

Beyond consumer education: Need for all microinsurance stakeholders to be involved

The 5th Consultative Forum on “Consumer Education: Old questions, new thinking” was held earlier this month in Casablanca, Morocco, back to back with the 11th International Microinsurance Conference.

Organised by the the Microinsurance Network, the International Association of Insurance Supervisors (IAIS), and the Access to Insurance Initiative (A2ii), and hosted by the Munich Re Foundation, the Forum brought together over 70 representatives of the insurance industry, insurance supervisory and other public authorities from 23 countries.

In his opening remarks, Othman El Alamy, Deputy Director of the Department of Insurance and Social Welfare of the Ministry of Finance and Economy in Morocco, stressed the need for consumer education in his country, as well as in emerging insurance markets more generally. This was confirmed by Peter Braumueller, representing the IAIS, who explained how the IAIS has been putting a strong emphasis on consumer education and that supervisors, regardless of whether they have such a specific mandate to do so, are engaged in many different aspects of consumer education. During a technical introduction to the topic, policy specialist Martina Wiedmaier-Pfister then spoke about the rationale for engaging in consumer education, the involvement of different stakeholders and the range of possible approaches that could be taken to providing it. She also shared recent best practices in financial education: combining consumer education with appropriate products, using a multi-channel approach, repeating key messages regularly and understanding how lasting behavioral changes can be achieved in order to make the consumer use their knowledge.

Representatives of supervisory authorities of the Philippines and South Africa, as well as industry representatives, discussed the different approaches taken by associations, insurers and intermediaries, while also assessing the challenges of national multi-stakeholder approaches. While many consumer education pilots have been discontinued, some promising educational approaches have been identified, including radio spots, call centers or “insurance for free”, community-based advocates or “supervisors on the spot”. Public-private partnerships between supervisors, consumer associations and industry, or peer dialogue between the associations of neighboring countries were also highlighted as beneficial. Hannah Grant from the A2ii concluded the Forum with a call for the education of all stakeholders and not only the consumers; an idea which emerged during the discussion on the active roles required from public as well as private stakeholders to play in education efforts.

