What can insurers learn from M-PESA’s marketing success?

As perhaps the most successful implementation of mobile money, M-PESA is a well-documented case. In this study, GSMA highlights how M-PESA’s marketing messages evolved with the service. In its first major advertising campaign for M-PESA, Safaricom focused on one use for its mobile money service and one functional message? ?send money home?. While there were other uses for the service, M-PESA decided to focus on the one that they thought would resonate with most users. Indeed, a survey conducted by Finaccess in 2006 showed that 17 per cent of Kenyans reported having sent money at least once in the last twelve months, compared to just 3 per cent who had taken a loan from a microfinance institution, for example.

In time, awareness levels increased remarkably, even among non-users (with only 3 per cent of non-users were unaware of the service). Safaricom therefore changed its message to an emotional and aspirational one. Its new campaign explored the many emotional reasons that customers were using the M-PESA service, for example, a father paying his daughter’s school fees with M-PESA.

What can insurers learn from this approach?

Through focused market research, an insurer can determine which product feature is most valued by the majority of its customers and focus on that feature. Say an insurer offers a hospital cash product. Focus groups might reveal that the majority of customers are worried about a particular disease, such as malaria. In this case, the advertising campaign could focus on malaria? ?get paid when you get malaria? ? rather than a generic message, such as ?protect against illness?. A second campaign can take a broader approach, highlighting how customers have used the service and benefited from the cover.

As is often the case, less is more when promoting a new service.