

ICII 2024 Session 1

Topline and Bottomline strategies for inclusive insurance



Speaker Introduction



Lemmy Manje
Founder & CEO
FinProbit Solutions
Rwanda/Zambia
Moderator



Ovia K. Tuhairwe
CEO, Radiant Yacu
Rwanda



Gideon Ataraire
Africa Lead,
Microinsurance
Master, Ghana
Formally **CEO** of
Allianz Life Ghana



**Laura Elena
Rosado**
Head of Strategy
and Performance
Management
AXA , France



**Mohammed Ali
Ahmed**
CEO, EFU Life
Assurance
Pakistan



S.M Ziaul Hoque
CEO, Chartered
Life Insurance
Bangladesh

Setting the scene



FinProbit Solutions



About the Session Host



Experience: Extensive expertise and experience in designing inclusive insurance solutions and business strategies; experience in designing and implementing and managing national country strategies and road maps for insurance market development.

Footprint: 14 countries; designing inclusive insurance solutions and advising on inclusive insurance policy, regulation and supervision.

Customer centricity: Extensive experience in application of Human Centered Design (HCD) principles and techniques in insurance product development.

Technology and innovation: Experience in designing digital insurance solutions.

Gender: Experience in designing gendered inclusive insurance solutions and business models.

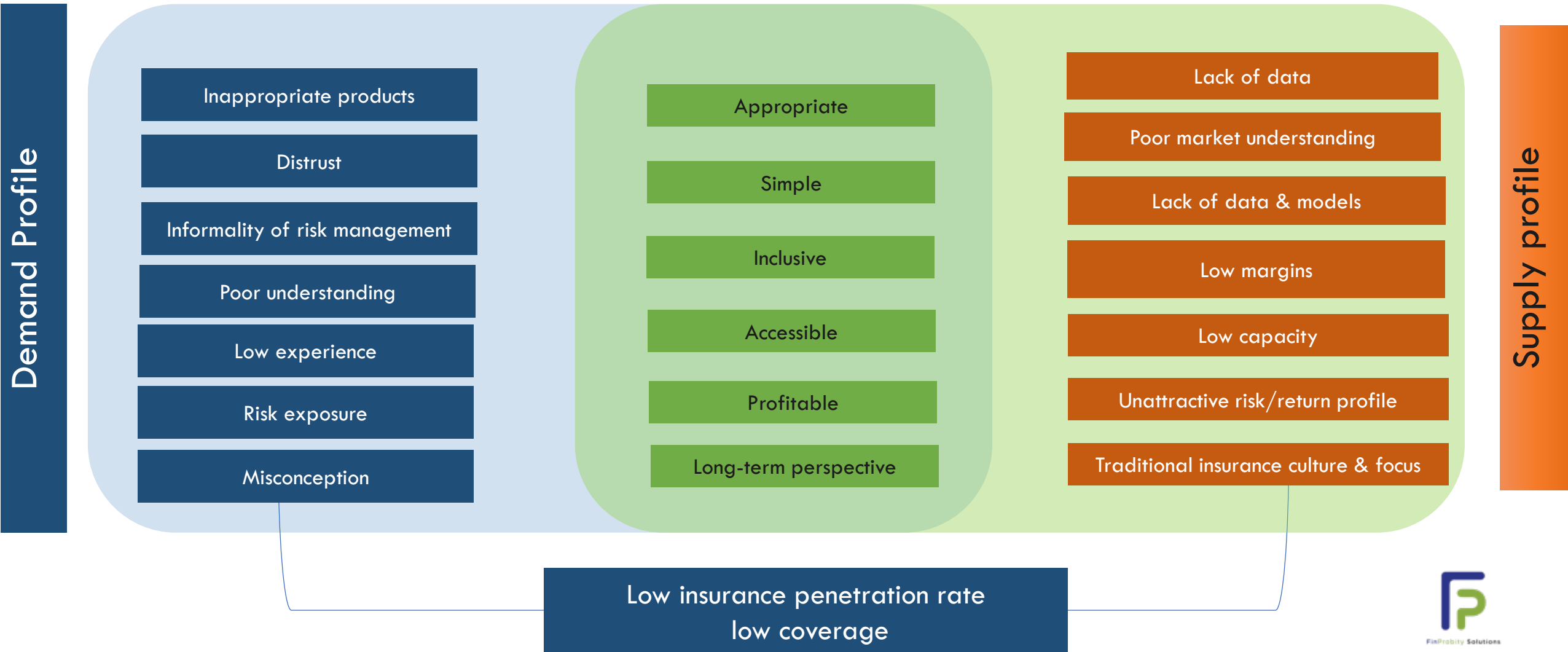
Session Structure



About the Session

- The session presents insights on strategies and business models from successful inclusive insurance providers.
 - designed for senior executives and insurance practitioners **interested in increasing their investments and footprint** in inclusive insurance business.
 - aims to demonstrate how inclusive insurance providers can make inclusive insurance **viable and profitable** while providing **superior client value** for their customers.

Addressing Market Failure



“There is no scarcity of insurers – only a shortage of those willing to look beyond the business case to realise one can pursue profit with purpose.



Lorenzo Chan

CEO, Pioneer Insurance Group
and Chair of the Board of the
Microinsurance Network,
Philippines

slido

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Why invest in inclusive insurance?

① Start presenting to display the poll results on this slide.

A woman in a business suit is looking at a laptop screen. In the foreground, a hand is pointing at a document with a red pen. The background is a warm, orange-toned office setting.

Part 1: Business Case, Footprint Organisational Development & Institutional Culture



FinProbit Solutions



ABOUT US

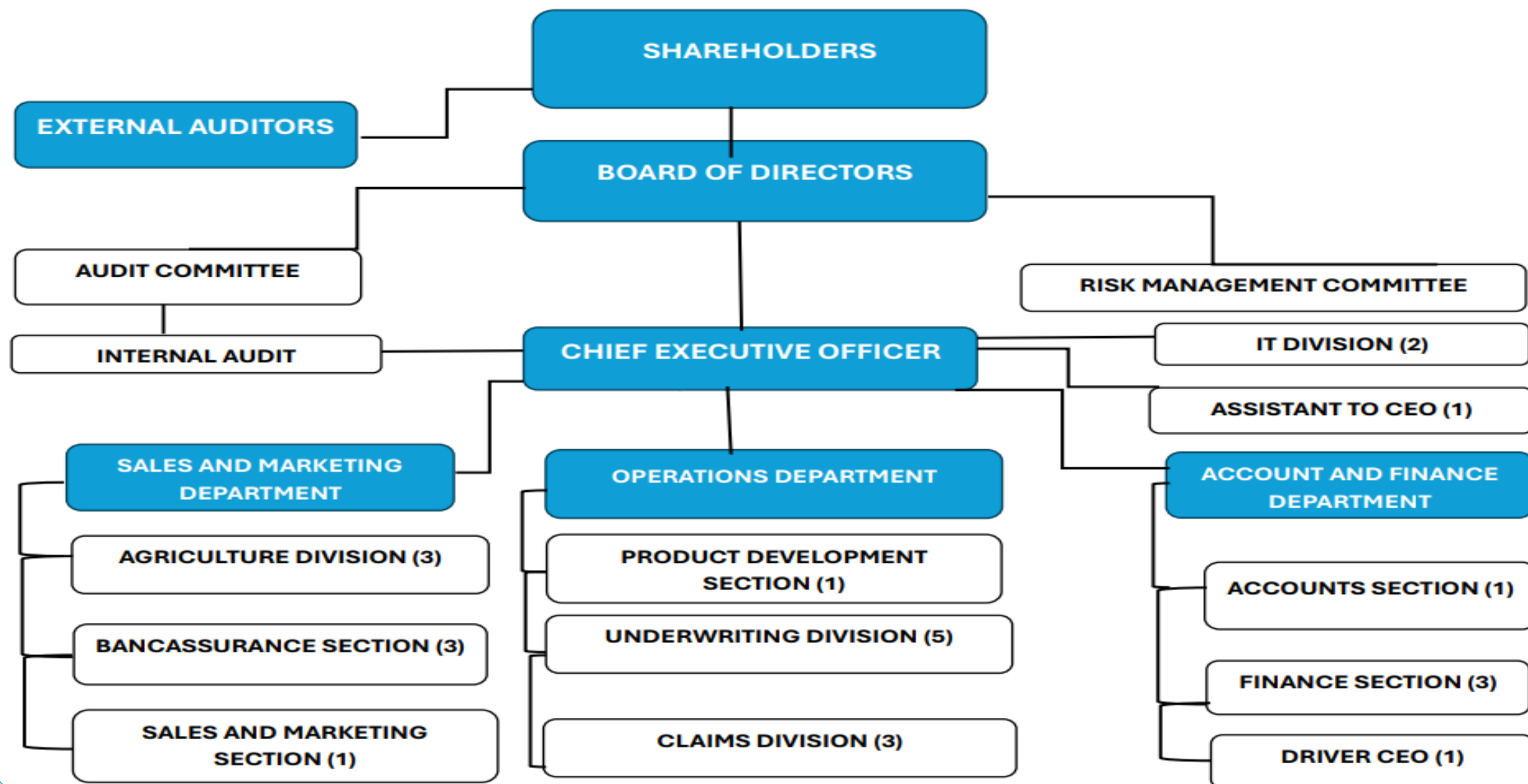


- **RADIANT YACU is the first & only Dedicated Microinsurance Company in Rwanda**
- **It was Licensed by the National Bank of Rwanda in 2019, one year after the Microinsurance Regulation was gazetted.**
- **The company is Licensed to do composite products i.e both Life & / Non-Life Microinsurance products.**

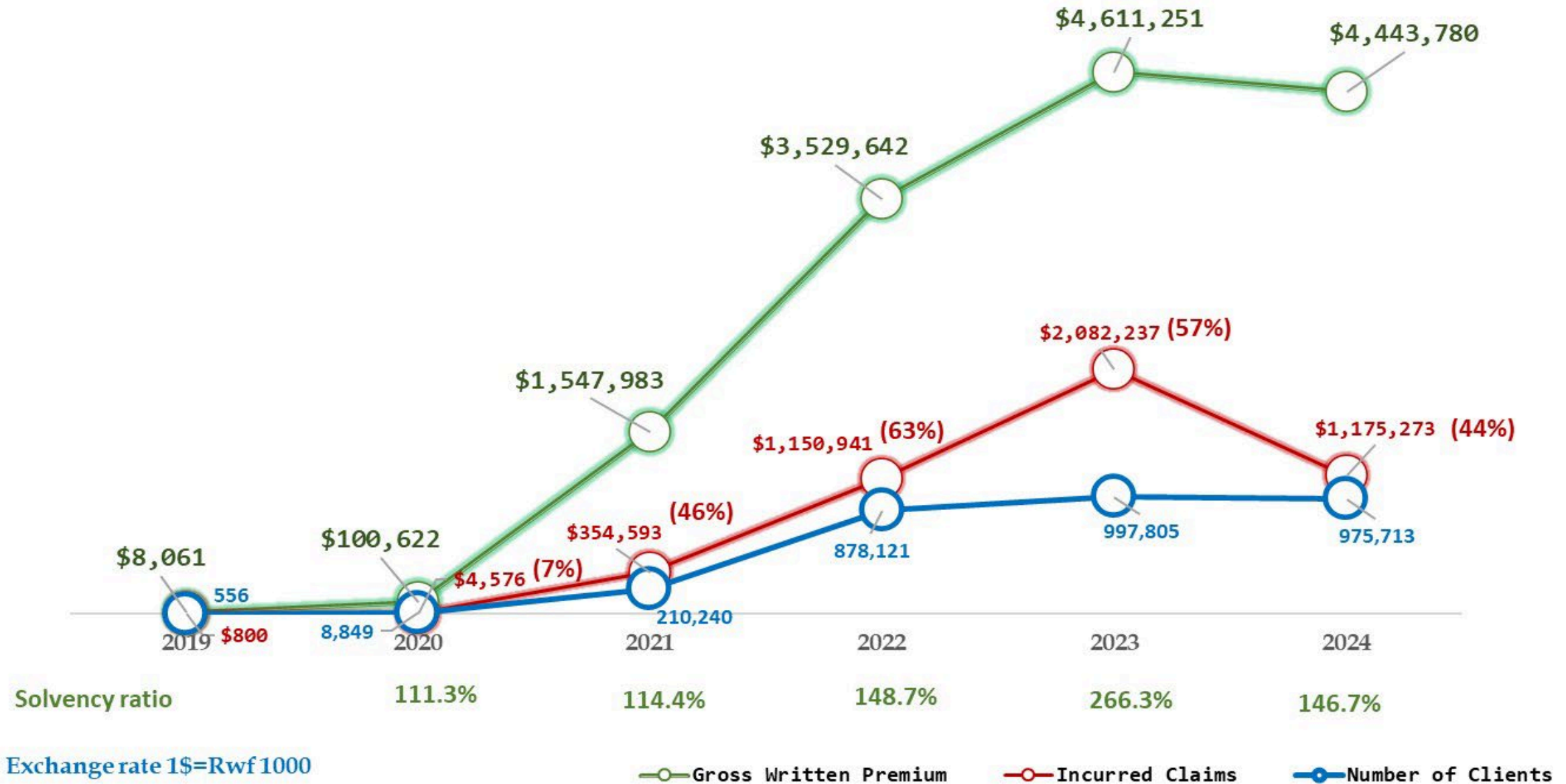




ORGANIZATIONAL STRUCTURE OF RADIANT YACU LTD



PREMIUM GROWTH VS INCURRED CLAIMS



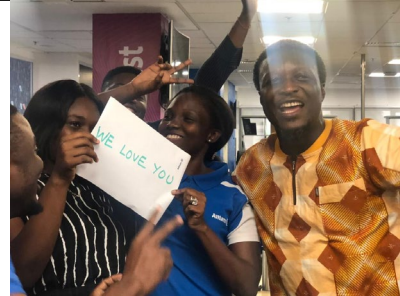


Allianz Life Ghana

- Started operation in May 2018, and now a GHS 92.6m business as of Q4 2023
- Starting from a loss position of GHS9.8M in 2018, became a profitable company at GHS 1.7M April 2014 before JV
- Top 9 life insurer with a market share of 2.4% as of Q4, 2023
- Our year-on-year average revenue growth rate is 50%, while expense is 10%
- Microinsurance was 55% of our portfolio
- Commenced Microinsurance with B2C in 2019, by Q1 2024 B2B2C was 60%
- We built our own technology, including our main policy admins system in-house
- Hybrid work structure/55% Women/65% GenZ
- Separate channel for Microinsurance (Alternate Distribution) with direct report to CEO



- 2018 CSR Leadership Award
- 2019 Fastest Growing Life Insurance Company
- 2019 SDG Award for CSR
- 2020 Best Growing Insurance Company
- 2021 Best Life Insurance Company
- 2022 ICT Leadership Award
- 2022 CSR Leadership Award
- 2022 Insurance Company of the Year



2023 MICRO INSURANCE PERFORMANCE ALLIANZ LIFE INSURANCE

Allianz 

 **365,057**
Policies

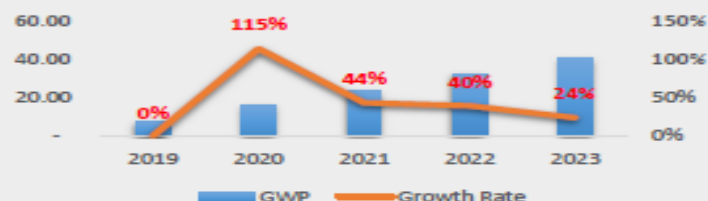
 **865,940**
Lives Covered

 **40.7M**
GWP

 **10.6M**
Claims Amount

 **26%**
Loss Ratio

GWP Trend



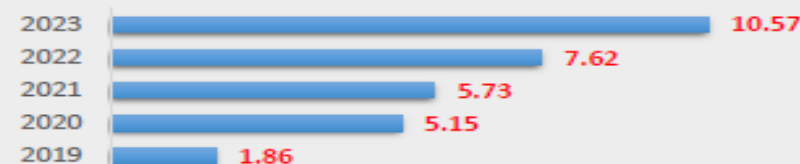
Over the past three years, micro insurance portfolios have experienced an average growth rate of 36% despite the economic downturns in the region. Despite the impact of DDEP on the insurance market, the GWP has increased by 24% (32.8 - 40.7) as of November, 2023.

Average Premium per Policy Trend



Over the last five years, the average premium income of the microinsurance portfolio has experienced an average growth rate of 78%. The increase in premiums has provided coverage to an increasing number of Ghanaians who were previously underserved by life insurance. Therefore, these individuals will secure a brighter future.

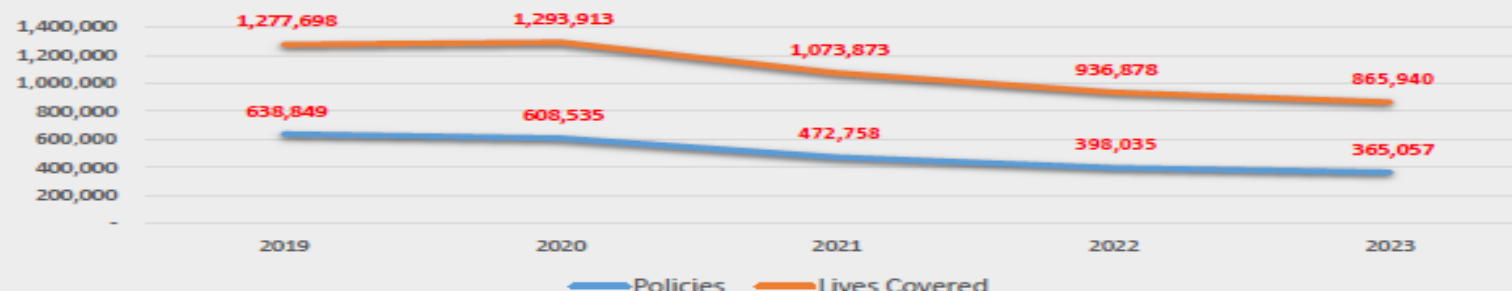
Amount of Claims Paid



Claims Ratio Trend

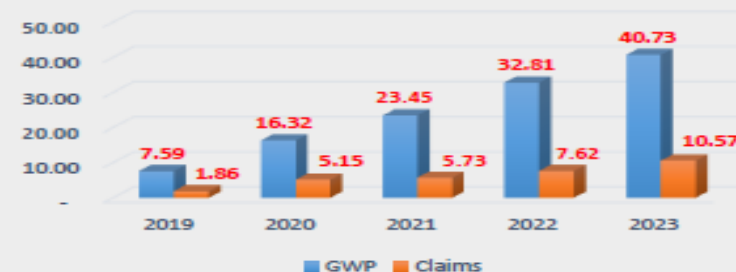


Policies vs Lives Covered



As a result of microinsurance portfolios, people whose lives would otherwise remain uninsured have been covered. At present, the portfolio covers approximately 866,000 individuals located all over the country.

GWP vs Claims





- **How our organization translated the business case for inclusive insurance into action**

1. Initial implementation as experiment
2. Little or no expense apportionment
3. Creation of a separate unit
4. Started with a B2C model
5. Simple - product, processes, payment

- **How we got shareholders buy-in**

1. Signed up with a big distribution partner
2. Presented no additional expenses to the idea
3. Showed a realistic forecast
4. Combined all initiatives into one portfolio
5. Showed early growth in MI
6. Ensured growth and success in other areas of the business

- **HR, institutional culture and work-style**

1. Lean and agile
2. Empowerment
3. Experimentation
4. Willingness to go into the field
5. Staff in the unit:
 1. Actuarial Officer,
 2. Software Developer
 3. Underwriter
 4. Customer Experience



From AXA Emerging Customers to AXA EssentiALL

The making of a global inclusive insurance engine – the essence of insurance

AXA Emerging Customers

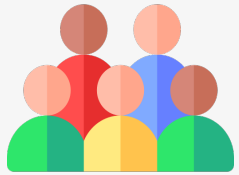
AXA EssentiALL

Foundations 2016 - 2017	Capabilities 2018 - 2019	Diversification 2020-2021	Leadership 2022-2023	Global 2024 >>>
<ul style="list-style-type: none">• Build internal awareness• Joined The Microinsurance Network• Define Operating Model	<ul style="list-style-type: none">• Build AXA EC community – ILO fellows in key markets• Technology enablers exploration• Launch of signature products – Health Equity for ALL	<ul style="list-style-type: none">• Face disposals and reorganize business priorities – growth in China, Mexico, Brazil and Turkey• Reinforce operating model for scale (training, bus dev., governance)• Definition of our impact framework	<ul style="list-style-type: none">• Double down on cross-industry cooperation• Contribute to open knowledge• Participate to public-private collaboration (e.g., IDF, climate insurance)	<ul style="list-style-type: none">• A key component of AXA's 2026 strategic plan• Expansion to Mature Markets to build a global inclusive business• Launched UPU collaboration, become one of first private partners of CGAP





Inclusive Insurance – From Inspiration to Action



National Financial
Inclusion Strategy



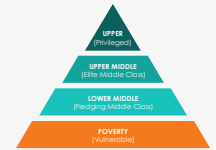
UN Sustainable
Development
Goals



Pakistan's
Population Growth
(~ 220 Mn in 2018)

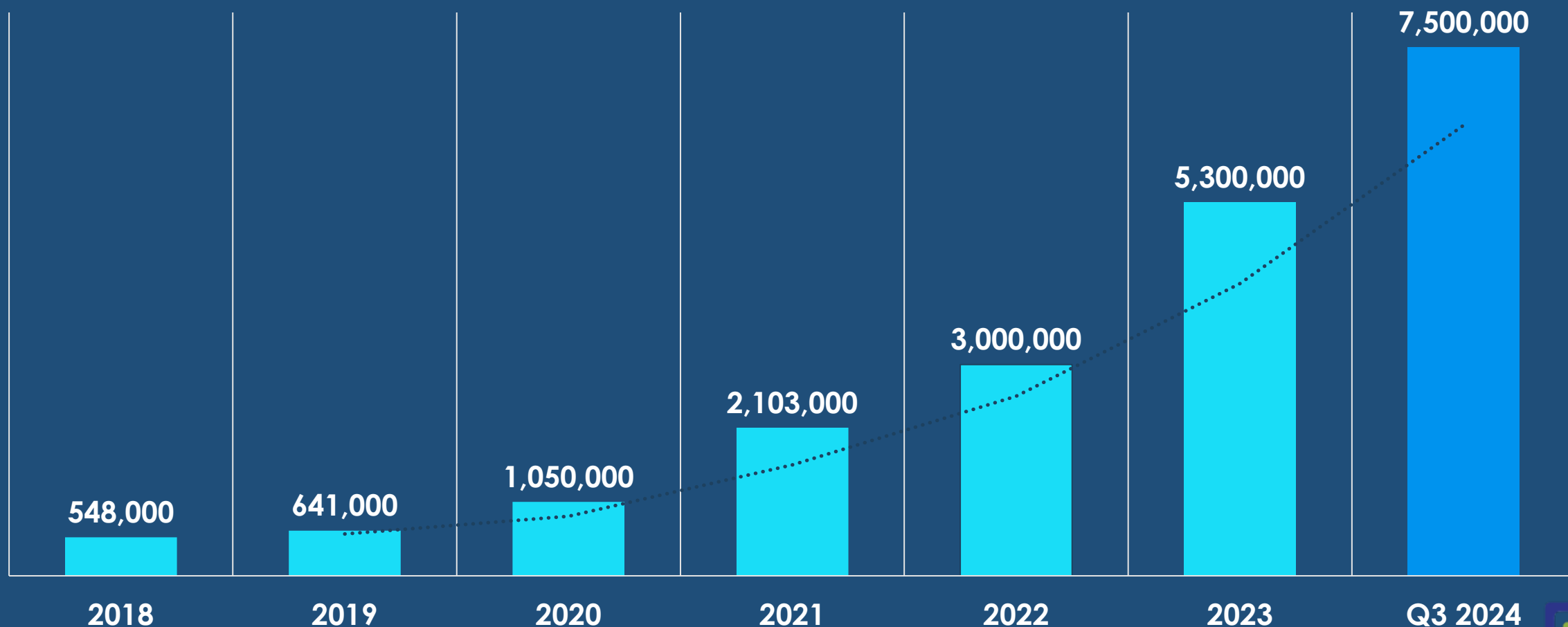


Increasing 3G/4G
Users
(~ 120 Mn in 2018)



Entry in middle
income and below
segments

Number of Lives Covered



Organizational Structure



Dedicated Digital & Inclusive Insurance Team

Agile Approach & Growth Mindset

“Startup” within a Traditional Insurance Company

Customer Lens & Customer-first approach

KPIs: Number of Lives Covered & Families Impacted (Claims Paid)

The Kaizen Approach





Chartered Life Insurance PLC, Bangladesh



Purpose, Vision & Mission

- Ensure protection of the unserved People through Partnership.
- Achievement of SDG Goal set by the Government of Bangladesh.
- Make affordable Insurance to make habituate with the insurance facility.

WHO

- Life and Health Insurance coverage for the BPL Segment population of Bangladesh.
- Life & Health Care supports for the farmers live in the rural and costal areas.
- Persons affected by climate changes.

HOW

- Coverage for the Individuals & Households.
- Reduce the Out-of-Pocket expenses.
- Provide priory service and discount facilities.

Chartered Life Insurance PLC, Bangladesh



Brief Description

- **Name of the Organization** : Chartered Life Insurance PLC.
- **Name of Project** : Micro-Insurance
- **Enrollment Model** : Partnership
- **Current number of Insured** : 224,368
- **Forecasted no of Insured (2024)** : 500,000
- **Partner organization** :
 - i) Sajida Foundation
 - ii) Water – Aid
 - iii) BRAC Microfinance
 - vi) Society Development Committee (Faridpur)
 - v) UNDP Microhealth Program – City Corp, Narayanganj
 - vi) iFarmer – Insurance for the Farmers

Chartered Life Insurance PLC, Bangladesh



Partnership Micro-insurance Initiatives



- Microinsurance with individual Credit Loan products
- Life Insurance Coverage for the Emptier – Water Aid project
- Cashless Hospitalization Coverage for Poor and Ultra Poor – UNDP
- Cashless Medical facilities for BPL graduation project by Sajida Foundation (Prosomon, Sudin & Uttaran)
- Life and Medical Insurance for the Microfinance Member of BRAC Microfinance Program
- Life and Medical Coverage for the Farmers – iFarmer
- Insurance with online Travel Ticket – Shohoz Bus Ticket
- Insurance with Consumer Product - Super Mom Diaper, Chaka Washing Power, LG Butterfly
- Ride Sharing App – “O Bhai”
- Royalty Program - bKash Star Agent, Nagad High Performer
- Retail Field Force Coverage – BAT, JTI
- Covid 19 Insurance – 110K Beneficiaries of Telenor Health

Part 2: Topline & Bottomline strategies



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What can drive inclusive insurance in your company?

① Start presenting to display the poll results on this slide.



TURIKUMWE MICROINSURANCE PRODUCT: POWER OF PARTNERSHIP



Coops don't
deposit premiums

Product performance
Tweaks
Premium: 15c - 5 \$

Investigate coop issue
Launch USSD

Partnering with
Tea Coops

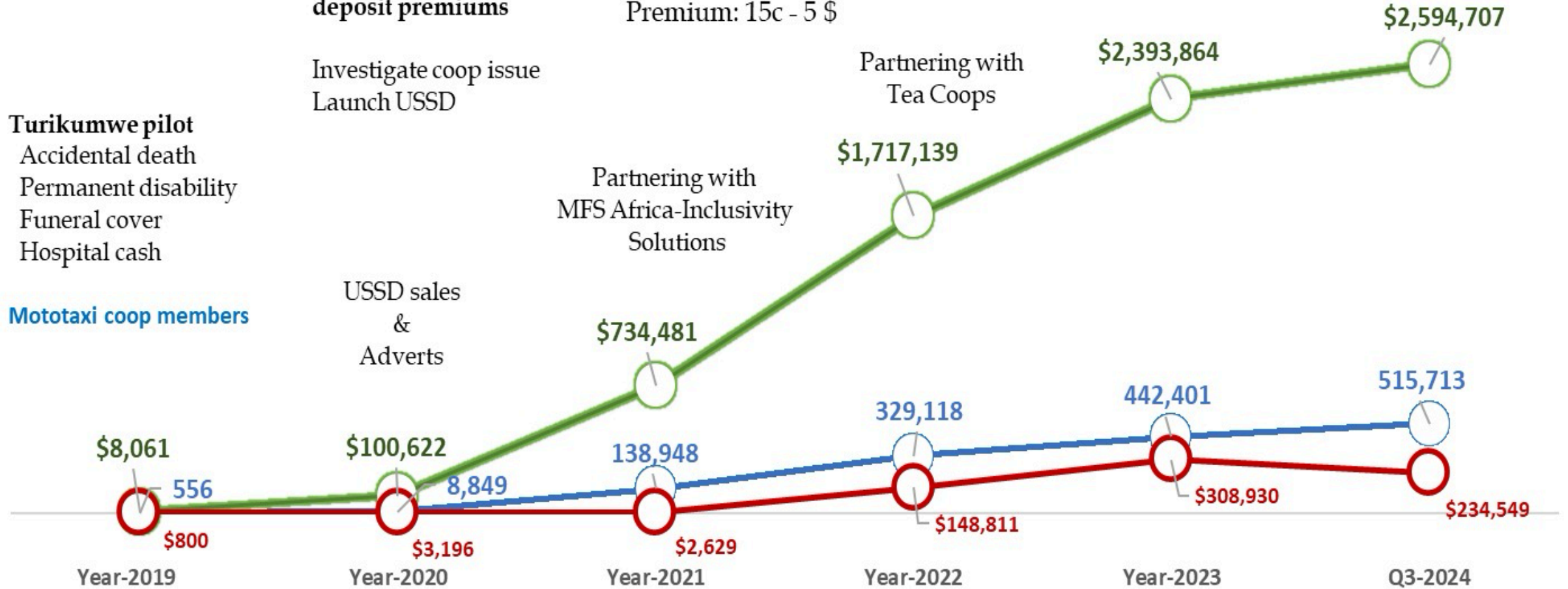
Turikumwe pilot

Accidental death
Permanent disability
Funeral cover
Hospital cash

Partnering with
MFS Africa-Inclusivity
Solutions

USSD sales
&
Adverts

Mototaxi coop members



— Number of Clients

— Premium Growth(USD)

— Incurred Claims





Topline Strategies:

1. Partnerships (Telcos and MFIs)
2. Embedded products
3. Call Centre
4. Development of APIs
5. Payment and collection model
6. Local radio mentions

Bottom Line Strategies:

1. B2B2C and B2B Models
2. Profit share contracts
3. Digitalization of customer journey
4. Deliberate focus on expense reduction
5. API Sharing with database institutions to reduce KYA requirements/TAT/PAC

What works

1. A separate unit
2. Simple products and processes
3. Fast claims payment
4. Claims testimonials
5. B2B and B2B2C
6. Profit share contracts
7. Partnerships for distribution and administration
8. Dedicated multi-lingual Telesales Call Centre

What doesn't work

1. Traditional insurance mindset
2. Doing everything by yourself
3. Reducing a traditional retail product as microinsurance
4. Partnerships without the buy-in of the leaders
5. No budget for marketing

Key lessons learned and insights?

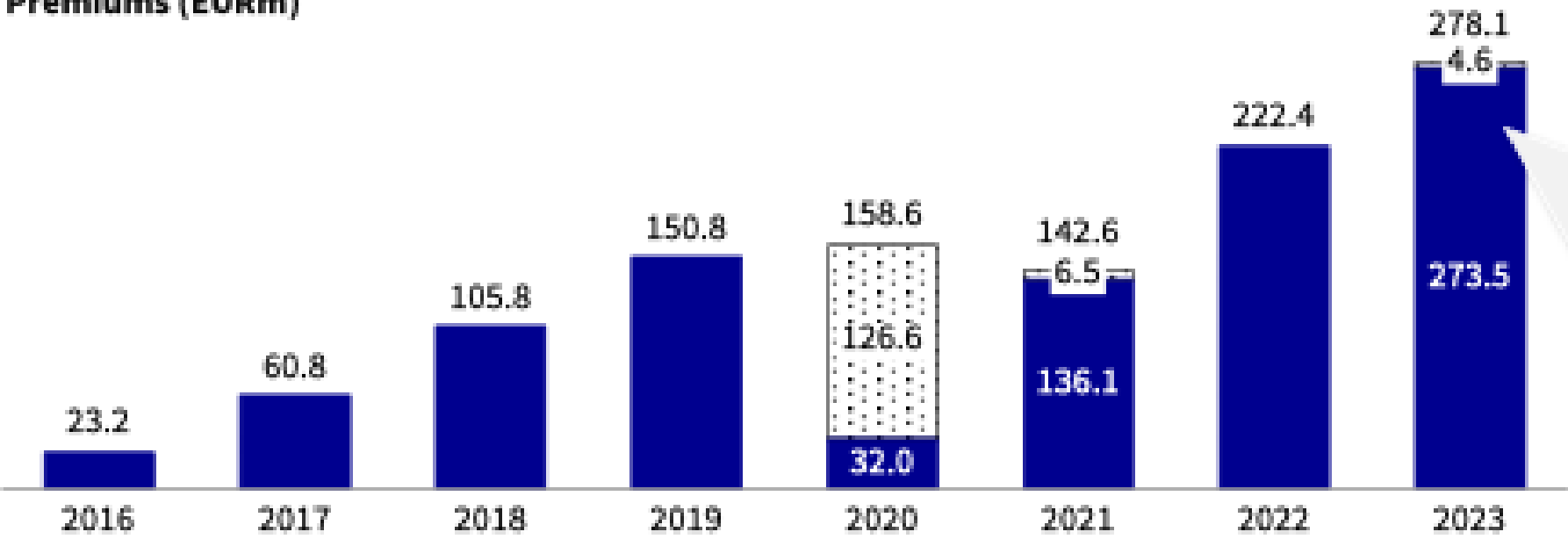
1. B2C is a good entry point, but not sustainable
2. Carry out market research
3. Involve your team in the entire process (Immersion)
4. Train your partners
5. Seek partners that insurance complements their offerings



Our track record | building a profitable growth over the long-term

Gross Written Premiums (EURm)

 Disposals



**91%
CoR**

Avg. Premium
**EUR
1.8/month**

Customers (m)	5.5	8.3	9.3	5.9	6.1	9.5	10.1	12.8
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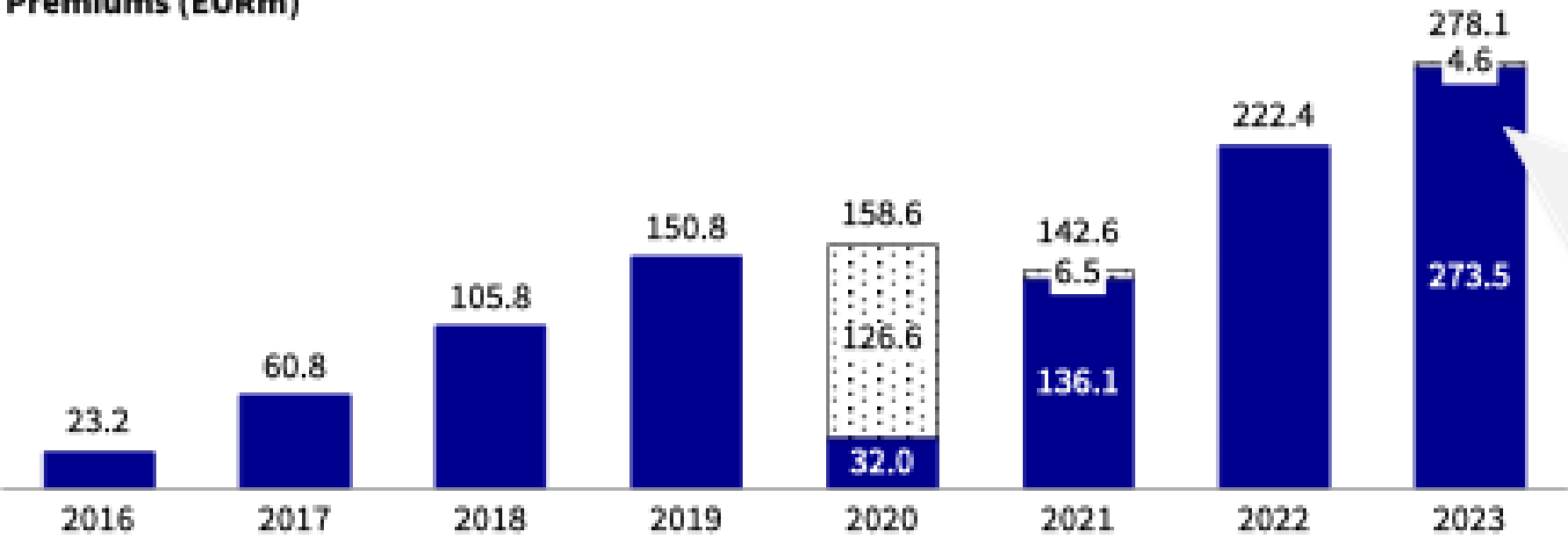
Other operational indicators								
Markets	5	7	8	9	9	13	14	15
Live insurance programs	11	13	43	55	90	109	146	179



Our track record | building a profitable growth over the long-term

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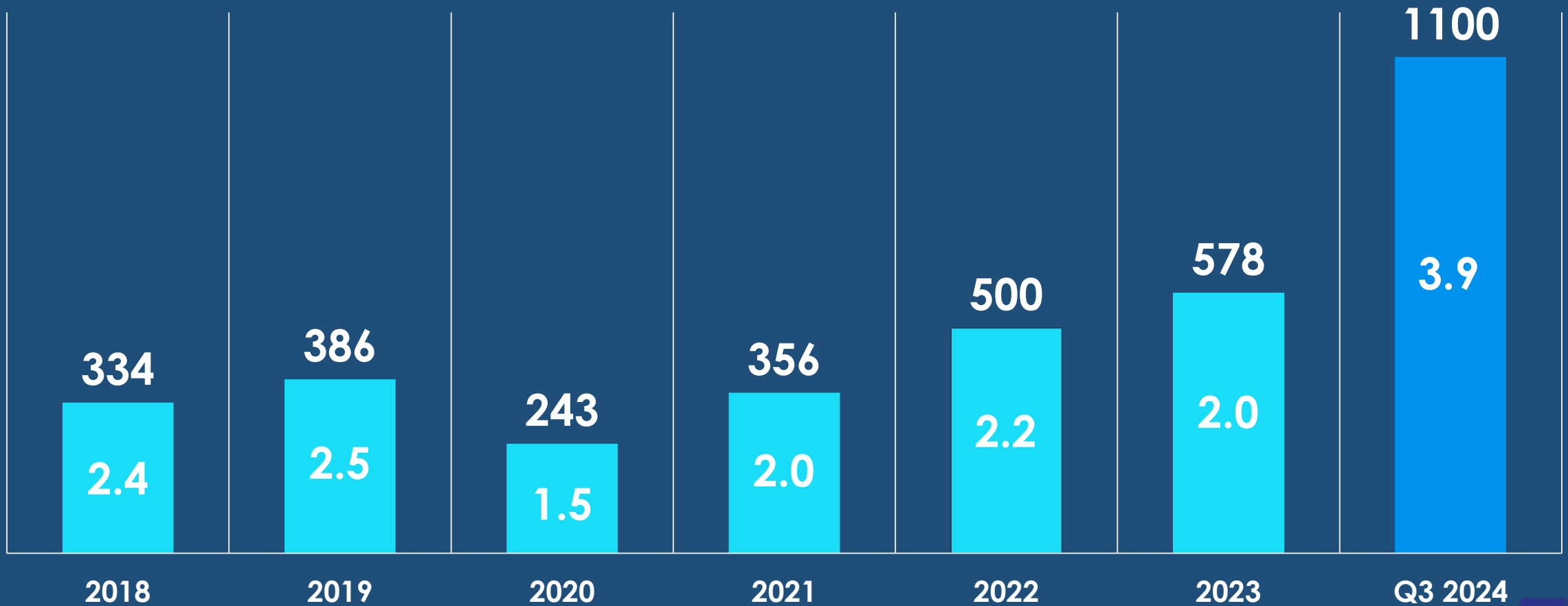
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Other operational indicators								
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Live insurance programs	11	13	43	55	90	109	146	179





Premium YoY



PKR and USD Millions

Partnerships & Ecosystems



Claims – Moment of Truth



Claims Paid since Inception

PKR 528 Mn

Claim Amount

USD 1.87 Mn

Claim Amount

99.32%

Claim Paid Ratio

13,415

No. Of Families Supported

3 Days

Avg Days for Claim
Settlement

Payment Mode

1

Bank Account

2

Mobile Wallet

3

National Payment

Key Insights & Lessons



What Works

- ✓ B2B2C
- ✓ Number of Lives as KPI
- ✓ Agility in product development customer-centricity
- ✓ Claims as USP
- ✓ Monitoring Topline growth and Bottomline efficiency.
- ✓ Data Driven Decision Making
- ✓ Working Closely with regulator and key stake holders



What Doesn't Works

- ! Siloed approaches
- ! Fixed Mindset
- ! Legacy Process Driven Approach
- ! Lack of customer feedback
- ! Complicated & Confused Customer Journey



Key Lessons

- ✓ **Collaboration** drives scale
- ✓ **Customer-centric model** ensures success
- ✓ **Continuous evaluation** is critical

Chartered Life Insurance PLC, Bangladesh



Customer Segmentation

- Loan Borrowers from the MFI
- Low-income Group of People
- Below Poverty Level (BPL)
- Poor and Ultra Poor
- Lively-hood improvement

Premium vs Claim Settlement

Year	Premium Amount	Claim Amount	Ratio
2019	13,746,456	4,081,027	30%
2020	52,070,000	22,602,225	43%
2021	70,032,992	56,054,501	80%
2022	61,141,272	32,426,409	53%
2023	103,089,937	44,617,735	43%
2024 (exp)	120,000,000	80,000,000	67%
Grand Total	420,080,657	239,781,897	57%

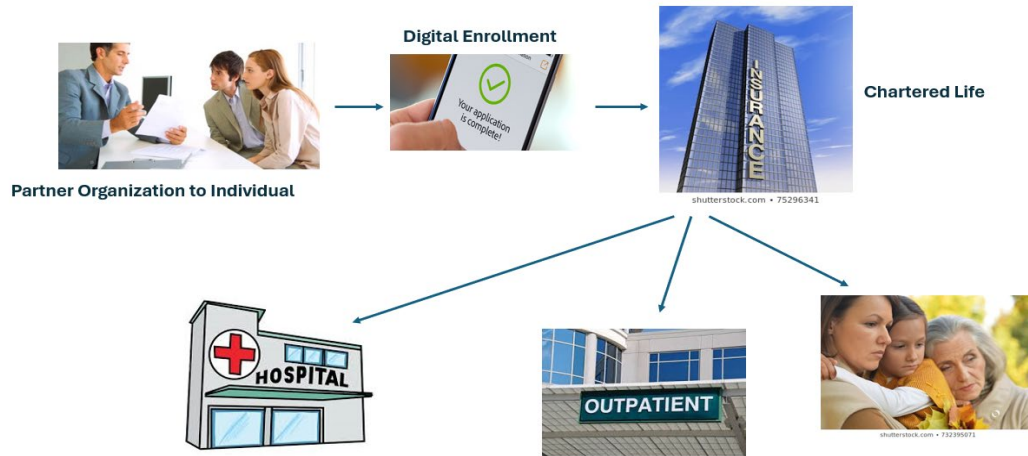
Key Features & Coverages

- Group Life & Health Insurance Coverage
- Affordability (very low premium)
- Acceptable to the end beneficiary
- Simplifies insurable condition
- Network hospital support
- Cashless Hospitalization Benefit
- Cashless Outpatient treatment including diagnostic tests and medicine from dedicated hospitals and pharmacy
- Priority support from the network hospitals, clinics and diagnostic centers
- Easy excess to the Health-Care facilities
- Online Telemedicine support

Chartered Life Insurance PLC, Bangladesh



Service Work Flow



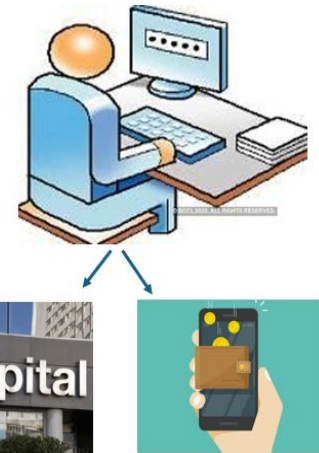
Enrollment Process



Digital Interface will use for Enrollment purpose.

Claim Settlement

Paperless Claim Settlement procedure will be followed and benefit will be dispatched through Cashless Hospital service and Mobile Wallet.



Micro-insurance Claim Payment



A woman with dark hair tied back, wearing a dark blazer over a light-colored collared shirt, is looking down at a laptop screen. In the foreground, a hand is pointing with a red pen at a document that features a colorful circular diagram. The background is slightly blurred, showing what appears to be an office setting with windows.

Part 3: Visions of the Future

“*A* LEADER’S JOB
is to look into the future
and see the organization,
not as it is, but as it
SHOULD BE.”

- Jack Welch

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What can drive inclusive insurance in your country?

① Start presenting to display the poll results on this slide.

Visions of the Future



OUR VISION FOR THE FUTURE



Digital Transformation: Leverage technology to streamline operations, enhance customer experiences, and improve outreach to remote areas.

Client Education and Awareness: Invest in raising awareness about the importance of insurance among low-income communities to drive demand and build trust.

Empowering Staff with Incentives: Create a performance-based incentive system for staff that rewards innovation, customer satisfaction, and excellence in service delivery. This could involve financial bonuses, professional development opportunities, or career advancement for top performers.

Agent Motivation and Support: Offer tailored incentives for agents who meet or exceed sales targets, expand outreach to underserved areas. This could include commission bonuses, recognition programs, and enhanced training to improve their skills and performance.

Sustainable Growth: Give Priority to sustainable business practices that ensure long-term profitability while maintaining affordability , accessibility and timely settlement of claims.

To be the **PIONEER** of Africa





Our Vision for the Future...



Our Vision for the Future...

Fueling Growth Through Inclusive Insurance



Building on Our Ecosystem-Based Approach EFU Life's collaborative strategy has enabled penetration into diverse ecosystems and segments. To further drive inclusive insurance growth

Key Focus Areas:

Female Financial Inclusion



Telco & Mobile Wallets



Embedded Insurance



Future Road Map



Continue Creating Customer Value

Continue to use technology as an enabler

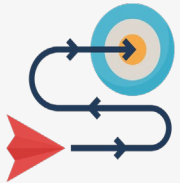
Team Expansion: Ecosystem experts driving the business model

Need based product development

Strategic and Invested Partnerships

Continue the Kaizen Framework

Our Aspiration



Ensuring that Every Pakistani Family has the financial safety provided by EFU Life

Aspiring to Make a Lasting Impact on Lives

Goal 2030



25 Million

Lives Covered



"Ensuring Insurance Protection for the People, by the People, of the People"

The Key Drivers for Ensuring Insurance Protection redefined here

- For the Unserved and Underserved (the Emerging) People
- By the Emotional, Dedicated, Benevolent People by Insurance Agents and the Champion Leaders
- Of the Partnership from the systemic, simplified, open-ended thinking within the framework of activities and the diversity of working among the Institutional People for the mutual benefit

Q&A...



ICII2024 Session 1 | **Topline and Bottomline strategies for inclusive insurance**

Thank You...



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