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BEYOND SLOGANS:
GOOD PRACTICES IN PROMOTING
MICROINSURANCE PRODUCTS

Nancy R. Lee, Jose Miguel Solana

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EXECUTIVE SUMMARY

Microinsurance providers continue to struggle to stimulate and sustain demand for their products. This is due in large part to long-established and significant audience barriers to purchase including use of informal risk management mechanisms embedded in local cultures, lack of trust in providers, low financial and insurance literacy, concerns about the intangibility of benefits compared with costs of premiums, and a tendency not to appreciate the value of future benefits.

This paper is intended to provide examples of good practice for developing promotional campaigns that help overcome some these barriers by highlighting the real benefits of an offer – the ones a target audience values most. It provides microinsurance providers and their distribution partners with a ten-step promotional planning model, outlined below, that helps ensure that communication strategies are designed to position the microinsurance product as having value equal to or greater than its premium. Slogans and logos, which many practitioners equate with promotion, are not even considered until Step 7 in the proposed ten-step planning process.

Step 1: Provide background information

Step 2: Describe the current offer (first three 'P's)

Step 3: Establish SMART goals for this promotional effort

Step 4: Select and describe the target audience for this promotional effort

Step 5: Identify audience barriers, benefits and the competition

Step 6: Write a one- to two-page creative brief

Step 7: Develop a promotional strategy (fourth P)

7.1 Craft inspiring messages

7.2 Choose credible messengers

7.3 Develop creative elements

7.4 Select communication channels

7.5 Pre-test strategies

Step 8: Make an evaluation plan

Step 9: Decide on a budget and implementation plan

Step 10: Implement, evaluate and make recommendations for future campaigns.

Experience of developing promotional campaigns in the microinsurance industry is still limited and this situation presents an opportunity for improving practice, testing approaches and learning from the efforts of other organizations. A review of the promotional efforts of a diverse set of microinsurance programmes around the world suggests that one or more critical elements of a promotion plan are frequently missed out: most lacked sales goals and many had not clearly defined a target audience for the plan apart from specifying a geographical area. Only a few had conducted research to understand audience barriers to purchase, and only a handful conducted evaluations that included reporting on returns on investment. The need for a structured, sequential approach to developing and implementing promotional campaigns for microinsurance products is apparent, posing an opportunity for the improvement of results in microinsurance programmes.

Some key insights to improve promotional campaigns include:

1. Segment your market to identify a target audience that is relatively homogeneous yet sufficiently large to reach your sales goals.
2. Use a customer-oriented research methodology, such as PACE analysis, to identify the strengths and weaknesses of your offering from the customer's perspective and to inform your promotional strategy.
3. Establish a desired sales goal, one that is Specific, Measurable, Attainable, Relevant and Time-bound (SMART)
4. Follow a structured strategic planning process to help you design promotional campaigns that communicate relevant benefits, overcome audience barriers to purchase, and demonstrate real value relative to the competition.

5. Provide a one- to two-page creative brief to guide those who will be developing and implementing aspects of your promotion strategy.
6. Focus promotion not only on first sales but also on renewals.
7. Track costs and measure effectiveness; otherwise you'll never know if you've got the right strategy, and your promotion could become expensive.
8. Pre-test your promotion plan with your target audience to make necessary revisions to ensure that you get a high rate of return on your campaign investment when you scale up.

Although promotion is clearly a necessary part of the marketing mix, successful outcomes from a campaign are often more a result of a greater offer (product, price, place), than only a very good promotion. No promotion campaign will be successful if the offering is poorly designed through weak understanding of what the target audience wants. Describing the insurance product and its features and distribution channels; establishing goals; selecting target audiences; and understanding their perceptions about insurance in general, and the product specifically, come first.

INTRODUCTION

Microinsurance providers continue to struggle to stimulate and sustain demand for their products. This is due in large part to long-established and significant barriers that deter potential clients from purchasing insurance, including the use of informal risk management mechanisms embedded in local cultures, lack of trust in providers, low financial and insurance literacy, concerns about the intangibility of benefits compared with the costs of premiums, and a tendency not to appreciate the value of future benefits (Matul et al., 2013).

This paper is intended to provide examples of good practice for developing promotional campaigns that help overcome some of these barriers by highlighting the real benefits of an offer - the ones a target audience values most. It provides microinsurance providers and their distribution partners with a ten-step promotional planning model that helps ensure that promotional strategies are designed to position the microinsurance product as having value equal to or greater than its premium. Slogans and logos, which many practitioners equate with promotion, are not even considered until Step 7 in the proposed ten-step process. Describing the insurance product and its features and distribution channels; establishing goals; selecting target audiences; and understanding your audience's perceptions of insurance in general, and the product specifically, come first. Twelve case examples from around the world have been selected to illustrate best practices in promotion, and inspire others to follow this process.

The role of promotion

The American Marketing Association defines marketing as "the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners and society at large".¹ As implied, promotions (persuasive communications) are only one of the marketer's activities.

The traditional marketing toolbox for influencing sales contains four strategic elements to decide on: product, price, place and promotion, often referred to as the four 'P's. Box 1 contains brief descriptions of each; more in-depth discussions follow in subsequent sections of this study.

Box 1: The four 'P's

Product

Product features including coverage, benefit levels, eligibility criteria and value-added services such as links to savings products, emergency assistance or education sessions.

Price

Monetary costs including premium levels, transaction costs and payment schedules.

Place

Access and distribution channels determining where, how and when an applicant signs up, renews, or revises a policy, and makes claims.

Promotion

Key elements include messages, messengers, creative elements and communication channels.

The first three 'P's define the offer. In this paper it is assumed that decisions have been made regarding these elements, and that the job of those responsible for the promotional campaign is to develop persuasive communications that highlight the offer's benefits and address any perceived barriers to purchase. Promotion is persuasive communications, the tool we

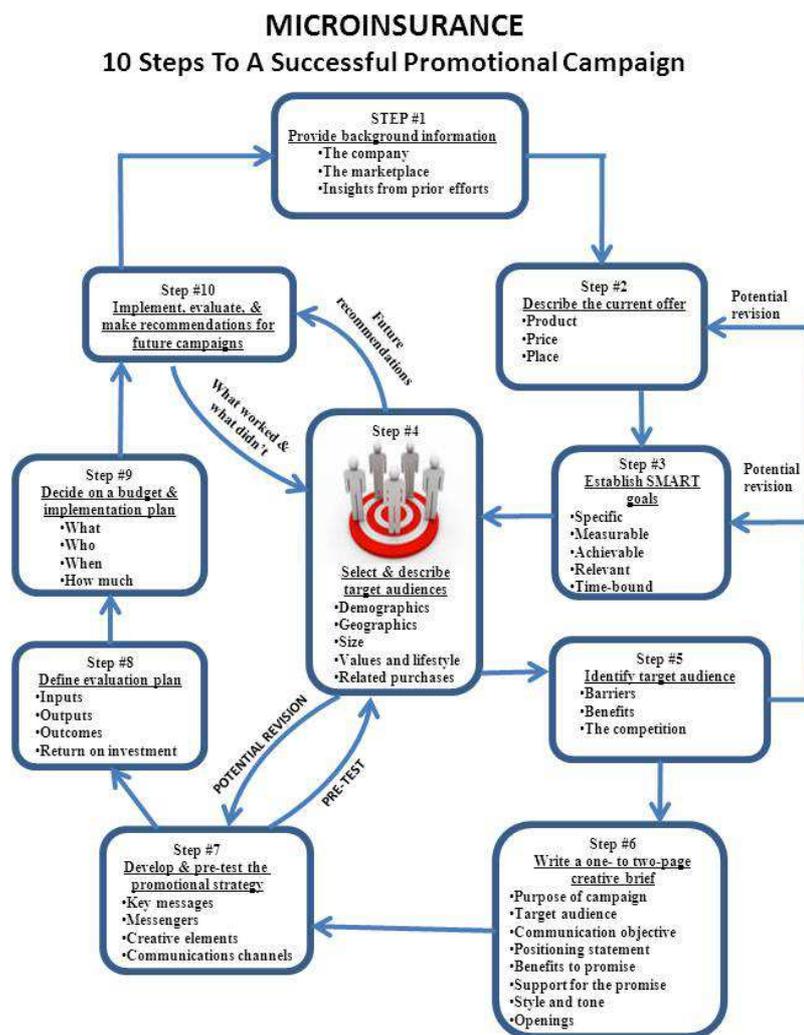
¹ About AMA. <http://www.marketingpower.com/aboutama/pages/definitionofmarketing.aspx> [18 March 2013]

count on to ensure the target audience knows about the offer, believes they will experience the stated benefits, and is inspired to act.

The ten-step promotion planning model

The promotion planning model suggested in this paper involves a ten-step process (figure 1). By following these steps, you are likely to make your promotional efforts effective (for example, by inspiring audiences to act), and economically efficient (by getting high response rates relative to campaign outputs). Each of the ten steps is described in detail in this study, and brought to life by a microinsurance case example.

Figure 1. Ten-step promotion planning model



A review of the promotional efforts of a diverse set of microinsurance programmes around the world suggests that one or more critical elements of a strategic promotional plan are frequently missed. Most lacked sales goals. Many had not clearly defined a target audience for the plan other than a geographical area. Only a few had conducted research to understand audience barriers to purchase. And only a handful conducted evaluations that included reporting on return on investment. The need for a structured, sequential approach to developing and implementing promotional campaigns for microinsurance products is apparent. The twelve case examples selected for this paper demonstrate good practices in one or more of the steps in the promotion planning model. The product featured was not always successful, but, as we will see, success depends on a broader set of factors.

Case examples featured

- Selecting and describing the target audience
 - Jordan: Microfund for Women
- Identifying audience barriers, benefits and the competition
 - Mexico: AMUCSS and Zurich
- Developing a promotional strategy (fourth of the four 'P's')
 - Crafting inspiring messages
 - India: Max New York Life
 - Choosing credible messengers
 - Philippines: Pioneer Life
 - Developing creative elements
 - India: CARE Foundation
 - Selecting communication channels
 - Mass media
 - Kenya: *International Livestock Research Institute*
 - Personal selling
 - Haiti: *Alternative Insurance Company*
 - Special events
 - Guatemala: *Aseguradora Rural*
 - Printed materials
 - South Africa: *Old Mutual*
 - Word of mouth
 - Ghana: *MicroEnsure*
 - Mobile marketing
 - Kenya: *CIC Insurance Group*
 - "Edutainment", including street theatre
 - Burkina Faso: *Union des Assurances du Burkina Vie*

The remainder of this paper is organized around the ten steps.

STEP 1: PROVIDE BACKGROUND INFORMATION

To begin the planning process, those internal staff working on developing a promotional strategy should review and summarize background information on the insurer, the distributors, the marketplace for the campaign, insights from similar efforts, and any established funding or budget expectations. This summary, which will also be useful for the creative brief, which will be supplied to any internal unit or external agencies that will be developing creative elements (see Step 6), will help ensure awareness and understanding of the brand, the setting for the campaign, and the resources available.

The provider and distribution channels

Basic information should be included on the insurance company's mission statement, history in the marketplace, product line, and major partners, especially those involved in distribution. This information should also be summarised for the distributors. This will be used by those developing the promotional campaign to help position the offer as one from a credible, strong brand, with a history in and understanding of the community. It is important to be able to define which of the organizations (insurer or distribution partners) will manage the marketing activities and be perceived as sponsor, a decision that establishes the brand for the product.

The marketplace

Understanding of the marketplace will be helpful in determining the most effective communication styles, engaging any spokespersons, and selecting the most appropriate communication channels (for example, radio, television, print, outdoor advertising etc.). Descriptions should include information on the geographical area to be reached, the estimated size and demographics of the target audience for the microinsurance product, their access to financial and payment services, their existing risk management approaches, their financial practices, the degree of their household vulnerability, and relevant aspects of their culture (for example, regard for lavish funerals, perceptions about insurance or specific agricultural practices). It is important to note any significant situations and events, including those that are political, economic or environmental (for example, droughts or natural disasters).

The marketplace summary also includes assessment of major competitors, both in terms of insurance providers and distribution channels, their history and offerings. Of particular relevance would be an outline of their strengths and weaknesses, relative to your company's offer. It is important to consider alternatives that clients could choose to help them manage risks. This analysis can help determine what features of the offer should be highlighted most in promotional materials. It might also signal the need to strengthen the offer's product, price or place components, efforts that would help secure a desired positioning in the minds of potential customers. The PACE assessment results can be used in this part of the summary (see box 2).

Box 2: Making use of the PACE tool to improve the value of your product to clients

In 2011 the ILO's Microinsurance Innovation Facility presented a tool to assess the value to clients of microinsurance offerings, called PACE. This tool helps microinsurance practitioners to develop better value offers for clients. Four dimensions to increase the value of offers to clients were identified, mirroring three of the traditional four 'P's' (Matul et al., 2011):

1. Improving product features: Looking for opportunities to improve coverage, benefit levels, eligibility criteria and availability of value-added services (Product - the first 'P');
2. Facilitating access: Finding ways to ensure accessibility and proximity (Place - the second 'P');
3. Lowering costs: Considering ways to reduce premiums including keeping the overall costs of delivery down (Price - the third 'P');
4. Enhancing experience: Seeing people's experiences of settling claims as an opportunity for insurers to build trust and increase loyalty.

Relative to the promotion planning model presented in this study, application of the PACE tool can make a significant contribution to improving the overall value of a product to clients. By using this tool prior to developing a promotional campaign, the actual offer (product, price and place) can be improved, increasing the likelihood that the promotional campaign will attract attention, increase interest, create desire and inspire action among target audiences.

Insights and lessons learned from previous campaigns

Reflecting on previous, similar promotional campaigns, the following questions need to be answered: What were the key messages? Who were the messengers? What creative elements were dominant? And what communication channels were used? Most importantly, what were the outcomes, relative to expectations? Are there colleagues who can tell you which promotional tactics worked well, and which didn't? What was recommended for future efforts? For example, you might learn that clerks at retail distribution outlets needed more training on how to answer questions about an insurance package. In a market where there are no previous microinsurance products, it is important to capture how other products and services are being promoted. Some answers to these questions may be obtained through internal discussions or external informal interviews and focus groups.

Budget/funding

Is there an established budget for the campaign or is that something that will be determined in this planning process? The ideal process is to establish a sales goal for the effort in Step 3 of this planning model, and then develop promotional strategies to achieve this. Although it may be most common, even comfortable, to develop a campaign based on what funds have been allocated, or what is affordable, the process for selecting strategies is not likely to be as rigorous, or targeted, if the campaign is approached in this way. A promotional campaign to generate 50 new policies in a village will look very different to a one that aims to generate 500 (and will cost much less).

STEP 2: DESCRIBE THE CURRENT OFFER

At this step in the promotion planning process, it is important to provide the project team developing the promotional campaign with a brief description of the offer (product, price and place). In this paper it is assumed that decisions have been made regarding these elements, and that the job of those responsible for the promotional campaign is to develop persuasive communications that highlight the offer's benefits and address any barriers to purchase perceived by potential customers.

Product

From the customer's perspective, a product is more than its features, quality, name and style. There are three product levels for those developing communications to describe. These are outlined in table 1, with examples for microinsurance products. Although considering all levels will help you to develop messages, many find it is the core product, the benefit sought, that is most important.

Table 1: The three product levels

CORE PRODUCT	ACTUAL PRODUCT	AUGMENTED PRODUCT
Benefits the target audience wants from an insurance product	Product features, options	Additional features and value-added services
<p>Typical options include:</p> <ul style="list-style-type: none"> • Peace of mind • Protection of assets • Feeling responsible • Providing for family in case of death • Recognition of loved ones who have passed away • Timely and affordable health care • Reduced liability for mistakes and accidents • Less vulnerability • Secured economic activity and production 	<p>For microinsurance products, clarity about:</p> <ul style="list-style-type: none"> • Insured amounts (payout amounts and timings) • Eligibility • Exclusions and limits • Duration • Premium collection • Renewal schedule • Waiting times • Late premium payments • Trigger levels • Family and group coverage • Medical procedures • Technology involved • Renewal mechanism and options 	<p>Typical options to provide added value include:</p> <ul style="list-style-type: none"> • Links to savings accounts • Links to remittances and cash transfers • Health check-ups and medical assistance • Home assistance • Agricultural technical assistance • Discounts on services • Entry to lotteries • Literacy training • Company's strong reputation • Guarantees of satisfaction

Price

This component of the offer is based on premium levels, transaction costs, premium payment options, and commissions to intermediaries. The premium paid by the client can either be the technical premium, which covers both risks and expenses, or a commercially negotiated premium. The price of the product is usually linked to a particular outreach level, meaning that the price for products with high volumes can be much lower than for those with low levels of sales, thereby stressing the importance of volume in microinsurance to achieve affordability.

Place (access)

Place refers to where, how and when a client signs up, renews a policy, revises a policy (for example, through top-ups), makes claims, receives payouts and accesses customer support (for example, through call centres). Where options include

retail locations, special events, mobile devices, special kiosks and homes. How options include paper-based application forms, call centres, mobile devices and online registration. When options refer to time of day, day of the week, season of the year, and waiting periods for policy activation and payments.

“Place” is not where the potential applicant finds out about the offer. That is a communication channel, one of the major components of a promotional strategy (see Step 7.4).

STEP 3: ESTABLISH SMART GOALS FOR THIS PROMOTIONAL EFFORT

By setting goals that are Specific, Measurable, Attainable, Relevant and Time-bound (SMART), we make clear to ourselves and others what we intend to accomplish with a promotional strategy. It answers the question for management and funders, “If we approve this expense, what will we get in return and by when?” These goals can be set both in terms of new policies sold as well as renewals, as the strategy can be developed with different goals in terms of these two activities.

Specific: Consider the implications of a goal statement promising “to grow our market share for our funeral insurance policy” versus one “to increase the number of policies in the southwest region by 500, representing a 10 per cent increase”. Growing market share is vague, raising the question “by how much?” The second statement answers that question with “by 10 per cent”.

Measurable: By stating a goal in measurable terms (for example, 500 new policies or 300 renewals), we provide direction for the design of the promotional campaign. A promotional strategy for gaining 50 new policies would differ significantly from one with a goal of 500 new policies, with the latter requiring more campaign visibility. A goal can be also expressed in the form of a conversion rate (that is, the share of buyers in a target group). By establishing measurable goals, and considering ourselves accountable for it, we are more likely to design a promotional campaign strategy that will produce this desired outcome.

Attainable: Once a specific, measurable goal is established (or requested), you should take time to discuss whether it is attainable. Questions that might provide insight include “How does this compare with our efforts and outcomes in the past?”, “Is this goal realistic given our analysis of the strengths and weaknesses of our offer relative to the competition?”, “Does our offer address the barriers to purchase that our formative research identified for our target audience?”, “Does the distribution channel have the capacity in terms of time, knowledge, technology and outreach to achieve the expected goal?” and “Are our goals in keeping with the size of the target audience that we intend to work with?”

Relevant: A goal for a specific promotional effort should be relevant to broader marketing objectives. A microinsurance agency wanting to build existing customer relationships, for example, would focus on a sales goal targeting existing customers for a new product launch (for example, they could set a goal that 20 per cent of savings account holders, or 60 per cent of the clients of a particular distribution channel, will sign up for a health insurance offer).

Time-bound: This answers the important “by when” question. It is most often stated in terms of an end date, such as “by December 2013”, often aligned with supporting sales cycles (for example, agricultural or business cycles or particular sales campaigns timed according to religious festivals and holidays). If start dates are not yet determined, this goal would be more likely to be stated in terms of a period of time (for example, “in six months”).

Resources and information for setting SMART goals include descriptive data on target audience – most importantly size and readiness to buy; market studies that provide estimates of demand potential; results from previous campaigns that

were similar; and findings from a SWOT analysis, identifying the strengths and weaknesses of the offer, and opportunities and threats in the marketplace. Additional factors that might have significant impact on determining goals **include** whether a budget has already been established and has been set aside for the campaign or whether there is an expectation for a desired return on investment (for example, covering the cost of acquiring a new sale).

When conducting market studies, you could use a purchase probability scale to estimate demand, as suggested by Kotler and Keller (2006).

Table 2. Example of a purchase and probability scale

Which of the following best describes whether you intend to buy life insurance within the next year?						
0.10	0.20	0.40	0.15	0.10	0.05	
No chance	Slight possibility	Fair possibility	Good possibility	High possibility	Certain	

Source: Kotler and Keller (2006)

Based on these hypothetical findings, programme planners would want to know more about the 30 per cent of the market that has at least a good possibility of purchasing life insurance in the next year, and devise promotional strategies with this group in mind. However, as discussed by Dalal and Morduch (2010), behavioural economics shows that low-income households in particular face numerous barriers that deter them from acting on their intentions to buy insurance.

STEP 4: SELECT AND DESCRIBE THE TARGET AUDIENCE FOR THIS PROMOTIONAL EFFORT

A target audience is defined as a set of potential buyers sharing common needs or characteristics that an organization decides to serve (Kotler and Armstrong, 2001). It is a segment of a larger group (population) that may also be exposed to your efforts. Your marketing mix strategy (product, price, place and promotion), however, should be crafted to be particularly effective with this sub-set, increasing the potential rate of return on the investment of your resources. In the case example for this step, for example, women are the population of focus for the insurance product featured, but as you will read, the target audience is a clearly defined segment within this larger group.

Determining a target audience for your effort is a three-step process (Lee and Kotler, 2012).

1. *Segment the market.* First, using the information gathered in Steps 2 and 3, the relevant (larger) population is divided into smaller, homogeneous groups who will probably require particular strategies in order to be persuaded to “buy”. Potential variables used to help define homogeneous segments include demographics, geographics, psychographics (values and lifestyle), behaviour variables (for example, whether they are current customers of a microfinance institution or belong to a particular social organization, their financial literacy levels and their “readiness to buy”), and the benefits they want from the insurance product. (see box 3).

Box 3: Major segmentation variables for consumer markets

Geographic

(World region, country, city, density (urban, semi-urban, rural), climate)

Demographic

(Age, gender, family size, family life cycle, income, occupation, education, literacy, religion, race, generation, nationality)

Psychographic

Values, lifestyle, personality

Behavioural

Occasion for usage, user status, usage rate, loyalty status, readiness stage, attitude towards product

Benefits sought

Low price, high quality, excellent service

2. *Evaluate each segment.* Potential segments are then evaluated based on major variables including segment size, reachability, ability to pay, profitability and whether they are a good match for your organization.
3. *Select a priority target audience.* It is recommended that you select the segment of greatest opportunity - one that is large enough for you to reach your programme goals, has a need for your product, the means to buy, and is the most ready to act, easiest to reach, and the best match for your organization. Selecting one priority target audience does not mean that you will not be reaching other audiences and exposing them to your efforts, or that you will not appeal to some in these secondary audiences with similar wants and needs. It means that the campaign is most likely to get the greatest response from this chosen segment, as you will be developing a promotional strategy that has particular appeal to them.

This segmentation and targeting process, though sometimes tedious and complex, provides numerous benefits including increased effectiveness, increased efficiency, and information that will help you decide on resource allocation and develop your strategies. Knowing the unique wants, needs, barriers, preferences and media habits of your target audience is not only inspirational, it is the key to success.

Fishing is a good analogy. If you know what kind of fish you want to catch, you'll know what bait to use, and where and when to find the most fish that are hungry and ready to bite. Enterprise Rent-A-Car used just this approach to capture a niche market:

In the car rental sector, major companies like Hertz, Avis, and Alamo specialize in airport rental cars for business and leisure travelers. Enterprise is after a different "fish." They want to appeal to the low-budget, insurance-replacement market, primarily renting to customers whose cars have been wrecked or stolen. To attract this market they charge lower rental rates, and can do this, in part, by avoiding expensive airport and downtown locations, and only open during daylight hours. They also distinguish themselves, and appeal to this market, by offering to pick up customers. It is reported that by creating this strategically targeted appeal to an overlooked niche market, Enterprise has been highly profitable (Kotler and Keller, 2006).

CASE EXAMPLE 1: MICROFUND FOR WOMEN, JORDAN

Background

The company

Launched in 1999, MicroFund for Women (MFW) is a microfinance institution (MFI) with a mission to empower micro-entrepreneurial women in Jordan by providing them with sustainable financial services, as well as some non-financial services. As of June 2010, it was serving 52,000 clients through 21 branches across Jordan.² This case example was selected to demonstrate how a clearly defined target audience can inspire appropriate promotional strategies.

The marketplace

In April 2010, MFW, in partnership with Women's World Banking (WWB) and Zurich Financial Services, launched the CareGiver policy, an insurance product intended to help women cope with the financial burdens associated with medical emergencies. WWB's President and CEO commented in July 2010 on the impetus for this product: "During a health event,

² <http://www.microfund.org/jo/>

there's more than just medical expenses – lost wages, childcare, even transportation to and from the hospital – all add pressure on that household during a tough time. The CareGiver Program is designed to address just that issue.”³

All MFW's clients are women and 97 per cent of them are aged between the ages of 18 and 65, living in poor urban or peri-urban areas of Jordan, and selling their products or services largely within their communities.

According to MIX Market (June 2012) there are eight MFIs in Jordan with around US\$ 200 million in loans and 200,000 active clients.⁴ The potential market for these institutions is estimated at 377,857 people, 82 per cent of whom are female.

The offer (product, price and place)

The product is a hospital cash one, providing a lump sum payment based on the number of nights spent at the hospital, at 10 Jordanian dinars (JOD) per night with a maximum of 48 nights per year. CareGiver is intended to cover costs incurred during hospitalization, including income lost when not working, travel costs and any other costs associated with not working while sick. Unlike some hospital cash products, CareGiver was designed to pay cash benefits during hospital stays related to pregnancy, a feature considered critical to improving maternal and child health.⁵ The insurance is mandatory for MFW loan clients. Premiums are paid monthly for the period of the loan, with the average monthly premium at JOD 1.10 (about US\$ 1.5). Later, in August 2011, the premium was reduced to JOD 1 per month while the indemnification per day was raised to JOD 15, because of a change of insurance provider (ILO 2012a).

Target audience

From the time the product was launched in 2010, it was intended that it would be mandatory for the borrowers, who then numbered more than 50,000. The mandatory product was piloted in two branches between April and September 2010. The following case example provides a more detailed description of the target audience.

Promotional strategies (messages, messengers and media channels)

CareGiver is promoted primarily face to face, with loan officers trained to inform new clients, as well as existing clients with a loan about the mandatory coverage that would be bundled with their loan. Given that the product is mandatory, the promotional efforts focus on raising awareness and explaining how to use the product. Hence in this case the promotion is not geared towards sales. Messages emphasize that the product is a unique benefit available only to MFW loan clients, and there is a no-hassle, automatic approval process. A storyboard is provided to officers to help explain the programme, and posters and brochures are also made available in the branches. Testimonials from beneficiaries are shared with clients during face-to-face conversations and included in printed materials, and they even appear in local news media. As you will read in the next section, a clear understanding of the demographics, psychographics and related behaviours of the target audience inspired and informed promotional strategies.

Highlight: Selecting a clear target audience

As described earlier, a target audience is a homogeneous segment within a larger population, one with similar geographics, demographics and psychographics, as well as wants and needs relative to microinsurance. In this case, the target audience priority for product development, pricing, distribution channels, as well as for promotional strategies is described in box 4.

³ <http://www.swwb.org/content/mfw-jordan-pioneers-regions-first-gender-sensitive-microinsurance-product> and <http://www.microinsurancefacility.org/en/grantee/ig/microfund-women>

⁴ <http://www.mixmarket.org/mfi/country/Jordan> [1 June 2012]

⁵ <http://www.swwb.org/expertise/microinsurance>

Box 4: Target audience for the Caregiver health insurance policy

Geographic:	Jordan, primarily urban, with some rural
Demographic:	Working women, especially mothers, taking on a disproportionate responsibility to care for children, spouse and others who are sick
Psychographic:	Family-oriented, entrepreneurial
Behavioural:	Current borrowers with MFW. Some women have expressed a need to finance expenses associated with time away from work through hospitalization

Outcomes and concluding comments

By March 2013, the programme was serving 91,000 credit clients. The promotion campaign around CareGiver has provided support for better understanding of the benefit by clients and, most importantly, utilization of it. CareGiver paid out its first claim to Naela Hamdan, who received a cheque for three days of lost income while she was in the hospital for a stomach infection.⁶

We were very happy when we heard about the program; I didn't expect to be the first beneficiary. I had a stomach infection and I had to stay at the hospital for three days. MFW quickly responded to my claim ... and I got 42 dollars, 14 dollars for each night I spent in the hospital. Since I had to close my business, such a programme brings relief to the mind.
Naela Hamdan



Naela Hamdan, the first beneficiary of the CareGiver product, receiving her cheque

⁶ <http://www.swwb.org/content/mfw-jordan-pioneers-regions-first-gender-sensitive-microinsurance-product>

STEP 5: IDENTIFY TARGET AUDIENCE BARRIERS, BENEFITS AND THE COMPETITION

In the marketing game, the winners almost always have one “manoeuvre” in common – a customer-centred focus. The best have a genuine curiosity to know what their target audience thinks and feels about their offer, ideally when developing the promotional campaign (Lee and Kotler, 2012). This fifth step in the planning process is designed to help you emulate them and deepen your understanding of your target audience.

Barriers

Barriers are the reasons your target audience do not want, might not want, or don't think they can buy your product. Barriers may be related to a variety of factors including the product itself (for example, insured amounts, duration, exclusions, waiting times and renewal conditions), the price (for example, premium amounts and payout rates) or the place (for example, the application process or where they apply). Barriers may be real (for example, the economic situation or religious context) or perceived (for example, that insurance is a product for wealthier people or that buying life insurance means that one is calling for something bad to happen to one's family). In either case these reasons are valid from the target audience's perspective and often something you can address. They can be identified by doing research that includes questions such as “What are some of the reasons you might not be interested in this product? What concerns do you have about it? What changes would be important in order for you to accept it?” Answers to these questions may lead to improvements in your offer, and/or messages to highlight and messengers to select (Step 7 gives more detail on this).

Benefits

Benefits are something your target audience wants or needs that your offer might satisfy. They provide the answer to the question “What's in it for me?”, often referred to as the WIFM factor. This marketing principle stresses the fact that consumers are always assessing potential benefits and won't buy unless they see value equal to or greater than the costs they will pay. You can identify motivators by asking questions during your research, such as “What value can you see for yourself and your family in having this policy? How would you benefit?” Answers to these questions usually inspire powerful promotional messages.

Competition

To be successful, a company must do a better job than its competitors of appealing to target audiences. Competitors may be direct (for example, a different company with a similar offering), or indirect (for example, emergency loans, or traditional coping mechanisms like selling assets or community support). Developing a successful competitive strategy begins with conducting a thorough competitor analysis that compares the value of your company's offer and the satisfaction of your customers, with those of the competition: “Who are our competitors? What are their strengths and weaknesses compared to our offer?” Answers to these questions may lead to improvements in your offer, or contrasts to highlight in your promotions.

CASE EXAMPLE 2: THE MEXICAN ASSOCIATION OF SOCIAL SECTOR CREDIT UNIONS (AMUCSS), MEXICO



Background

The company

The Mexican Association of Social Sector Credit Unions (AMUCSS) is a not-for-profit organization established in 1992 with the objective of providing financial products and services to rural financial intermediaries. In 2005 AMUCSS created RedSol, a distribution network, with the intention of providing a sustainable, low-cost, high-volume means of delivering microinsurance to poor people in rural areas. AMUCSS supports a variety of institutions including a network of rural credit unions, self-insurance funds, and micro banks in different regions of Mexico, and works with more than 65 partner organizations.

The focuses of this case example are on AMUCSS's efforts to develop and promote a health insurance product, the worthwhile effort they made to understand audience barriers to purchase, and the implications of the findings for their promotional efforts.

The marketplace

This delivery model was developed to distribute microinsurance products to marginalized indigenous communities in remote areas of Mexico, including the states of Guerrero, Oaxaca and Chiapas. These three states are the poorest in Mexico and a large proportion of their economic activity is focused on agriculture. Insurance providers are currently not reaching rural areas, except through agreements that they reach with certain MFIs to offer credit life products. Competitors are both high-scale MFIs operating in rural areas and small non-regulated credit cooperatives and unions.

The offer (product, price and place)

AMUCSS established the RedSol network to serve as a bridge between community organizations and the insurance industry, helping the latter understand the risk management needs of its clients, negotiating with insurers to develop and offer products relevant to the rural poor, and providing organizational training, website development, and education for consumers and staff of microfinance institutions. AMUCSS first launched a life insurance product, sold at its member rural financial intermediaries, with premiums ranging from US\$ 2 to US\$ 126 and insured amounts between US\$ 400 and US\$ 7,950, with very few exclusions. RedSol then undertook development of various new products including Credit life insurance, migrant repatriation certificate and remittance insurance, agricultural insurance, and health insurance, the focus for this case highlight.

Target audience

RedSol targets an estimated 100,000 families living in rural regions of Mexico, especially indigenous populations not yet covered by insurance because of remote locations, language barriers, and lack of resources.

Promotional strategies (messages, messengers and media channels)

As noted, of interest in this case is the research study of barriers, presented in the next section, conducted to provide input for developing promotional strategies, which are presented in the subsequent section, 'Outcomes and concluding comments'.

Highlight: Understanding barriers

In 2010, AMUCSS conducted a research study to assess the viability of a health insurance product for RedSol. (Later, when developing the promotional campaign, planners referred to this formative research and benefited from the insights provided.) Research objectives were to determine overall levels of target audience interest in a health insurance product; amount insured, ability and willingness to pay; type of health-care coverage that would provide the greatest sales opportunities, and barriers to purchase.

Respondents in the study were clients of three MFIs affiliated to RedSol, chosen to be representative of the various institutional models: one with a unique network of community stores that have a savings scheme, one with an extended network with over 10,000 clients, and one a small institution with a humanitarian focus.

In the study, qualitative research was conducted through interviews with the following key people:

- Thirty-one members of the MFIs in the study,
- three specialists in the field of health care in Mexico,
- nine federal and state officials responsible for various aspects of public health,
- seven physicians and staff of public health-care units based in the areas of the study,
- six general practitioners and specialists based in the areas of the study,
- one member of the health committee of a municipality,
- one rural traditional therapist,
- six members of staff of the three MFIs in the study, and
- four representatives of the three partner MFIs of the study.

To conduct the interviews and visit the local health infrastructure, field visits were made to the three study areas. Another trip was made to visit a successful rural microinsurance scheme in Mexico. The main concerns/barriers with the proposed product concept are set out in table 3.

Table 3. Main barriers to purchase of AMUCSS's new health insurance product, with respondent comments and questions

BARRIERS	REPRESENTATIVE RESPONDENT COMMENTS
Lack of basic information	I don't know how insurance works.
Lack of detailed information	I don't understand payouts, how I receive them, how much I get and when.
Competition	I get some health services free, so why do I need health insurance?
Belief	I believe that insurance brings bad luck. If I purchase insurance, someone in my family will probably get ill or die that year.
Price	This health insurance premium is far higher than the premiums of the life insurance products I've seen.
Security	How secure is my personal information if I use the mobile device to make the payment?

Outcomes and concluding comments

Findings from this study were used to develop product, price and place strategies, as well as to inform promotional strategies, with key messages designed to address several of the major barriers. These included:

- explanations on how the policy works,
- assurance that payout would be obtained quickly,
- emphasis on ease of application,
- reassurance that money is safe when paying premiums, and
- differentiating the product from the Government's offer.

Programme managers commented on the somewhat unexpected promotional value of the research study itself (ILO 2012b).

The study started a healthy and useful dialogue between AMUCSS, Zurich Financial Services (the insurer), and the potential institutions that would be involved in promoting and selling the policy, resulting in a willingness to support product development and implementation. It was also a great opportunity to begin to promote the product and engage with the people that would be buying it. The effort increased their awareness that the product might be forthcoming, and even generated substantial interest.

Annabelle Sulmont, Researcher

STEP 6: WRITE A ONE- TO TWO-PAGE CREATIVE BRIEF

One of the most effective ways to ensure that those working on developing promotional strategies for your campaign establish clear messages, choose credible messengers, create winning creative elements, and select effective communication channels (all of which will be discussed in Step 7) is to develop a creative brief, a one- to two-page document (Reeves, 1960). Outlined in box 5, this brief makes it more likely that the process of developing a promotional strategy will go quickly and smoothly, as those doing the tasks outlined above are more likely to understand both the insurer's objectives and the audience perspectives, and to return with ideas and creative concepts that are more effective and closer to expectations. Most of this information will be from findings and comments noted in Steps 1 to 5.

Box 5: Elements of the creative brief

Target audience description and insights

Present a brief description of the target audience, including demographics, geography, values and lifestyle, and current related behaviour (for example, current financial practices, coping mechanisms, cultural perceptions of insurance and whether they have other types of insurance policies).

Communication objectives

This section specifies what you want your target audience to do, know and/or believe as a result of exposure to elements of your campaign. You may want them to ask for more information about a policy, attend a special event to learn more about your company (or distribution channel) and offerings, or actually fill out an application form. In reality, for many microinsurance companies, an initial campaign focus may be on getting potential customers just to be aware of your company and product, sometimes in preparation for a second phase of a campaign that focuses on attitudes towards the company's products or on changing long-held beliefs about insurance products, such as eligibility requirements. In these cases, sales may be the aim of the second or third phase of a campaign.

Benefits to promise

Articulate in this section the major benefits the audience wants from the insurance policy (think about the core and actual features as well as value-added services). Present the competitive edge of the product compared to equivalents in the market. If there are several, identify the most appealing, as this might inspire the campaign slogan, or at least headline.

Support for the promised benefits

Point out product features, insured amounts, payout timings and distribution channels that strengthen beliefs that the promised benefits are likely. This is a good place to note any credible testimonials available from current customers.

Style or tone

Provide guidelines in terms of style (for example, serious versus light-hearted). Also note whether there are existing graphic standards such as logos and taglines that should be used.

Openings

Openings are “the times, places, and situation when the audience will be most attentive to, and able to act on, the messages” (Siegel and Doner, 1998). This information will assist media planners in choosing media channels, placement for materials and advertising, and special events.

Positioning

How do you want your target audience to think and feel about your company and your product, based on this campaign? It can be helpful to fill in the blanks to this sentence. “We want our target audience to see our insurance product as [reasonably priced / easy to sign up to and renew, etc.], and a way to get [core benefit].”

Adapted from Lee and Kotler (2012)

STEP 7: DEVELOP A PROMOTIONAL STRATEGY

Promotion is persuasive communication and is the tool we count on to ensure that the target audience knows about the offer, believes they will experience the stated benefits, and is inspired to act (Lee and Kotler, 2012). It is the final step in developing the strategic marketing mix, as we are not able to develop targeted communications until we know what core, actual and augmented product features, and what pricing and place (distribution channels) strategies to highlight. While these are the core activities of the promotion campaign, it is a problem if you jump straight to this point without considering Steps 1 to 6.

Developing a promotional strategy involves four major decisions, made in sequential order. Brief descriptions of each are included below and will be discussed in more depth and illustrated with a case example in subsequent sections of this paper.

1. *Messages:* What key messages, in the end, do you want your target audience to receive? What do you want them to know, believe, and then do? Leave it up to those responsible for slogans and headlines and scripts to select the actual words and phrases. What is important at this step is what you want to communicate.
2. *Messengers:* Messengers deliver the messages, and they are the ones your target audience perceives to be making and supporting the offer. For microinsurance products, the messengers are often the distribution network/channel and its personnel. There may also be additional key messengers, including trusted members of the community, spokespersons, partners, mascots, endorsers, and any other organizations supporting the effort, such as schools and health-care providers.
3. *Creative elements:* Major components include visual elements (for example, graphics and typeface), verbal content (for example, slogans, headlines or detailed copy), and sight/sound components (for example, music, sound effects or setting). These can be created by artistic and creative professionals working in advertising and promotional firms or by staff within the insurance agency or distribution channel.
4. *Communication channels:* In this phase of Step 7, you decide on the most efficient and effective mix of communication channels to reach your target audience and inspire them to act. Major channels to choose from include mass media, public relations, social media, mobile marketing, special events, personal selling, word of mouth, edutainment/popular media, theatre, printed materials, signage and displays, direct mail, and special promotional items. The process of selecting communication channels is influenced by decisions on messages, messengers and creative elements. If the creative elements call for significant detailed copy, for example, this points to channels such as printed materials. If they require simple messages with short slogans, outdoor billboards might work. If sound or motion is needed, this may point to television or radio.

Some associate promotion primarily with advertising or personal selling, when, as you will read, these are only two of the numerous communication channels available for communications. Others think of education as promotion. If the nature of the educational effort is to inspire action, it can be considered a promotional strategy, especially when barriers to purchase include financial illiteracy or misunderstandings about the nature and importance of insurance.

Although promotion is an essential part of the marketing mix, successful outcomes from a campaign are often more a result of a greater offer (product, price, place), than only an excellent promotion.

STEP 7.1: Craft inspiring messages

Messages are designed to highlight the product's most attractive features, including any pricing advantages and convenient distribution channels. During this phase of Step 7, you are focusing on the content of your communications, not the ultimate slogans, scripts or headlines, which are considered creative elements, and which will be based on key messages developed during this step in the planning process.

Three tips are suggested to assist you in developing messages that will inspire your target audience:

1. Articulate key audience benefits for colleagues developing creative elements.

Recognize that people don't buy products. They buy benefits they expect to receive if they buy the product. For microinsurance products, benefits will probably include one or more of the following, and can be expressed in simple phrases or sentences that those working on creative elements can use to develop slogans and headlines, and graphics and other visuals:

- peace of mind, knowing that you and/or your loved ones will be taken care of,
- respect from others for having taken the time to choose a policy and having paid the costs associated with it,
- protection of assets in case of unexpected events,
- access to health services and preventative care,
- continuity of revenue despite illness or catastrophic events, and
- availability of resources when an unexpected shock happens.

If you have followed the recommended sequential planning process, you determined major benefits to highlight in Step 5 by asking current clients why they chose your product and your company, and potential clients, what they want most from an insurance policy like yours. This is the time to zero in on the most significant responses.

2. Emphasize product, price and place features that eliminate barriers to purchase.

Similarly, hopefully you conducted research into barriers in Step 5, exploring reasons potential customers might not be interested in your product or haven't been interested in it in the past. Review potential customers' answers to the question "What are some concerns you have about purchasing this policy?" and, if necessary, following it up with "Anything else?" Of particular importance when developing messages are barriers that represent a misunderstanding or lack of understanding about your offer (for example, concern with not understanding the word "insurance"). These will be the ones you will want your messaging to correct.

3. Ensure messages highlight your competitive advantages.

Research into your competitors, also conducted in Step 5, can now be used to develop messages that point to key strengths of your offer relative to what's on offer from the competition. Consider the product, price, and place advantages of your offer compared to those of others. Your advantages, or disadvantages, may also be related to creative elements (for example, a memorable graphic) or brand elements (for example, high recognition and visibility). Prioritize those advantages that are also the features your target audience values most.

Once the key intended messages are developed, pass them on to those developing creative elements. They can use this to develop actual slogans, headlines, script and copy.

CASE EXAMPLE 3: MAX NEW YORK LIFE, INDIA

Background

The company

Incorporated in 2000, Max New York Life Insurance Company Ltd. is a joint venture between Max India Ltd., one of India's leading multi-business corporations, and New York Life Enterprises, a business unit of New York Life. Max Vijay, one of the company's life insurance plans, was designed specifically to help the under-served segment of the society meet the challenges of unpredictability in their lives and income flows, with a distribution and service model designed to ensure wide reach to the remotest corners of the country. The vision for the product was "to empower every Indian to secure his dreams".⁷ From the product launch in 2008 to the end of the first quarter of 2010, Max Vijay sold 90,000 policies. However, by 2011, the Max Vijay product was no longer available in the market owing to changes in insurance regulations as well as the subsequent change in Max New York Life's overall strategy to withdraw from serving the mass customer segment.

The marketplace

Max Vijay was made available throughout India, where several other savings-linked microinsurance products for the low-income market were promoted as well, including ones offered by Bajaj Allianz, SBI Life and ICICI Prudential. Max Vijay was unique in terms of both the product design and the distribution model, making it one of the first mass insurance products for low-income individuals in Asia.

The offer (product, price and place)

Combining savings and insurance, the Max Vijay product was described as an "Insurance Savings Box", addressing the twin needs of protection and long-term wealth creation. One of the product's unique features was its design: a savings facility with remarkable contribution flexibility, a death benefit that grew with contributions and favourable withdrawal terms. Following the payment of a one-off initial contribution, defined by the product sub-type but no less than 1,000 Indian rupees (INR) (around US\$ 22), the policyholder is completely free to contribute to the account when able, with no rules on frequency or amount, except that the minimum contribution is INR 10 (around US\$ 0.22). The insured amount is linked to contributions: the benefit payout on death is equal to the value of the accumulated customer account plus five times the contributions paid, ten times in the case of accidental death. Withdrawals are available from the third anniversary; policyholders may surrender or partially surrender the policy from three years onwards, with charges that are fair, though the facility to partially withdraw free of charge on a limited number of occasions is a useful addition to policyholder flexibility.⁸ The product was made available through a wide variety of channels including online, through MFIs and NGOs, at government centres, via mobile devices and through local retailers, providing access in the remotest places in the country. The retail model was at the centre of the distribution strategy. It was hoped that small shopkeepers could serve as a convenient way for policyholders to top up their policies.

Target audience

One of the most ambitious features of the product is that it was available to individuals rather than only members of groups, targeting the main breadwinner in the family, mostly a man up to the age of 50 living in an urban or semi-urban area.

Promotional strategies (messages, messengers and media channels)

A well-known and trusted Bollywood star, Amitabh Bachchan, served as spokesman for Max Vijay, and although a variety of mass channels were utilized, including print, billboards, television and radio, the sales team also focused on face-to-face events, including outdoor activities, for meeting existing and potential clients through contests, quizzes and point of sale visibility.

⁷ <http://www.maxvijay.com/Aboutus.aspx> [20 June 2012]

⁸ See more in Rusconi (2012) and Facility Max Vijay LJ (2012).

Highlight: Key messages that inspire

The company uses the name Vijay to convey the idea of triumph or conquest, and asserts that its product is a “symbol of victory for the common man”.⁹ Key messages launched in a revitalized campaign in 2010 support this brand promise. They also follow good practices related to message strategies.

Focus on customer desired benefits

Key messages changed from “Now, with Max Vijay, you will get financial independence and every Indian citizen will gain control over his status” to “Become the hero of your family with Max Vijay.” In a press release, the new campaign “Pariwaar ke hero” (hero of the family) was described as being “designed to recognize Max Vijay customers who believe in building a strong financial future through everyday small savings and thus becoming a hero for their family.”¹⁰ The Chairman and Creative Director for Ogilvy and Mather Limited India Board explained that this campaign appealed to a basic desire to be independent and support a family. “Every human being, whether rich or poor, somewhere at the bottom of his heart wants to be recognized as the provider in his family. We have magnified this very thought and provided a platform for him to be recognized as the hero of his family provided he has taken steps to help his family achieve their aspirations.” (See figure 2)

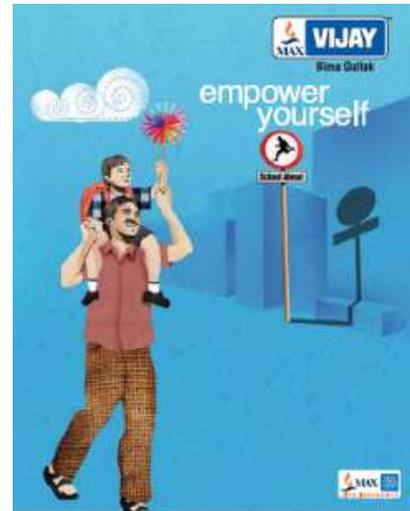


Figure 2. Max Vijay publicity material appealing to the target audience and featuring the hero theme

Messages also focused on the savings benefit: “With Max Vijay you save your hard-earned money for a better future for yourself and your family” (See figure 3).

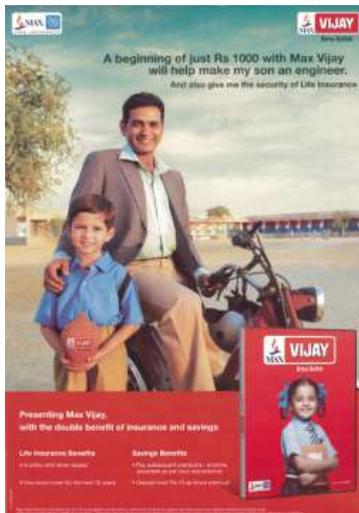


Figure 3. Max Vijay publicity material highlighting the product's savings benefit

Keep it simple

While advertising and print materials focused on customer benefits, the Max Vijay sales team focused on key functionalities of the product: options for withdrawing savings, death benefits, a toll-free call centre number and where the product could be bought.

Emphasize product features that eliminate obstacles to action

Based on the market research conducted by Max Vijay, communications also highlight that the product addresses the four main reasons people do not buy insurance:

1. High initial premium (“Start your policy with as low as INR 1,000 as first premium and top it up with amounts as low as INR 10.”)
2. Fear of lapses (“Your policy will not lapse as long as there is sufficient value in your policy account to cover morality charge, service tax and monthly administrative charges.”)
3. Aversion to health check-ups (“No medical test required.”)
4. Depending on one agent, which is difficult when you need to move (“You are not linked to one agent. You can top up your policy at outlets located in your vicinity.”)

⁹ <http://www.maxvijay.com/Aboutus.aspx> [20 June 2012]

¹⁰ http://www.maxvijay.com/mediacenter_pressreleases.aspx [20 June 2012]

Outcomes and concluding comments

In 2008, Max New York Life received the Golden Peacock Innovation Award for its “path breaking and innovative business concept, Max Vijay”. A spokesperson for the company commented: “Such recognition is an immense source of delight and clearly establishes Max Vijay as a novel and innovative initiative, which combines global standards in life insurance with social objectives through innovation in product, distribution, marketing, and service delivery.”¹¹

Ongoing promotion is needed to encourage people to top up their policies. The track record of Max Vijay in Agra shows the value of continual promotion and frequent contact with customers. Most of the promotion campaigns were conducted in Agra, which was used as a site to test the retail distribution model. In one year of operation, 5,300 policies were activated and the rate of renewals reached 53 per cent, which was significantly higher than the average 16 per cent across other distribution channels such as MFIs or NGOs. This makes a huge difference as endowment products for low-income segments usually suffer from high lapses and low persistence. Overall, Max New York Life has found that when there was no regular communication, both sales and renewals were cut by half.

STEP 7.2: Choose credible messengers

“Who your target audience perceives to be delivering your messages and what they think of this particular messenger can make or break the deal” (Lee and Kotler, 2012). The perceived credibility of the messenger can determine whether the audience believes the messages.

There are six major messenger options for the microinsurance provider to consider:

1. The microinsurance provider itself as sole sponsor,
2. Partners (for example, a funder or distribution channel partner) to work with the provider,
3. Spokespersons (for example, a well-known and respected community leader or entertainer),
4. Endorsements (for example, a professional association or accrediting body),
5. Midstream audiences (for example, religious organizations, schools or health-care providers),
6. Mascots (for example, cartoon characters).

In deciding which main messenger or messengers would be most effective, select one, or a combination, of the above that your target audience will view as the most credible source for the message. Three major factors have been identified as key to credibility (ibid.):

- *expertise*: perceived knowledge the messenger has to back the claim;
- *trustworthiness*: how objective and honest the source is perceived to be;
- *likeability*: qualities including candour, humour, naturalness and warmth.

The best messenger, then, will be the option scoring highest on all three factors. A simple assessment tool is presented in table 4. Ideally assessments would be based on target audience interviews where each of the potential messengers would be discussed and respondents would be asked to rate them on perceived expertise, trustworthiness and likeability, using ratings of high, medium or low or on a scale from 1 to 5.

Table 4. Tool for assessing potential messengers showing sample assessment

POTENTIAL MESSENGERS	PERCEIVED EXPERTISE	PERCEIVED TRUSTWORTHINESS	PERCEIVED LIKEABILITY	AVERAGE SCORE
The company	High	Medium	Low	Medium
Potential partner	Medium	High	High	Medium High

¹¹ http://www.maxvijay.com/mediacenter_pressreleases.aspx?view=viewPressRelease1 [20 June 2012]

Potential spokesperson	Low	Low	Medium	Medium Low
Select endorser	High	Medium	High	Medium High
A midstream audience perceived to be influential with the target audience	High	High	High	High
Chosen mascot	Low	Low	High	Medium

Based on the average scores in this hypothetical example, the company may decide to work with a midstream audience perceived to be influential with the target audience, as illustrated in the following case highlight.

CASE EXAMPLE 4: PIONEER LIFE, INC., PHILIPPINES



Background

The company

Pioneer Life, Inc. is the life insurance arm of the Pioneer Group in the Philippines, founded in 1954 with a vision of offering insurance coverage to every Filipino. It defines its core business as providing clients with financial options to secure what matters most to them. This case example highlights the power of a credible messenger to deliver that promise.

The marketplace and the offer (product, price and place)

The focus is on the launch in 2009 of a new product within selected provinces of Luzon and Metro Manila. The offer was a life and accident microinsurance product bundled with a savings product. The programme encouraged each member of the family to develop the habit of saving and to build savings to allow for the early return of overseas migrant workers and to reintegrate them with their families. Nanjo Berba, Pioneer Life Senior Vice President for Business Development says, "Migrant workers usually leave the Philippines with huge debts. While they may earn a higher than average income abroad, if they mismanage it, they return to their families as financially disadvantaged as when they left the country."¹²

There are three product options, with annual premiums ranging from 400 to 500 Philippine pesos (PHP):

- *Savers*, for children from birth to the age of 16, providing funeral, death, personal accident insurance, accident medical reimbursement, and a savings account;
- *Silver*, for 17- to 50-year-olds, providing funeral, death, personal accident insurance and a savings account;
- *Gold*, for 51- to 70-year-olds, providing funeral and personal accident insurance.

Perhaps the company's most ingenious strategy for promoting these products is their distribution channel (the third 'P' - place). Products are offered through Wellness Clubs set up in schools and churches, at which educational programmes focus on the benefits of savings and insurance and promote a culture of informed risk management. Partnerships have been formed with religious and civic communities including the Catholic Bishops Conference of the Philippines (comprising all the Catholic churches in the country), the Jesus is Lord Church (the largest Christian group in the country) and CARD (a group working for marginalized women, with over 300,000 members). Additional contributions to savings accounts can be processed through mobile phone transactions.

¹² <http://www.eon.com/ph/newsroom/view/277/newsid/84/ilo-awards-micro-insurance-grant-to-pioneer-life.html> "ILO Awards Micro Insurance Grant to Pioneer Life" [9 June 2010]

Target audience

The target audience is families with an overseas migrant worker with annual incomes ranging from US\$ 260 to US\$ 600. They are members of a migrants' association at churches and schools. The project goal was to reach 250,000 of these families through Wellness Club educational programmes.

Promotional strategies

The product is promoted during financial literacy sessions at Wellness Clubs. A variety of communication channels are used to attract families to introductory sessions and then motivate them to join the club and purchase insurance and savings products. Personal communication channels include area-point persons who deliver letters of invitation, and parish leaders who distribute information sheets and make announcements at the end of mass. Mass media are also used, with local radio stations announcing upcoming events, and social media strategies include a Facebook Fan Page.

Highlight: Utilizing credible messengers

As noted, the Wellness Clubs are initiated by the Church in every diocese of target provinces. Consider the credibility that a network of parish leaders has with this target audience of families with migrant workers, particularly on the critical dimensions of trustworthiness and likeability.

These facilitators deliver key messages about the insurance and savings products, increasing club membership on a wider scale and at a faster rate than if Pioneer agents (alone) had served as the messengers. In fact, Pioneer found that getting people to participate in events, as well as sign up for offerings, depended on having their agent accompanied by the migrant desk coordinator for the Church. Pioneer Life also observed that incentives for the facilitators were key to the success of their activities. The prizes are modified every quarter to keep the facilitators interested.



The Wellness Club launched at Lipa Youth Sports and Cultural Center
Photo: www.pioneer.com/ph

Outcomes and concluding comments

Based on results of follow-up surveys among attendees at financial literacy sessions, the appeal of these messengers is clear. One finding, for example, showed that that what participants liked most about the events were the presentations and the facilitators, which scored higher than the food, freebies, games and raffles. Other encouraging findings were that 87 per cent of respondents indicated they intended to join the clubs after the programme, elaborating that what appealed to them most was the focus on the personal benefits of the savings and insurance products that these educational sessions made real. In the end, almost 15 per cent did in fact join the clubs and signed up for a savings and

insurance plan. The need for post-event follow up to strengthen this conversion rate was identified as an additional, future promotional strategy.

STEP 7.3: Develop creative elements

Creative elements are developed to deliver intended messages and to support chosen messengers. Major components include visual elements, verbal content and sight/sound components. Inspiration and expectations for these elements will come from your creative brief, developed in Step 6, where you provided audience profiles giving insights into the benefits desired and barriers perceived by the target audience, and in which you also outlined considerations regarding desired style and tone (for example, straightforward, engaging, sombre or fun).

Visual elements include logos, graphics, images, typefaces and colours. Once developed, successful brands have what are known as “graphic standards” i.e. guidelines that specify how and where logos and other visual elements are used, helping to ensure consistency and distinctiveness. Verbal content includes taglines, headlines, copy and script. And sight/sound components relate most to executions for radio, television, videos, performances and electronic media channels.

Lee and Kotler (2012) have suggested six tips to consider when approving draft creative elements. We elaborate on them here.

1. *Keep it simple and clear.* Are your messages regarding what you want your target audience to do after being exposed to your campaign, and what they need to know and believe in order to be interested, “front and centre”? Remember, an excess of options can lead to indecision, procrastination and inaction (Dalal and Morduch, 2010, p. 10).
2. *Focus on audience benefits.* How apparent is the product benefit? Creative elements should highlight the benefits your target audience wants (most) and expects in return for the cost of the policy.
3. *When focusing on loss, follow up with solutions.* If messages focus on framing the loss that might occur if a product isn't purchased, follow up with how and why the insurance product will help prevent or reduce this loss. Dalal and Morduch (2010) explain this principle:

An example of positive and negative messages is gain- and loss-frames. Insurance marketing can convey the same basic information by calling attention to the positive benefit of coverage in the face of an adverse event or by highlighting the loss incurred by an uninsured person facing the same event. Theory suggests that negative framing is more powerful than positive framing and there is some evidence that loss-framed messages induce demand more powerfully than gain-framed messages (e.g. Ganzach and Karashi, 1999). For example, messages like “don't lose your property or the money you put aside, buy insurance to be covered in case of emergencies” could lead more people to sign up for insurance than a positively framed message such as “increase your peace of mind, buy insurance to be covered in case of emergencies”.

4. *Make messages vivid and concrete.* Information and words that produce powerful feelings or strong, clear images in the mind increase the likelihood that a message will stand out against competing ones and concrete examples are most persuasive.
5. *Make messages easy to remember.* Persuading your target audience to buy your product means using messages that are easy to remember . . . and hard to forget.
6. *Tell real stories about real people.* Real stories told by real people are a great creative strategy, in part because the messenger then meets important criteria mentioned previously (credible and likeable), and the messages, as true stories, are more likely to provide concrete examples.

CASE EXAMPLE 5: CARE FOUNDATION, INDIA



Background

The organization

CARE Foundation is a non-profit organization with a mission to make quality health care affordable and accessible through the appropriate use of technology. To do this, CARE Foundation builds capacity locally and implements solutions that will create a more efficient supply chain. The Foundation works with innovative health-care approaches such as tele-medicine, a digital catheterization laboratory and robotic surgery. It has recently launched a microinsurance programme.

The marketplace and the offer (product, price and place)

This case example focuses on promotional strategies for a voluntary outpatient health-care product, the CARE Arogya Card, which entitles a family to consultations and medicines up to a value of INR 2,500 per year through a local village health worker (the "Village Health Champion") and the CARE clinic. For two adults and two children, the yearly premium is INR 300, and the policy covers general medical consultation, up to nine blood tests, medication for primary health problems, and a subsidized preventative health-care package. The offer was inspired by a baseline study carried out in 2010 indicating that 80 per cent of health-care expenses were for primary care, and that there was low awareness of good health practices, and a lack of convenient locations for care. Policies are sold through the village health champions at the clinic or at the customer's home, a strategy adopted after pharmacies and shops were tried as distribution channels was not successful because of their high commissions and low interest in promoting the product. The village health champions are aided by hand-held devices and mobile phones - the inspiration for the campaign's creative elements, as revealed later in this case example.

Target audience

The target audience was poor people in rural areas, with an emphasis on tribal populations and those with low awareness of good health practices, poor sanitation practices and limited access to clean water and mosquito nets. The programme was piloted in 45 villages within the Yavatmal district of western India and aimed to reach 39,000 lives within three years.

Promotional strategies

Promotional strategies were inspired by the findings of a survey of 30 villages in May of 2010, which indicated minimal understanding of what the word insurance meant, or how insurance functions. The product was then positioned as a "health card", focusing on the benefits and features of the policy without using the word "insurance" or related terminology, in order to overcome widespread suspicion of insurance and experience with fraudulent salesmen. Key messages emphasized accessibility, affordability and the quality of the physicians.

The key promotional strategy was a personal one, with village health champions making door-to-door visits, leading family discussions and providing printed materials, often needing to visit one home between three and six times before enrolling a client. Their efforts were supported by a variety of other communication channels including local festivals and other cultural events such as crafts fairs. An important supporting communication channel is discounts through coupons given for participation in the scheme. The creative elements presented in the highlight that follows are also used in an animated video shown in the Yavatmal villages.

Highlight: Creative elements

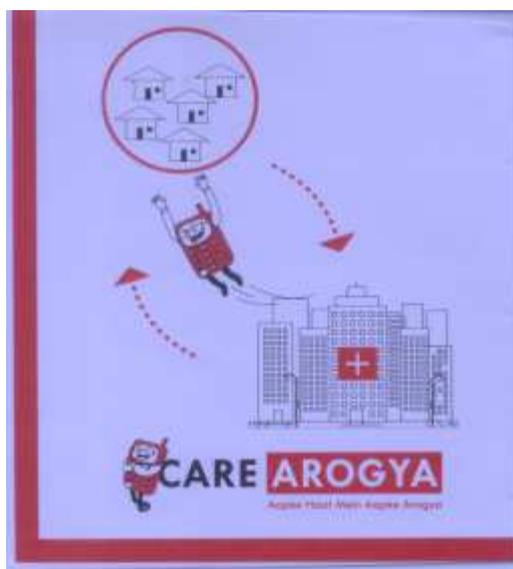
Creative elements of materials developed by CARE for the Arogya Card appear to support the desired positioning, maximize the efforts of the messengers (village health champions), and highlight key messages.

As illustrated in figures 4a and 4b, visual elements are light-hearted, with graphics including a logo with a cartoon-style character. The “mobile doctor” image presents the core offering of the AROGYA Card in a way that villagers can easily relate to – it is a health service delivered through mobile phones. Key messages are presented using simple, picture-based graphics and these standard graphics, including typeface and colours, are used consistently in all promotional materials including brochures, posters and displays in shops.

Figures 4a and 4b. Promotional materials for CARE’s Arogya Card, showing key creative elements

4a) A headline reads “Protection from illnesses for you and your family”

4b) A headline reads “A high-quality doctor from the city now comes to your village”



Outcomes and concluding comments

By August 2011, eight months after the programme was launched, 2,049 individuals and 487 families had been enrolled. The sales results, supported by the creative elements, are dependent on two important factors of the campaign: the personal selling via village health champions and the introduction of discount coupons. A total of 426 families (87 per cent) signed up for the Arogya card with coupons.

STEP 7.4: Select communication channels

With this step, you will be selecting communication channels, that is, where your campaign materials will appear. There are many to choose from, as outlined in box 6, which is followed by a discussion on important criteria to consider when choosing among these types.

Box 6. Major communication channels	
MASS MEDIA: ADVERTISING AND UNPAID PUBLIC SERVICE ANNOUNCEMENTS FOR NONPROFIT ORGANIZATIONS	
Broadcast: television, radio	Web advertising
Print: newspapers, magazines	Theatre advertising
Outdoor/out of home: billboards, bus boards, Banners	Sports events
PUBLIC RELATIONS	
Articles in newspapers and magazines	Op-eds
Stories on television and radio	Media advocacy
SOCIAL MEDIA	
Facebook	Buttons and badges
Twitter	Image sharing
YouTube videos	Email blasts
Blogs	Text messaging
SPECIAL EVENTS	
Meetings	Exhibits
Making speakers available	Health screenings
Conferences	Demonstrations
PERSONAL SELLING	
Face-to-face meetings	Word of mouth
Telephone sales	Presentations, workshops, seminars, training sessions
EDUTAINMENT/POPULAR MEDIA/THEATRE	
Songs	Public art
Film scripts, television, radio programmes	Flash mobs
Comic books and comic strips	Product integration
Video games	Human signs
MOBILE MARKETING	
Text messaging	Personal email invitations/reminders
PRINTED MATERIALS	
Brochures	Calendars
Newsletters	Envelope messages
Flyers	Booklets
Posters	Bumper stickers
Catalogues	Static stickers

SIGNAGE AND DISPLAYS Road signs Building murals/signs	Signs and posters on government property Retail displays and signage
DIRECT MAIL Separate mailings Pay cheque and bill inserts	Backs of tickets and receipts Printed material to hang on door handles of homes or businesses
SPECIAL PROMOTIONAL ITEMS Clothing Functional items (e.g., bookmarks, tote bags, keyrings)	Temporary items (e.g., coffee sleeves, balloons, temporary tattoos, bar coasters)
<i>Source: Adapted from Lee and Kotler (2012)</i>	

How to choose among communication channels

Lee and Kotler (2012) suggest eight major factors to consider when choosing among media channel options. They are set out below.

1. *Campaign objectives and goals:* In Step 4 of your promotional plan, ideally, quantifiable goals were set, representing, for example, target numbers of policies you want to sell or have renewed, or a target number of people you want to talk to about the insurance product. These desired outcomes will guide your selection of communication channels, with mass communications more critical when goals are ambitious, versus special events for smaller numbers.
2. *Desired reach and frequency:* Reach is the percentage or number of people in your target audience that you want to be exposed to the promotional campaign through its varied communication channels during a given period of time. Frequency is "a measure of how many times the average person in the target audience is exposed to the message" (Kotler and Armstrong, 2001, p. 552).
3. *Your target audience's media habits:* This is when you take into consideration your target audience's profile (demographics, psychographics, geographics and behaviour) and work out what their media habits are. The goal is to choose communication channels that are most likely to reach, appeal to and influence target audiences.
4. *Points of decision-making:* An ideal moment to have your promotional messages and creative elements "in front of your target audience" is when they are about to choose between your offer and that of the competition. This has implications for information placed in retail locations and/or offered by retail personnel, as well as internet searches, where your offer will be featured alongside major competitive offerings.
5. *Openings/opportune moments:* Identify and watch for opportunities when your target audience might be most motivated to listen to and learn more about your offer. For microinsurance, attendees at a funeral may be interested in learning about funeral insurance.
6. *Integrated marketing communications:* This feature of best practice encourages coordination of the communication channels, ensuring that messages are consistent and as omnipresent as possible.
7. *Creative elements:* Creative elements often drive choices for communication channels, with short messages working on outdoor billboards, but not providing the sight, sound and motion that would benefit from the television medium, nor the detailed descriptions that can be included in a brochure. It is not uncommon, however, for multiple communication channels to be used in order to accommodate all messages identified as key to the communication objectives.
8. *Budgets:* Even when all of the other seven major factors have been considered, resources and funding may be the most influential determinant for choosing communication channels.

Mass media

For our purposes, we consider mass media channels to include advertising and unpaid public service announcements for nonprofit organizations. Specific types are listed in table 5, with the major advantages and disadvantages of each.¹³ Mass media channels are important when large groups need to be exposed to your campaign with high frequency, and may be warranted based on ambitious sales goals. As noted, the advantages of mass media are primarily the large, geographically dispersed audiences that can be reached, with the disadvantages being clutter and poor sustainability.

Table 5. Advantages and disadvantages of major mass media channels

Channel	Advantages	Disadvantages
Radio	Large audiences, ability to select audience	Audio only, lower audience attention, unsustainable exposure
Television	Large audience, and sight, sound and motion	Cost, clutter, unsustainable exposure
Newspapers	Flexibility, timeliness, broader believability	Short life, poor quality of reproduction
Magazines	High audience selectivity, higher-quality reproduction, longer life	Long advertisement purchase time (lead-in time), no guaranteed position
Outdoor	High repeat exposure, relatively low cost	Limited audience, creative execution limitations
Internet	High audience selectivity, interactive	Clutter, low number of users in some countries

Source: Adapted from Kotler, and Armstrong (2001)

Additional advantages of mass media channels are that large-scale advertising can say something positive about the company's size, even success. On the other hand, its shortcomings are that it is more impersonal than most channels and not as persuasive as personal interactions can be, especially for handling audience perceptions of and concerns about a product.

CASE EXAMPLE 6: INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE (ILRI), KENYA

Background



The company

The International Livestock Research Institute (ILRI) has a mission to reduce poverty and help poor livestock keepers maintain a sustainable livelihood.¹⁴ The ILRI, along with its partners, have developed a research programme that produces market-mediated index-based insurance products for livestock keepers, particularly those in arid and semi-arid regions in Kenya, where drought is the most pervasive hazard, natural or otherwise. The ILRI's commercial partners are Equity Insurance Agency, UAP Insurance Company and Swiss Re. Of particular interest in this case, is not only the selection of a

¹³ See also Bel and Pinzon-Caicedo (2013) to learn more about mass media in the context of microinsurance consumer education.

¹⁴ For more information, see www.ilri.org.

channel most appealing to the target audience, but the strategies that were used to maximize the effectiveness of that channel.

The marketplace and the offer (product, price and place)

The Index-Based Livestock Insurance product (IBLI), launched in 2010, is designed to protect households from economic losses from livestock mortality caused by drought. The insurance contract uses satellite-based measures of vegetative cover to predict average livestock mortality, and makes payouts when this cover is reduced to a certain level. Annual premiums are also based on the type of livestock, as well as the geographical area, ranging from 48.75 Kenyan shillings (KES) per sheep in the Lower Marsabit division of Kenya to KES 1,155 per camel in Upper Marsabit. Levels of payouts are based on drought severity, as well as the number of animals insured. Sales are completed via agent cellphones with a scanner, with which documents are scanned and transmitted to bank branches.

Target audience

Target clients are the pastoral and agro-pastoral communities in the Marsabit district of Northern Kenya, where an estimated 30,000 households rely on extensive livestock grazing. These communities are illiterate and marginalized, with no previous insurance experience. Because they are scattered sparsely across areas with deficient infrastructure, providing comprehensible and relevant information to all households in the district becomes very costly, although it is a high priority for success.

Promotional strategies

Before each annual sales effort, partners hold a press briefing to increase awareness among pastoralists of the offer and the new season for enrolment. As index-based insurance products are complex to understand, one-to-one discussions between sales agents and potential clients are critical. Information needs to be disseminated in local languages, illustrated with local examples, and messages need to outline clearly how and when payouts are made, including making it clear clients receive no payout if the established drought-trigger level is not attained. Posters in public places also spread the word, placed in locations including the village chief's office, schools, the market, agent shops and banks. Given the low literacy levels, a short reference manual using a comic strip helps explain how risks are covered by the insurance product. In case of payouts, public events with actual payments received are held, creating awareness of the programme and making benefits real. It is also an opportunity to recruit more sales agents.

Prior to selecting mass media types, a baseline survey was conducted to gauge usage levels. The findings indicated that most households did not have televisions, but did listen to radio, the featured highlight for this case example.

Highlight: Mass media

Radio campaigns were created to persuade pastoralists to consider purchasing the policy, stressing the emotional benefit of protection from the risk of drought-related livestock losses, the maintenance of social status and the improved quality of life. Campaigns were aired on one national radio station, as well as two local radio ones, although, importantly, in local languages. In total, six programmes were produced, running for a period of two weeks, with three programmes aired per week. Formats included a one-hour live radio show, a 30-minute pre-recorded spot and a 15-minute edutainment programme, aired at a cost of about US\$ 6 for 30 minutes at the local radio station. The pre-recorded show focused on explaining the status of the drought index, and this was followed by an interactive radio programme, featuring storytelling to convey complex issues. The following script, written in funny and vernacular language, is representative of the campaign radio spots:

The scene starts at a local water point where a local woman, Sadia, comes to get water for the livestock that are still alive, surviving on very little water, given the drought. Another woman, Galmo, joins Sadia at the well and tries to get some water but Sadia claims that the well is hers and her husband's, dug by their forefathers, and does not

let Galmo take any water. A fierce dispute starts between the two women, who get their husbands, Molu and Arafti, to join them at the well. The men get into a fight and fall into the well.

The women call for help and Aidhe, a wise old wise man with knowledge of the IBLI concept, appears. He hears out the women's story while trying to prevent the two from also falling in the well. He manages to calm them down and tells them about IBLI as a product, designed to provide them with a way to cope with drought-related livestock mortality. Guided by the women's questions, Aidhe explains how the product works, what it covers, and where it can be purchased using simple words and catchy phrases, like "The answers lie in the sky". Sadhia and Galmo are excited to learn more about the "miracle" product and, escorted by Aidhe, head to the baraza [a meeting of wise people] forgetting all about their deceased husbands. "Let's go get some insurance and some real husbands," say the two local women.

Outcomes and concluding comments

With the change to local versus more regional radio stations a lot more pastoralists from across the Marsabit district are contacting the ILRI. The pastoralists seem to prefer the radio skit to written materials as they are able to get the information first hand. The radio programmes also tend to attract a larger audience when people know the times of the broadcast.

In addition to radio, audio-visual extension tools that are in the local language can be effective in increasing product awareness, for example an edutainment programme presented in both radio and video formats and shown in all major towns. As pastoralists are a very oral community, enabling them to see and hear the key messages, rather than only hearing radio broadcasts or being shown informative pictures, helped reinforce the messages.

Following a prolonged drought from August 2010 to October 2011, the index was triggered and claims were paid out at a well-attended public event where all 638 beneficiaries received an average payout of about KES 10,000 (roughly US\$ 150).

Personal selling

Face-to-face selling is perhaps the oldest promotional channel. Kotler and Keller (2006) recognise its effectiveness, stressing that good salespeople have instinct, as well as being trained in methods of analysis and customer management. They outline a six-step selling process.

1. *Prospecting and qualifying.* Support staff identify the customers most likely to buy a product, for the sales staff to approach. This enables them to spend their time doing what they do best: selling.
2. *Preapproach.* The salesperson learns as much as possible about the potential customer before actually approaching them.
3. *Presentation and demonstration.* The salesperson tells the product "story" to the buyer, describing product features, competitive advantages and personal benefits.
4. *Overcoming objections.* A good salesperson will encourage the potential customer to share their objections, and then addresses their questions and concerns point by point.
5. *Closing.* An experienced salesperson knows how to recognize closing signs from the buyer, including gestures, statements or comments, as well as types of questions.
6. *Follow-up and maintenance.* This is critical to ensuring customer satisfaction and repeat business, and includes actions such as follow-up calls to ensure that expectations for product delivery and performance have been met.

Rewards for sales staff do not necessarily need to be extrinsic such as financial ones. They can be intrinsic, such as feelings of pride. Guarnaschelli et al. (2012) distinguish extrinsic motivators from intrinsic motivators, and discuss the pros and cons of the options:

Insurers traditionally incentivize the sales force through financial commissions linked to sales volumes. They argue, however, that volume-based financial incentives may be ineffective for two reasons. First, microinsurance premiums are, by definition, small, and the sales incentive might have minimal influence on sales staff. Second, the incentive may have unintended consequences as it only rewards sales, potentially encouraging sellers to mis-sell, or to force a sale, particularly unfortunate in situations where the client does not have a clear understanding of the terms and

conditions of the product. Other types of financial incentives should be considered as well including renewal commission and quality-based commission. They also point to non-financial extrinsic incentive options to consider such as professional development opportunities and awards and recognition which can improve staff retention.

Insurers should also consider intrinsic motivators, ones that can help the sales force staff feel part of a broader purpose, that of protecting poor people and benefiting society. This can then empower the sales staff to be sincere in persuading their potential clients of the product's core benefit within the process outlined above.

The company featured in the following case example has implemented particularly effective procedures for follow-up and maintenance, the final step in the selling process set out above.

CASE EXAMPLE 7: ALTERNATIVE INSURANCE COMPANY (AIC), HAITI



Background

The company

Alternative Insurance Company (AIC), headquartered in Haiti, offers a broad range of insurance products and services (including insurance for assets, life and health). AIC started its operations in December 2001, and then introduced microinsurance in 2007, the first traditional insurer in Haiti to do so. The venture was made possible by a partnership with the largest MFI in Haiti, Fonkoze.

The marketplace

AIC operates in all ten departments of Haiti. With a population of more than 9 million, Haiti is the poorest country in the western hemisphere and was even before the earthquake of 2010, which killed more than an estimated 300,000 and left 1 million homeless.

The offer (product, price and place)

PROTECTA® is a funeral insurance product, and was launched in 2009 through MFIs in cooperation with the Banque Nationale de Cr dit (BNC), the third-largest retail bank in Haiti. A comprehensive and thorough formative market research effort confirmed that funeral costs were one of the most significant risks faced by low-income households in Haiti. It is an apparent cultural norm, even expectation, that funerals are important social events, ones that involve several days of gatherings among family members, neighbours and friends. Burial monuments and mortuary rituals are often costly and elaborate. PROTECTA® is made available through MFIs, and offers a first class funeral service within a reliable funeral network, with six funeral insurance policy options and no medical examinations required:

1. *Classic* offers basic burial services for as little as 75 Haitian gourdes (HTG) (US\$ 1.78) per month for the lowest coverage.
2. *Cash back* offers funeral services plus a cash bonus from HTG 2,250 for the beneficiary every three years for 145 HTG per month (US\$ 3.44) for the lowest coverage.

3. *Plus* offers funeral services plus a cash payout from HTG 9,000 to the beneficiary from HTG 90 (US\$ 2.41) per month for the lowest coverage.
4. *Five star* offers the benefits of *classic*, *cash back* and *plus* together from 160 HTG (US\$ 3.80) per month for the lowest coverage.
5. *Silver* offers basic funeral services for people aged 56-65 years old (lowest premium for a funeral costing HTG 45,000 is HTG 39 - US\$ 0.9).
6. *PROTECTA International* is a product sold outside Haiti for the diaspora in the United States and Canada to protect relatives in Haiti, offering burial service, a lump sum for the wake, financial assistance over a 12-month period, and a cash sum every year for a premium between US\$ 25 and US\$ 50.

Target audience

The offer was developed with a special focus on low-income households in the country, estimated at 300,000. Those eligible for the policies are aged 12-65. As noted in the six product options listed, a variety of products were developed, each with an appeal to a specific segment.

Promotional strategies (messages, messengers and media channels)

Key messages stress product benefits, beginning with the brand name itself, PROTECTA®, and its slogan “Peace of mind for you and your family”. In 2011, Tonton Bicha, a well-known local actor and comedian, became a spokesperson for the product, gaining visibility and popularity through radio spots, outdoor advertising, printed materials, social media, text messages and viral videos, including one where a funeral service is interrupted when the deceased (Bicha) wakes up and starts speaking to the crowd about the importance of protecting your family with funeral insurance. AIC’s salesforce, though, has been key to its success in “closing the deal” and is featured for the remainder of this case example.

Highlight: Personal selling

PROTECTA® was selected as a case example because of the impressive three-pronged effort the company makes to select, train and support a strong salesforce. Isabelle Delpeche, a manager of the microinsurance products at AIC, shares the detail.

We begin by placing an ad in local newspapers and posting it on the front doors of distribution partners in rural areas. The ad provides a description of the position available, the profile of ideal candidates, and the date and time interviews will be held. Potential candidates are then interviewed in groups of three to five, and asked three main questions: What is their perception of insurance? What do they know about the AIC, the insurance company? What do they think are the qualities of a good salesperson? Those candidates selected move on to an intensive training programme, one that further narrows down potential agents.

Training is a two-phased effort; the first theoretical in nature and the second, practical. The theory phase is typically a week of classes and is followed by written and oral evaluations, so rigorous that 40 to 45 per cent of candidates do not pass. Those who do pass move on to the next phase which is a two-week process, learning to utilize computer applications. These selected agents are thoroughly trained on the PROTECTA product, as well as the AIC company, information critical to establishing credibility and trust with potential and current customers.

Following this rigorous selection and training, AIC agents are given regular feedback on their performance. Delpeche describes how this happens.

Feedback on our offer, especially our salesforce, is a regular and valued effort. I have just returned, for example, from conducting a focus group at a local restaurant in Jacmel, a city about three hours from Port-au-Prince. Twelve current policyholders shared their perspectives on what they liked about their agents (for example, availability at the bank branch, regular communications via texting reminding them of when their premium was due). They also, importantly, expressed what they would like to see more of or have done differently (for example, internet access at the branch not always available; they want to know more about AIC). This feedback is then shared with agents during quarterly meetings, as well as one-to-one for specific issues needing to be addressed.

Outcomes and concluding comments

To date, September 2012, there are 6,704 active policies out of more than 12,000 policies sold since the launch of the product, with a goal of reaching 25,000 by 2014. And apparently, the effects of the earthquake did not present formidable barriers. As one pastor commented: "Natural disasters are not going to happen every day. I myself encouraged my family and friends to go and get PROTECTA ..."



PROTECTA® sales agent inside an AIC branch in Haiti

Special events

Special events, as a communication channel, offer several clear advantages. At large gatherings, they can generate increased visibility for your effort. They offer opportunities for interaction with your target audience, allowing them to ask questions and express attitudes about your company and your products - ones that you probably need to hear and address.

Types of events range from those organised by others, at which your company can have a presence, to more elaborate one-off events created by your company. Opportunities include social and community meetings, making speakers available to others, conferences, community and agricultural fairs, festivals, educational presentations, demonstrations, workshops and health screenings. The event might even be a presentation at a location where your target audience shops, dines, works or commutes.

Recognize that special events often require significant planning, preparation and resources. The planning process should begin with establishing the desired outcomes for the event. Is it increased sales or renewals or increased inquiries? Is it to overcome barriers such as perceived costs, or is it primarily to increase the perceived benefits of the product? Answers to these questions will lead to different staffing, content, materials for participants to take away, locations and timing.

Keys to success include an integrated marketing communications approach, where messages, messengers and creative elements at your special event reinforce and add visibility to those used in other communication channels. Plan for some sort of material or promotional items that participants can take away, ideally even keep. And create a mechanism that will enable you to follow up with attendees, especially if your purpose was to generate leads, as in the following case example.

CASE EXAMPLE 8: ASEGURADORA RURAL SA, GUATEMALA



Background

The company

Aseguradora Rural SA is an insurance company established in 2007 to complement the activities of the financial group Banrural, the leading microfinance bank in Guatemala, which specializes in serving the financial and transactional needs of the low-income population, particularly people in rural areas.

The marketplace and the offer (product, price and place)

The focus for this case example is on a campaign that was piloted in Quetzaltenango (Xela), the second-largest city in Guatemala. Aseguradora Rural developed this microinsurance product and promotional effort in conjunction with Banrural's Señora Cuenta product, a savings account specially designed for women.

The product "cross-sold" to these clients is Vivo Segura (I live safe), an insurance product offering benefits related to women's health, including two gynaecological consultations per year, as well as specific examinations and procedures. Additionally the product offers discounts on medicines, compensation in case of a diagnosis of breast, ovarian, cervical, colorectal or stomach cancer, and a life component for any cause of death. For examinations not covered by the policy but carried out by affiliated networks, discounts are offered.

The monthly premium is 30 Guatemalan quetzals (GTQ) (US\$ 3.80) and the annual premium is GTQ 321.45 (US\$ 41.20), with payments required to be debited from a Banrural account. In case of a cancer diagnosis the insured receives GTQ 23,000.00 (US\$ 2,948), which can be used for treatment, transportation or food, at the recipient's discretion. In case of death, the beneficiaries receive GTQ 6,000 (US\$ 769).

Target audience

As noted, the target audience were women who had the Señora Cuenta savings account, with the majority being housewives. Survey research indicated that although they had a high awareness of their health risks and the appropriate prevention measures, the majority were not engaged in managing their own health risks and prevention measures, prioritizing, instead, the care for their children. Cultural barriers included men's machismo, with many husbands not allowing their wives to go to the doctor, and a belief they only needed to go to the doctor when feeling ill.

Promotional strategies

Key messages focused on product benefits ("Prevention is better medicine"), as well as addressing barriers by itemizing how minimal the costs of the insurance premiums were compared to costs for cancer treatment. And the slogan "Por mi y mi familia, yo Vivo Segura" was intended to persuade women that their life and their health was key to looking after their family. One of the key communication channels used to promote the product was special events, which offered opportunities for one-to-one interaction, highlighted in this next section.

Highlight: Special events

Prior to the launch of Vivo Segura, Banrural had frequently sponsored events for Señora Cuenta customers. Activities were developed and organized by the branch managers and often run in conjunction with other branches in the same area. These events were considered a way to strengthen clients' relationships with the bank, offering them opportunities to learn new skills through enjoyable workshops, on topics such as food preparation, flower arranging and jewellery. The events

also offered an educational component that highlighted the importance of saving. Activities were relaxing and clients saw them as an opportunity to enjoy free time with their friends and the bank staff. For clients wanting to bring their children, the bank provided a special place for them to play.

In May of 2012, Aseguradora Rural promoted one of their Vivo Segura insurance products at one of these events for the first time, reaching 250 clients in Quetzaltenango. A nurse was available at a special station at the event to take clients' blood pressure and measure blood sugar levels; the microinsurance project manager spoke for 15 minutes about the product; and printed material regarding women's health and the Vivo product was distributed by the staff.



A nurse at Vivo Segura health event in Quetzaltenango

Outcomes and concluding comments

One of the lessons learned from the pilot, which will be implemented in the rollout, is the opportunity (and need) to offer the clients the ability to buy the policy at the event. This underscores the need, mentioned above, to first determine the desired outcome for the event. Other learning points included the necessity of identifying activities that worked, in order to repeat them (for example, the stand to check blood pressure and blood sugar levels), and ones that needed improvement (for example, the need to have additional people to conduct client interviews, as the bank staff were involved in other event activities).

Printed materials

Printed materials are probably the most familiar and utilized of all major communication channels, and include brochures, newsletters, flyers, booklets, posters, catalogues, calendars, envelope messages and stickers. Some would consider at least one form of these as an essential channel (for example, a product brochure).

The advantage of printed materials is that they provide opportunities to present more detailed information regarding the offer. In the case of microinsurance products, it is the usual communication channel to provide details regarding applicant eligibility, options for coverage, premium schedules, and payout amounts. Sometimes, but not as often as we might like, target audiences hold on to these materials, and ideally even share them with others. The disadvantages, relative to other channels, are that printed materials require more of the potential customer's time and attention, and lack the sound and motion components of television, the auditory appeal of radio, the ability of outdoor advertising to get people's attention,

and interaction associated with personal selling. An additional challenge is that they also often need to be tailored to the specific literacy levels and learning styles of the target audience.

Most microinsurance programmes will include some type of brochure or booklet in their mix of communication channels, one that will probably be used over a long period of time. Given this, careful consideration should be paid to the design and content of these collateral pieces, as they are likely to set the standard for other types of communication. In order to create a strong brand for the product, an integrated communications approach is essential, one where all media include similar core graphics, key messages and familiar messengers, as in the following case example.

CASE EXAMPLE 9: OLD MUTUAL, SOUTH AFRICA



Background

The company

The history of Old Mutual South Africa dates back to 1845 when the Mutual Life Association of Cape of Good hope was founded, and then in the 1970s and early 1980s entered the retail mass market. Thirty years later, this part of the business has grown to be one of the most significant contributors to both revenue and profit.

The marketplace and the offer (product, price and place)

Old Mutual's "Pay-when-you-can" funeral product was designed to provide flexibility and convenience to suit the irregular income of the target population. Programme managers point to the unique design of the product, as well as the pricing strategy and distribution channel, as key to its early success. Its enrolment method is similar to that of cellphone retail products, where a starter pack provides the basic registration and coverage details, and top-ups are purchased as necessary or desired, with activation and transactions being completed through SMS messages containing a PIN number. The policy provides a cash benefit upon death, intended to cover funeral costs. The product is only sold for family coverage, and is not available for individual coverage, with a minimum coverage of 1,000 South African rand (ZAR) and a maximum of ZAR 18,000. A premium of ZAR 49.95 buys coverage of ZAR 1,000 for 14 months; ZAR 98.95 buys coverage of ZAR 2,000 for 14 months; and ZAR 219.95 buys coverage of ZAR 5,000 for 14 months. The product is sold in the stores of Shoprite, one of the biggest food retailers in South Africa. In 2011 55,000 starter packs were distributed in 20 stores. This relaunched product provided enhancements made to simplify the registration and top-up process.

Target audience

The target audience are people who place high importance on funerals, with low and irregular household incomes (of up to ZAR 3,000 per month), living in peri-urban and urban South Africa, where there is a need for customized solutions for individuals. Eligible clients must be South African citizens or permanent residents and have a valid ID card. The sales target for 2012 was 13,000 starter packs, each pack costing ZAR 49.95 which equates to ZAR 649,350.

Promotional strategies

Two key messages are highlighted, one to encourage purchase ("It is simple, affordable and flexible with no instalments required"), and one telling people how to top up. Educational videos, DVDs and printed materials are used for financial education, and communications channels include radio advertisements, as well as on-air interviews with Old Mutual professionals. Although Shoprite is involved in developing point-of-purchase retail displays (see photo below), there are no monetary incentives provided to Shoprite staff as this is not permitted by Shoprite. Of particular interest in this case highlight are the programme's printed materials, highlighted in the next section.



Point of purchase displays in Shoprite stores

Highlight: Printed materials

As illustrated in figure 5, printed materials “do the job” of highlighting the key benefits and features of the offer, with the product brochure headlines front and centre:

- Pay-when-you-can
- No Monthly Premiums
- Use A Cellphone To Register.

Additional illustrations in the brochure explain with simple graphics the ease of making top-up payments (see figure 6) and, with concrete illustrations, the resulting coverage over a period of time (see figure 7).

Figure 5. Pay-when-you-can funeral plan brochure cover page

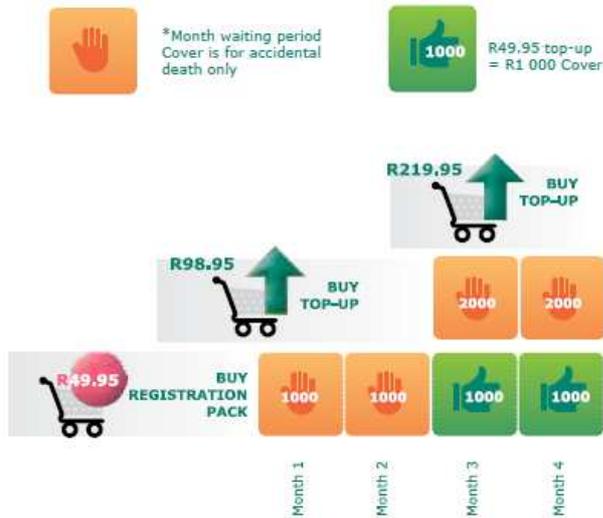


2 months later as Vusi has some money to spare, he decides to top-up so that he can have more Cover.

He decides to buy a R98.95 top-up voucher which gives him and his family **R2 000 Cover for 14 months.**

Figure 6. Excerpt from Pay-when-you-can brochure showing how easy it is to top up premiums

Figure 7. Excerpt from Pay-when-you-can brochure illustrating coverage levels over time



Outcomes and concluding comments

As of May 2011, only five months after the relaunch in Shoprite stores in January 2011, there were 641 active policies, representing 3,000 lives covered and 68 per cent of activated starter packs among sold ones (ILO 2012c). Importantly, the promotional campaign shows significant impact, with an average of 30 sales a week without specific promotion and an average of about 150 sales with a campaign, an difference of more than 400 per cent. A spokesperson from Old Mutual provided an assessment of the product’s progress and summarised the company’s ideas for future sales growth:

The greatest strengths of the program are the product features, with spokespeople within the business believing in the product benefits for the company, as well as with eventual recognition of the Pay-when-you-can product by the customer. The product has to compete with other retail products in Shoprite rather than with traditional insurance products as there is no direct interaction with clients, no licensed advisors to explain the technical and legal language. Old Mutual realizes the need to increase visibility for the product in the stores, through better positioning on racks, enhancing packaging, and by working with Shoprite management as OM [Old Mutual] is one of 5,000 products distributed at Shoprite, one of the biggest food retailers in South Africa.

Tlalan Ntuli, Marketing Manager, Mass and Foundation Cluster

Word of mouth

Some marketing professionals believe that word-of-mouth marketing is the most effective form of promotion, as it taps into one of the most basic forms of human behaviour: People like to talk!¹⁵ For the purposes of this case example, we will define the word-of-mouth channel as a type of personal communication about a product or a brand between current and potential customers, and their neighbours, friends, family members and associates (Kotler and Keller, 2006). These communications might take place face to face, or increasingly through social media channels including Facebook, Twitter and blogs. In both cases, word of mouth is one of the most credible channels, as well as typically one of the few free forms of promotion.

Of interest to microinsurance agencies is how to influence these word-of-mouth activities so that they have a positive impact on the organization, with trusted messengers spreading the word about important product and service features, based on actual experiences with the product and the brand. Some companies provide existing customers, especially

¹⁵ Word of Mouth Marketing Association, <http://womma.org/about/history/#1>

satisfied ones, with materials to share with friends and acquaintances they think might have interest in the product, and some even give them incentives to do this. Other efforts are more deliberate, with companies taking steps to put these personal communication channels to work for them by engaging opinion leaders and other credible spokespersons to spread the word about their positive experiences with an agency's product, as highlighted in the following case example.

CASE EXAMPLE 10: MICROENSURE, GHANA

Background

The company

On 15 July 2012, MicroEnsure Ghana reached the milestone of insuring one million Ghanaians, a notable achievement considering it was insuring only 40,000 lives in 2010.¹⁶ Crucial to this growth were innovative products and successful partnerships, including the Tigo Family Care Insurance product launched in 2011, the focus of this case example. Tigo is a global mobile network operator with a social mission to offer a wide range of affordable services to people in emerging economies and developing countries. MicroEnsure is responsible for policy and claims administration and policies are underwritten by Vanguard Life Assurance.

The marketplace and the offer (product, price and place)

Ghanaians spend on average six months of income on the funeral of a relative, with close family members expected to contribute even if it means taking out a loan. The Tigo Family Care Insurance product provides free life insurance to Tigo's mobile subscribers, with coverage based on their Tigo airtime usage each month. As more Tigo airtime is used, more life insurance is earned, up to a maximum of US\$ 500. Policyholders also have the option of enrolling in Xtra-Life and paying 1 Ghanaian cedi (GHS) (US\$ 0.50) a month to double their insurance benefits. The policy is offered when customers first sign up for the Tigo mobile network or go to obtain customer service in one of 25 Tigo service stores within ten regions in Ghana, serviced by around 80 agents.

Target audience

Even though the insurance policy offered is "free", not all Tigo customers subscribe, with an estimated 10-15 per cent of Tigo customers approached rejecting the coverage because of a belief that taking out life insurance will "attract death itself". Ghanaians in general do not trust insurance, and dislike the idea that there is only a benefit when death occurs. In fact, if a death occurs, some people blame the insurance company for killing their loved ones.

Promotional strategies

The promotional strategy takes these barriers and beliefs seriously, with an emphasis on first registering as many people as possible, in order to increase the likelihood of a claim, which can generate positive experiences with the insurance company and satisfaction with the benefits of the policy.

Media strategies included a radio campaign that focused on Tigo clients and a loved family member, adding credibility to messages to "[l]eave something good behind for your loved ones".

Highlight: Word of mouth

Claims are paid in public, at busy Tigo service stores with up to 100 people around at the time of a disbursement, in order to capture the attention of potential, as well as existing, clients. In the case of one client, Nana Yaa Konadu, claim payment took place at her workplace, where she also shared her story shared with co-workers and the press:

My daddy and I had a special bond and so I named him on my insurance form. At 3 a.m. on Christmas morning, my beloved father passed away. Because I had already obtained my father's ID card and a document as evidence of death, MicroEnsure collected the documents from me and that same day forwarded all materials to

¹⁶ "MicroEnsure Ghana crosses milestone for number of lives insured" <http://www.microensure.com/news.asp?id=234&start=09/18/12>

the insurer, Vanguard Life. Vanguard Life paid the claim within two days. I am overjoyed to receive the 800 Ghana cedis, as the money will be used to pay for burial costs for my father.

Consider the subsequent, conversations at her workplace, and the increased validity of the tagline: Tigo Family Care Insurance: it really works. Just ask Nana Yaa Konadu!



Nana Yaa Konadu tells her story to co-workers and the press

Outcomes and concluding comments

Programme managers commented that this word-of-mouth strategy has not only inspired potential clients to sign up, but that it has also had an impact on current policyholders. After hearing from clients like Nana, who received a claims payment, current clients started using more airtime with the aim of increasing potential payouts. The average size of a claim has continually increased and is now in the very high 100s Ghanaian cedis.

Mobile marketing

Mobile marketing provides an organization with the ability to communicate and engage with their current and prospective customers in a timely, interactive and personal manner by using mobile devices, including cellphones, smartphones and other hand-held devices.

According to the International Telecommunication Union, 87 per cent of the world's 7 billion people, including 79 per cent of those in developing countries, have a mobile phone subscription. By the end of 2011 it is estimated there were almost 6 billion mobile phone subscriptions around the world. "This increased prevalence of mobile and its use for more than a simple phone call or text message, is putting pressure on organizations to extend their customer service to this medium. Customers are rarely away from their mobile phones and it has become instinctive to use the devices as a first step to resolve support issues" (Clark, 8 June 2012).

Relevant mobile message strategies for microinsurance providers include using mobile devices to follow up on a sales inquiry, thank new customers, remind people of appointments, conduct polls regarding new product ideas, and announce new product offerings or special discounts to current customers.

The following case example focuses on sending reinforcing messages to current microinsurance policyholders: messages that confirm a customer's purchase, "nudge" them to pay premiums on time, and "lure" them back when a policy lapses.

CASE EXAMPLE 11: CIC M-BIMA, KENYA



Background

The company

Owned by cooperatives, CIC Insurance Group is the third-largest insurance company in Kenya, one with a strategic focus on microinsurance and a vision of becoming a household name for microinsurance in Kenya and the region.¹⁷

The marketplace and the offer (product, price and place)

Kenya is experiencing a mobile revolution. In 1999, fewer than 1 in 1,000 people had a mobile phone. By 2011, that number had grown to 19 million, with 18 million of these using their mobiles for financial transactions. In an effort to capitalize on this popular delivery system, in 2011 CIC introduced a new technology platform called M-Bima, which used M-PESA and other money transfer services for the collection of premiums. The first product launched on the M-Bima platform was Jijenge Savings, a plan that combines savings with life insurance. The intention is to provide clients with a convenient and secure way to build savings and protect their dependants from the consequences of their death. Clients can save on a daily basis using M-PESA and receive SMS reminders to top up their accounts. It offers a 12-year endowment plan with monthly instalments of a minimum of KES 600 (US\$ 7) providing a minimum coverage of KES 50,000 (US\$ 583). The payment schedule is flexible. Clients can contribute any amount at any time, provided they meet the monthly premium requirement. There is a six-month waiting period for claim payouts for natural death, and no waiting period for payouts for accidental death. M-Bima products are distributed through retail channels and direct sales.

Target audience

In May of 2012, the M-Bima team conducted a significant research study to develop an in-depth profile and understanding of their current clients, an effort that is informing the team in developing future marketing campaigns. They learned that their most likely customers are those who are savings-oriented, have irregular incomes, and are self-employed or casual workers. They are most likely to be small families with children, in one of two age groups (26-35 or 46+), with monthly incomes ranging from KES 5,000 to 20,000 (US\$ 58 to 234). They also learned that this core group saw the core benefits of the product as "building savings" and "affordability". M-Bima is estimating the potential market at 8 to 10 million policyholders.

Promotional strategies

The product's tagline is "Jijenge na CIC" (Build yourself with CIC) and key messages reflect core customer values: "I'm planting a positive future with just 20 Kshs" and "I will rip a good harvest through by 20 Kshs saving." The main messengers are distributors and agents, those closest to clients, and "saving champions" (well-performing clients) provide testimonials at key events. Communication channels include print materials, promotional items (for example, calendars, umbrellas and t-shirts), point of sale signage (for example, wall branding on agent outlets), special events including announcements at road shows, and customer engagement strategies including contests and rewards for submitting "best saving tips". The mobile phone is proving to be an outstanding communication channel and is the highlight of this case example. The SMS

¹⁷ <http://m-bima.co.ke>

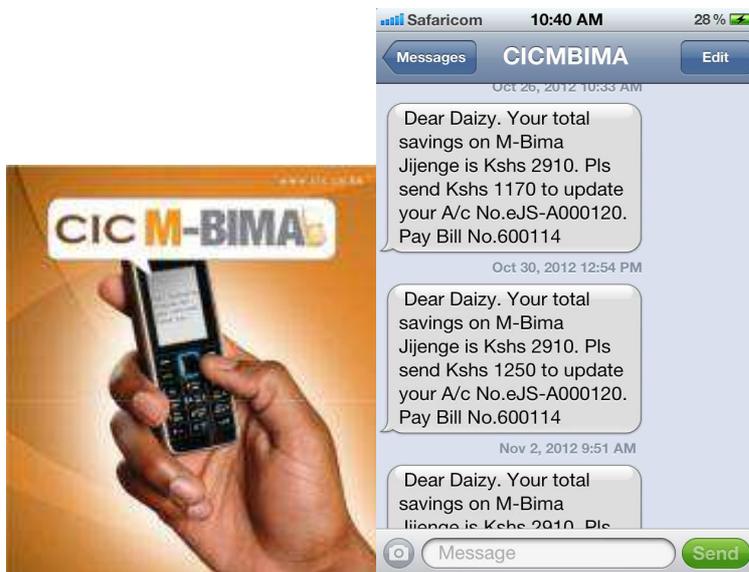
communication is accompanied by an in-bound call centre and self-service internet portal that clients can use to have questions answered, voice concerns or check their balances.

Highlight: Mobile marketing

SMS is an integral part of the M-Bima offering and although it is not meant for education and skill-building, it is one of the most important ways for the company to stay in touch with clients, help them build regular savings, and retain, even win back, policyholders. Major messages, and their sequencing, include:

- welcoming customers to CIC *Jijenge* Savings and requesting a payment through M-PESA Pay Bill,
- confirming the first payment and the amount received,
- establishing credentials for the self-service internet portal (profile, username and password),
- providing a monthly statement of total savings and a requesting premium payments,
- reminding all those who are late with their premium payments on a weekly basis,
- notifying customers when a policy has lapsed and telling them how to reinstate it,
- providing customers with another opportunity to reinstate a policy without paying arrears and enabling them to change daily contributions,
- alerting customers when a policy has been re-dated to absorb arrears and reporting on total savings,
- providing customers with another opportunity to reactivate the account with a minimum payment and giving them a reminder of the savings balance.

The cost of sending an SMS is KES 0.80, and there is a word limit of 160 words. CIC bears the cost of SMS campaigns, with clients incurring the costs of SMS messages or calls they make through the call centre.



Examples of text messages sent by CIC to *Jijenge* Savings customers

Outcomes and concluding comments

Following product launch in early 2011, CIC activated 7,700 policies over the first year. Initial sales were high but then the product was put on hold as some gaps in the systems and distribution model needed to be fixed. The product will be relaunched early in 2013 with a new marketing strategy. As promotion has been limited, so far persistence has stayed very low with as many as 90 per cent of customers being in arrears with their premium payments at any point.

The SMS communication channel is at the centre of the new strategy and has been tested over the last year. It is a way to make the product features and benefits more visible and, more importantly, to build the persistence of the Jijenge product. Current evidence shows that SMS reminders reduce arrears rates. Even though only a small percentage (10 per cent) of those who got a weekly SMS reminder then paid their arrears within the next couple of days, it is a cost-effective strategy, which costs less than 0.5 per cent of a weekly premium.

The cost-effectiveness can further increase if CIC manages to attract the target customers (savers). CIC estimates that at least one-third of the policies were missold in the initial period. Those customers were attracted by low entry premium (just KES 20) but do not display regular saving behaviours, a prerequisite for the Jijenge product. Those policies have not yet lapsed as CIC hopes to get many customers on track by the time the pilot is over. This can explain a relatively low response to SMS reminders within the current portfolio. It is assumed at least one-third of those in arrears will respond positively to SMS reminders in the future.

“Edutainment”, including street theatre

“Edutainment” employs popular forms of entertainment with the aim of going beyond awareness-raising to conveying educational messages. It is sometimes referred to as using “popular media”. Suitable mass media channels include films, television series and radio programmes, where messages regarding microinsurance can help address audience barriers and clarify misunderstandings. More targeted media include comic books, comic strips, songs and video games, as well as toys. Local, sometimes one-off events, such as street theatre, often feature travelling entertainers such as puppeteers, actors, mime artists and poets (Lee and Kotler, 2012).

The appeal of this channel is that promotional messages are not “skipped over or ignored” as is often the case in radio and television commercials or for magazine advertisements. Audiences that may otherwise have been indifferent can be more easily reached, even inspired.

This channel is different from using celebrities as spokespersons in advertisements. Rather, educational messages are integrated into the content of an entertainment programme. Examples of this kind of messaging would be:

- a television soap opera, even just an episode, featuring a major character who has to sell his home in order to pay for a funeral for his father, and his friend who then tells him about funeral insurance;
- a radio talk-show host who tells her story about how she has benefited from a health insurance plan that covered missed working days;
- a puppeteer in a farming village who shares all the details and advantages of an agricultural insurance policy with a bystander who volunteers to play a quiz game.

In this section’s case highlight, you’ll read about why street theatre, in particular, is this insurance company’s favourite way to reach large numbers of a target audience at once.

CASE EXAMPLE 12: UNION DES ASSURANCES DU BURKINA VIE (UAB VIE), BURKINA FASO



Background

The company

Union des Assurances du Burkina Vie (UAB Vie) is a long-established life insurance company in Burkina Faso, which is located north of Ghana in sub-Saharan Africa. In 2003, UAB Vie launched a life microinsurance product, gaining 15,000 clients. This case example focuses on what they consider their winning promotional strategy.

The marketplace and the offer

UAB Vie is considered a market leader in Burkina Faso, with an estimated 46 per cent share of the life insurance market as of December 2009, competing with three other companies.

The Cauri d'or microinsurance product is based on a contractual savings scheme and includes life and disability coverage. This offer was designed in response to desire expressed by customers for secure savings, as well as life and disability coverage. Focus groups later revealed that Cauri d'or's customers also valued flexibility and low premiums because 99 per cent of them chose a 12-month, or shorter, contract on this basis, despite a negative return owing to commissions and account-opening charges. The combination of savings with life and disability microinsurance coverage provides added value to clients in comparison with options offered by the traditional vendors, known as tontiniers (mobile savings collectors). Clients' contributions (as low as 150 CFA francs (XOF) or US\$ 0.35 per day) are collected every day by UAB Vie staff at the customer's workplace, this convenient delivery system being another of the features of the product that attracts customers. Terms vary from one month to five years and insurance premiums are XOF 100 (US\$ 0.20) per month. The payout benefit is twice the value of the contracted capital, with a cap of XOF 200,000 (US\$ 397) for both life and disability. Informal feedback indicates that the regular contact with sales staff helps to build trust with the insurer. Using mobile phone technology, sales staff are able to record information on their customers' payments, and transfer it directly to the UAB Vie database. Customers then receive a book in which their payments get registered. A weekly report is planned for the future.

Target audience

The product Cauri d'or is well positioned to capture informal sector entrepreneurs, such as those selling goods at market stalls in urban areas, an estimated 200,000 potential clients, with the majority being men.

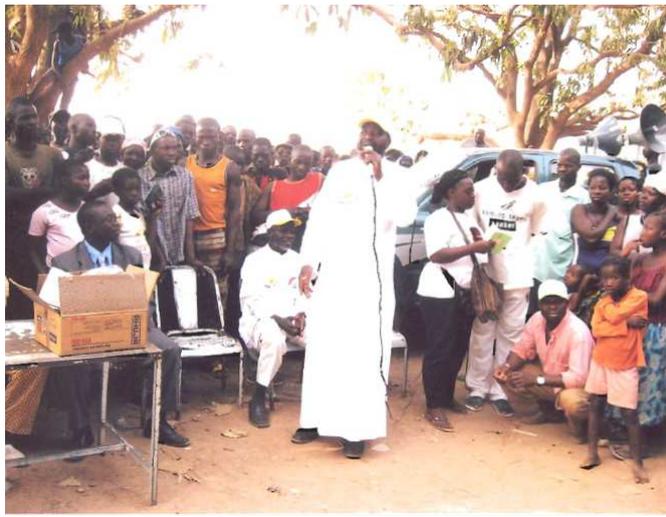
Promotional strategies

Traditional media channels (for example, TV, radio, print) were used, but with disappointing results as much of the expenditure was on media channels that were not seen or heard by target audiences, who did not access these channels but did congregate in several market squares. A new, less expensive and more successful strategy employing street theatre was developed and launched, providing more "portability" for diffusing campaign messages. This approach is described in the following communication channel highlight.

Highlight: Street theatre

Street theatre, as an efficient and effective channel to deliver messages, seemed like a natural way of communicating about a microinsurance product, and was launched in 2011 in 50 urban marketplaces, with one morning and one evening performance lasting around two hours each. Two very well-known actors, who featured in a comedy programme on national radio, would roam the marketplace and chat and joke with people who easily recognized them, focusing especially on the market stall holders to ensure they knew about the upcoming performance. Word spread quickly about their forthcoming appearances, and the actors would eventually manage to gather large groups of people to attend the performance. In the case of street performance organized outside the marketplace, the audience consisted of about 150 to 200 people, while when organized at the marketplace, about 300 to 400 people came and listened without moving. The managers believe that about 2,000 to 3,000 people learnt of the street performances through word of mouth.

The performances themselves began with a UAB representative known in the marketplace introducing the audience to other UAB staff, who then presented educational information about the product. This delivery, by professional insurance staff, evidently added credibility to the presentation, and translations into local languages ensured understanding. When staff sensed the audience was losing interest, the two famous actors would jump in, making jokes and recapturing the audience's attention with skits, such as one depicting women keeping money under mattresses.



Rasmané Ouedraogo (aka Abdramane Bassam) taking part in a street theatre performance to promote UAB's *Cauri d'or* product



Rasmané Zoundi (aka Kuwait) taking part in a street theatre performance to promote UAB's *Cauri d'or* product

Outcomes and concluding comments

Street theatre is an efficient channel to convey messages and let customers imagine, even personally identify with, risky situations more easily. People mobilize around actors they admire and may take the opportunity to understand the message that a company tries to convey, in a less formal and intimidating atmosphere. Making education fun, popular and easy was a key strategy that made programme managers more confident that the messages were definitely heard.

Step 7.5: Pre-test strategies

Prior to producing campaign materials and launching promotional campaigns, take the time to pre-test your draft strategies, especially potential messages and creative executions. This process can help you choose between several alternative executions, and assess their ability to achieve the objectives highlighted in your creative brief. It can also help you identify any problems (for example, the target audience doesn't really understand the word "insurance") (Lee and Kotler, 2012).

Techniques used for pre-testing are typically qualitative in nature, using focus groups or interviews with people in your target audience. One efficient technique for recruiting participants is to invite back those who you involved earlier (ideally) in formative research identifying audience barriers and motivators. Getting their contact information at that time and asking for permission to contact them in the future can provide you with respondents who are familiar with the offer already. Settings can be informal, perhaps even in a side room at a restaurant where respondents are given refreshments while creative concepts are presented.

Questions that will help you assess the ability of the potential materials to deliver your intended messages are structured around the clarity, relevance, distinctiveness and consistency of the promotional strategy, including the following:

1. What is the main message you get from this advertisement/poster/material?
2. What else are they trying to say?
3. What do you think they want you to know?
4. What do you think they want you to believe?
5. What action do you think they want you to take?
(If the respondent doesn't mention the desired action say, "Actually, the main purpose of this advertisement is to persuade you and people like you to ...")
6. How likely do you think it is that this advertisement would influence you to take this action?
7. What about this advertisement works well for that purpose?
8. What doesn't work well?
9. Where would the best place to reach you with this message/advertisement be? Where would you be most likely to notice it and pay attention to it? When?

Be sure to inform respondents, as well as audiences for the findings, that this testing is not about whether or not they like the advertisement. It is about what they believe the advertisement is intended to communicate, and which elements support that objective and which ones deter.

STEP 8: MAKE AN EVALUATION PLAN

At this step, determine what input, output, and outcome indicators you will use to evaluate your efforts. Ideally, you will also use this information to report on your return on investment. Note that this step is taken before developing a budget, as you want to include in your budget evaluation-related costs, including surveys and tracking mechanisms that will be used to find out, in particular, which media channel captured your audience's attention.

Input

This is the most straightforward thing to measure. You itemize resources used to develop, implement and evaluate the campaign. The most common elements include money and staff and sales force time spent.

Output

Here, you ask the question "How did we spend the money and time?" and answer it by itemizing activities including numbers of materials disseminated, posters placed, calls made, events held, websites created and social media tactics

employed, as well as listing venue expenses and reach and frequency of paid and unpaid advertising. It is important to recognize that this section does not indicate whether target audiences noticed these activities or were inspired by them.

Outcome

Here, you report on audience response to outputs. How many people attended an event, visited a website, requested more information after reading a brochure, and, most importantly, bought or renewed a policy? Ideally, you will be keeping records to connect actual sales to specific outputs (for example, number of policies taken out at a special event or number of policyholders who report on their application form that they first learned about the programme from a display in a retail outlet or an article in a newspaper). Ideally these aims were established in Step 3, Establish SMART goals.

Return on investment (ROI)

This measure answers the question “How much did we spend to get one policy sold?” This is determined, most simply, by determining the total cost of the campaign (inputs), and dividing it by the number of sales that can be connected to the campaign (outcomes). In situations where the desired outcome is an increase in awareness, or changes in attitude, the total costs would be divided by the number of people aware of the microinsurance organization or product, providing a cost per person whose awareness was raised or per change in attitude created. Benefits from taking the time to calculate this measure are numerous. It can provide solid rationale (or not) for funding for a similar campaign in the future. Findings can help managers allocate resources, providing more funding for those efforts with the greatest ROI. Imagine how useful a database of ROIs over time would be when deciding on what promotional strategy to support in the future. Consider the example below, for a microinsurance agency in Guatemala (Table 6).

Table 6. Hypothetical results from two events where policies were sold

Input Budget and other resources expended	Output Activities conducted	Outcome Number of behaviours Influenced (sales)	Return on investment Cost per sale
Promotion at Site A			
US\$ 430 in food, fuel, paper and labour	Travel to assembly Production of applications Presence full day at assembly Presentation at assembly	600 sales	US\$ 0.72 per sale
Promotion at Site B			
US\$ 140 in food, fuel, paper and labour	Travel to assembly Production of applications Presence full day at assembly Presentation at assembly	285 sales	US\$ 0.49 per sale

STEP 9: DECIDE ON A BUDGET AND IMPLEMENTATION PLAN

Creating budget and implementation plans at this step helps ensure accountability, as well as sustainability. Components of each are outlined in this section.

Budget elements for a promotional campaign include direct costs related to developing, producing and launching promotional elements.

Table 7. Examples of budget elements for a promotional campaign

BUDGET ELEMENTS	EXAMPLES
Creative development	Fees for creative professionals to develop creative elements (for example, graphics, copy, scripts, layouts and storyboards) and to recommend communication channels
Pre-testing	Costs for research studies, such as focus groups and personal interviews with members of the target audience, to test creative elements prior to production
Production	Costs for printing brochures and posters, putting up billboards, painting a mural, commissioning photography, filming a television spot, recording a radio spot, developing a website, and/or preparation for a special event
Communication channels	Charges for holding special events, generating publicity and for placing advertisements on television, radio, billboards, websites, mobile phones and buses, and in magazines, newspapers, newsletters and retail locations
Evaluation	Estimates for conducting research to evaluate efforts, and carry out activities identified in Step 8, the evaluation plan

Implementation plans can be simple, outlining what activities will take place in order to implement the promotional campaign, when these will happen, and who will be responsible. The implementation plan functions as a concise working document to share and track key activities. It provides a mechanism to ensure you and your team do what you said you wanted to do, on time, and within budget (see table 8). Costs related to implementation would have been identified when itemizing costs for creative development, pre-testing, production and communication channels.

Table 8. Elements of an implementation plan

WHAT	WHEN	WHO
Activities including <ul style="list-style-type: none"> • production of campaign elements • airing of television or radio spots • putting up of billboards or posters • distribution of flyers • installing point of purchase and retail displays • sending press releases • training of salesforce and distribution partners • organizing and conducting special events • conducting evaluative research 	Target dates for launch and completion of each major activity	Person or persons responsible for the activity

STEP 10: IMPLEMENT, EVALUATE AND MAKE RECOMMENDATIONS FOR THE FUTURE

This final step, following implementation and evaluation, makes important recommendations for future campaigns, or revisions midstream to current campaigns.

In Step 3 of this process, you established a *SMART* goal, most commonly a sales goal that was stated in specific terms so that it could be measured; one that was achievable and relevant; and one that was to be accomplished by a target date or within a specified timeframe.

Assume for a moment your outcome evaluation indicates that the intended goal was not met, that in fact only half the sales were achieved that were desired in the timeframe. Assume as well, since the focus of this study is on promotional campaigns, that prior research had indicated that the problem wasn't the product, the price or the place. You then focus on what elements of the promotional campaign may have contributed to the disappointing results, asking the following four questions by informal efforts such as gathering input from staff, sales force, partners, and through more formal efforts such as talking to potential customers who did not purchase a policy:

1. *Were the intended messages motivating?* This isn't asking whether the creative elements were successful in communicating the messages. This is asking whether the messages established in Step 7.1 resonated with target audiences. Problems in this area can usually be avoided by pre-testing and making revisions, as suggested in Step 7.5.
2. *Did we use the right messengers?* Was there a credibility problem with messengers in terms of likeability, trustworthiness and/or expertise?
3. *Were creative elements engaging?* Did they deliver intended messages? Were campaign materials and efforts noticed, and did they capture the target audience's attention, stimulate interest and create desire? Which aspects (for example, graphics or copy) were most effective and which ones least effective?
4. *Were communication channels effective?* Did they achieve the desired reach, frequency, placement and timing to be noticed and recalled?

Assume, alternatively, that sales goals were met. This exercise can also provide input for future campaigns, indicating what messages, messengers, creative elements and communication channels should perhaps receive even more emphasis and resources, using similar questions to when sales goals were not met:

1. Which messages were most motivating?
2. What messenger was the most credible and what was most effective about that messenger?
3. What creative elements had the greatest ability to get people's attention, and which were the most motivating? What communication channels did the most sales leads come from?

Findings from these exploratory questions would then lead to recommendations related to changes in messages, messengers, creative elements, and/or communication channels. Consider what a resource you would have for campaign planning if years of recommendations on prior campaigns were available as you created new ones.

CONCLUSIONS

The experience of developing promotional campaigns in the microinsurance industry is still limited and presents an opportunity for improving practice, testing approaches and learning from the efforts of peers. A review of the promotional efforts of a diverse set of microinsurance programmes around the world suggests one or more critical elements of a strategic promotional plan are frequently missed. Most lacked sales goals established upfront. Many had not clearly defined a target audience for the plan other than a geographical area. Only a few had conducted research to understand audience barriers to purchase. And only a handful conducted evaluations that included reporting on return on investment. The need for a structured, sequential approach to developing and implementing promotional campaigns for microinsurance products is apparent.

Some key insights to improve promotional efforts include:

1. Segment your market to identify a target audience that is relatively homogeneous yet sufficiently large to reach your sales goals.
2. Use a customer-oriented research methodology, such as PACE analysis, to identify the strengths and weaknesses of your offering from the customer's perspective and to inform your marketing mix.
3. Establish a desired sales goal, one that is Specific, Measurable, Attainable, Relevant and Time-bound (SMART)
4. Follow a structured strategic planning process to help you design promotion campaigns that communicate relevant benefits, overcome audience barriers to purchase, and demonstrate real value relative to the competition.
5. Provide a one- to two-page creative brief to guide those who will be developing and implementing aspects of your promotion strategy.
6. Focus promotion not only on first sales but also on renewals.
7. Track costs and measure effectiveness; otherwise you'll never know if you've got the right strategy, and your promotion could become expensive.
8. Pre-test your promotion plan with your target audience to make necessary revisions to ensure that you get a high rate of return on your campaign investment.

Although promotion is clearly a necessary part of the marketing mix (4P's), successful outcomes from a campaign are often more a result of a great offer (product, price, place), than only a very good promotion. No promotion campaign will be successful if the offering is poorly designed because of weak understanding of what the target market wants. Describing the insurance product and its features and distribution channels; establishing goals; selecting target audiences; and understanding their perceptions about insurance in general, and the product specifically, come first.

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MICROINSURANCE INNOVATION FACILITY

Housed at the International Labour Organization's Social Finance Programme, the Microinsurance Innovation Facility seeks to increase the availability of quality insurance for the developing world's low income families to help them guard against risk and overcome poverty. The Facility was launched in 2008 with generous support from the [Bill & Melinda Gates Foundation](#) to learn and promote how to extend better insurance to the working poor. Additional funding has gratefully been received from [several donors](#), including the [Zurich Foundation](#) and [AusAID](#). See more at: www.ilo.org/microinsurance

