



QUANTIFYING RISK, ENABLING OPPORTUNITY

Product Innovation in Micro-insurance

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Content

Who is the customer and what are they saying?

How do we invest in social economic development – without eroding profit margins?

What are the ideal channels for distribution and servicing?

Claims: how can we make this simpler, accessible and instant?

What is the role technology can play?

Some examples of what we are doing to make a difference

Questions

Our Target Market

The Old Customers we traditionally sell to across emerging economies are at the top of the pyramid, at best at the top of the middle. No lower.

Affluent

Middle

Foundation



The New Customers – are the most vulnerable and have a real demand for insurance. They are financially excluded.

One single emergency can force families to sell productive assets, move back to the village, remove children from school to help the household earn extra income or go back into poverty.

Profiling our Target Market

Ama.Zing Customer Segmentation – Zimbabwe 2018

	FC People Survivor 300 000 ? 18 % 	Penny Pincher 700 000 ? 50 % 	Optimist 300 000 ? 18 % 	Convenience Buyer 400 000 ? 24 % 
Segment Short Description	- No predictable income - Busy with multiple things simultaneously - Opportunistic in his approach - Makes a buck here and there but limited continuity	- Predictable income albeit small - Frugal or cautious with money - Stretches money as far as possible to take care of as many people as possible - Spends on necessities and not focussed on luxuries - Longs for a better life and greater social standing	- Takes each day as it comes - Lower earner - Typically, younger in age and wants to be socially accepted - Limited commitment to family - Wants a better life but believes it will happen automatically - Patriotic to Zimbabwe	- Slightly higher earner - Predictable income but volatile - Doesn't seek convenience but make purchases due to convenience - Busy lives with many distractions and dependants - Takes on responsibility due to higher social status
Monthly Earnings	\$200 to \$400	\$400 to \$800	\$400 to \$700	\$700 to \$2000+
Spends on	- Family (wife/husband and children) - Basic Needs (Rent/Food/Utilities) - Public Transport - Looking for work	- Family (spouse, children, extended fam) - Basic Needs (Rent/Food/Utilities) - Education & Fin Services (SACCOS) - Transport (own or public) - Physical appearance - Affordability & Family Needs - Influence of community and religious leaders - Media - Radio - Newspaper - Pamphlets and posters	- On him/herself - Rent, Communication and Tech - Physical appearance - Luxuries/entertainment where affordable - Saving (rarely) - Influence of friends and networks - Media - Internet - Social Media - WhatsApp - TV	- Family (spouse, children, extended fam) - Basic Needs (Rent/Food/Utilities) - Education & Fin Services (Loans, Policies, SACCOS) - Transport (own or public) - Physical appearance - Convenience & Family Needs - Social & Status pressure - Media - TV and Radio - WhatsApp - Billboards & Social Media
Makes decisions based on	- Affordability & Family Needs - References from family and networks - Media - Radio - Newspaper - Pamphlets and posters	- Affordability & Family Needs - Influence of community and religious leaders - Media - TV and Radio - WhatsApp	- Influence of friends and networks - Media - Internet - Social Media - WhatsApp - TV	- Convenience & Family Needs - Social & Status pressure - Media - TV and Radio - WhatsApp - Billboards & Social Media
Spends at	- Street vendors - Local market - USSD 	- Local Market & Street Vendors 2nd hand markets - Corner Shops - USSD and Mobile Apps - Will also travel for value 	- Corner Shops - Street Vendors - Big Retailers (Food and Clothing) - Restaurants & Bars - Online (Mobile Apps, USSD and Web) 	- Street Vendors, Corner Shops, Big Retailers, Local Markets - Any option on route - Mobile Apps and USSD - Internet (rarely) 

Overarching Segmentation Description

- Working Age Population (9 mil)
- Urban – Easier reach & financially educated (3 mil)
- Regular Earnings – For regular payments (2,6 mil)
- Digitally literate – To leverage Zing's Tech advantage (1,7 mil)
- Upper Foundation & mass market – summarises above

Partnerships Impacting Segmentation Exercise

- PUMA
- National Building Society (NBS)
- Sanctuary's existing business
- Security Association of Zimbabwe (SAZ)
- Taxi Association Zimbabwe
- Head Hunters International

Customer Lifetime Value (CLV) Offering

- To be elaborated by Jason

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Product

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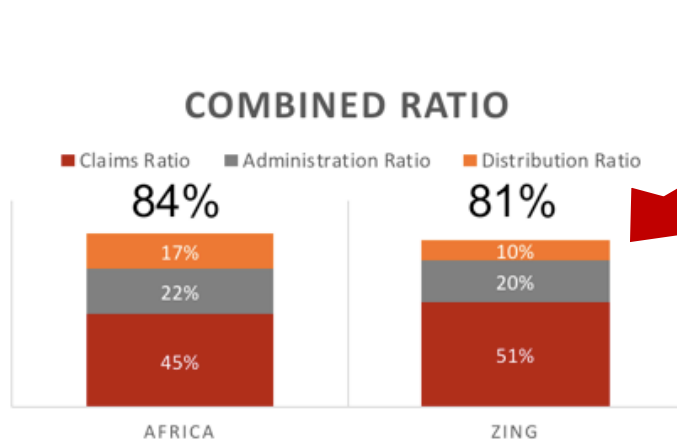
Price

Zingo WORLD

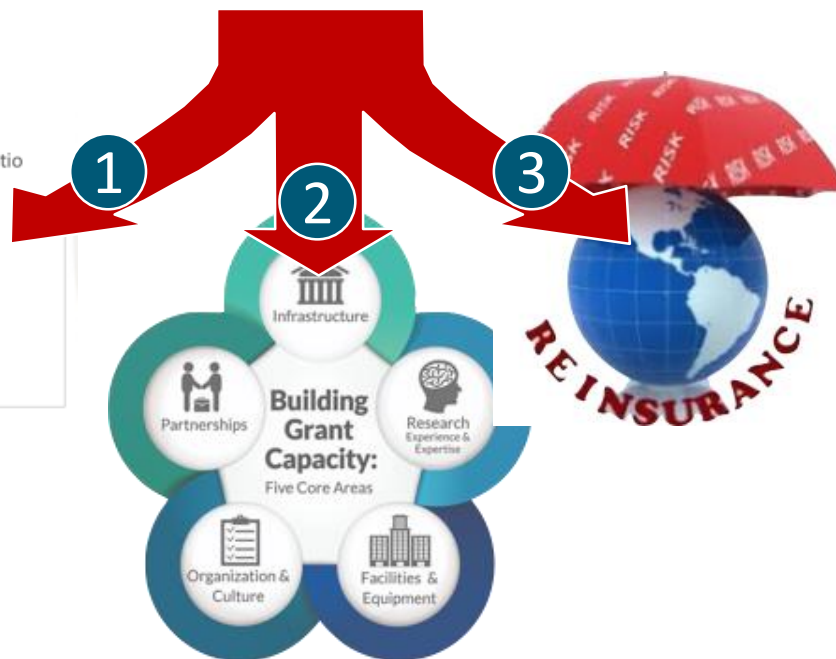
What our customers are saying – key take outs

- “We have to travel far to get insurance or to be serviced.”
- “We do not trust insurers and their claims processes are onerous. It cost me a \$50 of travel costs to get \$500.”
- “We understand the importance of funeral insurance, but the struggle is we have so many other costs to cover. “
- “Insurance companies have lost caring about us as their customers and do not care about our communities or their development – their shareholders come first.”
- “I will buy airtime, DSTV, before I buy insurance. My community will cover me if anything happens.”

How do we invest in social economic development – without eroding profit margins?



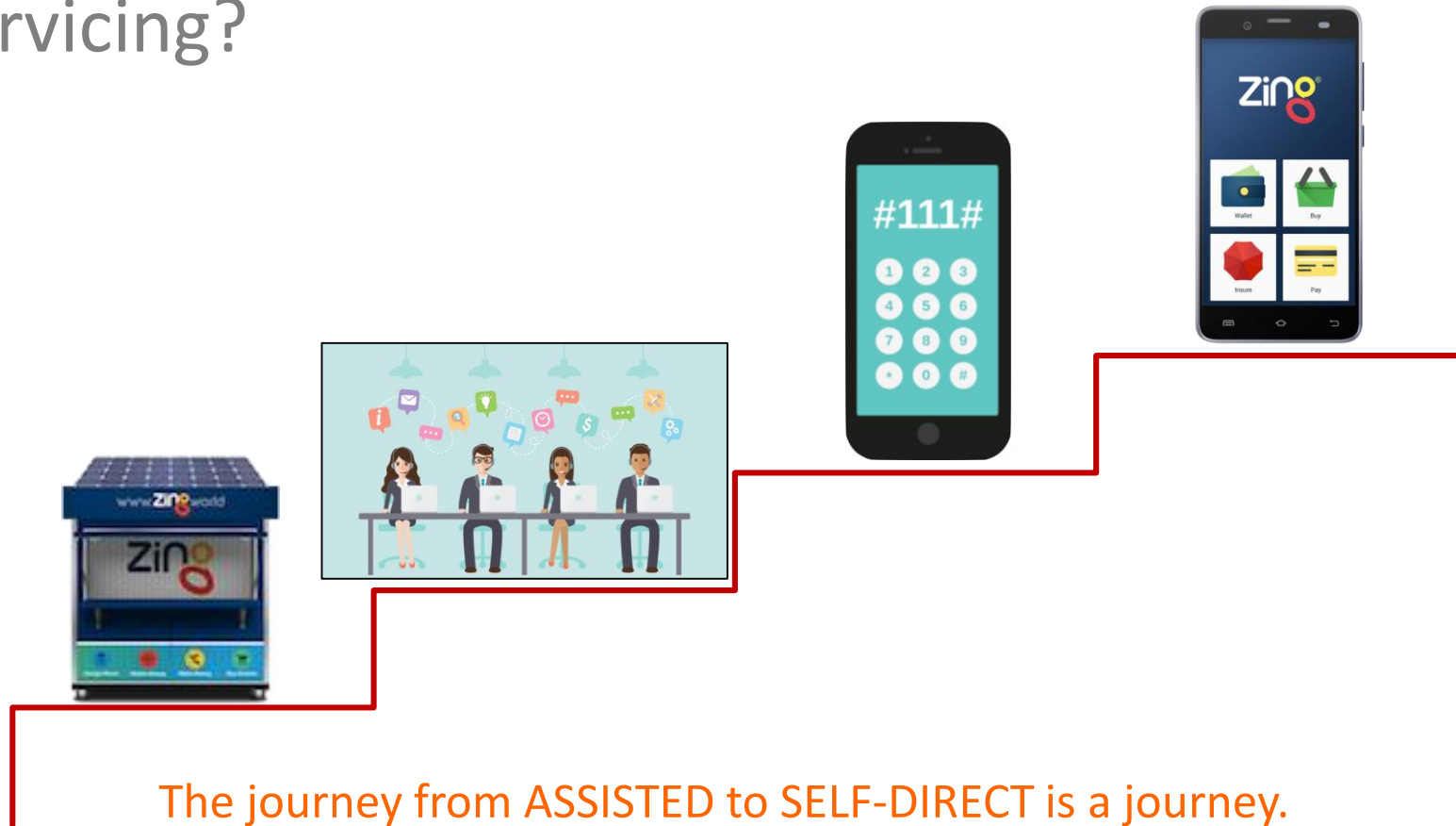
Revising combined ratio allocations in order to fund increasing claims ratio and introduce contribution towards CSI (3%).



Donor funding can significantly reduce the cost for insurers to upscale and provide access to insurance for the masses.

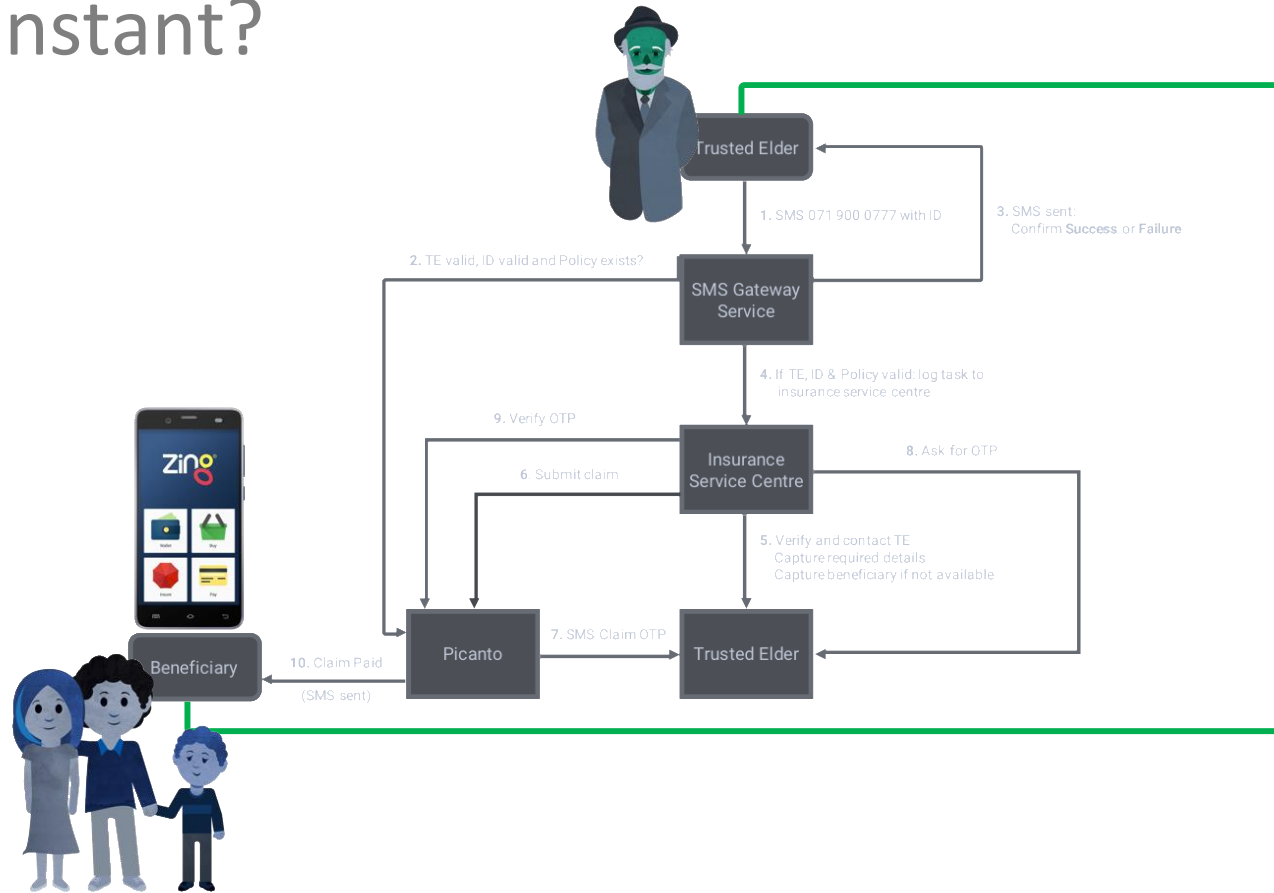
Reinsurance reduces insurer risks, stabilizes premium rates, reduces profit fluctuations and lets insurer focus on what counts most.

What are the ideal channels for distribution and servicing?



The journey from ASSISTED to SELF-DIRECT is a journey.
Insurers MUST invest in all these channels.

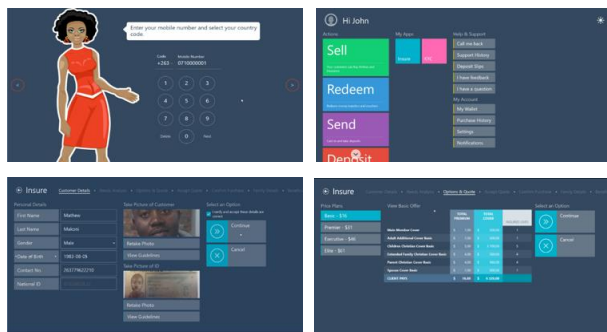
Claims: how can we make this simpler, accessible and instant?



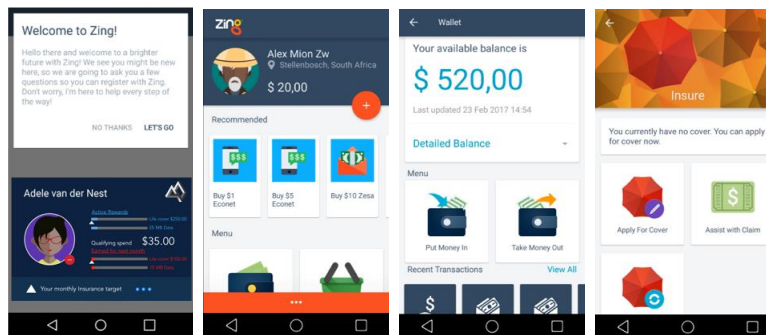
Remove underwriting, reduce approval process to minutes and pay instantly.

What role can technology play?

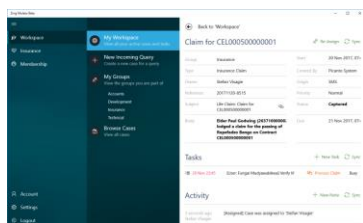
AGENT TABLET APP



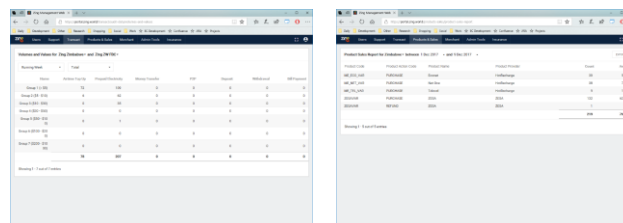
CONSUMER ANDROID APP



SERVICE CENTRE APPLICATION



SECURE WEB PORTAL



Technology is not an enabler - It is strategic to everything you need to do to survive as a new age insurer.

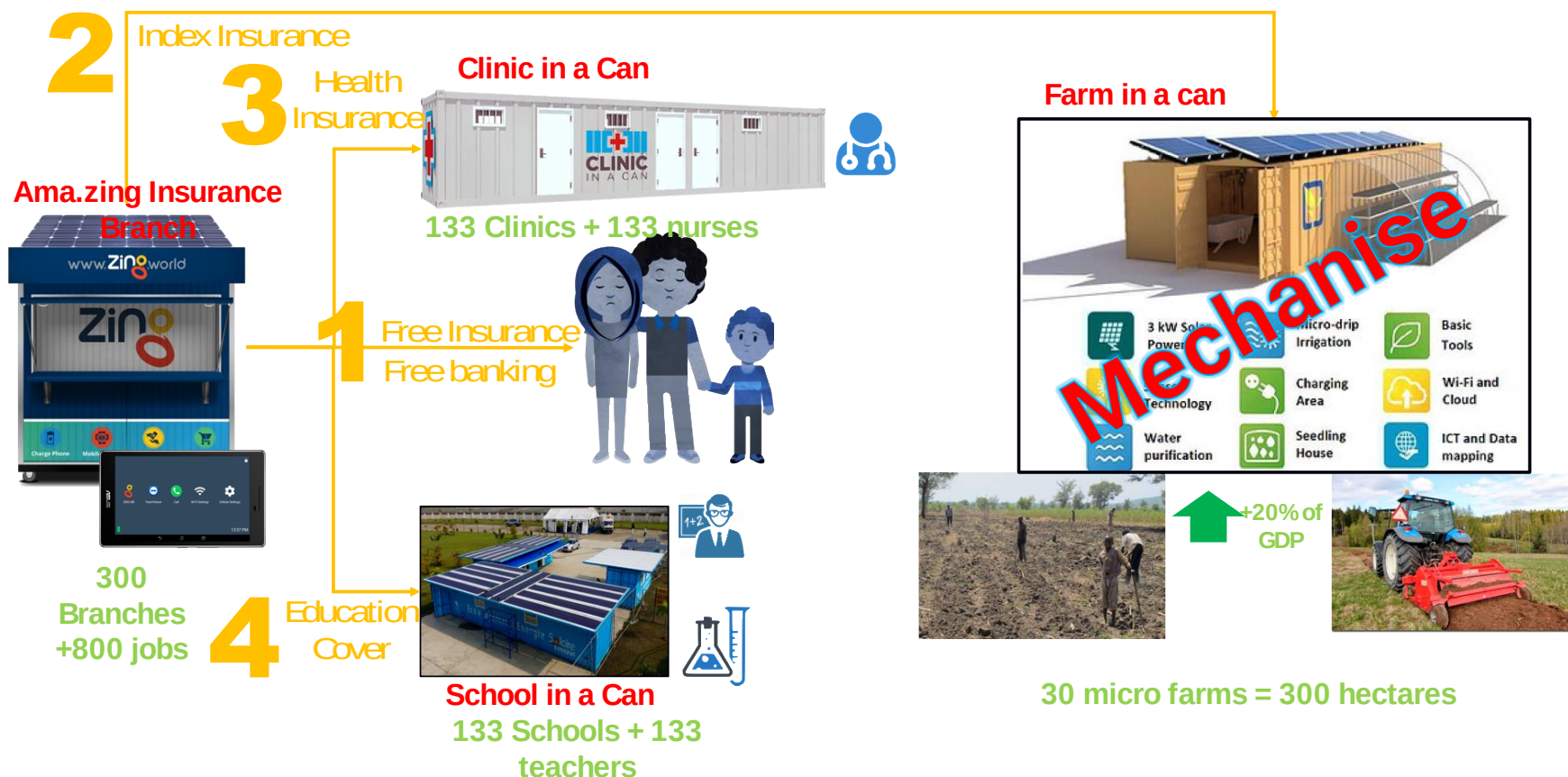
EXAMPLE: Creating jobs – business in a box



EXAMPLE: Claims demo

Insert video clip

EXAMPLE: Economic development via Insurance



THANK
YOU