Protecta funeral insurance -- AIC [1]

About the Project

Project Name: Protecta funeral insurance -- AIC
Type of Facility Project: Microinsurance innovation grantee
Country of Operation: Haiti
Region: Latin America and the Caribbean
Sub Topics: Business models, Other channels, Financial institutions, Claims, Enrollment, Sales, Promotion, Product development, Partnerships, Improving value, Demand, Value-added services, Life
Type of Risk Carrier: Regulated insurance company
Type of Distribution Channel: Bank

Organizational Overview

Alternative Insurance Company (AIC) is a multi line company offering a broad range of insurance products and services (assets, life, health). AIC started its operations in December 2001 and quickly became one of the leaders in the local insurance industry.

Project Description

The Alternative Insurance Company (AIC) was the first insurer to launch a microinsurance product in Haiti in October 2007 with a Haitian microfinance institution (MFI), Fonkoze. The initial product for Fonkoze’s clients covers the borrowers’ remaining balance on their loan in the event of death, and provides a death benefit to the beneficiaries for a period of one year. AIC has since been working with other MFIs to launch other products adapted to the needs of their customers. In A... READ MORE [2]

Beneficiaries

The target population to be reached, in the next 5 years, is approximately 300,000 low-income people.

Learning Agenda

- What is the added value of insurance to manage life/funeral risks in the context of one of the poorest countries in the world?
- To what extent does exposure to funeral insurance promote proactive financial behaviours and create insurance culture?
- What is the added value of education campaigns to increase outreach and change attitudes of the target groups?
- What is the benefit of identification cards for life insurance to increase outreach and efficiency?
- How effective are popular retail banks and funeral houses as delivery channels?
- What other products can be added to funeral insurance (education costs, etc.) after successful implementation of the life scheme?

Project Status

Project Updates

As of December 2007 In 2007 AIC started offering credit life insurance through Fonkoze. AIC trained the Fonkoze staff, who in turn educated the clients about the product. To monitor the product and its implementation, AIC conducted interviews with clients every three months. The interviews assess client understanding of insurance and their life cover. It quickly emerged that clients wanted more in terms of coverage. Providing this product gave AIC interesting insights. However,... READ MORE [2]

Project Lessons

On client value and product design Constant client feedback is needed to design and improve new products. Throughout time AIC has constantly carried out research, collecting client feedback at the point of sale, organizing group discussions and interviewing agents to improve existing products and design new ones. Based on market research and initial experience with Fonkoze and BNC, the organization developed a universal funeral insurance product called As... READ MORE [2]

On marketing Designing messages and testing them with the target audience improves the impact of the promotion campaign. At the time of the Protecta product launch, AIC chose the slogan ?Nap ede?w bwote denye chay la? (?We will help you get rid of the last burden?). However, there were problems with the term ?bwote?, which in Haitian vernacular has a negative connotation of getting rid of something you do not want (and is used for getting rid o... READ MORE
On distribution channels A regular training program for new sales staff can be a very effective means of tackling constant staff turnover. AIC organized an open house for recruiting additional staff and sales representatives for the Protecta project. The initial recruiting process lasted three weeks from December 2008 to January 2009. 50 applicants attended the open house, 20 candidates were considered and 14 were selected for the three week extensive traini... READ MORE [2]

On the role of technology The addition of the CIO contributed greatly in the communication with the software developer and in troubleshooting in an efficient and timely manner. When the software arrived, AIC encountered challenges testing their DATANET software and from April 2009 to October 2009 they were in frequent correspondence with the developer, ImagiSoft. This resulted in AIC recruiting a chief information officer (CIO), in addition to the already ex... READ MORE [2]

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