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# Savings & Insurance

## *Report on progress*

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Manila

Manila

# Purpose of study



- ❑ Analyse examples of appropriate products
  - ◆ Demonstrably aimed at the poor
  - ◆ Clear combination of insurance & savings
  - ◆ Reasonable track record
  
- ❑ Understand products in reasonable detail
  - ◆ Which requires the cooperation of the insurer
  
- ❑ Summarise key lessons for others
  - ◆ Without ignoring context-specific characteristics

# Purpose of study



## ❑ Effectiveness of the study

- ◆ Depends on the effectiveness of the information received
- ◆ Good information depends on strong support

## ❑ Typical reasons for exclusion

- ◆ Insufficient insurer support
- ◆ Dated information
- ◆ Inappropriate product features
- ◆ Poor products
- ◆ New products

# Current information set



## ❑ Three products from India

- ◆ Max Vijay
- ◆ Bajaj Alliance Sarv Shakti Suraksha
- ◆ SBI Grameen Shakti

## ❑ Some preliminary comments

- ◆ Acknowledging support of ILO MI Innovation Facility & CIRM, India
- ◆ Comments most welcome
- ◆ Suggestions for new products enthusiastically invited

# Key findings



- ❑ No obvious solutions to product design
  - ◆ Trade-offs are ubiquitous
  - ◆ Products have outstanding features
  - ◆ But none have them all
  
- ❑ Distribution is very important, perhaps key
  
- ❑ And the key question
  - ◆ Individuals or groups?

## □ Key attributes

- ◆ Available to individuals
- ◆ Remarkable contribution flexibility

# Bajaj Alliance Sarv Shakti Suraksha



## □ Key attributes

- ◆ Investment flexibility
- ◆ Outstanding surrender terms

# SBI Grameen Shakti



## □ Key attributes

- ◆ Focus
- ◆ Simplicity



# Quick comparison



## ❑ Max Vijay

- ◆ Available to individuals
- ◆ Remarkable contribution flexibility


## ❑ SBI Grameen Shakti

- ◆ Focus
- ◆ Simplicity

## ❑ Bajaj Alliance Sarv Shakti Suraksha

- ◆ Investment flexibility
- ◆ Outstanding surrender terms

# Concluding comments



- ❑ This is work in progress
  - ◆ Comments most welcome
  - ◆ Additional candidates also very useful
  
- ❑ Early findings
  - ◆ No easy wins
  - ◆ Consider design issues with care
  - ◆ And with recognition of customer needs
  - ◆ Distribution is key
  - ◆ Comparison is difficult
  - ◆ Design for simplicity