Insurance distribution for low-income clients -- Grupo Asegurador Banco do Brasil y Mapfre

About the Project

Project Name: Insurance distribution for low-income clients -- Grupo Asegurador Banco do Brasil y Mapfre
Type of Facility Project: Microinsurance innovation grantee
Country of Operation: Brazil
Region: Latin America and the Caribbean
Sub Topics: Financial institutions, Sales

Organizational Overview

MAPFRE Insurance, part of the Bank of Brasil and MAPFRE Insurance Group (BB MAPFRE), looked to develop a life microinsurance product with an accompanying funeral assistance benefit for favelas and rural areas primarily engaged in family farming. The goal of the project then was to pilot two microinsurance products that would protect low-income clients in such a way that would enable them to cope with accidents, funeral costs and, in the case of one of the products, basic food expenses.

Project Description

This document was developed by the Multilateral Investment Fund (MIF) as part of the partnership between the ILO Microinsurance Innovation Facility and the MIF. MAPFRE Insurance, part of the Bank of Brasil and MAPFRE Insurance Group (BB MAPFRE), looked to develop a life microinsurance product with an accompanying funeral assistance benefit for favelas and rural areas primarily engaged in family farming. The goal of the project then was to pilot two microinsurance products that would pro...READ MORE

Project Status

Project Updates
BB MAPFRE has trained 790 INEC personnel to provide ?Agroamigo? sales coverage to all states in Northeast Brazil, and trained ten people trained to sell ?Mapfre Você Tranquilo? at a local kiosk. In the first three months ?Agroamigo? was in the market, it sold 8,000 policies. By December 2013, after just over a year, ?Agroamigo? had sold 129,595 policies, representing premiums of US$ 1,215,623.91. ?Mapfre Você Tranquilo? had sold 16 policies, representing premiums of US$ ...READ MORE

Project Lessons

On identifying the needs of the community Efforts should be undertaken to identify the most salient community members to participate in needs assessment activities. In the process of applying interviews, BB MAPFRE obtained the best information from women. They found that because mothers manage the family finances, they have a clear view of the risks to which their families are exposed when the primary breadwinner is absent. This made clear the...READ MORE

On product design Better services and ?dignity? can be provided through insurance products. Responding to needs identified by the surveys, BB MAPFRE prioritized the concept of "dignity" in their marketing materials to emphasize how the insurance payout allows clients to have a dignified burial, in some cases including a consultation with the prospective client to ensure that she or he fully understands the benefits and trusts BB MAPFRE. BB MAPFRE also...READ MORE

On consumer education The low-income population?s limited awareness and understanding of financial services must be addressed when offering such services. Through interviews with the target population, BB MAPFRE identified a profound lack of awareness of the risks that people face when using financial services and products. One woman, for example, requested loans for her neighbors in her own name, not understanding that if they failed to repay the loans sh...READ MORE

On product distribution The involvement of community residents as sales agents facilitates trust building. From the start, BB MAPFRE sought to build a relationship of trust with its customers. Struck by the feeling of solidarity among community residents they observed through the surveys for ?Mapfre Você Tranquilo?, BB Mapfre realized that this could help increase product uptake. To do this, BB MAPFRE developed a strategy in the "Complexo do Alemão"...READ MORE

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