

# MiMAP (RIMANSI) Focus Note #2

## Learned Mi-MBA Members Lead Growth in Mutual Microinsurance

Jun Jay Perez, Allelie Ruth Mojica, Nicole Garcia, and Jesila Ledesma  
December 2021

### Background

Financial inclusion is central to MiMAP's member growth and development strategy. A network of 18 microinsurance Mutual Benefit Associations or Mi-MBAs operating all over the Philippines, MiMAP accounts for a significant share of the microinsurance coverage in the country at 52% comprising 25.96 million insured lives in 2020<sup>1</sup>. This favourable market position has emboldened MiMAP to further deepen its outreach goal to serve a greater number of the poor and very poor, millions of whom remain uninsured.

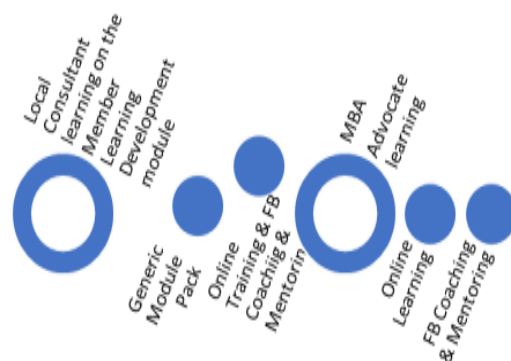
To put the strategy at work through word-of-mouth promotion, MiMAP developed, and pilot tested a Member Learning Program, with financial support from Citi Foundation and with participation of three Mi-MBA members, namely ASKI MBA, CARD MBA, and TSPI MBA. This Focus Note features the key experiences and learnings of the program which completed its pilot phase in July 2021.

### Microinsurance Learning in Uncertain Times: Get it Done

Just when preparations for the program got started in early 2020, COVID surfaced and became a global pandemic within months. The Philippine government placed the country on lockdown beginning mid-March 2020. Amidst social and economic uncertainties, travel restrictions, and health-related risks and fears, Mi-MBAs kept going. For the Mi-MBAs, the Board, management, and staff were all convinced that ways must be found to continue the delivery of products and services especially in claims processing and settlement. It paid off. This demonstrated commitment to the mission and service, heightened the appreciation of members about the value of microinsurance and the dependability of Mi-MBAs to provide support in times of crisis. By the end of 2020, even in very difficult circumstances, MiMAP member Mi-MBAs saw only a slight dip in its collective membership at 6.81 million from 6.86 million in 2019.

The network, too, kept going. MiMAP aligned the Member Learning Program to the new normal set-up and needs of the Mi-MBA members. More than ever, the value of microinsurance must ring loud and clear to the marginalized and vulnerable communities. In addition to reaching out to new members from the poorer segment of society, Mi-MBAs also face the challenge to bring back members whose policies have lapsed due to financial and mobility difficulties brought about by intermittent lockdown and community quarantine restrictions.

The program adopted a social marketing framework to foster a strong and positive brand equity through word-of-mouth advocacy not only by staff, but more so, by members. It comprises a four-module microinsurance (Mi) literacy course with a fifth module designed to build the capacity of Mi-MBA Advocates to deliver the course. BizFTC (Business Fair Trade Consulting) was contracted to develop the course and deliver a Training of Trainers among the key staff of participating Mi-MBAs, referred to as Local Consultants under the program. Local Consultants, in turn, will train Mi-MBA Advocates among frontline staff and members of the Mi-MBA to develop their capacity to promote the brand and effectively engage with the target market.



In close collaboration with MiMAP on content, BizFTC came up with modules that feature and convey the compelling value proposition of microinsurance from the perspective of the customers.

**Module 1** sets up the microinsurance brand by aligning Mi-MBAs as a support partner of customers

<sup>1</sup> Total estimated lives covered by microinsurance products as of December 2020 reached 50.35 million served by MBAs, life and non-life insurance companies, according to the Insurance Commission using unaudited quarterly reports on selected financial statistics.

in their various stages of life imbued with dreams and aspirations for the family. **Module 2** features life's risks that could potentially act as barriers to the attainment of these dreams. This module conveys the value of microinsurance as a social protection tool to prepare for and help overcome risks to life and non-life aspects such as properties. It also highlights microinsurance as a risk managing financial tool that comprises a range of products with features and processes specifically tailored to meet the varied needs and conditions of low-income individuals. Drawing on the key messages in Modules 1 and 2, Mi-MBA Advocates come up with a marketing pitch following the Persuasive Selling Format. **Modules 3-4** comprise the orientation materials on the Mi-MBA—this is where information on membership, products and services, processes and guidelines, and performance such as accomplishments in member coverage, geographic reach, and claims settlement record, among others, are conveyed.

The modules are broken down into mini sessions which can be delivered in 15 minutes at the shortest time. Sessions can stretch longer to invite members to share their microinsurance experiences and insights. Key messages have been developed with mnemonic devices for easy recall of information and to drive desired attitude and action among members. For example, the KALINGA acronym also connotes a Filipino word which means “care” in English. KALINGA outlines the 6 caring qualities of Mi-MBAs.

### **Microinsurance Learning by Word of Mouth: Bring Heart into It**

With the modules completed and packaged into a Generic Pack which can be delivered online or offline, 21 newly trained Local Consultants from three participating Mi-MBAs began the pilot test of the learning materials to their respective Mi-MBAs from March-July 2021. They trained a total of 517 Mi-MBA Advocates. Both ASKI MBA and CARD MBA chose to designate members as Mi-MBA Advocates while TSPI MBA opted to work with their staff on this role. The Mi-MBA Advocates went on to conduct microinsurance member learning sessions to a total of 29,574 new and existing members by mid of July 2021. The target outreach of the program of 20,000 learned members was exceeded by nearly 50% in just four months of pilot test.

Participating Mi-MBAs found the program a perfect fit to their business agenda. The learning materials came at the right time when they needed to reach out to members whose policies have lapsed or to promote a new product to top-up the financial benefits of the basic insurance product. The learning materials, with a social marketing orientation, were eagerly received, customized, and enhanced where needed, and seamlessly integrated in the work of staff and members with marketing and sales functions.



To train the Local Consultants who come from various parts of the country, MiMAP and BizFTC conducted virtual workshops in Zoom. This was also the mode of training used by Local Consultants from ASKI and TSPI in training the Mi-MBA Advocates. CARD held in-person training sessions to allow for simulation exercises per module where the Mi-MBA Advocates get to practice how to convey the key messages and use the visuals effectively. A Facebook group was set-up and activated to provide a venue for online coaching by BizFTC to the Local Consultants as they plan for, and pilot test the member learning sessions.

Since TSPI MBA chose staff as Mi-MBA Advocates, they initially planned for online training of members via Zoom or Facebook chat group. A few Mi-MBA Advocates tried online training but faced several technical difficulties such as poor connectivity and inadequate equipment such as earphones and microphones. Since in-person small group meetings were allowed in most areas of coverage, Mi-MBA Advocates ultimately opted to conduct in-person member learning sessions with an average of 10 members at 40 minutes per module, while observing required health and safety protocols. In-person training won over virtual training as it is still easier to arrange. The sessions were conducted during the weekly center meetings that TSPI microfinance NGO holds with their clients. It is also found more effective as current members in the center can share their relevant experiences.

ASKI MBA opted to test only two modules—2 and 3, which is what they deemed as most relevant at the time of the pilot. With fewer mobility requirements by Mi-MBA Advocates who are composed of members living within the areas of operations, ASKI MBA decided to pursue in-person small group training in the communities, also during the center meetings of ASKI Microfinance NGO or hold sessions in the branch offices if there are at least three non-members present who are interested to be oriented on microinsurance.

CARD MBA, too, conducted in-person training of 5-10 members per session and chose geographies that allow for small gatherings during the pilot test. The existing monthly capacity building sessions for members gave priority to the Member Learning Program and made use of its modules to serve as microinsurance refresher sessions to increase member awareness and appreciation, promote uptake of the new product for higher microinsurance coverage and wider risk mitigation, and motivate timely policy renewal and regular premium payment.



Members also find in-person learning sessions convenient being mainly held in their communities; they consider it also as a visit by the Mi-MBA to express concern, check-out their well-being, and convey support. Among the members' feedback include: ***“Malaki ang effect sa akin na may nakakaalala sa amin at inalam ang aming kalagayan.*** (I am deeply affected knowing that [the Mi-MBA] thinks about us and is concerned about our conditions [at this time of pandemic]). ***Naipadama ninyo sa amin ang inyong malasakit at pagsakripisyo.*** (You have conveyed to us your concern for our welfare and sacrifices [to bring us continuing support and services]).”

At the end of the pilot period, all three participating Mi-MBAs confirmed the usefulness of the program materials and expressed the intention to roll out the Member Learning Program to all branches.

### Learning from Members

The pilot is rich with learnings, of which three key lessons are featured as follows:

Customer-centric learning tools and processes empower stakeholders. The program came up with content and delivery methods that provide members with knowledge and understanding to weigh choices and make decisions. Members and potential members are invited to recall their dreams in the stages of life they are in, and to identify the potential

threats to their dreams represented by risks in life. Not to be overcome by the many risks in life, microinsurance is then presented as a ray of hope.

Throughout the first two modules, members are given the time to reflect on their realities, share experiences and insights, and make their own conclusions and decisions about what they need to do to better prepare for risks, and to stay along the dream pathway. Discussions are made richer by the testimonies of members on their microinsurance experiences notably on how they have benefited from it. ***“Naranasan nila kung paano nakatulong ang microinsurance.”*** (Members experienced the benefit of microinsurance.)

Local Consultants, too, felt empowered to have been able to contribute to the material development. Instead of feeling obligated, the team of Local Consultants, cited that they felt privileged to have been given the task to customize the Generic Pack to reflect the ‘culture and language of the Mi-MBA’. The Generic Pack which comes in Filipino was translated by ASKI MBA in Ilocano, the dialect in Northern Luzon, for easier discussion and understanding. TSPI MBA added member stories that showcase growth in business and improved family welfare from the combined use of micro credit, micro savings and microinsurance. CARD MBA developed a marketing pitch; the management found it so appropriate that it issued a directive to immediately share the pitch for use in all branches, even before the pilot test in a few branches was completed. ***“Nakaka-empower ang pag-customize ng modules at makitang nagugustuhan ito at ginagamit.”*** (It is empowering to customize the modules and then see it widely used and well- appreciated.)

Mi-MBA Advocates enjoy the freedom to determine which sessions to use depending on the audience and the perceived learning needs, e.g., a non-member will have a better appreciation of module 2 (risks and microinsurance as a risk mitigation/ social protection tool) than an existing member. The key messages supported by visual aids and acronyms as mnemonic devices make it easy for the Advocates to deliver the sessions and exude confidence in their enhanced capacity to communicate effectively. ***“Hindi kami nahirapan mag-discuss gamit ang standard key messages, visuals at testimonials.”*** (We do not find it difficult to discuss key messages using standard visuals and testimonials.)

Seamless integration with marketing sustains member learning efforts. The decision of participating Mi-MBAs to designate Mi-MBA Advocates among staff and members who have marketing and sales functions ensures continued widespread dissemination of key messages.

The test of effectiveness of marketing materials is when it leads to concrete results such as increased microinsurance uptake. In the pilot test areas, all participating Mi-MBAs confirmed to having attained immediate good sales results. **“Dati, nung 2020 na simula nang pandemic, hundreds a month lang ang newly enrolled or renewed policies namin. During the pilot test in 2021, umakyat na sa thousands.”** (In 2020 when the pandemic started, newly enrolled and renewed policies reached to only by the hundreds in a month; during the pilot test in 2021, it has increased by the thousands.)

Good sales results tied to sales incentives further motivate the Mi-MBA Advocates to actively promote and use the member learning tools in target communities. Participating Mi-MBAs have indeed seen renewed confidence among Mi-MBA Advocates to engage with members on learning and marketing at the time of pandemic.

More than the financial rewards, Mi-MBA Advocates get their dose of joy from seeing members dreaming again and feeling hopeful about the future. **“From the facial expression and body language of the members, I would know when I have effectively connected with them and made them feel that we [the Mi-MBA] are here for them. Mas ipinapadama at ipinapakita namin ang concern sa kanila kesa sa pagbenta ng produkto.** (We make them feel and see that our foremost intention is to express our concern [on their welfare] rather than to just sell a product.”)

Close collaboration with appropriate product development and responsive service delivery efforts infuses member learning efforts with integrity and urgency. Member learning sessions alone will not work unless members are provided evidence that the Mi-MBA is not just dishing out empty promises. Potential and existing members who become convinced of the value of microinsurance must also be convinced that the promise is deliverable. Participating Mi-MBAs are only too eager to share claims data and member testimonials. **“Totoo ang insurance kasi may naibibidang testimonials. Ang Benefit Table na dating**

#### About MiMAP (RIMANSI):

The Microinsurance MBA Association of the Philippines Inc. (MiMAP) or RIMANSI helps professionalize the management of microinsurance mutual benefit associations (Mi-MBAs) and microinsurance programs to provide affordable, comprehensive, and quality risk protection to millions of poor people in Asia and the Pacific. Towards this purpose, MiMAP assists Mi-MBAs in developing risk management solutions, building capacities, advocating for appropriate policy environment and pursuing research & development agenda.

**“boring sa kanila ay nagiging interesting kung may kasamang claims data at history.”**

(The insurance is made credible with testimonials. The discussion of the Benefit Table which members generally find boring has become interesting with supporting claims data.)

Years of hard work in developing a basket of microinsurance products and services has prepared the Mi-MBAs to become ‘super’ providers. CARD MBA states that “for each risk identified by members, we can offer a suitable product or range of products directly through the CARD MBA or through our network of mutually reinforcing institutions.”

It is an advantage that Mi-MBAs are active listeners and responders to the plight of the members. Not even the COVID pandemic can sway Mi-MBAs from their commitment to service.



The Member Learning Program showcases a win-win formula for all stakeholders—MiMAP, its member Mi-MBAs and their millions of individual members and their families. The value proposition of microinsurance delivered by Mi-MBAs is so compelling that, if you have gone through the member learning course, you just have to say yes and get yourself promptly insured. ♦

*Note: The writers thank key informants from the following institutions for sharing their valuable insights and experiences on the subject: ASKI MBA, CARD MBA, TSPI MBA, and BizFTC.*

#### About Citi Foundation:

The Citi Foundation works to promote economic progress and improve the lives of people in low-income communities around the world. We invest in efforts that increase financial inclusion, catalyze job opportunities for youth, and reimagine approaches to building economically vibrant cities. The Citi Foundation's "More than Philanthropy" approach leverages the enormous expertise of Citi and its people to fulfill our mission and drive thought leadership and innovation.