About the Project

Project Name: Use of mobile technology in premium collection -- Manulife Vietnam Ltd
Type of Facility Project: Microinsurance innovation grantee
Country of Operation: Viet Nam
Region: Asia and the Pacific
Sub Topics: Client interface, Premium collection, Mobile network operators, Life, Transaction processing
Type of Risk Carrier: Regulated insurance company
Type of Distribution Channel: Trade union

Organizational Overview

Manulife Vietnam Limited is one of the top three revenue generating insurers in Vietnam with over 300,000 household clients in its first ten years of operations. It is also the first and only insurance company to provide microinsurance. Manulife began its microinsurance operations 2009, with a focus on providing life insurance to rural communities. Today, it has sold more than 100,000 policies.

Project Description

The project aims to pilot mobile phone technology and funds transfer system to facilitate paperless collection/process of premium payments, leading to faster transmission of premiums from its distribution partner, the Vietnam Women's Union (VWU). Manulife is currently experiencing lapse rates of between 33 to 55 percent, primarily due to the time it takes for premiums to be transmitted from the provinces to Manulife (sometimes as long as three months). Manulife expects the us...

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Beneficiaries

This project targets the rural women who are members of the VWU in the Ben Tre province. They number approximately 14,000, live in areas difficult to access by road, have income of USD 1-3 per day and are housewives, farmers or tiny retailers. Approximately 70% of the targeted customers have mobile phones. They mostly use the phones to make calls and send messages, but are not yet accustomed to using these mobile phones to pay bills. A higher percentage of the VWU representatives who assist the target customers own mobile phones.

Learning Agenda

Key questions that Manulife will seek to answer during this project include:

- What is the receptiveness of the members and representatives of Women's Union to using mobile phone technology for premium payments?
- What kind of education could help this group of customers adopt a new premium payment option? Types of education and support material to be tested include training materials, FAQs, standees, leaflets, posters, video clip, case study and hotline support.
- Can mobile payment reduce lapse rates and improve renewal rates?

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