

# **CONSUMER PROTECTION IN TANZANIA'S MOBILE INSURANCE MARKET: INITIAL EVIDENCE FROM CONSUMER RESEARCH**

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In collaboration with Tanzania Insurance Regulatory Authority and Busara Center for Behavioral Economics

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# PILOT OBJECTIVES

## Research focus

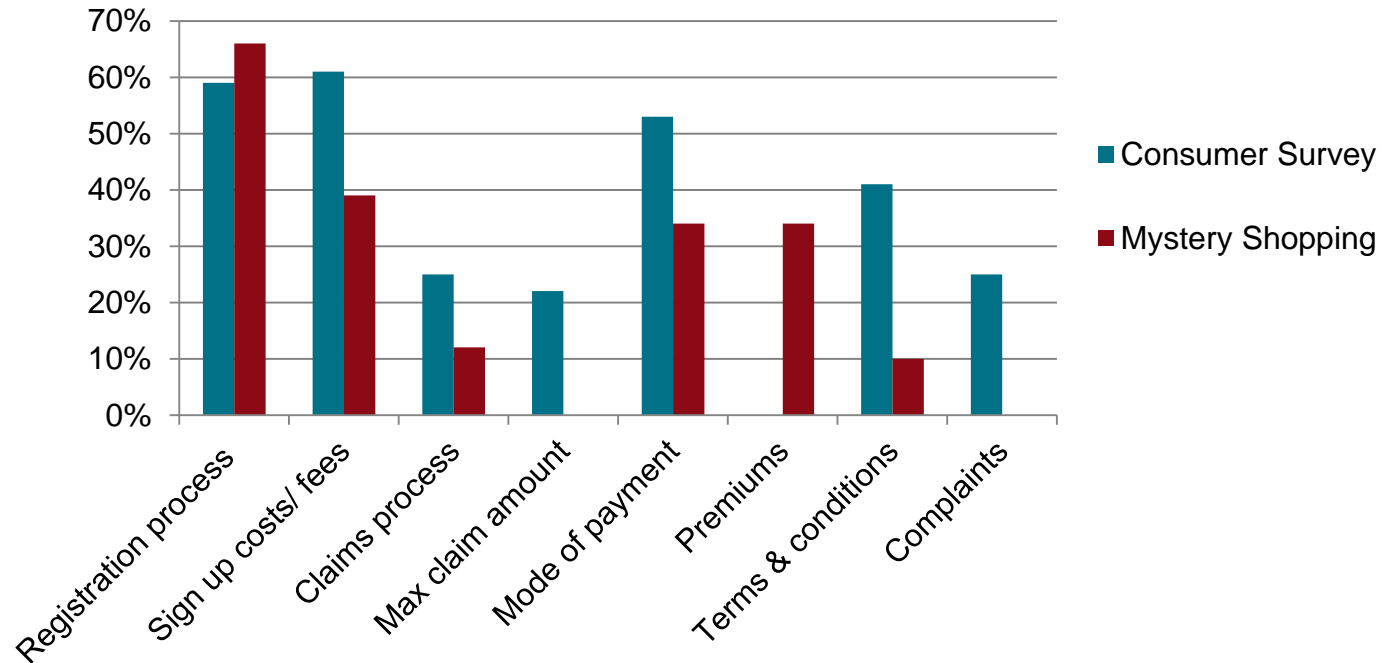
- **Demand-side** focus: Map experiences and perceptions of consumers using mobile insurance products.
- **Mobile-insurance** focus: Identify possible consumer risks, and consumer protection priorities, for the delivery of insurance via mobile phones and mobile payment channels.
- **Data privacy and sharing:** Assess consumer awareness of data sharing agreements and identify possible data privacy risks for consumers.

## Research methods

- **Consumer survey and mystery shopping** data from current (or past) mobile insurance customers in low-income and mid-income areas in Dar es Salaam.
- **Mystery shopping** investigated following actions: acquiring a policy, making a claim, presenting a complaint and cancelling a policy.

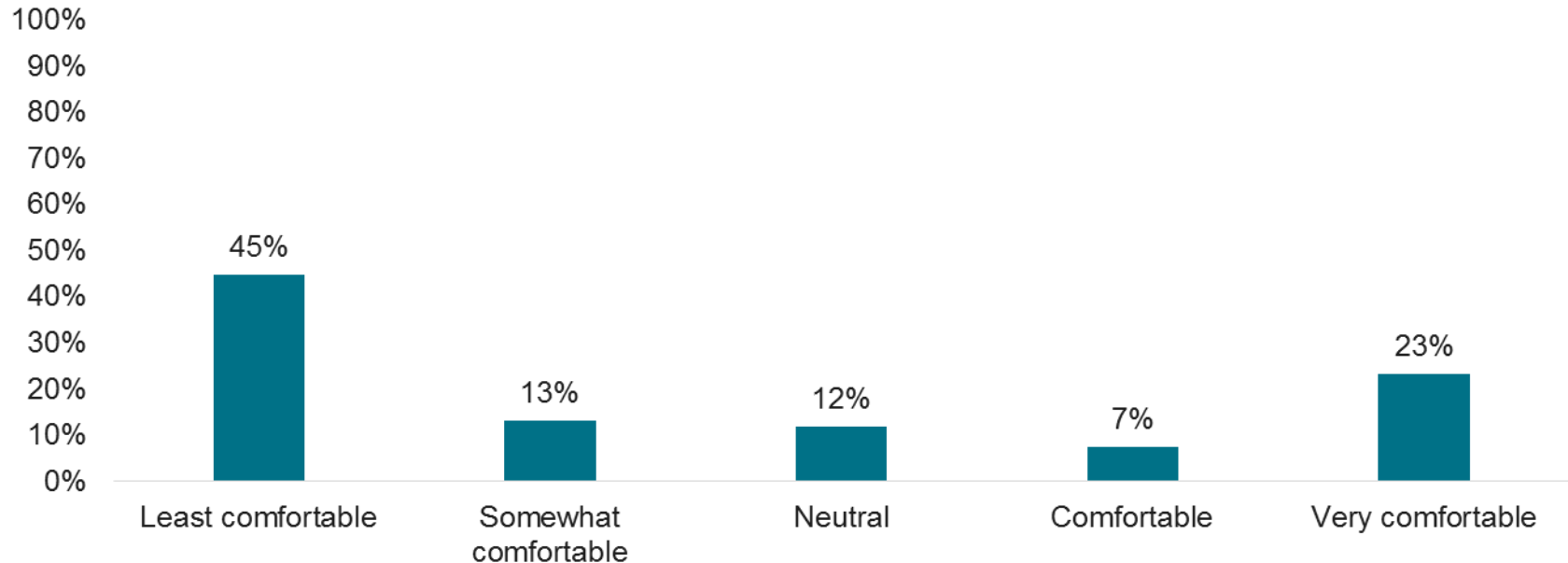
Tanzanian Insurance Regulatory Authority (TIRA), CGAP & Busara Center for Behavioral Economics.

# WHAT INFORMATION WAS DISCLOSED DURING SIGN UP?



Survey respondents claimed they were not fully informed about the claims process. Details on the terms and conditions, exemptions of the policy and the claims process were generally not being shared with the shoppers.

# HOW COMFORTABLE DID PEOPLE FEEL WITH PROVIDERS SHARING THEIR PERSONAL INFORMATION WITH OTHER PROVIDERS?



Younger adults are relatively more comfortable sharing their personal information.

# CUSTOMER EXPERIENCE AT CLAIMS STAGE

Registering a claim – most shoppers (~70%) were referred to a single point of contact to resolve their claims.

Claims approval – 58% of claims were not approved.

Some of the reasons for claims rejection:

- (i) lack of proper documentation
- (ii) lack of awareness about what circumstances they could claim
- (iii) cancelled policies due to delayed payment of premiums

*“I had gone to the hospital already with my money ....I told them I was injured and I had gone to the hospital [and] I had my hospital papers to be compensated they told me that they don't cover for such cases maybe if I could have been hospitalized as in an inpatient.”*

*“They asked me if I had any supporting documents I asked like what kind of documents .....before today I didn't know the procedure to making a claim.”*

# CUSTOMER EXPERIENCE OF COMPLAINTS PROCESS

## WERE YOU GIVEN A CONFIRMATION THAT YOUR COMPLAINT HAD BEEN FILED?

Shoppers were not given any document, written confirmation, or confirmation number to suggest that their complaint had been filed.

## HOW WERE COMPLAINTS HANDLED?

There was no form of written confirmation regarding the complaint. All complaints were handled orally either by the branch sales staff (68%) or the customer care staff (32%).

# POLICY IMPLICATIONS AND FURTHER RESEARCH

- Improve customer comprehension through standardized steps for onboarding.
- Utilize the data on claims and complaint filing challenges from the mystery shopping to identify barriers that are stopping claims from being filed or being settled.
- Have richer reporting of complaints data filed electronically by providers with TIRA (nature of complaint, details, date, time, location, product).
- Consult with industry on data sharing and data protection policies for insurance and related telecommunications data.



# QUESTIONS