In a survey in rural Kenya, respondents indicated a strong preference for health insurance policies with no deductibles, even though the policies have a higher premium. The preference was stronger for policies that offered a rebate (no-claim bonus) along with the no deductible option. For example, when asked to choose between policy A) 4,000 KSh (USD 50) premium - no deductible - 250 KSh (USD 3) rebate and policy B) 3,500 KSh (USD 44) premium - 500 KSh (USD 6) deductible - no rebate, 74% of the sample preferred policy A.

The preference for a rebate was also found through a customer satisfaction survey, where clients indicated that the lack of a no-claim bonus had a strong negative impact on their satisfaction with the product.

For more on the research design and results, see Research Paper No.4 ? Microinsurance Product Design: Consumer Preferences in Kenya. [1]