BUILDING A GUIDE TO END-TO-END INCLUSIVE INSURANCE DEVELOPMENT

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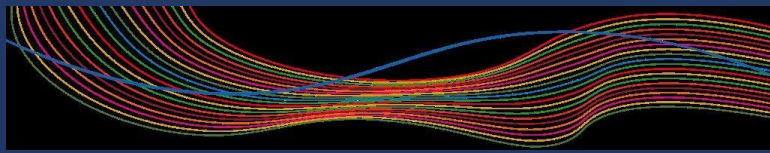
OUR OBJECTIVE

Develop a comprehensive, pragmatic and client centered technical guide for inclusive insurance.

Provide advice, tools, examples, and explanations on how to develop and improve inclusive insurance programmes.

Inclusive insurance data sources (Responses from interviews n=7)

Insurace associations information — 1
Consultants — 2
Govenment public data — 2
Partners data — 2
International resources (ILO, CGAP, Banca de las… — 3
Market research with potential insurance users and client's… — 6
Own data and resources — 7

0 1 2 3 4 5 6 7 8

■ interviewees

METHODOLOGY

Desk-based scan of existing tools and materials

9 Interviews with key informants (practitioners and associations) in 7 countries

11 remote surveys of UNDP staff members and Insurance Associations

Draft sent to reviewers for feedback

Insurance & Risk Finance Facility

EA Consultants

Finding 1. Existing publications and resources are not well utilized

15 of 18 sources reviewed were published pre 2017, not reflecting a more recent commercialization and digitalization of the inclusive finance space

There are a broad range of information and resources produced, but none of these tools were mentioned when insurance providers were asked what resources they utilize.

Instead, they are more likely to leverage institutional or personal knowledge and look to other provider's models when developing or iterating products.

"Having a tool that has looked at the other tools, and selected the best ones and put them together with an insurance perspective would be useful."
*James Kiumbe, Head of the Business Processing Unit, Jubilee Health, Kenya*

Finding 2. A heterogeneous audience has an interest in a broad and heterogenous set of tools that reflect their varied experience and interest in inclusive insurance

"For me, I am more interested in case study in new experiences and idea. I know how to develop products. I know the steps. I want cases: Asia, Latin America, even developed markets. To hear about these cases I [would] have to join a course and I don't have time."
Ban Phalleng, CEO, Serendib microinsurance (LOLC Group), Cambodia

Tools for Consideration (Responses from Associations & UNDP)

Legend:
- ■ Tools that should be covered
- ■ Tools that should not be covered
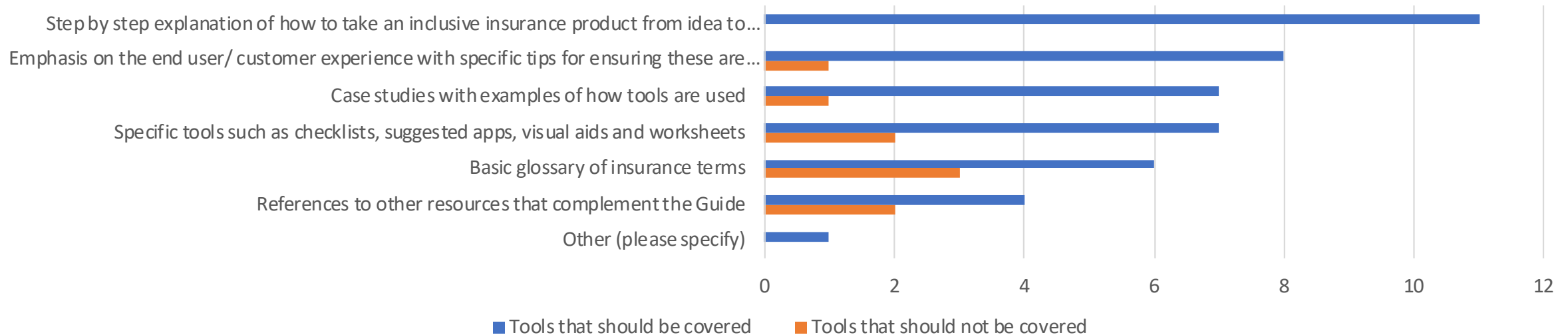
Finding 4. Gender is not top-of-mind

In nearly all our interviews and interactions, special considerations for the insurance product and delivery needs of women did not come up. Presents an opportunity to integrate gender considerations into new materials.

Finding 5. Gaps in knowledge are often filled by hiring consultants, which can be costly and discouraging when entering a new market with high risks and tight margins

"It is challenging to contract consultants and pay for a market study when premiums are so small and we can't always afford even the paper to print policies on." Raul Alejandro Monroy Narváez, Head of client experience and alternative channels, SBS Seguros Colombia S.A., Colombia

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Finding 6. Senior managers generally have more experience, training and networks that facilitate the development of inclusive insurance than their staff

Finding 7. Connectivity struggles are common, and video streaming is difficult to rely on

Finding 8. There was a preference for in-person and "human touch" channels than digital ones, for the Guide's distribution

OUR OUTCOME: THE INCLUSIVE INSURANCE NAVIGATOR
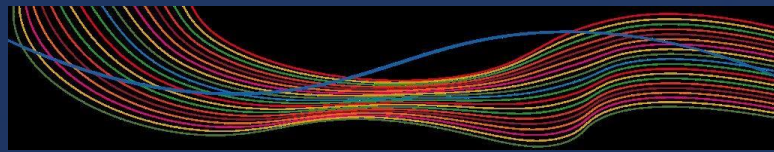
STRUCTURE

- 5 sections
    1. Preparing for the work
    2. Market Research
    3. Product and Process Design
    4. Selling the Product
    5. Servicing the Product

- 5 Manager's Brief's

- 5 check lists for users to track progress

- 27 Original and external tools in the main Navigator document

- Toolkit with an additional 47 external tools

- 20 Case Studies applying tools and methods

4 recommended "Routes" but many more ways to customize your start and finish

1 Route 1: The Orange Route – the full process

2 Route 2: The Green Route– New data collection with internal staff and distribution channels, robust prototype testing
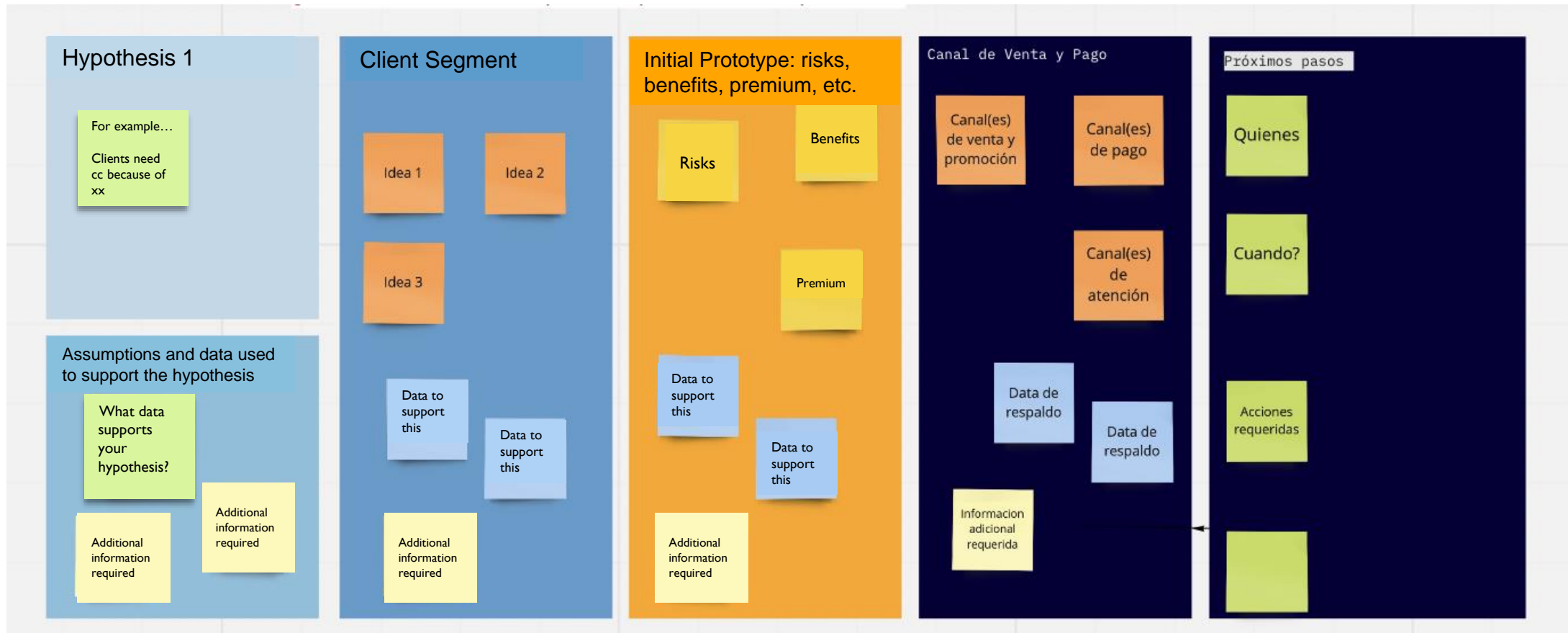
3 Route 3: The Blue Route- Agile product development and prototype testing for price sensitivity.

4 Route 4: The Violet Route- Client focus groups and customer journey mapping

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TOOLS

EXAMPLE: TOOLS

A Microinsurance Toolbox: Solutions to Challenges - Step by Step tool on how to develop a product within an institution
Tags: Planning, Product Development

Watch this video to reflect on your own internal and cultural biases.
Tags : Internal Bias, Culture Bias

Read this article to understand how to avoid flaws when making decisions in a group.
Tags: Planning, Groupthink

Watch this video to learn more about MetLife's client-centered journey to understand how they changed their mindset from product to client-centered business units
Tags : Planning, Strategy, Client-centered

EXAMPLE OF TOOLS IN THE TOOLBOX

Insurance &
Risk Finance
Facility

Thank you

✉

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Microinsurance

Rennata González Brachet

PRODUCT Coverage

Compartamos Banco.

	LIFE INSURANCE	HOSPITAL CASH	SURGICAL INTERVENTION	CANCER DIAGNOSIS	ATTENDANCE CHILDHOOD CANCER
Compartamos Protección	$1,500 USD — Compensation for death	$15 USD — Per hospitalized day (Up to 30 days)	$50 USD — Compensation for surgery	$750 USD — Compensation for Cancer Diagnosis	Attendance for sons, stepchildren, grandchildren, and nephews with a childhood cancer diagnosis

Opportunity to protect a family member

$9.25 USD

98% Voluntary Credit clients

72% Clients with a policy extend protection to a family member

	LOAN	PAYMENT	
Robo (Robbery Insurance)	100% with physical or verbal violence	100% with physical or verbal violence	Coverage: only two events for each credit term

Premium Policies

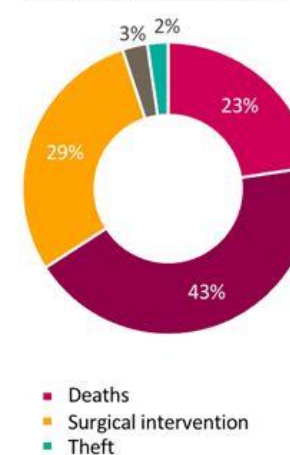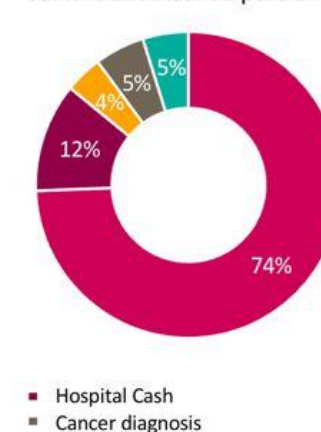| Year	Premium issued (USD)	Policies (millions)
2016	$33	7
2017	$47	6
2018	$49	6
2019	$65	12
2020	$61	11
2021	$89	14

CLAIMS

Microinsurance will not solve all the problems caused by impact in health, death or robbery, but the impact in their economy will be lower.

Compartamos Protección

Claims handled: 7K, 37K, 81K, 108K, 86K, 103K

Amount insured paid (mill USD): $6, $11, $16, $23, $29, $36

2016 2017 2018 2019 2020 2021

% Claims handled share

- 23% Deaths
- 43%
- 29% Surgical intervention
- 3%
- 2%

Legend:
- Deaths
- Surgical intervention
- Theft

% Amount insured paid share

- 74% Hospital Cash
- 12%
- 4%
- 5%
- 5%

Legend:
- Hospital Cash
- Cancer diagnosis
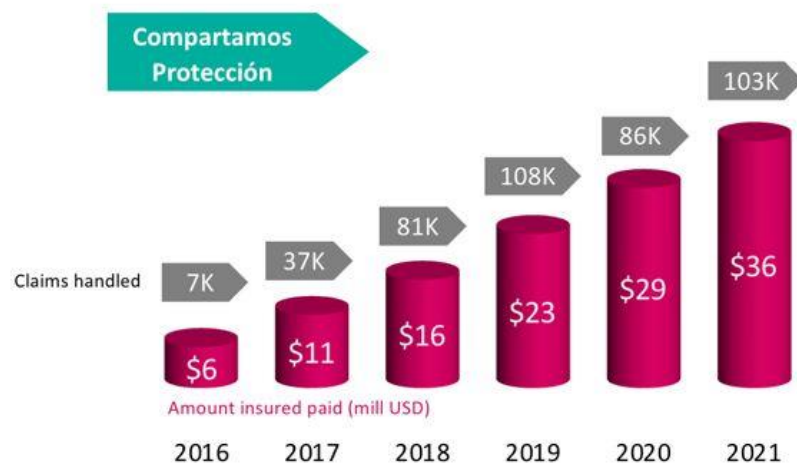
Robo (Robbery Insurance)

2021 → 2,536 claims
$1.5 mil USD amount insured paid