaluations and commissions for staff. Even the security guard at the door should be aware of the product in case anyone walks in and asks for insurance. You do not want a guard to say, "no, we only offer money transfers here, not insurance" just because they have not been informed otherwise.

### 4.5.2. How will you train?

Once you have decided who will be trained, consider how you will train your delivery channel. Begin by understanding your partner and how it currently trains its front-line staff and management. You will want to use or adapt existing methods that are familiar to staff. As well as easing the learning burden on staff, this can help operationally, if you are working with a complex organization or in a wide geography, by making training easier to implement.

You may want to use digital tools, in-person training or both. If you or your partner already conduct in-person training, you might consider adding more sessions to cover insurance distribution. Remote training can be convenient and much more cost-effective; however, it can in some instances be less effective in achieving learning outcomes. Remote tools can be used alongside hands-on activities to ensure that learning remains active.

Keep in mind that staff often rotate, and so you will need a plan for refreshing training on an ongoing basis. Online and SMS delivery will likely be the most cost-effective for refreshers. It is very important that training be conducted by experts who understand the product, but also understand the customer and how they learn. A team of trainers or multiple sessions may be most effective. Regardless of how you train, it is very important to include simulations in the training so that front-line staff can practise and gain confidence with the material before speaking with clients.

### 4.5.3. What will you train on?

Training front-line staff can be daunting. Often, we are training people who themselves do not understand or value insurance, which makes it difficult to transform them into inclusive insurance advocates. The easiest way to help them learn to understand and value insurance is to have them try the product themselves by giving them discounts or free insurance to test. When this is not possible, or if the product is not very tangible because it covers only catastrophic events (such as life or property insurance), you can still find ways to get your sales



force excited about selling your product. Many resources are available online to develop insurance sales training. **Box 27** offers some useful tips on how to design a training curriculum.

Hands-on exercises should be a part of the training, since even when they understand how a product works, front-line staff may be uncomfortable selling insurance when it is not their main activity. They might worry their relationship with the client will be damaged if the client does not like or trust the product, or they might feel concerned that a client may ask questions they cannot answer. As a result, it is important to practice selling through simulations among peers, and

if possible, using fieldwork with a select group of clients under supervision to test out staff members' confidence and assuredness in selling.

You should keep in mind that your clients may have low awareness and trust in insurance, so there will be an important component of education in your sales strategy. Part of this will come from your sales staff, who should offer a transparent and clear explanation of the product, using the most relevant materials. Another part will come from your clients' and their community's experience with the product. Paying claims easily, promptly and effectively shows that you are keeping your promise and that you can be trusted.

#### **BOX 27**

##### **Your training programme**

When designing a curriculum, keep in mind some important concepts that should be covered:

##### **Operational issues**

- How materials will be distributed
- How enrolment paperwork and/or technology works
- How payment processes work
- How claims processes work
- How staff will be compensated for sales (if relevant)
- Who can answer questions
- Data tracking protocols

##### **Commercial issues**

- The covered event and why it is relevant to your client (for example, “climate change is affecting your crop cycles”)
- The financial needs of clients when they face such events (for example, “when clients suffer a loss in yield, they have less money to reinvest in their next cycle”)
- How the insurance product addresses these problems (for example, “this product pays clients \$200 if their production losses are over 50 percent of estimates”)
- How the insurance product is paid (for example, “clients can pay for this with their loans”)
- How claims are made (for example, “clients can call their loan officers to make a claim if they suffer a loss of over 50 percent”)
- Where clients can turn for more information (for example “clients should call this number when they have questions”).

#### 4.5.4. Commissions and other incentives

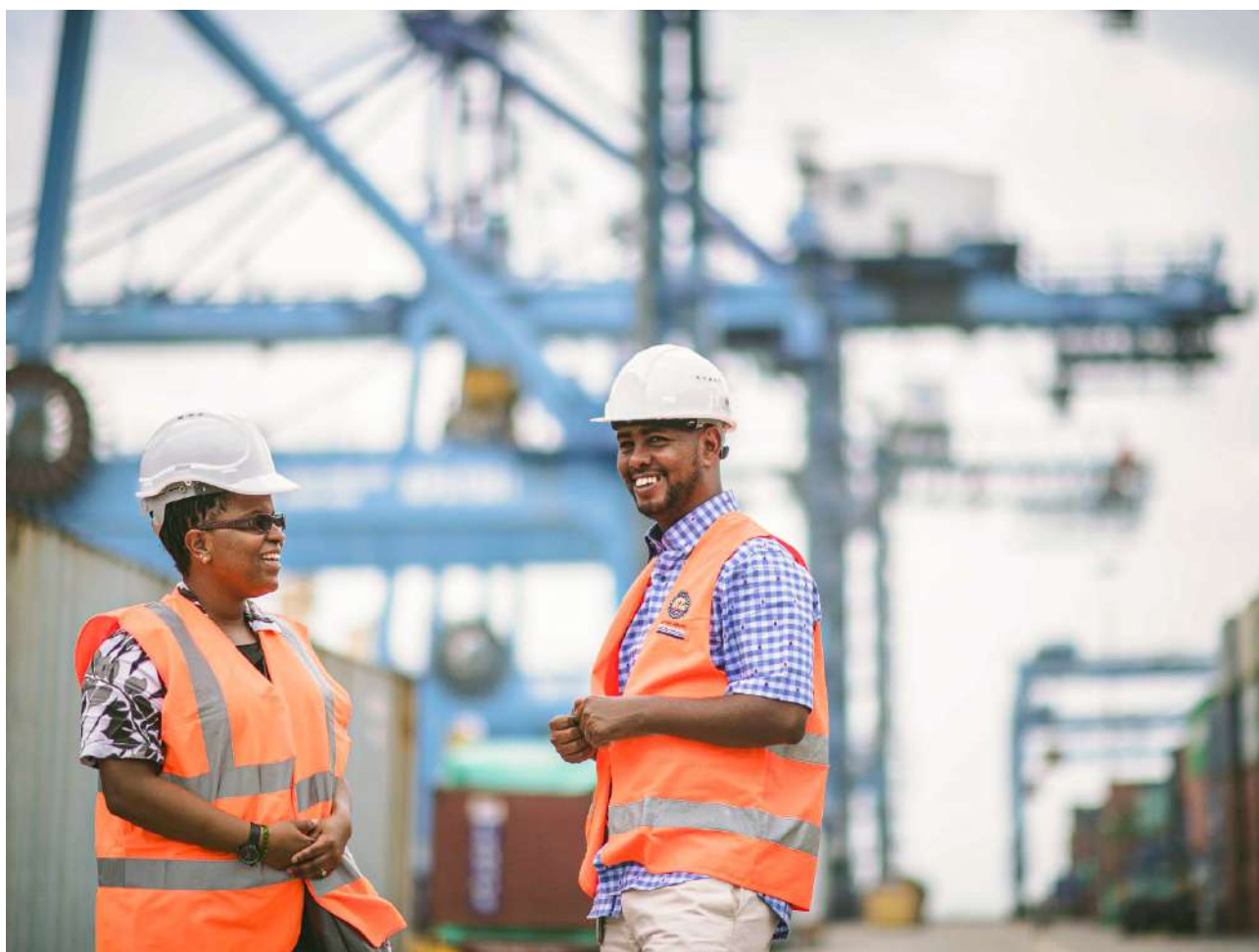
Even if they are fully dedicated to your product, most sales representatives will expect a commission for selling insurance, especially if a product is not bundled with a loan or a free service but is a voluntary or stand-alone product. The problem is that commissions on inclusive insurance tend to be quite low because premiums are low in order to make products affordable. This is where some creativity is needed to incentivize sales.

Consider some “carrots and sticks” to motivate sales. Some “carrots” you might offer could be points that can be traded in for prizes or activities and events. Recognition might also be an incentive: offices with high sales could be celebrated throughout the company and invited to a special meal. You could also consider introducing short-term, competition-based incentives during specific stages of the product cycle. For instance, additional incentives (cash or otherwise) could be offered for a limited period

during the launch or re-launch of a new or modified product. This approach can help drive engagement and boost initial performance.

You might also consider “sticks”. Some microfinance institutions set insurance targets that trigger additional benefits when loan sales targets are met, for example. However, if targets are not met, loan officers forgo some component of their commission on loans.

Regardless of whether you use carrots, sticks or both, it is essential to balance the need to meet sales targets with consumer protection. Clients who buy insurance should know what they are buying, understand how to use it and value it. Otherwise, you are taking clients’ money without offering value in return. This is why, in inclusive insurance, it is very important to provide clear marketing messages and track performance.



UNDP Kenya

## CASE STUDY 23

### Incentivizing voluntary renewals – Compartamos Banco in Mexico

In 2012, the Microinsurance Learning and Knowledge (MILK) project studied the demand for an inclusive life insurance product and learned that voluntary renewals could be promoted through the use of initial subsidies, as well as standardized sales training and messaging about the product.

The life insurance product was offered to over 1.8 million clients of Compartamos Banco in Mexico. Compartamos subsidized coverage by providing one free module (with a \$1,160 benefit) to each of its village bank borrowers. At their own cost, borrowers had the option to purchase up to seven additional modules.

The study involved a randomized control trial (RCT) that tested the impact of eliminating the free module of insurance on clients' purchase decisions and total insurance coverage. The results showed that those clients in groups with no subsidized coverage were 5.2 percentage points more likely to purchase insurance (one or more modules) and purchased 0.15 more modules on average. This suggested that the use of subsidies may have contributed to increasing client trust and perception of value of insurance, so that when they were faced with losing the product, they voluntarily purchased it.

FIGURE 14: ANALYSIS OF STANDARDIZED MARKETING INTERVENTIONS

Source: Compartamos Banco.

#### Factual poster



#### Emotional poster



The study also analysed the use of two standardized marketing interventions to offer these additional modules across the Bank. The marketing interventions standardized the information provided to borrowers by introducing two posters that loan officers brought to group meetings. Loan officers were trained to follow the script precisely and use the posters as visual aids. The top half of the posters provided the same basic information about the product. In the bottom half of the first version, a “factual” poster emphasized the financial toll that a funeral takes on a family and how insurance benefits can compensate for some of these financial costs. The second version was an “emotional” poster, which used a series of pictures to tell the emotional story of a family saddened by the death of a breadwinner and how insurance helped them to recover. Half of the groups were presented with the factual poster; the other half were presented with the emotional poster.

The study found strong suggestive evidence that the standardized marketing approach, regardless of whether factual or emotional, increased sales of insurance. The percentage of clients who purchased any insurance increased by more than 20 percent after the standardized approach was adopted. It suggested that providing clear, factual information helps clients make informed choices that can lead to voluntary policy renewals and help build a more sustainable and responsible market for insurance. [More information is available in the full study.](#)

#### 4.5.5. Renewals

When establishing your enrolment and sales processes, consider how you will manage renewals. Renewals are an important way to control costs and build a market. It is much easier and more cost-effective to grow a market from a base of loyal customers than it is to acquire new customers after each policy term. If you have provided a positive experience that clients value, renewals should be less work and you can consider reducing the level of touch needed to explain and convince customers to buy your product again.

Fully automatic renewals might be feasible when partnering with a payment channel where customers pay on a recurring basis (such as public utilities), but

customers should be informed of renewals to ensure ongoing trust and satisfaction. Some countries have strict regulations about obtaining client consent for renewals to make sure that clients understand they will be billed for a new policy and to remind clients of the coverage they hold.

Insurers or partners may also be able to contact clients directly or through low-cost channels such as SMS and phone to renew policies, which reduces cost and increases efficiency. Commissions for such services should be negotiated in advance. Discuss with your partners how the process will take place and how clients will be informed of renewals.





#### CHECKLIST

##### **Selling the product**

Did the team...

- ☐ Design the market strategy (**box 23**), determining...
  - ☐ **Who** is your target market?
    - What is the market size?
    - What are your client segments?
  - ☐ **What** is your value proposition?
    - What is the competition?
    - What is the value proposition?
  - ☐ **Where** are your distribution and partnerships?
    - Does the partner work with the target market?
    - Are your incentives aligned with your partner?
    - What role will the partner have along the delivery spectrum?
    - How will you monitor success?
  - ☐ **How** will you carry out your planning, communication and marketing?
    - How will you develop education and communication materials for clients (box 24, box 25, box 26)?
- ☐ Establish distribution, including...
  - ☐ Defining who will be the sales force (microfinance distribution channel, loan officers, call centre, social media managers, senior managers, staff on commission)?
  - ☐ Training the sales force (**box 27**)...
    - On operational issues?
    - On commercial issues?
  - ☐ Developing marketing material?
  - ☐ Creating simulations and field practice?
  - ☐ Defining and promoting commissions and incentives?
  - ☐ Tracking performance of sales?
  - ☐ Establishing a clear renewal process?

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## Section 5

### Servicing the product



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## MANAGER'S BRIEF

Whether you are implementing an inclusive insurance project to strengthen your business, support the achievement of the United Nations' Sustainable Development Goals (SDGs), or both, you will need to constantly support your clients and monitor and measure your progress.

The first step is to design post-sales support early on in the product design process – avoid leaving it to the last minute. After all your investment in your inclusive insurance product, the last thing you can afford to do is disappoint the customer. According to [McKinsey](#), a single negative experience has a four to five times greater relative impact than a positive one. Studies in the United States reinforce this, showing that 96 percent of customers will switch brands to get better customer service ([Forbes](#)). Therefore, there is great value to both the insurer and distribution partner in making sure that customers understand, value and know how to use a product.

This section discusses the importance of having an after-sales process to serve insurance clients that reinforces the product's value to the client and ensures that clients understand how to use it and how to make a claim. We review some tools mentioned earlier, and introduce some new tools that can help ensure that clients are served well throughout their journey.

The section also reviews how to establish metrics for measuring your success. While client satisfaction is a critical metric, it is not easy to measure with one indicator. Net Promoter Scores can be biased, and there is more to inclusive insurance than satisfaction; the product must be financially and socially valuable.

When measuring your success, you may be seeking information to make a management decision about continuing or scaling a project, or perhaps you need to report outcomes to shareholders or partners. If you have received public donations to implement the project, your funders may also require a rigorous evaluation or academic study of the impact on your programme. This section focuses on the internal reasons for monitoring and measuring success that can support your organization's decision-making, communications and overall client interaction.

We consider that monitoring is an ongoing process and requires a programme to establish some metrics in advance that can be reviewed and analysed frequently. A simple KPI dashboard will be a useful tool for this. You might also want to have regular discussions with partners, field staff and clients to get a sense of how things are going on the ground. Some useful tools for this are the customer journey maps we used for our market research earlier, which can help identify specific obstacles or friction in the client experience. Once you identify potential areas of client friction, you can adapt your product or process to improve the client experience. You will then need to retrain your field staff and other partners to make sure these changes are reflected in the overall client experience.

Often in inclusive insurance, the claims process is a source of great friction for already bereaved or distressed customers. If you can provide a simple and easy experience, you can satisfy your customer at their most difficult time and achieve long-term loyalty and positive reputational impact through word of mouth.

## 5.1. Post-sales servicing

There is ample research suggesting that even with good training and education, customers often do not understand an insurance product that they have purchased. This can be problematic, because a client who does not understand a product cannot fully and accurately value the product. Moreover, if the claims process is not clear, the client may fail to submit a claim or submit an incomplete or inaccurate claim, which leads to disappointment. And the last thing you can afford to do is disappoint one customer. When you disappoint one customer, you are disappointing many more. According to [McKinsey](#), a single negative experience has a four to five times greater relative impact than a positive one. Therefore, for both the insurer and distribution partner, it is essential to make sure that customers understand, value and know how to use a product.

But communicating all of this at the point of sale is difficult. Clients may be distracted, for example, if they are also applying for a loan. They may be uninterested in some of the aspects of the product, such as claims processes that they feel are not relevant at the time of purchase. Or they may just be busy.

Consider incorporating some automated post-sales support in your process and training your staff accordingly. Post-sales support includes answering questions when clients come with questions and knowing where to direct complaints. Post-sales support can be offered through various channels. As more and more customers use social media and online channels, it makes sense to incorporate multiple channels in your post-sales support. These might include the following:

- Outbound call centres
- Inbound call centres
- Outbound SMS
- Inbound SMS
- Front-line staff
- Online and social media.

Start by leveraging existing channels. Evaluate how your clients already engage with your business and

prioritize those channels. Often, the distribution channel serves as the most trusted point of contact and the primary brand representation for your product. Training and supporting your distribution partners to provide post-sales support can strengthen these relationships. For example, outbound welcome calls from call centres can help determine whether customers understand their purchase and can assess satisfaction levels and address concerns. These interactions not only improve customer experience but also offer valuable insights to refine future marketing strategies. Additionally, these calls can reinforce product knowledge and offer clients an opportunity to ask questions.

Consider a balance between automation and personalization. Modern technologies, such as customer relationship management (CRM) software, can streamline support processes and ensure seamless integration of customer services. However, it is important to avoid over-relying on automation. Clients unfamiliar with recorded messages or text-based interactions may need more human touchpoints, even for lower-priced products. Balancing cost-efficiency with trust-building through personalized, high-touch interactions is critical to long-term success.

AI has been transforming the operational processes and execution of sales calls, reducing costs and allowing for greater outreach and scale. When considering using AI, make sure that enough time is given for the platforms used to learn how clients communicate and when they express frustration. Clients may be very polite and reserved when expressing frustration and AI may not immediately understand this. Consider always having a voice option if client voices and tones sound confused, frustrated or angry.

Transparency is crucial in post-sales communication. This should not just highlight positive news. Keeping clients informed – even about challenges – builds trust and avoids the reputational harm caused by leaving customers in the dark, as highlighted in **case study 18**. Ensuring clients feel heard and valued is essential to maintaining loyalty.



#### CASE STUDY 24

### Leveraging post-sales support and welcome calls – Aseguradora Rural in Guatemala

**The product:** Women’s Cancer Coverage “I live secure”

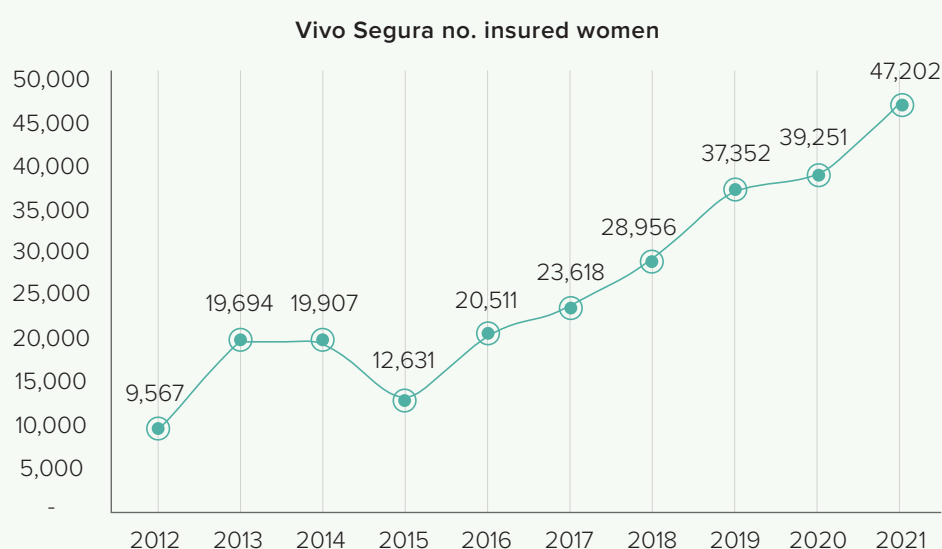
**Description:** \$2,875 benefit for a gynaecological cancer diagnosis, \$750 benefit for death by any cause and a preventive health package focused on main gynaecological cancer screening and early-stage treatments as well as discounts on medicines in selected pharmacies, discounts on lab exams and examinations in the health provider network for procedures not covered by the policy

**Coverage:** 47,202 women (2021).

In 2012, Aseguradora Rural, a leading insurer in Guatemala, developed an insurance product for low-income women clients of its partner bank, Banrural. Over the first year, as the product scaled up, time for training had to be reduced, and staff understanding of the product suffered. This had implications for end client understanding and a more scalable solution was needed to ensure clients understood the product, which had various covers and benefits related to women’s preventative and curative care of gynaecological cancers.

To solve the problem, the insurer strengthened channel capabilities. It increased group promotion activities, developed an e-learning module for bank staff and provided more product information to doctors so that they could also inform clients about the product’s benefits. It also set up outbound call centre welcome calls to remind clients about preventative health benefits and it monitored the quality of information given by sales staff. These calls enabled the insurer to reinforce the value of the product while also conducting quality control of field staff. The initiative has grown steadily since.

FIGURE 15: WOMEN INSURED BY ASEGURADORA RURAL AND BANRURAL, 2012–2021



For more information, see M. Solana, L.G.F. Gonçalves and A. Merry, “[Case Brief: Aseguradora Rural](#)” (Geneva: International Labour Organization Impact Insurance Facility, 2013).

#### CASE STUDY 25

##### **Dealing with post-sales support failure – Econet, First Mutual Life and TrustCo in Zimbabwe\***

**The product:** Life insurance

**Description:** A freemium product for Econet mobile subscribers who receive up to \$40 of life cover for \$4 of airtime, \$180 for \$9 in airtime and \$10,000 for \$100 in airtime

**Coverage:** 1.6 million subscribers in its first year.

In 2010, Zimbabwe's largest wireless network operator, Econet Wireless, established a life insurance product called EcoLife in partnership with First Mutual Life (a prominent insurer in Zimbabwe) and TrustCo (a Namibian technology service provider). The scheme provided life insurance to all Econet customers who enrolled by sending an SMS. Policies were activated as soon as customers spent a minimum of \$3 on airtime. Within the first week, 100,000 Econet subscribers had registered for the product and after a month this number grew to 300,000. In less than seven months, the product had been taken up by 1.6 million subscribers.

In 2011, seven months after the launch of the product, TrustCo terminated its agreement with Econet due to a dispute concerning royalties payable. Without the TrustCo platform, Econet was unable to manage the product (as their tripartite agreement did not allow Econet to seek a different technology provider) and suspended the EcoLife service. Overnight and unexpectedly, 1.6 million Econet subscribers (approximately 20 percent of the Zimbabwean adult population) lost their EcoLife cover and were not compensated (although the product was in theory free, many users might have increased their airtime usage in order to qualify for the policy).

Demand side research was conducted in September 2013 to test the impact of the failure of EcoLife on the Zimbabwean market. Of those surveyed, 42 percent were dissatisfied with insurance and 63 percent ruled out use of similar products in the future. One customer explained, *"I joined EcoLife, but up to now I don't understand what happened to it, I was never refunded for my airtime ...It is so painful..."* Only 17 percent of EcoLife clients indicated they had received formal notification of the product's discontinuation.

None of the dissatisfied users filed a complaint with the Consumer Council of Zimbabwe or the Insurance and Pensions Commission, but most said they did not trust Econet any more. This was especially problematic since, in 2014, Econet won a lawsuit that enabled it to offer Ecolife once again.

\*Adapted from International Labour Organization Impact Insurance Facility Training Case Studies.

## 5.2. Claims management

Managing claims is arguably one of the best ways to market your inclusive insurance product. If your insurance product has agile claims processes and limited rejections, customers will trust your product and tell their friends, family and neighbours about it. If a claim is not handled well, the same will be true.

Claims management begins in the product development phase, where to be most effective, products need to be designed to be simple and to have limited exclusions and documentation requirements. Low-income, marginalized and rural clients frequently have limited documentation and may not have some formal documents that are common in urban settings, such as marriage certificates, land titles or even medical certificates. They may not have access to doctors who can provide evidence that they do not have pre-existing conditions. They may not know how to obtain a police report or death certificate, or they may lack confidence in local authorities who issue these certificates.

So, you should consider as many alternative methods of verification as possible, including informal records and references from neighbours, lenders and municipal leaders when appropriate (see **case study 19**). With inclusive insurance, which has low margins and large scale, it can be much more cost-effective to investigate a few potentially fraudulent claims than to process many documents verifying eligibility.

Process design is essential. You may decide to centralize the process, by using a free inbound call centre or by sharing the work with a distribution partner. The important thing is to think through the process and ensure that all staff are aware of it, so that customers receive consistent information when they need it most. Remember that even if the insurance company has a toll-free number, some clients might still go to the person who sold them the policy to make a claim. If they bought the claim at a retailer, the cashier at the counter may not be familiar with the process or know how to

facilitate it. If the distribution channel is a microfinance institution, the staff may be more familiar with the product and have internal processes to support clients.

Ensure that whatever the point of contact, staff have the right training to deal with the issue. It can also be helpful to train staff to guide clients to the right authorities and even to serve as intermediaries when dealing with authorities in more difficult environments to help smooth the claims process.

Using a customer journey map can help you visualize the process from the perspective of the client, so that you ensure that you are aware of all of these potential issues. Your team can create a map by considering all of the touchpoints in the claims process and imagining how a client might interact with them. Then, you can test the map with your front-line staff, and ideally with some customers who have made claims on other products or from other institutions. You can refer to section 2 on market research for more information on customer journey mapping.

The next step in a smooth claims process takes place at the point of sale. Often, customers do not fully understand the coverage and requirements to make a claim and may be disappointed, even if they are filing a claim erroneously. Therefore, the most important aspect of claims management may be a transparent sales process. Marketing material should be simple, clear and transparent, highlighting the most salient aspects of coverage, and including what is not covered. Claims processes should be understood by front-line staff in advance of sale and incorporated into the operational components of staff training as mentioned in section 4. You can also use post-sales welcome calls (discussed in section 5.1) to reinforce client understanding of the product and of what is and is not covered. Consider practising or simulating various potential scenarios with staff to make sure they understand the process clearly.

**BOX 28**

**Claims simulation exercise**

Consider conducting a claims simulation with front-line staff to make sure they are clear on the process. You can choose two or three scenarios, such as these examples:

- Client A has suffered a loss but does not know what documents they need or how to file a claim. How will you support them?
- Client B has suffered a loss and gathered the appropriate documents but does not understand how to file them. How will you support them?
- Client C has provided documentation, but it shows that they are not the beneficiary of their wife's life insurance policy. How will you handle the situation?

Simulations should also ensure that staff can access a support centre that can answer questions and that they understand the paperwork and processes required on the back end to file a claim.

AI is changing how insurance companies handle claims, helping to make the process faster, easier and better for customers. For example, some companies use AI to sort claims by how simple or complicated they are, so that easy ones can be approved quickly, while more complex cases go to a real person for help. Virtual companies like [Lemonade](#) in the United States and Europe do this to approve claims rapidly. Some companies deploy chatbots and virtual assistants to help customers file claims and to answer common questions. AI can also be useful in spotting potentially fraudulent or exaggerated claims. Tools like [Shift Technology](#) help companies to distinguish false cases.

When it comes to figuring out costs, AI tools can examine photos or videos of damage, for example after a car accident, and give an estimate for repairs. Companies such as [Tractable](#) use these tools to save time in claims processing. AI tools are also being used by companies like [CCC Intelligent Solutions](#) to extract information from documents, such as repair bills or medical reports, to speed up claims. Some companies even use AI to handle the whole claims process, from filing to payout. [Ping An Insurance in China](#) does this, and has found that it improves claims processing times for customers.

Finally, having a system for tracking claims that is as automated as possible can be very useful. Consider tracking as many of the following metrics as possible and set some targets for when payments are made. For example, in the Philippines, the market has a well-known 1-3-5 standard practice. A client makes a claim on day 1, is informed of the result on day 3, and is paid by day 5. With digitization, this process is beginning to be cut to 24 hours in total. The only way to know if you are meeting client needs on claims is by tracking these data:

- Date an event occurs
- Date when clients inform the channel/insurer
- Date when clients submit all required paperwork
- Date of response (approval/rejection/request for more information)
- Date of payment
- Date of collection of payment.



#### CASE STUDY 26

### Understanding why paying claims is the most important part of an inclusive insurance initiative – Pioneer Life in the Philippines

Pioneer Life was one of the first companies in the Philippines to offer microinsurance, and one of the first dedicated initiatives to scale worldwide (which includes its joint venture with the Philippines' largest MFI, CARD). Pioneer Inc. CEO Lorenzo Chan attributes its exponential growth to one principal factor: paying claims.

In 2013, Super Typhoon Haiyan hit the country. This was followed by Typhoons Rammasun, Hagupit and Jangmi in 2014. Pioneer incurred large losses. *“At that time, we were in the red, but continued paying claims”*, says Chan. It was a challenging time, with most of the country devastated by the successive typhoons.

During Haiyan, instead of meeting clients in government central hubs, Pioneer set up a table, chairs and a tarpaulin banner in areas where townspeople congregated. When the usual required documentation, destroyed by the typhoon, was not available, the company quickly shifted to alternatives including a simpler claim verification process with the help of its MFI partner and local community leaders.

Some insurers avoided or delayed paying claims and lost customers, but Pioneer soon discovered that keeping its word and paying all legitimate claims quickly would lead to a substantial long-term effect on the business and how it was regarded.

*“After 2013, the business grew exponentially. Our enrolment doubled through word of mouth from our customers. But additionally, other partners saw that we were paying claims when their insurers weren’t and came to us. That is what caused our exponential growth!”* The entire value proposition to clients, after all, is about claims. *“Why else would they buy the product?”* adds Chan.



Philippines / Adobe Stock

#### CASE STUDY 27

### Ensuring client satisfaction through effective claims processing – MFW in Jordan

MicroFund for Women (MFW) is a microfinance institution in Jordan that serves poor women, who make up 96 percent of its borrowers.

**The product:** Caregiver insurance product

**Description:** Cash payments for hospital stays, as a mandatory add-on to loans

**Coverage:** Over 90,000 clients.

In 2010 MFW introduced the Caregiver insurance product (locally referred to as Riaya), which provides cash payments to clients for hospital stays, helping cover incidental costs like travel and lost wages. It was launched as a mandatory add-on for loan clients.

MFW understood that product servicing would be key to success. Claims processing was made more efficient to provide payouts within 10 days of submission. Eventually, MFW was able to handle claims in less than six days.

Loan officers were trained on the product's benefits and the risks of fraud, allowing them to explain the product and support clients effectively. MFW also started an Insurance Department tasked with detecting fraudulent claims, who introduced clear, transparent procedures for addressing fraud.

By the end of 2012, Caregiver enrolment exceeded 90,000 clients, with claims processing times meeting or surpassing targets. Fraud detection efforts were effective, with rejection rates maintained at 3 percent to 4 percent. Enhancements to the product, such as a 50 percent increase in the daily cash benefit for hospitalization, further reinforced its value to clients.



UNDP Jordan / Sumaya Agha

#### **CASE STUDY 28**

### **Innovating to streamline microinsurance claims – MTN, ICICI Prudential and SegurCaixa in Ghana, India and Spain**

Some lenders and insurers have taken significant steps to improve how they service microinsurance products by easing the claims management process for low-income clients, ensuring that policyholders receive timely assistance at critical moments.

#### **MTN's mobile claims process in Ghana**

Mobile network operator MTN, with the intermediary MicroEnsure and insurer UT Life, introduced a claims process that allowed policyholders to initiate claims using mobile feature codes.

Once the claim was filed, a service centre representative contacted the client to explain the documents needed and direct them to the nearest MTN outlet. MTN submitted the documentation to UT Life, which paid claims via MTN mobile money to the client's mobile wallet within six days.

#### **ICICI Prudential's simplified procedures in India**

ICICI Prudential tailored its claims process to meet the needs of rural clients in India. Key adjustments included simplifying claims forms, allowing village elders or community declarations to replace formal death certificates, accepting alternative identification methods like voter ID cards and allowing alternatives to signatures for illiterate beneficiaries.

Service centres were set up in tea estates to better serve tea garden workers. Trusted local representatives assisted families with claims and ensured immediate, localized support. By enabling claim processing directly at the service centres, ICICI Prudential made payouts faster while building trust within the community.

#### **SegurCaixa's support for migrant workers in Spain**

SegurCaixa offered repatriation insurance for migrant workers in Spain. Since beneficiaries often lived in other countries, gathering essential documentation like death certificates could be difficult. To help, SegurCaixa worked directly with consulates to obtain necessary paperwork. This approach eliminated a significant barrier for clients, making it easier for families to claim benefits.

## 5.3. Monitoring execution vs. targets

### 5.3.1. Monitoring financial and social indicators

Financial indicators, such as those measuring revenues, claims and profitability, and social indicators, such as frequency of complaints regarding that product, seem very different from each other, but in fact they are closely interrelated. If you ask a person with scarce resources to give you their hard-earned money in exchange for a service, and they are not satisfied with the service you provide, the impact on your bottom line can be severe.

When designing your initiative, it can be useful to look at benchmarks (both internal and external) and set some targets for both financial and social indicators. These should include targets for product updates as well as claims, premium allocation and financial prudence targets. You may have additional internal targets to set, or perhaps your partners would like to meet some additional tar-

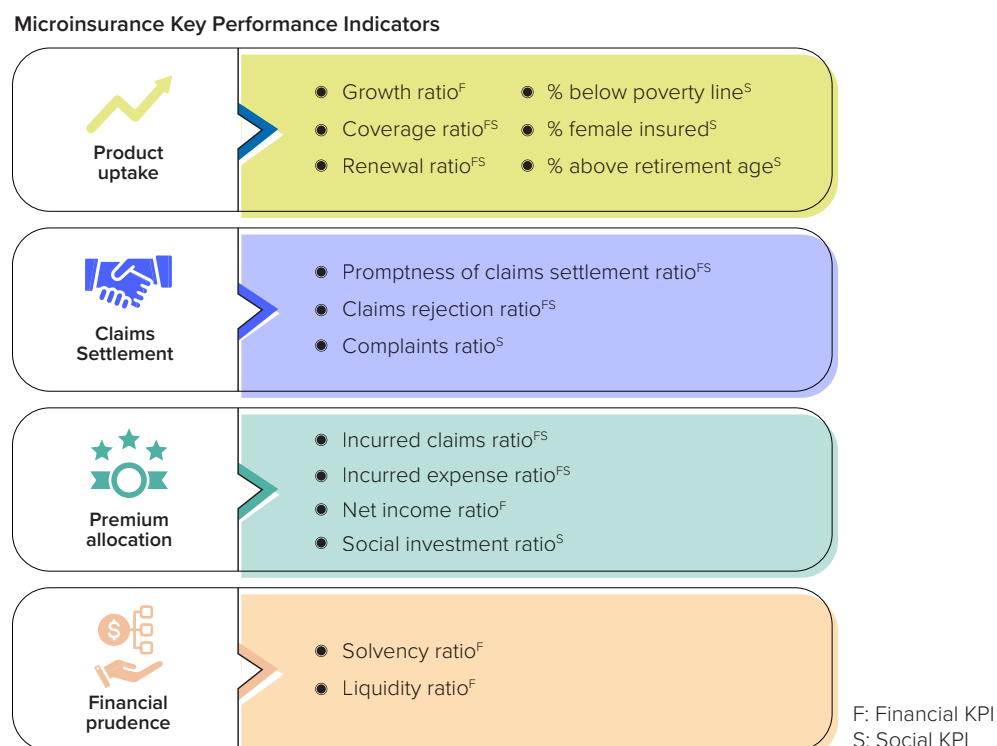
gets. Discuss these targets in your working group early on in the process of designing your initiative to ensure that you have clear financial objectives and mechanisms in place to track the indicators that matter most to you and your team.

**Microfact** publishes a list of key performance indicators (KPIs) useful for tracking inclusive insurance (**figure 16**). These include both financial (marked with F) and social indicators (marked with S). Microfact also offers spreadsheets that your team can use to track performance in Microsoft Excel or other spreadsheet software.

Indicators are an important part of the picture, but institutions should also consider the purpose and intent of their work as they evaluate how inclusive they are, since without an insight into intent, inclusivity is difficult to measure.

FIGURE 16: MICROFACT KPIS

SOURCE: MICROFACT.





### 5.3.2. Monitoring the client experience

Your client-centric process should be an ongoing one; it should not stop at enrolment, or even at post-sales and claims. Client-centricity requires a constant process of understanding your clients, their needs and the changing market environment. Because of this, you may wish to embed client interaction into your monitoring process to assess client perceptions of your process and product and allow for adjustments along the way.

Various tools can be used for this purpose, and many have been discussed in the market research section of this Navigator. You just need to adapt the questions to evaluate customers' experience with service, understanding of the product and perception of value to create an effective feedback loop. It is important to work with your partners when going through this exercise. They may be closer to the end customer or have more data that can be used to improve products.

**To evaluate customer service and consumer protection,** consider mystery shopping. This can help you understand how front-line staff are offering your product and whether they are following sales protocols and ensuring that customers are being told exactly what they are buying and how to use it. CGAP offers a [Guide to Mystery Shopping for financial services](#) that can help orient your team on this path.

**If you would like to hear what customers think about your product,** consider short SMS or phone surveys asking 1–2 quick questions about their recent experience. In these surveys, you can ask basic questions about your product to make sure that clients understand it. This can be much more informative than standard Net Promoter Scores (NPS), which simply ask whether a customer would recommend your product to a friend or colleague. NPS responses can be influenced by bias and be difficult to interpret. Christina Stahlkopf in the [Harvard Business Review](#) suggests asking customers questions about their actions rather than their thoughts to eliminate some bias and add nuance to NPS questions.

A brief call welcoming new customers to your product after they enrol can also clarify whether they have understood that they are enrolled and are aware of any payment that they will be making on premiums (see **case study 17** about Aseguradora Rural for an example). Monitoring your social media can also be essential in some markets to understand where clients might be frustrated. Your most frustrated clients may use social media channels to vent their grievances, and they want to be heard. More and more organizations are experimenting with machine learning and coding social media complaints to track where customers are finding obstacles in their experiences.

**If you need to identify any obstacles in the customer journey** and understand why they occur, you might consider holding some focus group discussions with customers.

## 5.4. Updating training processes and refreshing

As you monitor the client experience through quantitative and qualitative data, you may learn that you need to adapt your product, change its pricing or change a process to offer a more seamless customer experience. Your front-line staff will need to be retrained or offered a refresher, and materials may need to be updated. This illustrates that your inclusive insurance process is not linear but circular. Just when you think you have reached the end of a process, you realize you need to go back and make adjustments!

In section 4.5.2, we discussed the importance of including an ongoing training refresher in your initiative. Many distribution channels work with models that imply high front-line staff turnover, and it may not be possible to conduct in-person sessions with the frequency needed to keep sales staff up to date. Online training, short videos and training using SMS or chat apps such as WhatsApp can be a helpful complement in ensuring that no one is left behind. Chat rooms and WhatsApp groups also allow front-line staff to ask questions and receive responses on-demand when they are faced with a client who needs answers.

## CASE STUDY 29

### Revisiting a product with qualitative insights – Britam and KTDA in Kenya

In 2007, Britam partnered with Kenya Tea Development Agency (KTDA), a national cooperative association that was set up to support small-scale tea farmers, and which has over 600,000 small-scale tea farmers as members. Britam launched a funeral insurance product to cover tea farmers and their spouses. Around 21,000 tea farmers enrolled in the product in 2007. It was an encouraging start. But in 2008, enrolments began to decrease, and only 3,100 farmers enrolled in 2010.

**FIGURE 17: BRITAM AND KTDA ENROLMENTS, 2007–2017**

Source: Britam.

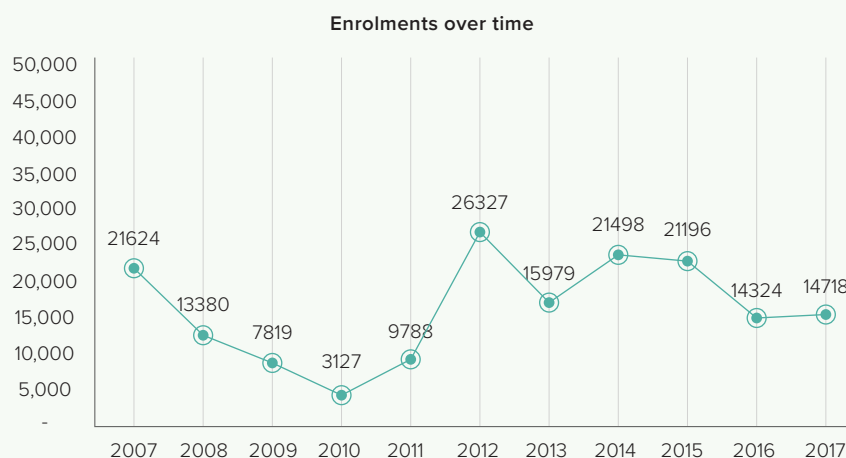


Figure 17 shows the 85 percent decline within three years, which was very concerning to Britam. To understand the reason for the decline, Britam decided to conduct customer research with the farmers through focus group discussions and in-depth interviews. This research presented interesting insights:

- **Product benefits:** Research found that a form of social insurance existed among the farmers, where the community contributed towards funeral expenses to support the bereaved family. This made funeral insurance unattractive, since an informal coping mechanism already existed. Instead, farmers preferred hospitalization cover, because expenses could be much higher and were borne by the family with only limited support from the community.
- **Family cover:** Initially, the product only covered farmers and their spouses. However, farmers wanted a cover that could protect their entire family, including their children.
- **Multiple choices:** The funeral insurance product had only two premium options, but it was found that farmers wanted more options so that they could choose the level of coverage based on their needs and ability to pay.

Based on these findings, Britam redesigned the product into hospitalization and surgical insurance with family coverage and provided up to six premium options. This new product was rolled out in 2011 and immediately appealed to the farmers. After the relaunch, the product consistently enrolled more than 10,000 farmers every year. This experience demonstrated that understanding local cultural factors and customer perception is critical in designing a winning product.



#### CHECKLIST

##### **Serving the product**

Did the team...

- ☐ Incorporate post-sales support into the insurance process, including through...
  - ☐ Outbound call centres?
  - ☐ Inbound call centres?
  - ☐ Outbound SMS?
  - ☐ Inbound SMS?
  - ☐ Trained front-line staff?
  - ☐ Online and social media support?
- ☐ Define a simple, agile and clear process for paying claims, including...
  - ☐ Ensuring that information provided to clients is clear and transparent, including explaining waiting periods, exclusions and pre-existing conditions?
  - ☐ Establishing an agile system for processing claims?
  - ☐ Adequately training front-line staff and back office to manage claims?
  - ☐ Establishing clear monitoring indicators and a process for monitoring them?
- ☐ Develop monitoring processes and indicators, including...
  - ☐ Looking up benchmarks to set up indicators?
  - ☐ Defining targets?
  - ☐ Selecting financial and social indicators to monitor (KPI dashboard)?
  - ☐ Developing mechanisms to track indicators?
  - ☐ Revisiting qualitative tools to monitor the client experience, such as...
    - Customer journey map?
    - Online surveys?
    - Focus groups?
    - Mystery shopping?
    - Short SMS (or WhatsApp) surveys?
    - Phone surveys?
- ☐ Make changes or adaptations to the product (if necessary), in...
  - ☐ Pricing?
  - ☐ Process to offer?
  - ☐ Better customer experience?
  - ☐ Other \_\_\_ ?
- ☐ Offer ongoing training to staff on existing and new product characteristics?

# The Toolkit: Resources for designing inclusive insurance products and markets

Here you will find different resources related to each section of this Navigator, including the name, a brief description, and a link to the tool.

## Section 1. Using this Navigator and preparing for the work

[Capacity-building Assessment](#): Designed by ILO and the Microinsurance Innovation Facility, this self-assessment tool helps providers establish capacity in developing microinsurance activities.

**TAGS: PLANNING, SELF-ASSESSMENT**

[Process Mapping for Microinsurance Operations](#): This self-analysis tool helps support institutions around their process related to microinsurance. Designed by Allianz in cooperation with GIZ.

**TAGS: PLANNING, SELF-ASSESSMENT**

[A Microinsurance Toolbox: Solutions to Challenges](#): This step by step tool shows how to develop a product within an institution.

**TAGS: PLANNING, PRODUCT DEVELOPMENT**

[Watch this video](#) by NewHope Church to reflect on your own internal and cultural biases.

**TAGS: INTERNAL BIAS, CULTURE BIAS**

[Watch this video](#) with CEO Claire Burns to learn more about MetLife's client-centred journey and understand how the company changed their mindset from product to client-centred business units.

**TAGS: PLANNING, STRATEGY, CLIENT-CENTRED**

[Watch this video](#) to hear from Ovia K. Tuhairwe, Deputy Managing Director at Radiant Insurance Services in Rwanda, and others on being a client-centred organization.

**TAGS: PLANNING, STRATEGY, CLIENT-CENTRED**

[Watch this video](#) to learn more about Pioneer Card's client-centric journey presented by CGAP.

**TAGS: PLANNING, STRATEGY, CLIENT-CENTRED**

## Section 2. Market research

[Read EA Consultants' tips](#) on bottom-up segmentation for financial inclusion.

**TAGS: MARKET RESEARCH, QUALITATIVE RESEARCH, EXTERNAL DATA COLLECTION**

[Read more about creating a persona](#) from writer Eric Jan Huizer.

**TAGS: DESIGN THINKING, PERSONAS**

[EasyAgile](#): This paid tool helps you to create personas.

**TAGS: AGILE METHODOLOGY, DESIGN THINKING, PERSONAS**

The [UX Collective](#) offers great insights into design thinking, including agile design and persona creation for tech solutions. Many of these can be applied to an inclusive insurance development effort.

**TAGS: AGILE METHODOLOGY, DESIGN THINKING, PERSONAS**



**Client Math Toolkit:** This toolkit helps you to gauge how well a specific insurance product is providing value to end users.

**TAGS: CLIENT VALUE, QUALITATIVE RESEARCH**

The **CGAP Customer-Centric Guide** focuses on the relationship between consumers and business success by pinpointing areas in a user journey that can be made more customer friendly. The Guide includes a useful resources page with video clips of cases from multiple insurance initiatives.

**TAGS: CLIENT VALUE, MARKET RESEARCH**

**The Gates Foundation Gender Equality Toolbox** is made up of tools that can guide foundation staff in designing, managing and measuring the results and impact of gender intentional and gender transformative investments.

**TAGS: GENDER, MARKET RESEARCH, IMPACT MEASUREMENT, QUANTITATIVE RESEARCH, QUALITATIVE RESEARCH**

**International Research And Training Institute For The Advancement Of Women (UN-INSTRAW)'s Gender Research: A How-To Guide** provides researchers with practical information on integrating gender concerns into research projects and programmes.

**TAGS: GENDER, MARKET RESEARCH, QUANTITATIVE RESEARCH, QUALITATIVE RESEARCH**

**World Bank DataBank:** This analysis and visualization tool contains collections of time series data on a variety of topics, indicators and data from World Bank member countries.

**TAGS: QUANTITATIVE RESEARCH, EXTERNAL DATA**

**Country Diagnostic Studies: Analytical Framework and Methodology:** Offered by the Access to Insurance Initiative (A2ii), this framework gives details of how to conduct a context analysis in a specific country around microinsurance.

**TAGS: QUANTITATIVE RESEARCH, EXTERNAL DATA**

### Survey and data collection tools

**SurveyMonkey:** This Android, iOS and web-based platform and hosting site allows you to design a survey, collect responses, analyse data and present results. There are free and paid versions depending on needs. The application does not require an internet connection, contains a sample size calculator and offers tables and charts to summarize basic results.

**TAGS: MARKET RESEARCH, EXTERNAL DATA COLLECTION, QUANTITATIVE RESEARCH, SURVEY SOFTWARE**

**KoBoToolbox:** This Android and web-based suite of tools for field data collection can be used in challenging environments where internet access is limited. It is free and open source. It does not offer tables and charts to summarize findings and requires knowledge of statistics for analysis.

**TAGS: MARKET RESEARCH, EXTERNAL DATA COLLECTION, QUANTITATIVE RESEARCH, SURVEY SOFTWARE, SAMPLE SIZE CALCULATOR**

**Google Forms:** This web-based platform and hosting site allows you to design a survey, collect responses, analyse and present results. It does not offer tables and charts to summarize findings and requires knowledge of statistics for analysis.

**TAGS: MARKET RESEARCH, EXTERNAL DATA COLLECTION, QUANTITATIVE RESEARCH, SURVEY SOFTWARE**

AI Learning Language Models: Learning language models (LLMs) such as ChatGPT, Anthropic Claude, Google Gemini, Microsoft Copilot and Perplexity allow for sample size calculations. The crucial aspect is to offer the correct prompts and always verify assumptions, formulas and outputs with a statistician and a second calculator. When using these tools, provide a goal such as “Estimate a sample size for a survey to measure a percentage (proportion).” Then provide a Confidence level – usually 95% and a Margin of error such as  $\pm 3\%$  or  $\pm 5\%$ . In addition, you will provide a best guess of the percentage you’ll measure (prevalence), the Population size (optional), an expected response rate: e.g., 60% (so AI can inflate the sample you attempt to contact) and sampling method: simple random (design effect = 1) or clustered (use 1.5–2.0 if you’re sampling by schools/branches/neighborhoods).

**TAGS: MARKET RESEARCH, EXTERNAL DATA COLLECTION, QUANTITATIVE RESEARCH, SURVEY SOFTWARE, SAMPLE SIZE CALCULATOR, AI, LLM**

### Qualitative analysis software

Most qualitative analysis involves small samples, which can be analysed in Microsoft Excel or any simple matrix format. Specialized software is also available for larger and more complex data sets. It can also be useful when the capacity for sophisticated analysis is low. Read more about new qualitative methods in the i2ifacility’s [10 Innovations in Qualitative Research: Broadening the Financial Inclusion Survey Toolkit](#).

**TAGS: QUALITATIVE RESEARCH, FOCUS GROUPS**

[Dedoose](#) is a cross-platform app for analysing qualitative and mixed methods research with text, photos, audio, videos, spreadsheet data and more.

**TAGS: EXTERNAL DATA COLLECTION, PRODUCT DEVELOPMENT, QUALITATIVE ANALYSIS**

[Nvivo](#) helps you discover more from your qualitative and mixed methods data. You can use this app to uncover richer insights and produce clearly articulated, defensible findings backed by rigorous evidence.

**TAGS: EXTERNAL DATA COLLECTION, PRODUCT DEVELOPMENT, QUALITATIVE ANALYSIS**

[ATLAS.ti](#) helps you uncover actionable insights with intuitive research tools and best-in-class technology. You can use this tool for all levels of need, from basic analysis tasks to in-depth research projects.

**TAGS: EXTERNAL DATA COLLECTION, PRODUCT DEVELOPMENT, QUALITATIVE ANALYSIS**

## Section 3. Product and Process Design

[Microinsurance Product Development for Microfinance Providers](#): This guide from consultancy group Milliman helps stakeholders to launch microinsurance products, beginning with institutional assessment, market research, prototyping, piloting and review on a circular framework.

**TAGS: PRODUCT DEVELOPMENT, MICROFINANCE**

[Miro](#) is an online whiteboard for easy collaboration. It is fast, free and simple to use online. It can be used with a variety of other online video conferencing apps to promote online collaboration.

**TAGS: AGILE METHODS, DESIGN THINKING, DESIGN WORKSHOPS**

[IDEO](#) is a global design company committed to creating a positive impact. The company creates human-centred products, services, spaces and organizations that empower communities, cities and even countries. They offer a variety of tools, videos and courses to promote the adoption of design thinking.

**TAGS: AGILE METHODS, DESIGN THINKING, DESIGN WORKSHOPS**

**[Rapid Prototyping for Inclusive Insurance: Testing Customer Challenges and Gaining Early Insights on Feasibility](#)**: This guide by the International Fund for Agriculture Development, presents the rapid prototyping process for inclusive insurance implementation. Its focus is to ensure that donors and their implementing partners understand the importance of prototyping and plan for it at a high level in project design and implementation processes.

**TAGS: AGILE METHODS, DESIGN THINKING, DESIGN WORKSHOPS**

**[The RICE Scoring prioritization model](#)** helps product managers determine which products, features and other initiatives to put on their road maps by scoring these items according to four factors: reach, impact, confidence and effort.

**TAGS: AGILE METHODS, DESIGN THINKING**

**[Partnership Assessment Tool](#)**: Created by ILO and the Microinsurance Innovation Facility, this tool facilitates the assessment of current/potential partnerships for microinsurance activities.

**TAGS: PARTNERSHIPS**

### Pricing your product

The ILO Impact Insurance Facility's **[Pricing for Microinsurance: A Technical Guide](#)** is a useful guide to defining pricing for microinsurance products.

**TAGS: PRICING, ACTUARIAL**

Milliman's **[Health Microinsurance Instructional Pricing Tool](#)** is a guide to key actuarial principles for the pricing of health-related products.

**TAGS: PRICING, ACTUARIAL, HEALTH**

**[Actuarial pricing tool](#)**: This presentation provides an extensive framework with examples on how to price a specific life product.

**TAGS: PRICING, ACTUARIAL, LIFE INSURANCE**

### Prototype testing

**[The ILO Impact Insurance Facility's PACE Model](#)** offers a framework to evaluate specific microinsurance products across four dimensions of value: product, access, cost and experience. It can be used to assess new and existing products.

**TAGS: PACE, CLIENT VALUE, EVALUATION**

**[Rapid Prototyping for Inclusive Insurance: Testing Customer Challenges and Gaining Early Insights on Feasibility](#)**: This brief document from Milliman explains rapid prototyping as a process, using a case study from China.

**TAGS: PROTOTYPING, AGILE METHODOLOGY, PRODUCT TESTING**

## Section 4. Selling the product

**[Country Process Guidelines for Microinsurance Market Development:](#)** This toolkit from the Access to Insurance Initiative offers an overall framework to assess the desired outcomes of a microinsurance development process.

**TAGS:** MARKETING STRATEGY

EA Consultants' blog post on **[Humanizing Large-Scale Services](#)** gives insights into developing an effective product marketing strategy.

**TAGS:** MARKETING STRATEGY, HUMAN TOUCH

## Section 5. Servicing the product

### Post-sales servicing

**[Where Net Promoter Score Goes Wrong:](#)** This Harvard Business Review article explains how to apply the NPS and gives answers to frequent questions about the tool.

**TAGS:** KPIS, NPS, CLIENT VALUE, SUSTAINABILITY

**[The Three Cs of Customer Satisfaction:](#)** This article from McKinsey & Company describes how consistency is a necessary tool to make customers happy.

**TAGS:** CLIENT VALUE

### Monitoring execution vs. targets

**[Microfact:](#)** NGOs Belgian Raiffeisen Foundation (BRS) and Appui au Développement Autonome (ADA) have pooled their expertise to create Microfact, which offers monitoring and financial performance analysis tools that focus on building the capacity of microfinance institutions.

**TAGS:** KPIS, CLIENT VALUE, FINANCIAL SUSTAINABILITY

**[Performance Indicators:](#)** ADA, BRS and the Microinsurance Network offer this handbook on KPIs to help evaluate the performance of microinsurance activities.

**TAGS:** KPIS, CLIENT VALUE, FINANCIAL SUSTAINABILITY

**[Social Performance Indicators:](#)** ADA, BRS, the Microinsurance Network, Grameen Credit Agricole Microfinance Foundation offer this resource as a framework to evaluate and improve microinsurance products.

**TAGS:** KPIS, CLIENT VALUE, FINANCIAL SUSTAINABILITY





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