Microinsurance providers struggle to stimulate and sustain demand for their products. Significant barriers prevent low-income households, which often rely on informal risk management mechanisms embedded in their local culture, from purchasing insurance. With a lack of trust in providers and low financial and insurance literacy, the poor struggle to appreciate the intangible value of possible future benefits offered by insurance.

**FIGURE 1 10 steps to a successful promotional campaign**

1. **STEP 1** Provide background information
   - The company
   - The marketplace
   - Insights from prior efforts

2. **STEP 2** Describe the current offer
   - Product
   - Price
   - Place

3. **STEP 3** Establish SMART goals
   - Specific
   - Measurable
   - Achievable
   - Relevant
   - Time-bound

4. **STEP 4** Select and describe target audiences
   - Demographics
   - Geographics
   - Size
   - Values and lifestyle
   - Related purchases

5. **STEP 5** Identify target audience
   - Barriers
   - Benefits
   - The competition

6. **STEP 6** Write a one-to two-page creative brief
   - Purpose of campaign
   - Target audience
   - Communication objective
   - Positioning statement
   - Benefits to promise
   - Support for the promise
   - Style and tone
   - Openings

7. **STEP 7** Develop and pre-test the promotional strategy
   - Key messages
   - Messengers
   - Creative elements
   - Communications channels

8. **STEP 8** Define evaluation plan
   - Inputs
   - Outputs
   - Outcomes
   - Return on investment

9. **STEP 9** Decide on a budget and implementation plan
   - What
   - Who
   - When
   - How much

10. **STEP 10** Implement, evaluate, and make recommendations for future campaigns
    - Potential revision
    - Future recommendations
    - What worked & what didn’t

Potential revision
Many practitioners equate promotion with slogans and logos. However, these dimensions represent only one part of a comprehensive promotion campaign. A review of the promotional efforts observed in diverse microinsurance programmes around the world suggests that one or more critical elements of a promotion plan are frequently missing: most lack sales goals and many do not clearly define a target audience for the product, apart from specifying a geographical area. Only a few conduct research to understand audience barriers to purchase, or evaluate returns on investment for the plan. Adopting a structured, sequential approach to develop and implement promotional campaigns for microinsurance products is essential to improve the results of microinsurance programmes.

Key insights to improve promotional campaigns include:

**Know the market and segment it to identify a target audience**

Knowing the unique wants, needs, barriers, preferences and media habits of the target audience is the key to success. Divide the larger population into smaller, homogenous groups, evaluate each segment and select a priority target audience.

Customer-oriented research methodology can help identify the strengths and weaknesses of a product from the customer’s perspective and inform a promotional campaign (see Box 1).

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**Box 1 Market research at AMUCSS**

In 2010, AMUCSS conducted research to assess the viability of a health insurance product for its partner microfinance institutions (MFIs). Based on feedback from clients, MFIs and health care providers, it found that the following barriers should be addressed in the promotional campaign.

<table>
<thead>
<tr>
<th>BARRIERS</th>
<th>REPRESENTATIVE COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of basic information</td>
<td>I don’t know how insurance works.</td>
</tr>
<tr>
<td>Lack of detailed Information</td>
<td>I don’t understand claim payments, how I receive them, how much I get and when.</td>
</tr>
<tr>
<td>Competition</td>
<td>I get some health services for free, so why do I need health insurance?</td>
</tr>
<tr>
<td>Belief</td>
<td>I believe that insurance brings bad luck. If I purchase insurance, someone in my family will probably get ill or die.</td>
</tr>
<tr>
<td>Price</td>
<td>This health insurance premium is far higher than the premiums of the life insurance products I’ve seen.</td>
</tr>
<tr>
<td>Security</td>
<td>How secure is my personal information if I use the mobile device to make the payment?</td>
</tr>
</tbody>
</table>

Findings from this study will be used to develop product, price and place strategies, as well as to inform promotional strategies, with key messages designed to address several of the major barriers. The new messaging should include:

- explanations on how the policy works,
- assurance that claim payout would be obtained quickly,
- emphasis on easy enrolment,
- reassurance that money is safe when paying premiums, and
- differentiation of the product from the Government’s health offer.
Follow a structured process to identify messages, messengers, creative elements and media channels

Developing a promotional strategy involves four major elements on messages, messengers, creative elements and media channels. A one- to two-page creative brief is one of the most effective ways to ensure that promotional strategies for the campaign establish clear messages, choose credible messengers, create winning creative elements, and select effective communication channels. A creative brief helps those developing and implementing the promotional campaign to understand both the insurer’s objectives and the audience perspectives.

**Messages:** What key messages should the target audience receive? What do they need to know, believe, and then do? (see Box 2)

**BOX 2** Messages that inspire at Max New York Life in India

The company uses the name Vijay to convey the idea of triumph or conquest, and asserts that its product is a “symbol of victory for the common man”. Key messages launched in a revitalized campaign in 2010 supported this brand promise.

Key messages changed from “Now, with Max Vijay, you will get financial independence and every Indian citizen will gain control over his status” to “Become the hero of your family with Max Vijay.” In a press release, the new campaign “Pariwaar ke hero” (hero of the family) was described as being “designed to recognize Max Vijay customers who believe in building a strong financial future through everyday small savings and thus becoming a hero for their family.”

Based on the market research conducted by Max Vijay, the messages address the four main reasons people do not buy insurance:

1. **High initial premium** (“Start your policy with as low as INR 1,000 as first premium and top it up with amounts as low as INR 10.”)
2. **Fear of lapses** (“Your policy will not lapse as long as there is sufficient value in your policy account to cover morality charge, service tax and monthly administrative charges.”)
3. **Aversion to health check-ups** (“No medical test required.”)
4. **Depending on one agent, which is difficult when you need to move** (“You are not linked to one agent. You can top up your policy at outlets located in your vicinity.”)

**Messengers:** Messengers deliver the messages, and they are the ones the target audience perceives to be making and supporting the offer. For microinsurance products, the messengers are often the distribution network/channel and its personnel. There may also be additional key messengers, including trusted members of the community, spokespersons, partners, mascots, endorsers, and any other organizations supporting the effort, such as schools and health-care providers (see Box 3).
Trustworthy messengers at Pioneer Life in the Philippines

Pioneer Life in the Philippines delivered life microinsurance through a network of Wellness Clubs that were initiated by the Catholic Church in every diocese of target provinces. Consider the credibility that a network of parish leaders has with this target audience of families with migrant workers, particularly on the critical dimensions of trustworthiness and likeability.

These facilitators deliver key messages about the insurance and savings products, increasing club membership on a wider scale and at a faster rate than if Pioneer agents (alone) had served as the messengers. In fact, Pioneer found that getting people to participate in events, as well as purchase products, depended on having their agent accompanied by the migrant desk coordinator for the Church. Pioneer Life also observed that incentives for the facilitators were key to the success of their activities. The prizes offered to facilitators were modified every quarter to keep them interested.

Based on results of follow-up surveys among attendees at financial literacy sessions, the appeal of these messengers is clear. One finding, for example, showed that what participants liked most about the events were the presentations and the facilitators, which scored higher than the food, freebies, games and raffles. Other encouraging findings were that 87 per cent of respondents indicated they intended to join the clubs after the programme, elaborating that what appealed to them most was the focus on the personal benefits of the savings and insurance products that these educational sessions made real. In the end, almost 15 per cent did in fact join the clubs and enrolled in a savings and insurance plan. The need for post-event follow up to strengthen this conversion rate was identified as an additional, future promotional strategy.

Creative elements: Major components include visual elements (for example, graphics and typeface), verbal content (for example, slogans, headlines or detailed copy), and sight/sound components (for example, music, sound effects or setting). These can be created by artistic and creative professionals working in advertising and promotional firms or by staff within the insurance agency or distribution channel.

Communication channels: Determine the most efficient and effective mix of communication channels to reach the target audience and inspire them to act. Major channels to choose from include mass media, public relations, social media, mobile marketing, special events, personal selling, word of mouth (see Box 4), edutainment/popular media, theatre, printed materials, signage and displays, direct mail, and special promotional items. Selection of communication channels is influenced by decisions on messages, messengers and creative elements. If the creative elements call for significant detailed copy, for example, channels such as printed materials may be appropriate. If creative elements include simple messages with short slogans, outdoor billboards might work. If sound or motion is needed, this may point to television or radio. The results from the market research can point to the most appropriate channels for the target population.
Some marketing professionals believe that word-of-mouth marketing is the most effective form of promotion, as it taps into one of the most basic forms of human behaviour: people like to talk!

MicroEnsure experienced huge growth with its mobile insurance products in Ghana in 2012. It was mostly due to successful partnerships with mobile network operators and smart product design.

Ghanaians in general do not trust insurance, and dislike the idea that there is only a benefit when death occurs. In fact, if a death occurs, some people blame the insurance company for the death of their loved one.

The promotional strategy used by MicroEnsure takes these barriers and beliefs seriously, with an emphasis on first registering as many people as possible, in order to increase the likelihood of a claim, which can generate positive experiences with the insurance company and satisfaction with the benefits of the policy.

Media strategies included a radio campaign that focused on Tigo clients and a beloved family member, adding credibility to messages to “[l]eave something good behind for your loved ones”.

Claims are paid in public, at busy Tigo service stores with up to 100 people around at the time of a disbursement, in order to capture the attention of potential, as well as existing, clients. In the case of one client, Nana Yaa Konadu, claim payment took place at her workplace, where she also shared her story with co-workers and the press:

“MY DADDY and I had a special bond and so I named him on my insurance form. At 3 a.m. on Christmas morning, my beloved father passed away. Because I had already obtained my father’s ID card and a document as evidence of death, MicroEnsure collected the documents from me and that same day forwarded all materials to the insurer, Vanguard Life. Vanguard Life paid the claim within two days. I am overjoyed to receive the 800 Ghana cedis, as the money will be used to pay for burial costs for my father.”

Consider the subsequent, conversations at her workplace, and the increased validity of the tagline: Tigo Family Care Insurance: it really works. Just ask Nana Yaa Konadu!

Programme managers commented that this word-of-mouth strategy has not only inspired potential clients to sign up, but that it has also had an impact on current policyholders. After hearing from clients like Nana, who received a claims payment, current clients started using more airtime with the aim of increasing potential payouts. The average size of a claim has continually increased and is now in the very high 100s Ghanaian cedis.
**Test and measure cost-effectiveness**
Pre-test the entire campaign or at least the most important elements, especially potential messages and creative executions before printing materials and investing more resources. Determine the input, output, and outcome indicators that will be needed to evaluate the efforts and measure the return on investment. The campaign budget should include evaluation-related costs, including surveys and tracking mechanisms that will be used to find out, in particular, which media channel captured the audience’s attention.

**Watch out, promotion is just one element of the marketing strategy**
Although promotion is clearly an essential part of the marketing mix, a successful marketing strategy is often more the result of a better offer (product, price, place), than good promotion. No promotion campaign will be successful if the offering is poorly designed due to a weak understanding of what the target audience wants.

Housed at the International Labour Organization’s Social Finance Programme, the Microinsurance Innovation Facility seeks to increase the availability of quality insurance for the developing world’s low income families to help them guard against risk and overcome poverty. The Facility was launched in 2008 with generous support from the Bill & Melinda Gates Foundation to learn and promote how to extend better insurance to the working poor. Additional funding has gratefully been received from several donors, including the Z Zurich Foundation and AusAID. See more at www.ilo.org/microinsurance.