

Financial education and mobile insurance



Miguel Solana

24 February 2017

Insurance education as a twofold process



Raise awareness of risks and set correct expectations of how insurance can help cover those risks

Develop the knowledge, skills, and confidence that individuals need to adopt proactive and responsible behaviour regarding their risk exposure

Objectives when developing a education campaign

Demand and marketing

Increased awareness about insurance

Increase consumer protection

Increase the demand for insurance and the sales

Financial capability

Knowledge about the objective and utilisation of insurance

Better capacity for clients to use insurance effectively

Increase financial literacy

What can be done through a mobile phone or for mobile insurance?

Several programmes send SMS to users to provide information about covers, payment reminders and renewals

- Welcome messages to clients to provide more information about the cover they have access to – Mechanism to raise awareness about the product and to provide relevant information
- Reminders about renewals are an important moment to provide information the importance of premium for the cover and create knowledge about how the product works



Arifu in Kenya – Mobile learning for financial services in value chains

- Adaptive learning system that measures individual user needs and capabilities
- Platform that translates content to text messages in a behaviourally-informed approach
- Interactive texting with users to transfer skills
- Results from an two month trial in collaboration with the ILO:

56%

higher completion rates of training and testing with digital learners.

26%

higher performance for digital learners than in-person learners.

5% increase in knowledge retention following daily reminders, as compared to 7% decrease without.

11% purchase rates for digital certificates priced at 400ksh per half day course.



ILRI in Kenya and Ethiopia – mLearning for sales agents of the Index-Based Livestock Insurance

- *Gamification* as the inclusion of elements of computer games in learning materials to keep learners engaged
- Combination of learning through mobiles and financial incentives for agents
- 3-10 minutes micro lessons



Mayfair and Focus in Zambia - Embedding education in the value chain

- Build capacity of lead farmers (aggregators' agents) to improve index insurance understanding among peers
- Embed education in current distribution process to make it cost-efficient
- Visual educational materials, checklists, pre-recorded messages



Conclusion about the integration of financial education to mobile insurance



Think about the specific objectives that you want to achieve and select your intervention

Evaluate! Evaluations will show you how to redefine your strategies



Education is not a punctual activity but an effort to facilitate messages through a diversity of channels with a long term vision



International
Labour
Office

Thank you!



IMPACT INSURANCE

www.ilo.org/impactinsurance

Contact us: solana@ilo.org

With generous support from:

BILL & MELINDA
GATES foundation



Government of
the Netherlands



Australian Government
Department of Foreign Affairs and Trade