

Microinsurance: Marketing to Clients

Well-designed marketing programs build trust and awareness of microinsurance and lead to better results.

Health microinsurance not only provides a crucial financial safety net for low-income families, especially women, but also can be a profitable value-added offering for institutions who implement it properly.

*In 2006, Women's World Banking designed and launched **Caregiver in Jordan**, a health microinsurance product that offers simple, affordable and relevant solutions for low-income clients, especially women. Since then, they have worked with network members in Peru, Egypt, Morocco, and Uganda to create similar health insurance products that respond to the needs of women and institutions. For more information on marketing to clients or other aspects of building a successful microinsurance product, see [Health Microinsurance: An Inclusive Approach](#).*

Research shows that low-income clients often do not fully understand insurance products, and are even sometimes unaware that insurance will pay them any benefit. This unfamiliarity can create reluctance among clients. Moreover, if front-line sales representatives do not understand the product themselves, they will find it extremely difficult to convince clients of its benefits.

A well-designed marketing plan can convince clients that insurance works for them and communicate the value to both clients and staff, leading to high client awareness and uptake of the product, as well as satisfaction and usage.

Conversely, microinsurance products not supported by proper marketing are not consistently used, tend to be more volatile and less controlled, and negatively affect the institution's reputation as well as its bottom-line.

Because marketing drives some key performance indicators (KPIs), such as the claims frequency and claims ratios, it is a critical element in the delivery model of a health microinsurance product. Beyond developing client-tailored assets, an institution's marketing approach should include an iterative process of learning and adapting to clients' information needs. Clients are the best source of feedback on the relevance of the design and content of the product, as well as how they perceive the overall messaging and emotionally associate with the product

Like all the pillars of Women's World Banking's product development process, research forms the basis of developing effective marketing strategies and a client education roadmap. Marketing collateral and communication elements (product name, brochures, posters, etc.) are designed after client research and are tested again with clients before and after a pilot. This ensures clients understand these tools well and can get the required information with ease.

While marketing tactics vary depending on product features and the target segment's levels of awareness, understanding and perception of insurance, Women's World Banking's experience in six markets has found six principles that characterize effective microinsurance marketing to low-income women.

1. Identify three key features that clients must remember and develop product positioning around those features.
2. Choose a brand name that resonates with the clients and boosts trust in the organization.
3. Create multiple touchpoints to reinforce key messages on a regular basis.

4. Prioritize the use of imagery as most low-income women have low literacy levels.
5. Use clear, simple language to explain product terms and benefits, preferably in the dialect of the target market.
6. Highlight successful claims at branches to stimulate positive reputation and word-of-mouth publicity. Women often trust the opinion of their friends and so word-of-mouth is a good way to win their trust of the product.

Case Study: Al Amana transforms its marketing to improve client awareness

Al Amana Microfinance launched its first health microinsurance product, *L'Assistance* in 2012. The product provided an ambulance service, a cash payout in cases of childbirth, critical illness, disability and death and was bundled with clients' loans. After a year in operation, the claims frequency and claims ratio were lower than expected. Women's World Banking worked with Al Amana to help them understand why and how to improve utilization.

Women's World Banking spoke with clients to understand their health needs, and their perceptions of insurance and the *L'Assistance* product. Clients had a high level of awareness and a positive perception of insurance and were interested in having a health insurance product. However, many clients revealed that they were not aware of *L'Assistance* and that it was available to them.

L'Assistance information was shared with clients only at the time of loan disbursement and in the form of a text-heavy brochure. It was clear, to make the product communication more engaging, we needed to simplify it. Al Amana and Women's World Banking transformed the marketing approach in three phases:

1. **Brand positioning.** Many Al Amana customers speak Arabic, not French, hence the name *L'Assistance* had poor recall. The team renamed the product "*Tayssir Al Amana*" which means "facilitated by Al Amana" in Arabic, positioning Al Amana as a reliable partner. Among clients, childbirth, hospitalization and death were the three benefits with the highest relevance and recollection. . The new communication collateral was developed around these key benefits. Relevant images, icons, and messages were developed in local Arabic dialect to ensure clients with low levels of literacy understood them easily. Women's World Banking and Al Amana also designed a comic strip that explained the claims process which became the basis of a brochure, sales tool and a short video shown in all the branches to reinforce product benefits.
2. **Testing.** Women's World Banking and Al Amana conducted a second round of focus groups with clients to test the new approach and make modifications prior to finalizing the name, content, key messages and collateral. This was done to ensure that the new approach provided the right information and was aligned with clients' levels of and understanding.
3. **Training.** Women's World Banking, Al Amana and insurer Saham conducted a two-day training for branch staff to familiarize them with the new communication tools and refresh their knowledge on key features.

The new communications campaign was launched in January 2015. Product monitoring shows that there has been a significant increase in the claims frequency and claims ratios, suggesting that the new approach has been effective in creating better client awareness. A post-campaign telephone survey and focus sessions confirmed the positive influence of the new communication campaign.