



A New Customer Journey of Mobile-delivered Insurance

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Executive summary

In Ghana, almost 25% of the population live below the national poverty line, and many of these people lack adequate financial health strategies.

The SAGABI partnership (GIZ, Allianz, BIMA) uses mobile channels to increase access to insurance and health services for these low-income consumers. SAGABI used BIMA's existing health insurance policy in Ghana to test new approaches for mobile insurance, through combining face-to-face and digital engagements to enhance customer awareness and trust, improve customer engagement, and inform data-driven decision-making, and offering tailored and interactive digital health content and messages to drive product utilisation and customer engagement.

6 key insights from SAGABI

1. Mobile-delivered insurance and health services do improve people's lives

Having access to mobile insurance makes customers feel more financially prepared. Customers view mobile-delivered insurance as a service that they can use for more than just making claims, by offering health content and services, and so BIMA is perceived to have a unique offering.

2. Prioritising customer education and understanding reduces customer churn

Customer education and understanding is crucial for reducing churn and establishing a financially sustainable offering. This may also involve insurance providers re-defining what an insurance product is to make it relatable and attractive for first-time buyers.

3. A physical presence is essential

Physical, in-person, touchpoints reassure customers and increase their understanding. These touchpoints need to be customer-centric, not sales-centric, and offer opportunities for customers to get information, reassurance, and help.

4. Multiple touchpoints increase customer understanding and trust

Digital and physical touchpoints should be used in combination to reinforce one another. Constant communication with customers through their preferred channel is essential. Digital touchpoints offer opportunities to leverage customer data.

5. The best approach for customer engagement is multi-channel

WhatsApp offers more opportunities than IVR or SMS to convey information in engaging ways. However, wholly outbound digital communications is often a one-way, passive, communication channel with limited long-term message absorption. Multi-channel approaches are needed to maximize message engagement and information retention.

6. Digital literacy remains a major barrier in reaching low-income customers

Digital literacy among both customers and agents has a major effect on customer engagement and retention, despite high mobile penetration in Ghana. This needs to be taken into account in the design and rollout of any mobile insurance product.



**Digital insurance: reaching
the underserved**

INTRODUCTION

Two-thirds of the world's population lives on less than \$10 per day¹, and in Ghana, almost 25% of the population live below the national poverty line². The vast majority of these people lack adequate savings or financial health strategies. Any savings they have can easily be exhausted by unexpected expenses in the event of illness, injury, or the loss of a family member - and this can further trap them in a poverty cycle.

These financial health challenges are compounded by a lack of healthcare resources. In Ghana, there is only one qualified physician per 10,000 people³; patients often travel considerable distances and wait hours in a hospital before seeing a doctor, and consultation costs and out-of-pocket payments can be prohibitive. These factors often prevent people from seeking medical help, and this is driving higher demand for health insurance services in Ghana.

Lower-income people in Ghana are the ones who most need affordable, simple, and relevant insurance and health services, yet traditional insurance policies do not cater to them. Many insurance providers do not address this protection gap for lower-income customers, as there is a lack of both cost-effective distribution models and suitable payment channels.

These barriers can, however, be overcome through a combination of digital and physical platforms. In September 2019, the Strategic Alliance between GIZ and Allianz joined forces with BIMA, forming the SAGABI partnership. This public-private partnership uses the tools that people use every day - mobile phones - to increase access to insurance and health services for underserved and low-income consumers in Ghana.

ADDRESSING THE (DIGITAL) INSURANCE CHALLENGE IN GHANA

While there is a clear role for digital insurance and health services to reach underserved and low-income populations in Ghana, there are several challenges in ensuring mobile-delivered insurance can fully deliver on its potential to improve people's lives:

- **Lack of awareness and trust.** 60% of the population in Ghana do not have any insurance and 80% are unfamiliar with the term 'mobile insurance'⁴. People have inadequate awareness, knowledge, and trust in mobile insurance services. Many do not understand how mobile-delivered insurance and health products work, or hold misconceptions about insurance companies, hindering uptake and contributing to high churn / low customer retention.

- **Limited touchpoints with clients to build trust.** Mobile-delivered insurance has the potential to reach the "last mile" in a rapid and more cost-effective way, overcoming the high transaction costs of more traditional insurers. However, relying solely on digital channels can result in a disconnect between providers and customers. This can affect their trust and understanding of insurance services, especially when using insurance for the first time. Trust is the cornerstone of customer retention, yet there are limited touchpoints between customers and insurance services and too few opportunities to build trust and long-term sustainable relationships.
- **Low digital literacy.** Although mobile devices are widely prevalent, people with limited digital skills may be reluctant to use them for financial or health information. Low literacy and lack of digital literacy are the greatest barriers to mobile internet use in low- and middle-income countries, especially for women⁵. This contributes to the lack of customer understanding and trust of mobile-enabled insurance services and health products.
- **Customer retention.** Customer retention of mobile-delivered insurance remains low. This is due to inadequate product understanding triggered by a lack of information disclosed at the point of sign up, limited ongoing knowledge sharing (due to limited customer touchpoints), or customers' perception of low product value. People often also change their mobile phones (and phone numbers) or do not top up their mobile wallet, which causes their policies to lapse.

SAGABI takes a [customer-centric business](#) approach by responding to these challenges, gaining understanding of customer wants and needs, and designing accordingly to offer a compelling value proposition. This value proposition not only gives customers more control over their financial health and lives, but it also offers a compelling business case for BIMA and Allianz to invest and scale and create more opportunities for underserved customers in Ghana and beyond. An underlying idea of SAGABI is to increase customer value and optimise the sales and customer service process by taking mobile operators out of the value chain⁶; in this publication, we refer to distribution models that are independent of mobile operators.

1 World Bank, 2019

2 World Bank, 2016

3 World Bank, 2017

4 National Insurance Commission Ghana, 2019

5 GSMA Connected Women, 2021

6 Cenfri, 2019

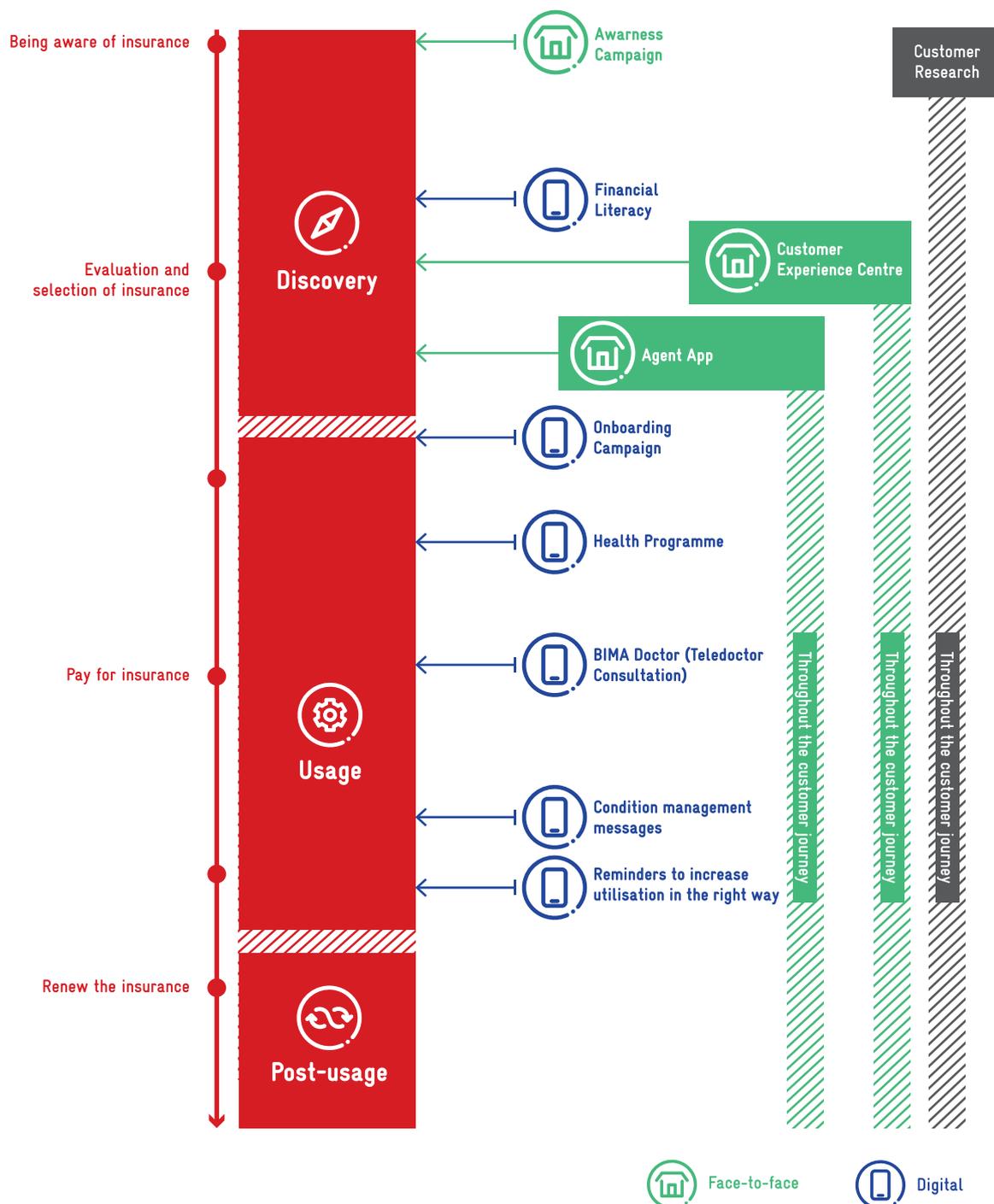


The SAGABI approach

The SAGABI project used BIMA’s existing health insurance policy in Ghana to test new approaches that aimed to increase access and usage of mobile insurance. BIMA offers bundled health insurance in Ghana, which includes a teledoctor service (doctor consultations). The existing mobile insurance is sold through agents or call centers. After customers register, they receive health messages and transactional messages.

At the beginning of the SAGABI project, customer research was conducted with people across Ghana to understand what customer pain points and needs were. This research informed some additional customer touchpoints, which were included to add value to the product’s customer life cycle. Customer research was also conducted at different points during the project, to understand customer experiences, benefits and outcomes.

CUSTOMER LIFECYCLE DIAGRAM



The SAGABI customer lifecycle offers mobile insurance and health services to consumers through a number of different activities in three stages: discovery, usage, and post-usage.

During the **discovery** phase, distribution models and hybrid approaches combine both face-to-face and digital engagements that ultimately increase the value returned to customers. These activities aim to:

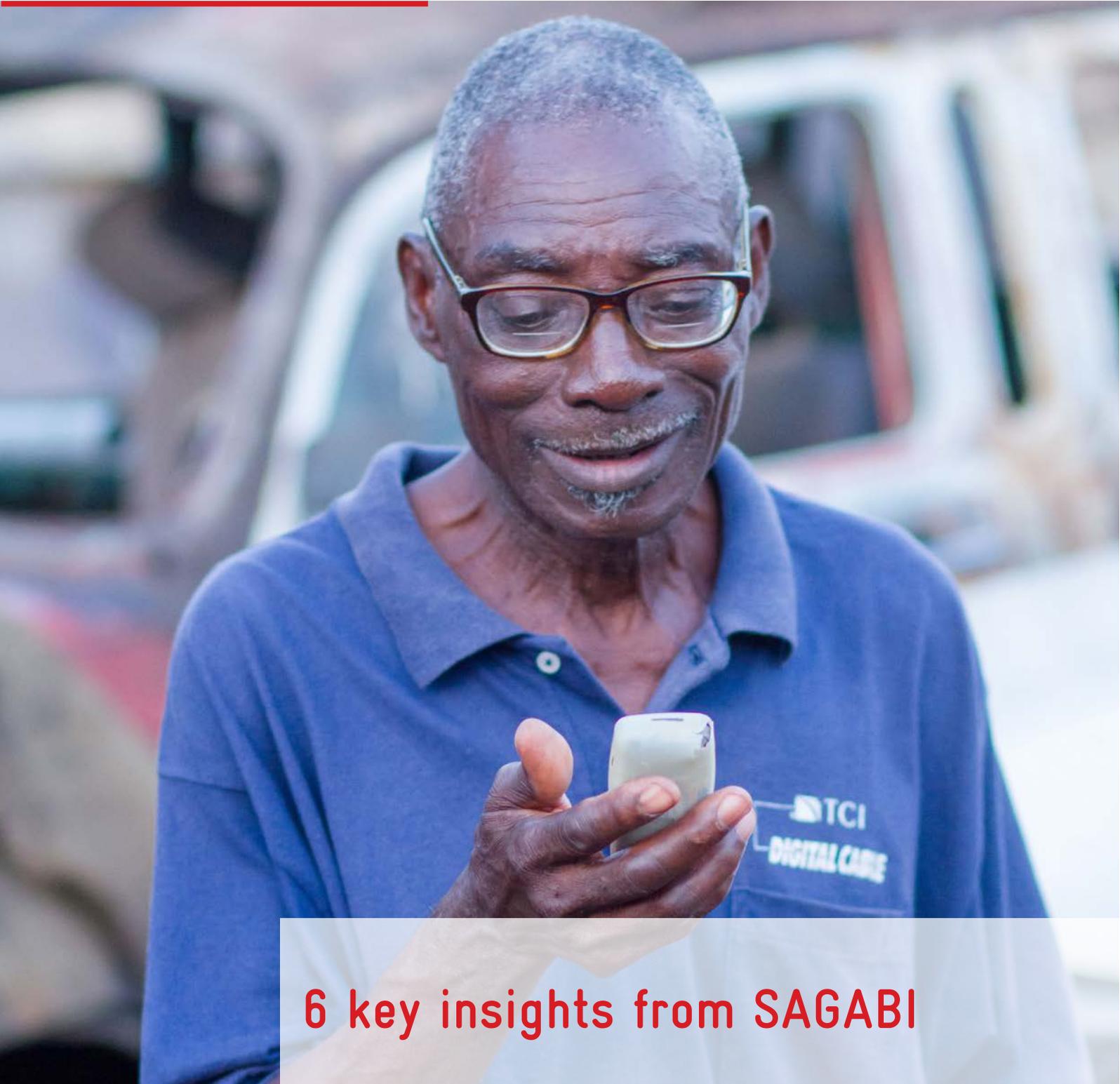
- **enhance customer awareness and trust** through a customer awareness campaign
- **improve customer engagement and relationship management (including responsible selling)** through customer experience centers and an insurance field agent app
- **inform data-driven decision-making to further improve the services** through customer data analytics

While these activities are primarily in the discovery phase - to drive awareness - they are also continuous and occur during usage to offer customers additional touchpoints.

The **usage** phase offers tailored and interactive digital health content and messages to customers that aim to:

- **drive product utilisation and customer engagement through a digital health programme and content** for all device types and literacy levels through:
 - compelling and accessible audio and visual health content
 - unique experiences on different channels: Whatsapp, IVR (voice), SMS
- **improve customer education and understanding** through onboarding
- **test new and interactive approaches of engagement**, such as gamified elements, to increase mobile insurance awareness and understanding
- **deepen customer connections and increase the customer value proposition by** creating personalised user journeys with customised and relevant information for customers, and utilisation reminders
- **improve health outcomes by** providing quality preventative health advice and education, including through health information, through teledoctor consultations, and through personalised content provided after a customer has been identified as 'at risk' from certain conditions.

The combination of these offline and online activities lead customers to the post-usage phase, where customers renew their policies and content selections.



6 key insights from SAGABI

1 Mobile-delivered insurance and health services do improve people's lives




2 Prioritising customer education and understanding reduces customer churn




3 A physical presence is essential




4 Multiple touchpoints - including digital - increase customer understanding and trust




5 Delivery channel affects customer engagement, but the best approach is multi-channel

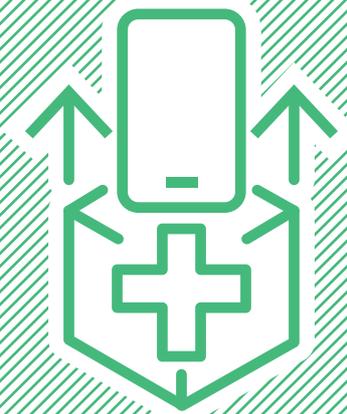



6 Digital literacy remains a major barrier in reaching low-income customers




1

Mobile-delivered insurance and health services do improve people's lives



SAGABI customer lifecycle



Discovery



Usage

- health programme
- Ask a BIMA doctor (teledoctor consultation)
- condition management



Post-usage

- renewal

Low-income customers in markets like Ghana face financial health challenges; they often have no financial safety nets and are therefore more susceptible to financial shocks. They often also face physical health challenges due to a lack of healthcare resources and physicians, little access to reliable and evidence-based health information, and high costs for treatments. The SAGABI service offered a low-cost insurance and health information bundle to help overcome these challenges and to improve their customers' financial health, health knowledge, and lives.

Extensive customer research across Ghana revealed that customers perceive the BIMA mobile-delivered insurance as a useful, affordable, and convenient expense that they can (mostly) afford and access any time and any place through their device. Ultimately, having this (often first-time) access to insurance gives them peace of mind for the future and makes them feel more financially prepared, especially during the COVID-19 pandemic when health and well-being is at the forefront of people's minds.

“I am happy that I have a shoulder to lean on in case of an emergency.”

“At first, when I heard something about insurance, I didn't really have much trust in it...but the [monthly amount] is very affordable....I now know that you don't need to earn [a lot of money] to sign up for it.”

While the main reasons for registering for the BIMA insurance service is for health coverage and support with hospital and funeral expenses, 27% of customers report that the health services and information were the driving force for their registration. Having access to regular, evidence-based, and timely health content and messages have made BIMA stand out in the insurance space. The health content and services provide additional benefits to customers that makes them feel that mobile-delivered insurance can offer more than just making claims. They also serve as a proof of contract between customers and BIMA, since many customers are not aware of, or have not visited, BIMA's physical offices.

68% of customers who engage with the health messages report they are better able to manage their health as a result of the messages. In addition, 64% of customers report that their health practices have changed because of things they learned from the messages. The nutrition and diet programme in particular was cited as helping customers become more health conscious. Some changes in behaviour reported by customers include doing more frequent exercise, wearing a mask when going outside, trying to eat earlier in the evening, reducing sugar and honey in their diets, and going for a walk every morning.

“I had some rashes and I called [the BIMA teledoctor service]. [The doctor] told me to take a photo of the rashes and WhatsApp it to him. He then texted the medicine's name to me, but I also went to the hospital [for a second opinion]. They did their medical examination and they prescribed the same medicine, so that gave me the confidence that [BIMA teledoctors] are mature and experienced doctors.”

“I had malaria and I called [the BIMA teledoctor service], and [the doctor] gave me the name of the medicine I should buy. I went and bought it, and later, he called me back and asked about my health. He also asked how much I spent on the medicine, and he paid my money back.”

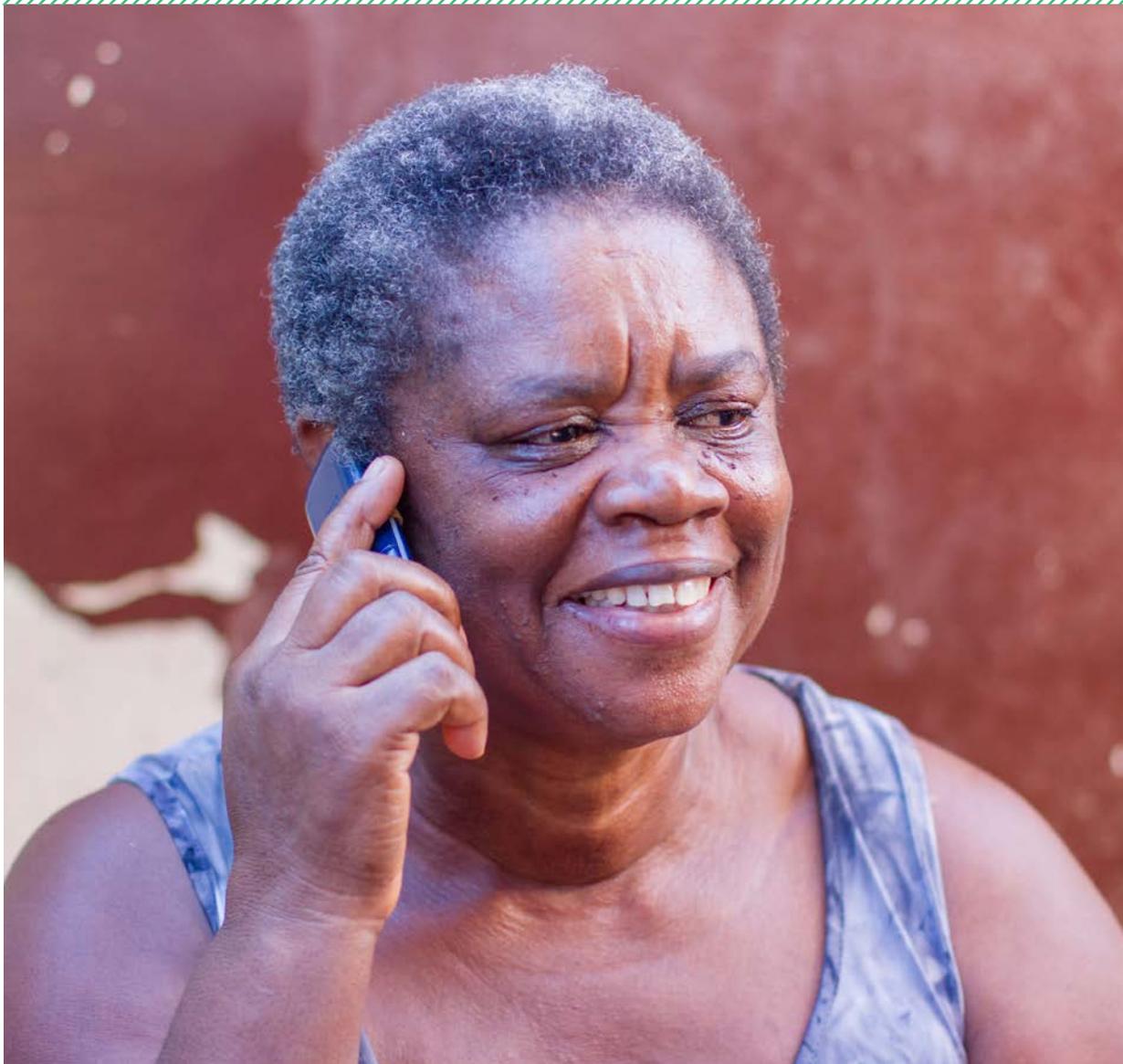
“I didn't like eating in the morning, but the messages advised that we eat well, so I started eating in the mornings. Now my blood level is [more] normal than before, and I can manage my health better.”

“I learnt that when you use hot water in washing children's bowls, it helps to sterilize their bowls to be free from germs. But at first, I was washing the bowls with normal water, and [my son] had diarrhea, and he was vomiting and defecating at the same time...[BIMA] told me to wash everything with hot water. My son is now okay. Since then, I haven't needed to buy any ORS [oral rehydration salts].”

Customers also particularly appreciate the BIMA teledoctor consultation service offered as part of the health insurance bundle. In Ghana, access to physicians is limited and expensive, but having access to a doctor via teledoctor consultations offered as part of the BIMA bundle is invaluable for customers. Around 50% of customers surveyed report that they have contacted the BIMA teledoctor for a range of conditions including high blood pressure, menopausal symptoms, malaria, skin diseases, anemia, and heartburn. Customers report being extremely satisfied with the service, with high levels of trust in the BIMA teledoctor. The fact that the BIMA teledoctor will pay for the medicines bought was much appreciated, as well as the quick response to customer calls. Customers also report that the BIMA teledoctors handle their calls and queries with great patience. In fact, the BIMA teledoctor consultation service appears to have been a major driver of trust for BIMA insurance generally.

Key takeaways

- Having (often first-time) access to insurance gives customers peace of mind for the future and makes them feel more financially prepared
- The health programme provides additional benefits to customers that makes them feel that mobile-delivered insurance can offer more than just making claims
- Customers who engage with the health messages report that their health practices have changed because of things they learned from the messages
- Because of these positive benefits on customers' lives, BIMA is perceived to have a unique offering: the BIMA teledoctor experience, the prompt response to calls, and the health content resonates well among customers



2

Prioritising customer education and understanding reduces customer churn



SAGABI customer lifecycle



Discovery

- awareness campaign
- experience centers
- field agent app



Usage

- onboarding
- health programme



Post-usage

- renewal

Customer retention is one of the biggest challenges in the insurance industry, and one of the biggest problems is high churn in the first few months after registration. Microinsurance products sold in emerging markets like Ghana are often relatively simple life or health insurance products, offering monthly coverage that is renewable or cancellable from month to month. But while these monthly premiums are flexible, they often also present a significant challenge to consumers with irregular sources of income;⁷ SAGABI project research in other markets also found that customers often view insurance as a product they perpetually pay for without any tangible results, which results in low retention.

From an insurance provider's point of view, serving low-income customers through mobile-delivered insurance and health services in a way that is both socially and financially sustainable is crucial. And often the key to making this business case is reducing customer churn, especially in the first few months after policy sign-up. Customer research revealed that many low-income customers in Ghana voluntarily deregister in the first three months, with a second spike of drop-offs between 6 and 8 months of owning a policy. This is because of limited customer understanding, specifically limited product

understanding, lack of information when signing up and during their policy, lack of understanding of where to get help, and negative perceptions of the product's value. Customers also tend to have unrealistic expectations of their policy benefits, driven in part by these gaps in information in the onboarding process.

These issues can be addressed by prioritizing customer education and understanding and creating a truly customer-centric experience. Customers are less likely to churn if they are happy and they have products that they understand and that meet their needs. Investing in educating and improving customer understanding and knowledge (e.g. through financial literacy or insurance literacy activities) can reduce churn. In addition, increasing customer perception of value and satisfaction through multiple customer touchpoints (both physical and digital) also increases retention. For example, customers who go through the digital onboarding journey have higher retention rates after the first 30 days.

7 CGAP, 2018

Creating products that customers want, need, and value also drives engagement and reduces churn. Customers who engage the most with onboarding and health messages have a higher retention rate in the first month than those with lower engagement rates. This pattern continues past the first month - customers with higher engagement rates over a six month period have a higher retention rate and are less likely to churn than those who engage less. Similarly, customers in the specialised health programme who receive content on personalised topics (women's health, diabetes and hypertension, nutrition and diet) have higher retention than customers who receive general health messages.

Clearly, there is a business case for digital financial providers to serve low-income customers. But the products and services offered need to be relevant and appropriate for customers, with multiple customer touchpoints for improved customer understanding. This may also involve insurance providers re-defining what an insurance product is in order to make it relatable and attractive for first-time buyers, enriching the initial risk cover with relevant and customer-centric content and services.

Key takeaways

- **Putting customers first - through education and understanding - is crucial for reducing churn and establishing a financially sustainable offering.**
- **This may also involve insurance providers re-defining what an insurance product is to make it relatable and attractive for first-time buyers.**

3

A physical presence is essential



SAGABI customer lifecycle



Discovery

- experience centers
- field agent app



Usage

- onboarding
- utilisation reminders



Post-usage

A human presence in the form of the experience centers and the agents helps increase both customer understanding and customer trust in mobile-delivered insurance generally, and their policy specifically.

The physical presence of the customer experience centers and the agents reassures customers that BIMA is a real company with real people rather than a digital, faceless, company, or worse, a fraudulent one. Visitors appreciate being able to meet someone in person to listen to their complaints and help with their queries, and centers have a 93% customer satisfaction rate. Customers frequently visit the experience centers to follow up on claims or make enquiries; 95% of customers in the experience center areas view them as a trusted and reliable source of information, and a place where the staff can go through the necessary documents with them. This is especially important for less literate customers with lower levels of confidence who need a more “hands-on approach” with someone in front of them (rather than an explanation over the phone).

“If I am sending my money somewhere, and I know that a whole building [the experience center] has been built for that business then it means my money is safe.”

“This is the office I will come to if I have any challenge but with the agent, that person can run away. Agents are always interested in their commission.”

The agent in particular plays a crucial role in customer understanding (or lack thereof) and retention. A major reason customers churn (especially in the first three months) is because they are not properly convinced of the benefits of the insurance products or they lack basic understanding of the specifics of their products and are unaware of where to get answers. This is in part driven by persuasive agents incentivized by commissions who sign up customers who have not fully understood a need for insurance and do not have full information on BIMA's products. If agents focus on customer understanding instead of sales, this will affect retention in a positive way (for example, reduce early life churn).

Customer experience centers and agents should be customer-focused, not sales-focused. Customers need to view agents and experience centers as touchpoints to get information, reassurance, and help in order to build that understanding and trust and reduce churn. This can be strengthened by developing a comprehensive onboarding framework for all agents that they have to follow for each customer (for example, through the field agent app - see the Best Practices section), and conducting a re-training of agents to ensure they are fully conversant with BIMA's policy products.

Key takeaways

- **Physical, in-person, touchpoints reassures customers, increases their understanding, and reduces churn.**
- **These touchpoints need to be customer-centric, not sales-centric, and offer opportunities for customers to get information, reassurance, and help.**

4

**Multiple touchpoints
- including digital -
increase customer
understanding and trust**



SAGABI customer lifecycle



Discovery

- awareness campaign
- experience centers
- field agent app



Usage

- onboarding
- health programme
- utilisation reminders



Post-usage

Customers who go through the digital onboarding journey have a higher retention rate after the first month than those that do not, especially smartphone users. However, most customers actually attribute their high level of satisfaction to the sales agent rather than the digital onboarding journey. This suggests that the onboarding messages reinforce the registration process but are not an effective stand-alone approach; rather, it is just one of the multiple customer touchpoints alongside the sales process and the agent interaction. Similarly, product understanding does not appear to be impacted much by the onboarding journey; customers again attribute this to the sales agent.

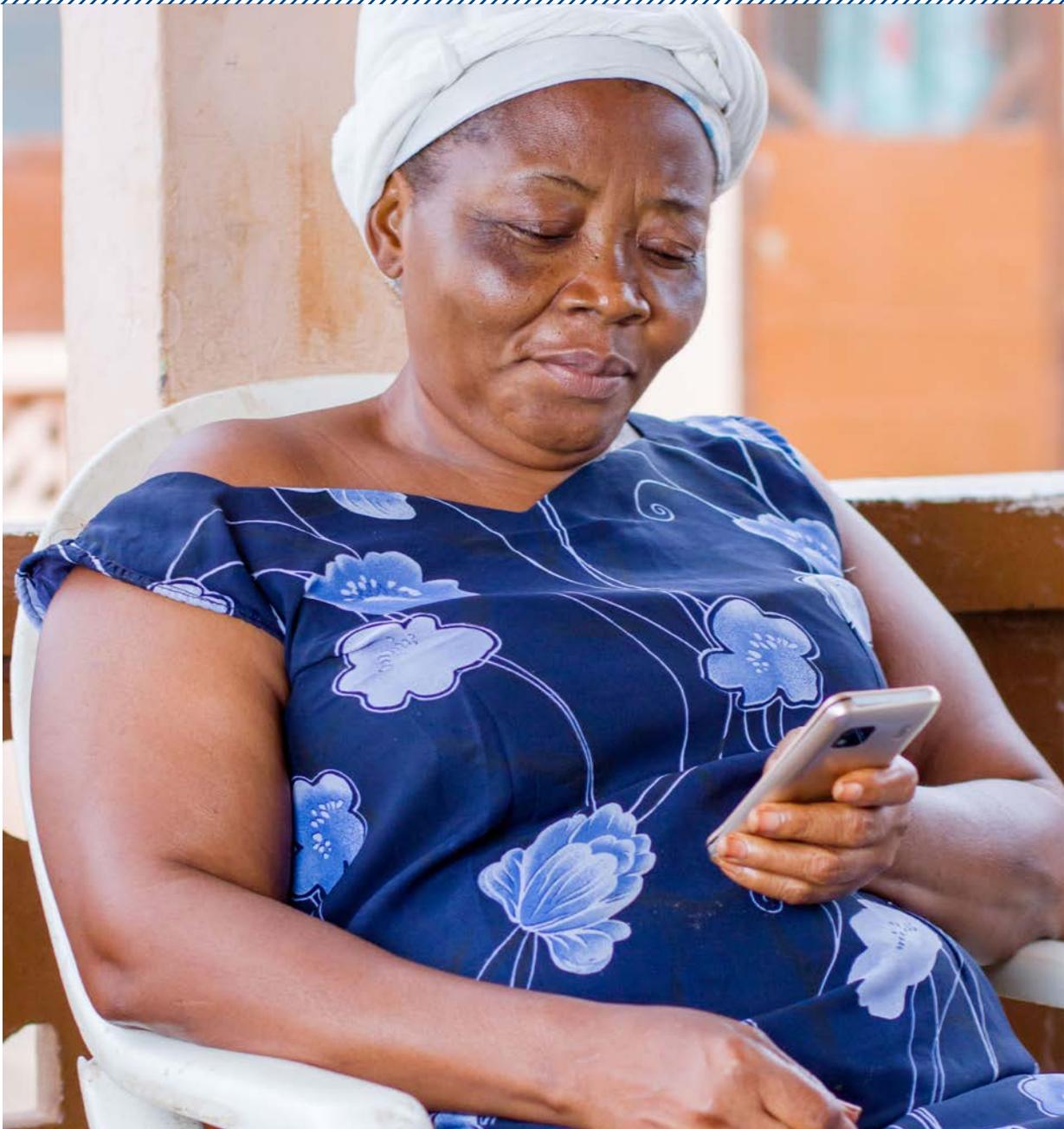
What this shows is that a wholly online transition is difficult, as customers rely on agents to solve their queries in a way that a digital platform cannot. Throughout their whole customer journey, customers feel valued and reassured when real, human, sales agents or the customer service team are available for queries or for continual information on how to use the service or policy.

However, digital approaches can be used in combination with in-person support to increase customer touchpoints and increase personalisation. Constant communication with customers through their preferred channel is essential. Messages that inform and educate customers about their policy, such as the onboarding messages, should be sent to customers for as long as they hold their policy. These messages act as constant reminders and reinforcement of information and help improve retention. Related to this, customers value the health information messages, but they also need to feel that BIMA is a brand that cares about people's health. This can be shown by providing multiple touchpoints for customers to communicate with real people about their health, for example, by sending regular IVRs to check if customers need to talk to a doctor and sharing contact details of clinics or doctors.

Using digital touchpoints alongside physical touchpoints also offers opportunities for insurance providers to leverage the customer data analytics and build more detailed customer profiles and insights from this data. This will help them understand their customers better and use this to build a better customer experience.

Key takeaways

- Digital and physical touchpoints should be used in combination, to reinforce one another.
- Constant communication with customers through their preferred channel is essential.
- Digital touchpoints offer opportunities to leverage customer data.



5

Delivery channel affects customer engagement, but the best approach is multi-channel



SAGABI customer lifecycle



Discovery



Usage

- onboarding
- health programme



Post-usage

WhatsApp is the primary messenger platform in Ghana, used by about 50% of BIMA's target audience. But SMS and IVR (voice) are still highly valued among customers, particularly among feature phone users, who make up almost half of BIMA's customer base. Income is a major determinant of device type and access, so to truly reach these customers, there needs to be a mix of channels.

Overall, knowledge retention of health topics and information appears to be higher amongst smartphone users. Health content users who receive health information via WhatsApp (smartphone users) are 3 times more likely to recall topics and content sent in the past few weeks compared to users who receive the messages via IVR (feature phone users). Indeed, the vast majority of feature phone users cannot recall any topics or content from the health messages.

IVR channels achieve good engagement stats as measured by users answering and listening, but most IVR users who have listened to the messages cannot recall any of the content. This suggests that listening to an IVR is a passive activity for many and does not necessarily equate to better understanding of content.

These differences in knowledge retention may be because WhatsApp as a platform increases the ability to convey complex health messages in more engaging and compelling ways. WhatsApp users were also observed to have higher expectations regarding message content; WhatsApp user feedback regularly includes requests for more elaborate content, whereas IVR users tend to express general satisfaction and nothing more. This could suggest that WhatsApp users have higher expectations in terms of quality and content, given the opportunities for rich and compelling content for WhatsApp compared to IVR or SMS.

However, there is little evidence of longer-term increase in product knowledge as a result of a single, new customer communication journey. While WhatsApp customers are more likely to recall information, in general, customers are mostly unable to recall information sent earlier than a few weeks prior. This indicates that wholly outbound digital communications, even through WhatsApp, is a one-way communication channel where message absorption is limited, especially for IVR. However, this could possibly be addressed by adding additional interaction points within the customer journeys (e.g. more two-way interaction points such as quizzes) combined with more engaging and compelling visual content such as videos or photos (as delivered over WhatsApp).

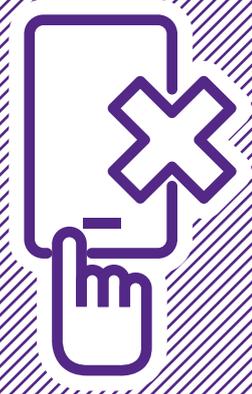
Increased engagement and retention depend upon providing multiple ways for customers to interact with information. While retention of health messaging is higher among smartphone users, SMS and IVR can go a long way in disseminating information to feature phone users (who are more likely to be low-income). Each delivery channel has its limitations. WhatsApp has an inflexible template approval process, which makes it less sustainable for non-static content; SMS messages have 160-character limits; IVRs must be listened to within a certain timeframe. Therefore, multi-channel and cross-channel approaches are needed to truly maximize message engagement and information retention.

Key takeaways

- **WhatsApp offers more opportunities than IVR or SMS to convey information in engaging ways, with more likelihood of short-term knowledge retention.**
- **However, wholly outbound digital communications is often a one-way, passive, communication channel where long-term message absorption is limited. Additional two-way interaction points are needed.**
- **Multi-channel approaches are needed to maximize message engagement and information retention.**

6

Digital literacy remains a major barrier in reaching low-income customers



SAGABI customer lifecycle



Discovery

- customer awareness
- field agent app



Usage

- onboarding
- health programmes



Post-usage

Ghana has the highest mobile penetration in West Africa; mobile penetration stood at 55% in early 2020, compared to the regional average of 44.8%.⁸ Yet digital literacy is still a major barrier to adoption and engagement with mobile-enabled insurance and health services. Too often, high mobile penetration is taken as a proxy for high smartphone (and internet) access, with accompanying digital literacy and skills. This means digital literacy (and customer and agent education) is not being taken into account across the whole customer journey. This lack is then reflected in customer engagement and, ultimately, retention.

For example, the customer awareness campaign used social media and online tools to attract new customers and interact directly with them, with 1,376,000 clicks, likes and mentions on social media. However, qualitative research also shows that the online campaign actually reached lower-middle-income customers rather than lower income customers (who do not tend to have smartphones and internet access). Many low-income customers reported that they had actually heard about the campaign from their family and friends rather than online. Similarly, few insurance field agents ended up using the agent field app in the way it was intended because the app had not been designed for users (the agents) with low digital literacy.

Many agents use alternative customer registration methods instead of the app because they are not familiar with smartphones and have not received sufficient training on how to use it. This has, however, been recognised by BIMA, and agents have received training on how to use it, which has resulted in increased adoption.

In the usage stage of the customer journey, customers who have smartphones tend to have higher levels of engagement than those with feature phones. While IVR journeys (on feature phones) are a useful platform to reach customers with low digital literacy, IVR customers show little knowledge retention of health topics. However, the key determinants of smartphone access and use in emerging markets like Ghana are education and income levels.⁹ Smartphone users are more likely to be educated and from higher socio-economic (SEC) groups, so they are already more likely to feel comfortable with complex health topics and better able to absorb and understand health information than feature phone (IVR) users from lower SEC groups and with lower levels of education, literacy, and digital literacy.

⁸ GSMA, 2020

⁹ Research ICT Africa, 2016

In order to truly engage low-income customers with low digital literacy, careful thought needs to be put into design, platforms, and content. Awareness raising and marketing need to take place on multiple channels, using a combination of offline and online approaches. IVR content needs to be interactive and engaging rather than passive, for example, with quizzes, narrative storylines, and clear signposting. Customer and agent education and support need to be an integral part of product roll-out.

Key takeaways

- **Digital literacy among both customers and agents has a major effect on customer engagement and retention, despite high mobile penetration in Ghana.**
- **Digital literacy and customer and agent education needs to be deliberately designed for across the whole customer journey**



Meet the customers

MEET NANA AKUA



Nana Akua, 47, lives with her husband and four children in Accra. She is a food vendor and sells pastries and drinks. She left education after completing primary school. Although she has a low-end smartphone, it's broken, so she has gone back to her feature phone (itel).

Nana Akua is a first-time insurance client and registered 6 months ago. She signed up for a family health policy for GHS25 (\$4.15USD) when two female BIMA agents came to her house and introduced it to her.

“I bought the health policy because I have kids and anything can happen....if they fall sick and I don't have money, I will need support or money to control the situation. I also bought another one for my mother that costs GHS15 a month (\$2.50).”

Having the insurance gives Nana Akua peace of mind for her family. If something unexpected happens, she feels that having insurance will protect her and that BIMA will support her even if she has no money at the time. Insurance, for her, offers a financial safety net.

“I am confident about my finances because I know I am saving my money somewhere.”

However, the fact that she views insurance as savings shows that Nana Akua does not have a deep understanding of her policy; she admits that she does not know her benefits or how to claim or to cancel her policy. She also believes that if she does not make any claims within 12 months, she will receive a lump sum cash payment from BIMA, which she is counting on to expand her business.

Part of the reason for this low understanding is a lack of proper onboarding and customer education at registration. It is also partially due to her literacy level; she cannot read the SMS messages that remind her of her policy benefits.

“I got [a message] last week. My children told me the message said I should continue to pay... my 14-year-old child reads the messages for me because I cannot read.”

Nana Akua is aware that her policy includes health messages and services, and she signed up for content on diabetes because she was concerned about her diet. She thinks she has received SMS health content, but she has not read them because of her low levels of (digital) literacy.

“I don't know if I have received any messages on diet. I don't know where the messages are saved on my phone. The children read for me sometimes.”

She has also contacted the BIMA teledoctor - she was taught about this from the BIMA agent - but was put off because it was a wrong number, and so she never tried again.

MEET KWAME



Kwame, 32, is single and lives alone in Kumasi, where he is a pastor. He completed university, and is a smartphone and internet user and has a Samsung A10S.

Kwame is also a first-time insurance customer and first saw the BIMA adverts on TV. They piqued his interest, and he did some additional research online to learn about the service and package types. He then visited the BIMA customer experience center in Kumasi near his house to register in person:

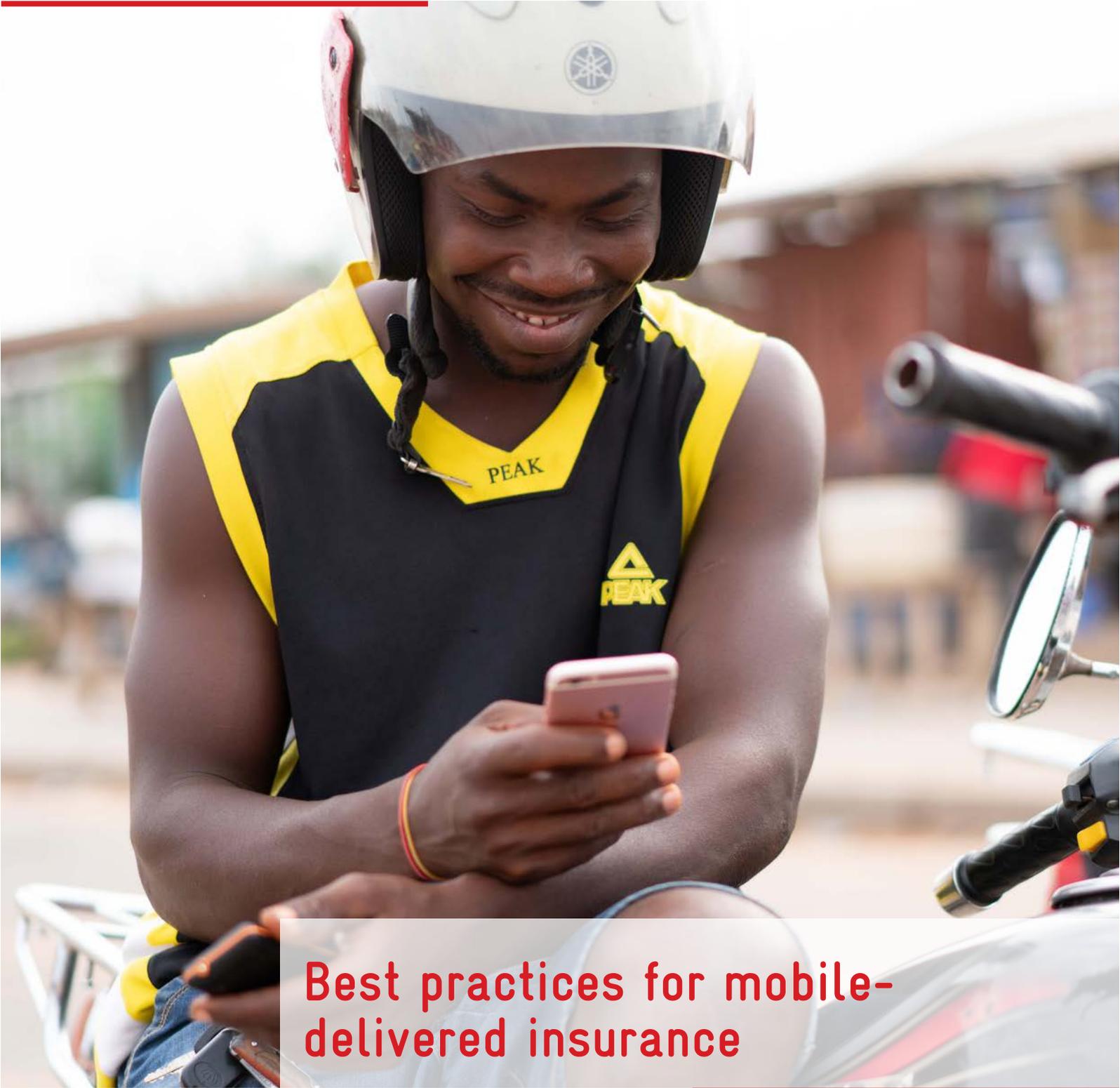
“I registered [at the experience center] because it was near to me. If I have any challenge [with my policy], I know where to go to resolve it.”

He signed up for both the life and health insurance packages and has been a customer for 8 months. For Kwame, insurance is protection. He signed up during the COVID-19 pandemic, as he wanted security and to feel that he has support during emergencies. To him, good health is essential:

“Insurance is a way to protect yourself from anything unexpected. Maybe there can be an emergency, and I have nothing to support myself. I know that the insurance is going to help me to be rescued.”

He views mobile insurance as particularly convenient - *“it is quick and safe, and it is easy to register”* - and he is digitally savvy. He is aware of the different health services offered as part of his package and engages with the digital content and the BIMA teledoctor service:

“Once I was not feeling well, so immediately I called that hotline [the doctor service]. There was a quick response, so that made me feel that they are quick in response, just as they said in their advertisement.”



Best practices for mobile-delivered insurance

Put the customer at the center!

The more suitable and relevant the mobile-delivered insurance product or service is for its audience, the more customers will engage with it. Taking a customer-centric approach, and putting a customer lens across all activities and projects, is an essential best practice.

There are a number of practical guides with step-by-step suggestions and tools that can be adapted and re-purposed as needed:

- [CGAP: Customer Centric Handbook](#)
- [Ideo: The Human-Centered Design Kit](#)
- [GSMA: mHealth Design Toolkit](#)



DISCOVERY



Customer awareness

- **Don't rely on online campaigns alone.** Social media campaigns have high engagement, but they often do not directly reach low-income customers. Online campaigns tend to reach lower-middle-income customers rather than low-income customers who do not have smartphones and internet access.
- **Use TV and radio campaigns to drive online engagement.** Website traffic spiked immediately after TV and radio campaigns went live.
- **Leverage word-of-mouth to reach low-income customers.** Many low-income customers hear about BIMA from their family and friends, who may have heard about it from the online channels. These customers, therefore, trust BIMA, as the information came from trusted sources, so they are more willing to engage in on-the-ground campaign activities.
- **Use on-the-ground activities to drive customer education and understanding.** It is the most effective method because it allows direct, two-way interaction for customers to get answers immediately and improves customer confidence and trust in BIMA.

Customer experience and support

- **Treat customer experience centers as a key customer touchpoint.** The physical presence of the centers reassures customers that BIMA is not fraudulent, and customers view them as a point of enquiry and education.
- **Create easily accessible spaces close to customers' homes or schools.** Make it easy for customers to visit the experience centers and have their concerns addressed in person. Centers that are closer to schools or homes tend to have better traction than ones in busy areas (such as markets), perhaps because customers are more of a rush when at the market. This goes a long way to increase trust and promote brand awareness.
- **Choose safe locations that are easy to find.** Customers are more likely to trust a brand that is enjoyable to visit, is perceived as being in a safe location, and is easy to find with clear signage.

- **Invest in staff training for an informative and reassuring customer experience.** Customers frequently visit the center to follow up on claims or make enquiries, and they like meeting someone in person. Customers need to trust the staff to help them properly, especially less literate customers who need a more “hands-on approach” rather than an explanation over the phone.

Agents

- **Treat and train agents as invaluable customer touchpoints.** Customers report higher levels of product understanding and trust if registered by agents, and they regularly go to agents for queries.
- **Offer incentives for agents for both customer acquisition and retention.** Agents should be encouraged to also retain existing customers. They are seen as the face of BIMA. Increased engagement with agents reduces a customer's likelihood to churn.
- **Design registration platforms for a range of agent users.** Not all agents have smartphones or internet access, and some have low digital literacy. Design any digital registration platforms for a range of digital literacy levels, device types, and internet access.
- **Develop a field agent app with responsible features.** A dedicated field agent app (like the one SAGABI created) can promote responsible selling while also protecting the interest of customers. The SAGABI app provides agents with a straightforward, smooth selling interface, helps them with their product pitch, and with explaining terms and conditions to customers. It can also provide customers with a more dedicated, quality experience through responsible selling, as the app requires agents to go through product pages and check for informed consent. Future iterations should also include a feature where agents receive feedback about which of their customers churn after registration; this way, responsible selling can be tracked and quality registration can be incentivised.
- **Invest in agent education.** Train agents on the different health services and how to present them to customers. Often customers report that the health services are the main reason for sign-up, but agents don't always promote them at registration.

USAGE



Data and platforms

- **Understand customers through research before beginning service design.** Most low-income customers are accessing insurance for the first time and may not understand who the insurer is, how they administer the product, where they can make claims, and what the available recourse options are. It is essential to understand their lives, wants, and needs to make sure that the product or service is relevant for them.
- **Build a personalized customer experience to drive engagement.** Low-income customers are more likely to utilise microinsurance if they see the use case or value to their own lives. Sending timely, targeted messages that are developed using initial customer insights and that align with the customer's lifecycle can increase usage.
- **Invest in flexible digital systems.** To personalise a customer's experience, you need a single view of a customer across the lifecycle. Many IT systems are set up so that different platforms are not integrated and do not share data.¹⁰ It is essential that systems are flexible to allow a 360-degree view of a customer in order to provide a better customer experience.
- **Establish the correct data foundations.** Put proper data segmentation and platform integrations in place that allow a single view of the customer before building and deploying a personalised, automatised solution. Identify data points in advance to collect and track the right customer information.

Content

- **Deliver content in local languages.** Many users reported not understanding the English messages and would have preferred the content to be in their own language (Twi), especially for names of local products such as fruits and vegetables.
- **Use audio and visual content.** Users engage more with audio-visual content, especially videos on WhatsApp, because they are interactive and can convey complex information in a simple way. Users with low literacy are also more likely to be able to understand audio-visual content compared to written content.
- **Include clear takeaways and actions in messages.** Users reported that, while they found the health

information useful, they needed more practical advice on specific, concrete actions they can take to improve their health.

- **Include referrals to and contact information for health services and doctors.** Users who received messages that included a teledoctor's contact details had a much higher call rate to the teledoctor than those who received messages without the contact details.

Channels

- **Use a mix of channels for effective health content engagement.** IVR reaches users without smartphones and users with low (digital) literacy. WhatsApp offers deeper engagement opportunities. While the written format of SMS may exclude many people, there is evidence that SMS (even when only transactional) can help retain customers by serving as a reminder, especially for payment.
- **Send messages every day instead of every week.** This increases the probability of messages being both delivered and retained. Generally speaking, users are more likely to absorb key content and information with more regular messages on a short 'content' programme cycle that follows a common topic over just a few weeks, and builds on the previous topics.
- **Send messages at times when users are most likely to receive and absorb them.** Conduct user research in the service design stage to understand when customers prefer to receive communications. Users in Ghana preferred to receive messages when they were most likely to be free - in the mornings before work, in the evenings after work, or on weekends.
- **Include user feedback loops within each channel for a two-way interaction.** Having continuous communication with users and ways for them to send regular feedback (e.g. after each IVR or WhatsApp message) increases the customer touchpoints, which in turn increases trust.
- **Link offline and online awareness.** To maximize the impact of multi-channel awareness activities, it is essential that the transition between (white-labelled) offline and online awareness campaigns as well as the online insurance transactions in the usage phase (such as onboarding) is thorough.

Reaching more female users: best practices in mobile-delivered insurance

Female users often do not have the same levels of access to and use of digital technology as men. In Sub-Saharan Africa, they are 13% less likely to own any mobile phone and 37% less likely to use mobile internet.¹¹ Low-income women often use mobile in different ways than men; many often only use voice services, and they are much less likely than men to use SMS. They also tend to have lower digital literacy than men because of lower levels of education and lower confidence in using mobile.¹² This means female users have different needs than male users, and this needs to be designed for throughout the customer lifecycle.

Some things to consider include:

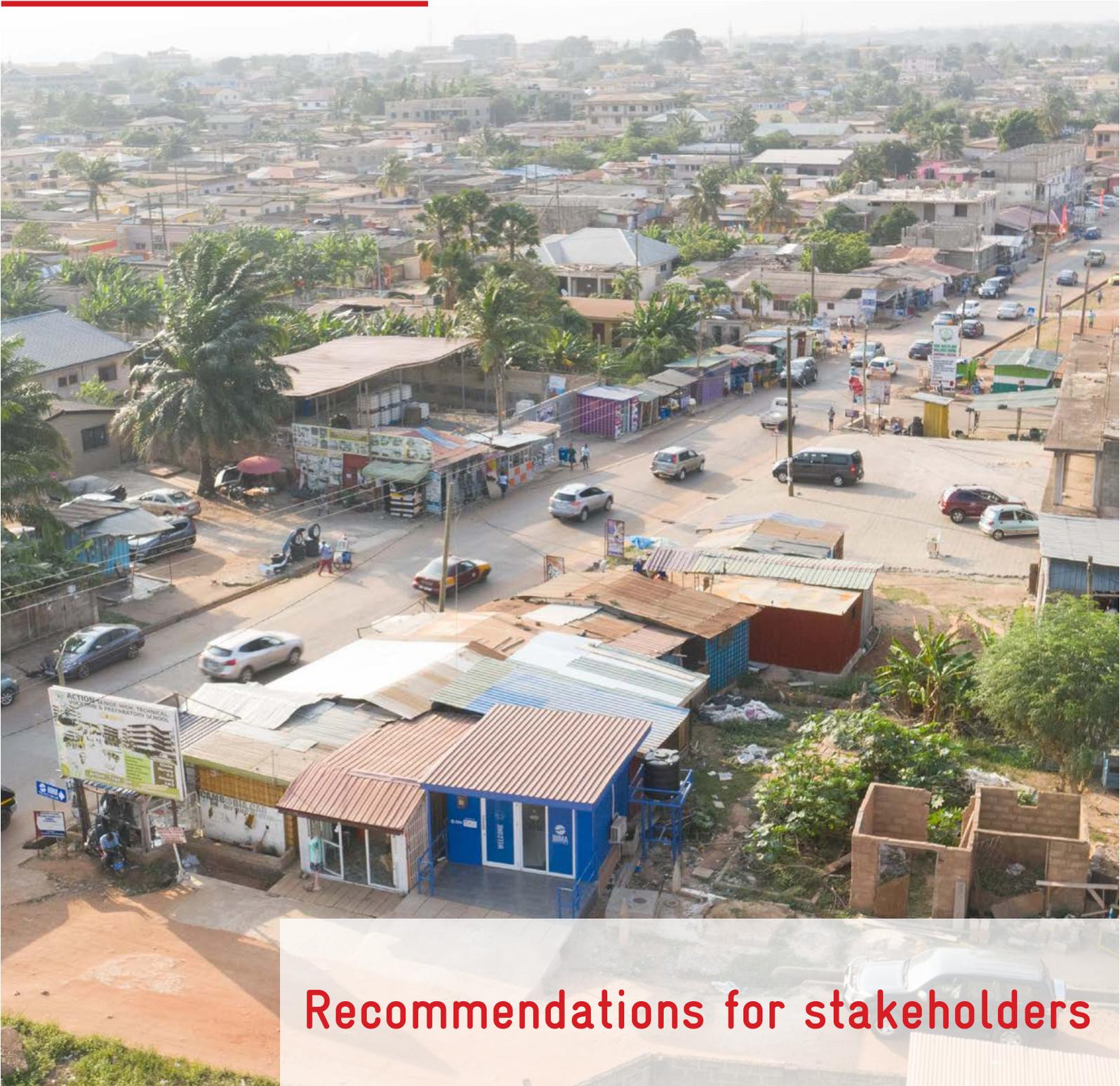
- **Collecting sex-disaggregated data. Customer research and data is essential**, but often the female customer lifecycle is not included. Customer data needs to be sex-disaggregated, and customer insights research should be conducted with women as well as men.
- **Training female agents as well as male agents.** It may not always be appropriate for women to visit male agents, and male agents may not understand their needs. Establishing a female-friendly agent network can be an effective female customer touchpoint.
- **Choosing appropriate locations for customer experience centers.** Centers need to be seen as a safe and secure venue for women. Women are also time-poor; experience centers near homes that are easy to reach often work well.
- **Designing for women's digital realities. Women often have more basic handsets and low levels of literacy.** Consider IVR and audio with simple and clear signposting to guide users. Use female voices and characters for audio and videos, and include relevant content in local languages in topics that women can relate to.
- **Using alternative customer support and education touchpoints.** Women often have different trusted sources of information than men, such as women's savings groups. Group members can offer each other support and guidance in learning about, signing up for, and using a digital health or insurance product or service. Tapping into these networks through partnerships (with NGOs, for example) can reach these women more easily.

For more ideas, see:

- USAID Gender and ICT Survey Toolkit
- UNICEF GenderTech: how to design for girls' digital realities
- GSMA mHealth Gender toolkit
- IDEO Women and Money
- GIZ Women's Financial Inclusion Toolkit
- UNCDF Inclusive Digital Economy Gender Playbook

¹¹ GSMA Connected Women, 2021

¹² Tyers, A and Banyan Global, 2020



Recommendations for stakeholders

Service providers

Put customers at the center, including:

- designing for customers' digital realities and their lives (such as language, relevant content, or platforms)
- understanding where they get their trusted information and using those channels for marketing and promotion
- building strong customer relationship management systems to ensure customer understanding
- using both digital and physical touchpoints and maintaining constant communication with customers through their preferred channels
- allowing for two-way interaction with customers as well as customer feedback loops

Invest in data and research, including:

- conducting regular customer research
- building in customer feedback and surveys at regular intervals to gain better insights along the customer journey
- putting proper data segmentation and platform integrations in place
- identifying data points in advance to collect and track the right customer information
- using digital touchpoints to leverage customer data

Share insights and best practices:

- not just internally, but with the wider digital insurance and digital finance ecosystem
- share ideas on what works and what doesn't work and how to meet the needs of the under-insured

International development organisations

Form partnerships with private sector companies:

- especially partner with companies that not only have a digital backbone but also excel at blending digital and physical distribution
- focus on companies that have a track record of putting customers at the center

Support literacy campaigns to reach more low-income people:

- this can include both digital literacy and financial literacy
- partner with private sector organisations and governments who may already be running campaigns to achieve results at scale

Support regular dialogues and peer exchange:

- especially regulator and stakeholder dialogue on industry best practices
- especially on recommendations how to meet the needs of the under-insured in a way that not only is meaningful and valuable to customers, but also offers a compelling business case for insurance providers

Conclusion

The SAGABI partnership has generated a lot of insights on how to enhance the understanding of and engagement with mobile insurance and health products amongst low-income customers in Ghana. These insights are intended to advance the insurance market in Ghana and similar emerging markets, to spark the digital insurance ecosystem, and to encourage other insurance providers to adapt existing offerings and create new solutions that address consumers' needs.

To learn more about the SAGABI partnerships and activities, visit the GIZ suite of Factsheets and InFocus documents on the [Resources page](#) of the Microinsurance Network.

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GIZ

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BIMA

Founded in 2010, BIMA offers opportunities to register and pay for affordable insurance products directly from mobile devices and has opened up vital insurance services to millions of underserved customers and their families. In 2015, BIMA also launched BIMA teledoctor consultations, a telephone service that leverages high mobile penetration in emerging markets to enable convenient, affordable access to medical consultations, as well as health information delivered via mobile to help customers better manage their health needs before they fall ill.

ALLIANZ

Allianz started insuring low-income population groups in emerging markets in the early 2000s and is a leading provider of inclusive insurance today. In 2017, Allianz made a strategic investment in BIMA via its digital investment arm, Allianz X,¹³ underlining its commitment to expanding its outreach to underserved segments in emerging markets using innovative, technology-enabled insurance propositions.

THE SAGABI PARTNERSHIP

The SAGABI partnership caters to social needs while seizing new business opportunities, generating and sharing insights and best practices on how to approach mobile-delivered insurance and health services in a way that is both socially and financially sustainable, is commercially viable for the private sector, and can be replicated in other markets.

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