



The Women's Market: A New Opportunity for Insurers

Sarah Ebrahimi, IFC Women's Insurance Program
October 25, 2021



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INSURE WOMEN
TO BETTER
PROTECT ALL

Realizing the full potential of the women's insurance market will create impact far beyond the insurer's bottom line, increasing innovation, women's economic empowerment, and economic growth

Women and Insurance

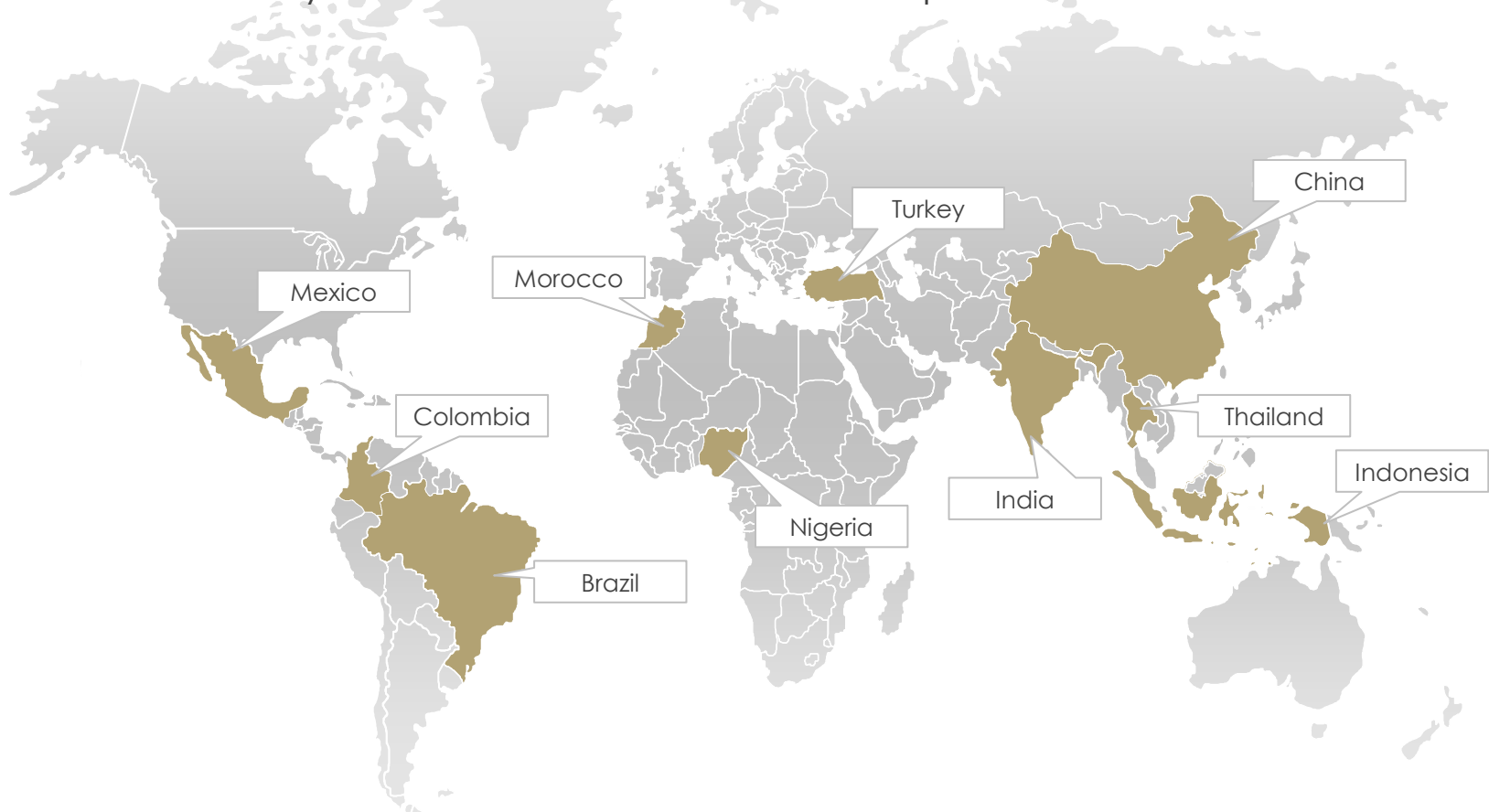
THE GENESIS AND OBJECTIVES

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A market study across **emerging markets** featuring 10 countries to establish the business case to:

- Better target women as decision makers on insurance purchases
- Proactively incentivize women to become part of the sales force



Women on the Rise

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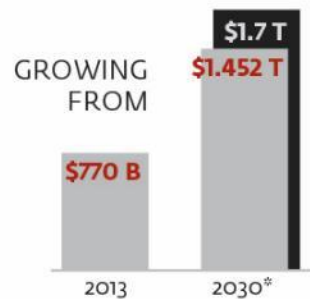
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WOMEN WILL SIGNIFICANTLY DRIVE INSURANCE MARKET GROWTH PARTICULARLY IN EMERGING MARKETS

GLOBAL OPPORTUNITY



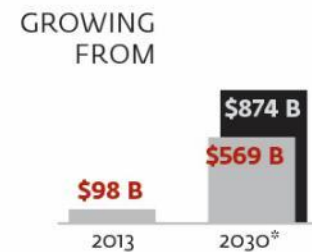
2X GROWTH



EMERGING MARKET OPPORTUNITY



6-9X GROWTH



The emerging market will represent **50% of the women's insurance market** in 2030 (vs. 10% in 2013)

Key Growth Drivers of the Women's Market

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Protecting women has
never been more relevant
to protect society



Increasing Participation in the Economy

- Increase in women's tertiary education
- Larger integration in the labour force
- Higher Levels of Entrepreneurship
- Rise in income



Evolving Societal Roles that Will Need to be Protected

- Delayed marriage age, increasing divorce rates
- Increasing risk awareness and growing protection needs
- Willing to invest more in education and health of their family
- Children and parent dependence will increase financial burden

Women: Valuable Clients

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Women Clients



**APPETITE FOR
PROTECTION**



**FOCUSED ON
PREVENTION**



**ADVOCATES FOR
GOOD SERVICES**



MORE LOYAL



DIGITAL-SAVVY



**LESS PRONE TO
FRAUD**

What Women Say About Insurers

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- Lack understanding of insurance its value add and benefits
- Expensive without immediate and tangible benefits
- Difficult claims process
- Technical language, full of jargons, and not easy to understand
- No product differentiation among competitors
- Products don't really address women's concerns

"I don't think insurance is relevant, I have more immediate financial things to take care of"

- Women customer

"I don't trust them, they lie, they are marketing, they tell you nice things for you to buy, like you will save money, but then when you claim you realize that this is a lie"

- Women customer

"It takes too long to get the problems fixed, insurance should bring you convenience"

- Women customer

What Women Say About Agents

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- People who only care about their commission
- Do not explain the policy in detail
- Use jargon and very technical terms, and only provide support until execution of sale
- Want advisors more than agents
- Want knowledgeable adviser who can provide solutions to daily and future issues
- Prefer face-to-face meetings with agents before making insurance purchases
- Prefer dealing with agents they know or come highly recommended from family and friends

“When they come to sell the products, they don’t tell you the details. They are only interested in registering and getting more clients ... they don’t take the time to listen to you”

- Women customer

“I don’t trust them, they lie... they tell you nice things for you to buy - like you will save money - but then when you claim you realize that this is a lie”

- Women customer

“They are very technical and you don’t understand them”

- Women customer

What Women Want From Insurers

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“My idea of an ideal insurance company is one that offers solutions that address all the issues that one can face as women; and one where you know you can expect something immediately and in the future. I want something that allows me to withdraw benefits while I’m living.”

–Women Customer

“My ideal insurer has empathy... understands me as a customer. What can we as insured get from the insurance?”

–Women Customer

Strategies for Unlocking the Potential

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BUILD INTELLIGENCE ON WOMEN'S INSURANCE NEEDS

- Implement gender disaggregated portfolio monitoring
- Analyze existing and collect new data on women's demographics, needs and behaviors



DEVELOP A TARGETED VALUE PROPOSITION

- Conduct more in-depth study of each segment
- Develop products targeted to specific needs (e.g. bundled protection for all family dependents, children and elderlies)
- Provide Wrap-around time-gaining services (e.g., road side assistance)



IMPROVE DISTRIBUTION AND PROXIMITY TO WOMEN CUSTOMERS

- Engage more women in the insurance salesforce
- Provide gender sensitive training to distributors
- Use digital approach
- Leverage women specific networking and advocacy habits
- Build partnerships

Why is Gender-Disaggregated Data Valuable?

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- Provides a full picture, meaningful insights on how you are currently serving women and what your gaps may be



- Provides great insights on overall customer behavior and attitudes for both men and women



- Allows to quantify the value of your current female customer base



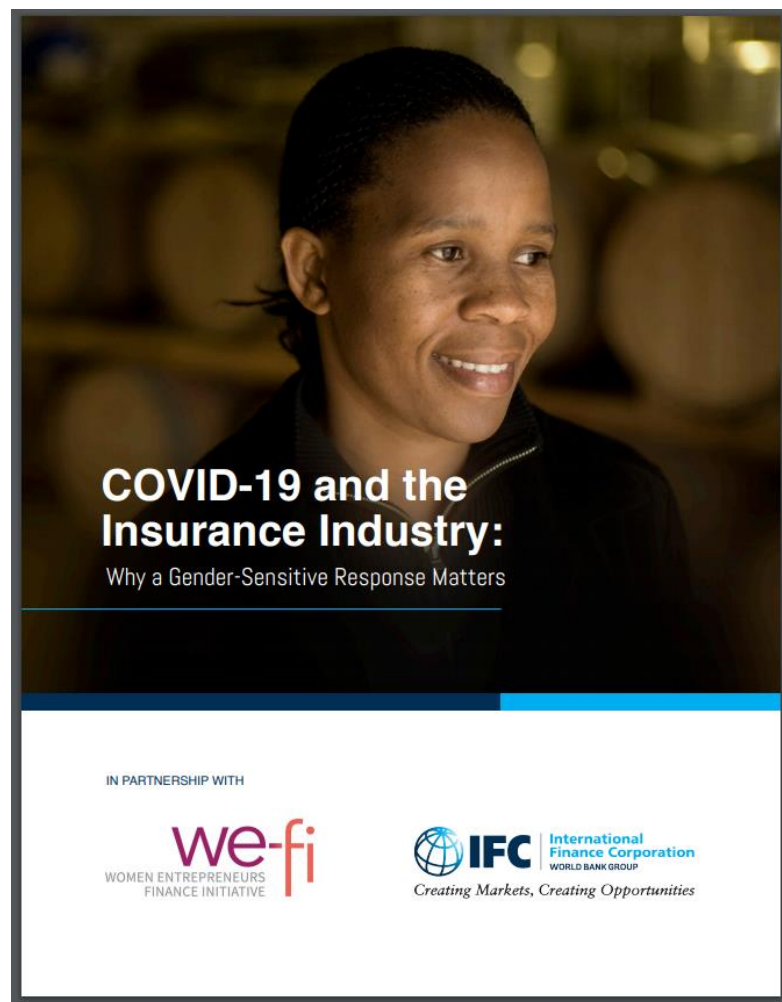
- Helps understand there is a business opportunity in that market and build the business case for a Women's Insurance Program

How has COVID-19 Impacted Women?

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WOMEN'S RISK PROFILES ARE CHANGING AND SO ARE THEIR NEEDS



Why a Gender-Sensitive Response Matters?

- Women are a key element of the insurance industry as employees, salesforce, and customers
- Women's Risk Profiles are Changing as a result of COVID-19 and their shifting roles
- Women-Owned SMEs are being Disproportionately Impacted; 90% have experienced a sharp decrease in sales*
- Increase in Digital also risks increasing the digital divide

Report Examined 4 Key Angles

- Insurance Operations: Digital has become the new normal
- Branding & Engagement: Clear communication, commitment, and education is critical
- Product Innovation: An opportunity to closer coverage gaps and provide tangible benefits to customers
- New Distribution Channels: Outside-the-box thinking and approaches to partnerships are key

How the industry has responded

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Motor claims were down, but now returned to (nearly) normal



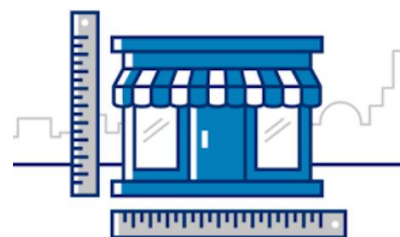
Demand for health insurance rose and some new products were launched



Insurers that provided information, advice, and financial support saw increased customer retention



Flexible work is here to stay and may attract more women



Confusion remains on Business Interruption

Thank You!

Sarah Ebrahimi

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Appendix

Overview of Methodology

Primary Research

174 in-depth interviews across 10 markets were conducted with:

- Insurance industry
- Brokers and agents
- Women customers
- Insurance associations
- Insurance regulators
- Universities

Secondary Research

Review of global literature on:

- Gender
- Insurance
- Development
- Finance/Banking on Women Program

Modelling

REGRESSION ANALYSIS

Most Relevant Casual Factors:

- Individual Wealth (GDP/Capita)
- Labor Force Participation

MARKET SIZING

Value of women's individual premium spend as retail customers¹ =

Number of
women who
purchase
insurance
(as % of labor force
participation)



Individual
Premium spend
per woman
(as % of women's
income)

¹Note: Only women's individual personal spend as retail customers (including spend by self-employed) is included in the calculations. This does not include commercial lines (e.g. women covered under employer plans), insurance spend by women on others (e.g. spend on children), insurance purchase women may have influence over or public spending on insurance for women.

Life Insurance

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PROTECTING WOMEN'S ASSETS FOR THEM AND THEIR DESCENDANTS

**GLOBAL
OPPORTUNITY**

2X
GROWTH

GROWING
FROM

\$448 B

2013

\$963 B

\$825 B

2030



**EMERGING MARKET
OPPORTUNITY**

5-8X
GROWTH

GROWING
FROM

\$55 B

2013

\$458 B

\$298 B

2030

Drivers of Growth

- Longer life expectancy
- Widening gap between life expectancy and retirement age
- Stronger concern on being a burden to their families
- Concern for financial security for their children

Health Insurance

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ADDRESSING ONE OF WOMEN'S GREATEST CONCERNS



Drivers of Growth

- Ageing driving up healthcare costs
- Higher disposable income to afford private healthcare
- Increasing strain on government's healthcare capabilities
- Willingness to spend on faster and better treatment for themselves and their families

General Insurance

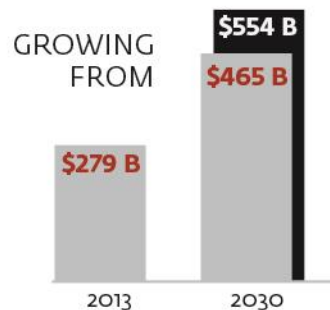
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PROTECTING WOMEN'S ASSETS IS PROTECTING THEIR LEGACY

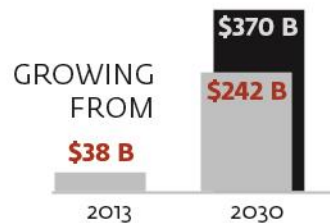
**GLOBAL
OPPORTUNITY**

2X
GROWTH



**EMERGING MARKET
OPPORTUNITY**

6-10X
GROWTH



Drivers of Growth

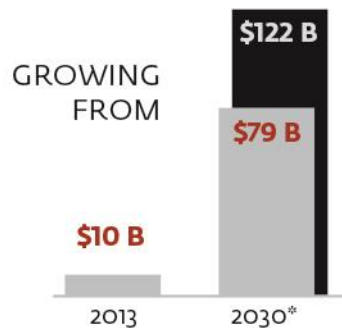
- Rise in income
- Increasing independence in purchasing decisions
- Increase number of women-owned businesses
- Accumulation of wealth and assets



OVERALL WOMEN'S INSURANCE MARKET

8-12X

GROWTH



Drivers of Growth

- Increase in women's socioeconomic conditions: income; labor force participation; life expectancy; and evolving roles in the society
- Increase in women's household bargaining power
- Large women's entrepreneurs' market

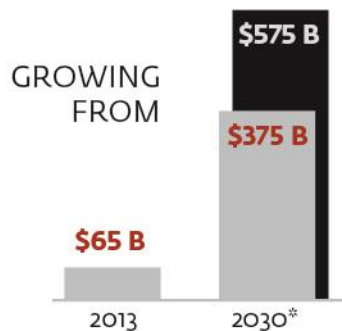
Solutions

- Train and leverage the women's workforce: i) to understand women's needs and ii) to develop and distribute women-specific products
- Develop targeted education campaigns on financial management and risk prevention
- Strengthen multiple distribution channels to better engage women
- Develop business partnership insurance products
- Make insurance tangible through add-on services



OVERALL WOMEN'S INSURANCE MARKET

6-9X
GROWTH



Drivers of Growth

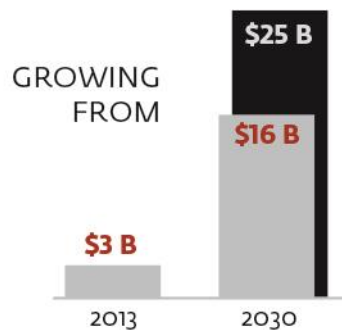
- Increased disposable income and appetite for financial protection
- Longer life expectancy and one child policy strengthen the need for insurance
- Willingness to spend on insurance cover
- Urbanization
- Growing women entrepreneurs' segment

Solutions

- Develop targeted education campaigns tailored to different demographics
- Develop products and features that cater to women and their families
- Leverage online channels to increase proximity to women customers
- Develop products that help women save for their children's future
- Work with banks to help women entrepreneurs access finance

**OVERALL WOMEN'S
INSURANCE MARKET**

5-8x
GROWTH



Drivers of Growth

- Improvement in socioeconomic conditions, combined with greater appetite for financial protection
- Private healthcare coverage and life insurance solutions a priority
- A vibrant women entrepreneurs' market

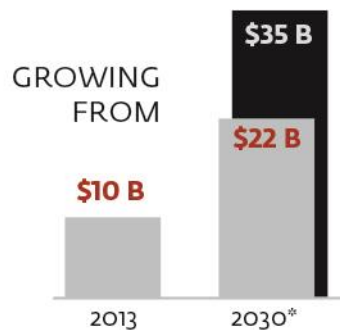
Solutions

- Target education campaigns to increase awareness about insurance
- Strengthen distribution channels to proactively address women's needs
- Strengthen insurance claims process
- Develop affordable insurance solutions
- Develop family solutions for health insurance
- Bundle entrepreneurs' compulsory property protection insurance with other products

OVERALL WOMEN'S INSURANCE MARKET



2-4X
GROWTH



Drivers of Growth

- Improvement in socioeconomic conditions, combined with greater appetite for financial protection
- Growing awareness about insurance products, particularly health and life insurance
- Supportive regulatory environment
- Decrease in fertility rate and increase in life expectancy driving need for protection in old age
- Growing demand for insurance coverage for women-owned business

Solutions

- Target education campaigns to increase awareness about insurance
- Develop solutions to convert clients along their journey from lower income to middle class
- Rethink distribution channels: i) build mobile distribution partnerships and ii) leverage women in the salesforce
- Offer solutions for business owners



Drivers of Growth

- Significant progress in tertiary education, and doubling of salary in 6 years
- Larger protection gap, with need for life, pension and healthcare products
- 49% of women see good opportunities to start a firm in Indonesia

Solutions

- Develop targeted education campaigns
- Develop partnerships to increase visibility, access to products, and access to credit for entrepreneurs
- Invest in microinsurance or low-cost products
- Leverage women salesforce to build trust
- Offer add-on services based on lifestyle needs



Drivers of Growth

- Increase in labor force participation and income
- Increase in tertiary education and financial literacy
- Increased health risks intensifying the need to spend on protection
- A vibrant women's entrepreneurs market

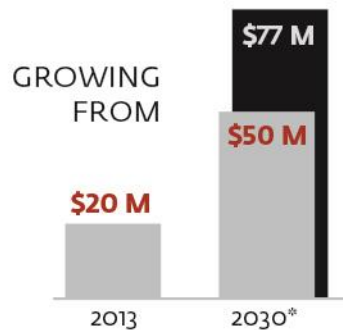
Solutions

- Target education campaigns to increase awareness and trust about insurance
- Develop partnerships to increase visibility
- Invest in microinsurance or other low cost products
- Increase the number of women distributors
- Increase transparency through clear language and online claims tracking
- Form partnerships with banks to help women access credit

OVERALL WOMEN'S INSURANCE MARKET



2-4X
GROWTH



Drivers of Growth

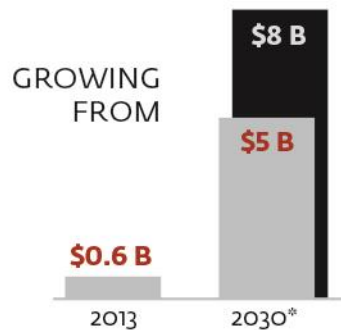
- Increase in earning and disposable income
- Willingness to spend on health and life insurance
- Women are seen as effective insurance distributors in a culture which requires women to sell to women
- Mandatory insurance driving growth

Solutions

- Start insurance education early and create targeted education to increase awareness
- Simplify policy wordings to enhance understanding and to build trust
- Increase transparency in the claims process
- Leverage women sales agents and employee base to address needs of female clients
- Explore microinsurance opportunity
- Develop products to encourage women entrepreneurship growth

**OVERALL WOMEN'S
INSURANCE MARKET**

9-13X
GROWTH



Drivers of Growth

- Increase in earning and disposable income
- Room to grow the women's microinsurance market
- Willingness to spend the disposable income on health insurance for themselves and their children
- Room to grow the entrepreneur market
- Women show great strength in the sales process and act as advocates for insurance

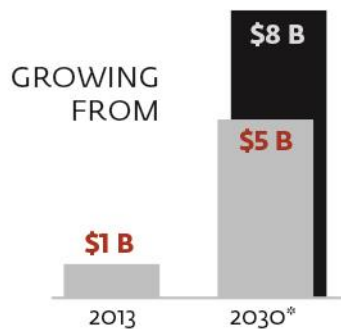
Solutions

- Targeted education campaigns to increase awareness among women
- Engage more women agents as distributors in order to reach the women's market
- Develop solutions to protect women independently of their spouse
- Invest in online channels to improve the ease of conducting business
- Develop products that help to cover business interruption



OVERALL WOMEN'S INSURANCE MARKET

5-8x
GROWTH



Drivers of Growth

- Women outnumber men in tertiary education; increase in labor force participation
- Higher life expectancy and decreasing birth rates causing bigger protection gaps
- Established level of comfort with insurance and a growing middle class
- Favorable business environment

Solutions

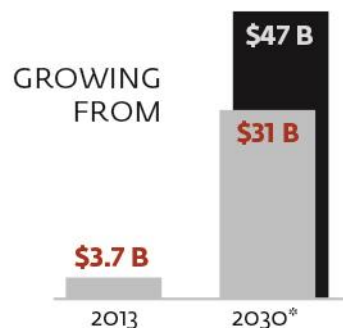
- Targeted education campaigns to increase awareness among women
- Ensure that policies are short and clear
- Develop support services that help working mothers with their busy daily lives
- Strengthen loyalty through stronger online presence
- Develop retirement offerings beyond annuity payments
- Distribute through women's entrepreneurship associations



OVERALL WOMEN'S INSURANCE MARKET

8-12X

GROWTH



Drivers of Growth

- Improving socioeconomic situation
- Women influence household purchasing decisions
- Women likely to purchase insurance through their employers
- Large and untapped women entrepreneur's market

Solutions

- Targeted education campaigns to increase awareness among women
- Make insurance tangible and relevant to women
- Identify lower cost distribution channels to bring down the cost of premiums
- Proactively target products and services to meet women's needs
- Develop bundled products for personal and professional needs
- Employ more women sales agents to market to women clients not currently being reached

IFC's Engagement With AXA Mansard

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IFC's Women's Insurance engagement with AXA Mansard in Nigeria successfully concluded in June 2018. By the end of the project, AXA Mansard had increased its number of women customers by **52%** representing a **56%** growth in gross written premium. Other notable early successes include:



Super Hero Everyday (She) Initiative launched in November 2017.

'She' is a holistic program that aims to help women in Nigeria mitigate health and financial risks at different stages in life.



The SHE Network launched for women employees and Advisors.

The Network is a platform for AXA Mansard's women employees and agents' career and personal development.



Designed four solutions targeting Nigerian women's needs.

Solutions were tailored addressing women's health and women-owned SMEs and their funding needs.



Developed a training module to increase staff and agents' ability to understand and address women customers' needs.

150 agents and staff have been trained and the module has been formally incorporated into AXA Mansard's sales training program.



AXA Group: Following the success of the SheforShield report and AXA Mansard's engagement with IFC, AXA Group has replicated AXA Mansard's Women's Insurance strategy across nine other markets – Brazil, France, Hong Kong, Malaysia, Mexico, Singapore, Thailand, Turkey, and the UK.

As part of this initiative, AXA Seguros México has launched *Mujer Actual*, a health solution that provides flexible and holistic insurance for women's health protection needs. In addition to maternity assistance and hospitalization fees coverage, the insurance also covers dental and 24 hour tele-and at-home consultations.

Women as Management, Employees and Agents

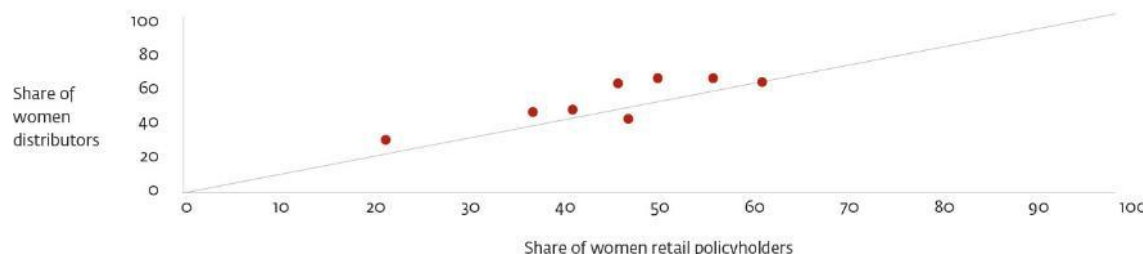
INTEGRAL TO THE INSURANCE VALUE CHAIN

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- Benefits of investing in women employees and agents*:
 - Minimum increase of **66%** on invested capital
 - Return on Sales increase by at least **42%**
 - Average Return on Equity increase of at least **53%**
- There is a positive relationship between percentage of women in the salesforce and percentage of women retail clients**



INTERVIEW RESULTS IN THE DIFFERENT FOCUS COUNTRIES

CHINA

“Women represent 50% of the salesforce but over 60% of high-performing sales agents.”



BRAZIL

“Women are more sensitive to the needs of the family.”



NIGERIA

“We find women agents are better at building long-term relationships and trust.”

