

Access to Insurance Initiative

A global programme for sound regulatory and supervisory frameworks

6th Consultation Call: 25 September 2014
“Successful Business Models in Microinsurance”

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Moderated by Ulrich Hess, A2ii



The Initiative is a partnership between:



IAIS Application Paper on Regulation and Supervision of Inclusive Insurance Markets 2012

Synthesis Note 1: Evolving Microinsurance Business Models and their Regulatory Implications



- 1. Introduction**
- 2. Common microinsurance business models**
- 3. Stages of market development**
- 4. Example from South Africa: Hollard (Freedom Buthelezi)**
- 5. Distribution stages and client value**



True or False?

Insurers are in the business of paying claims	
Microinsurance is about corporate social responsibility	
Microinsurance helps low-income households to manage risks	
Microinsurance is only provided by small insurance companies	
Microinsurance should be subsidized	
Microinsurance belongs to the distribution channel	



True or False?

Insurers are in the business of paying claims	True
Microinsurance is about corporate social responsibility	False
Microinsurance helps low-income households to manage risks	True*
Microinsurance is only provided by small insurance companies	False
Microinsurance should be subsidized	Depends
Microinsurance belongs to the distribution channel	True*

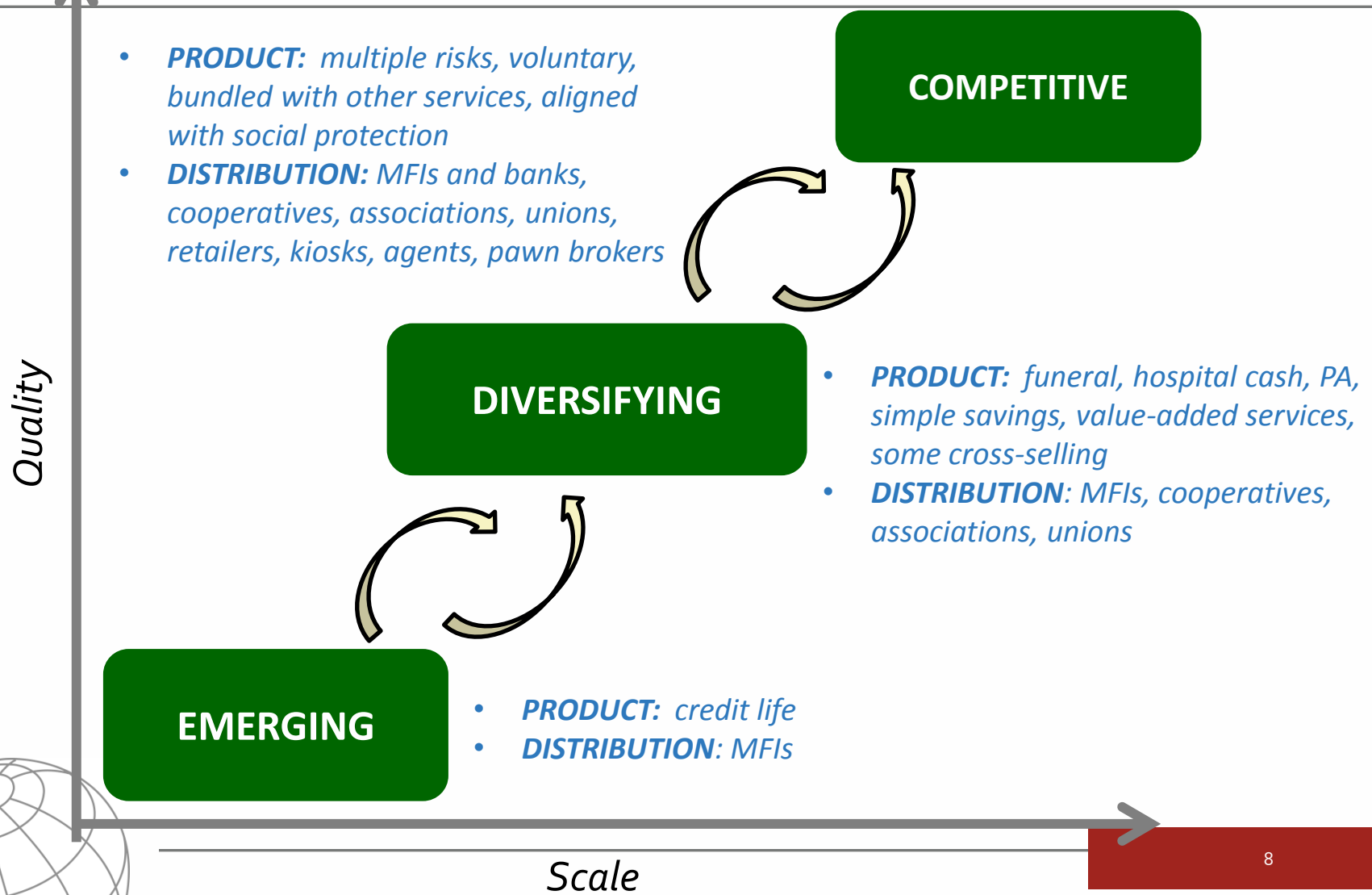


2. Common microinsurance business models

- **Bundled** with a loan or other service
- **Loyalty benefit** or auto-enrolment
- **Passive sales** off the shelf
- Cross selling by a **proxy sales force**
- Individual and group sales by **insurance agent** (including call centres)



3. Stages of market development

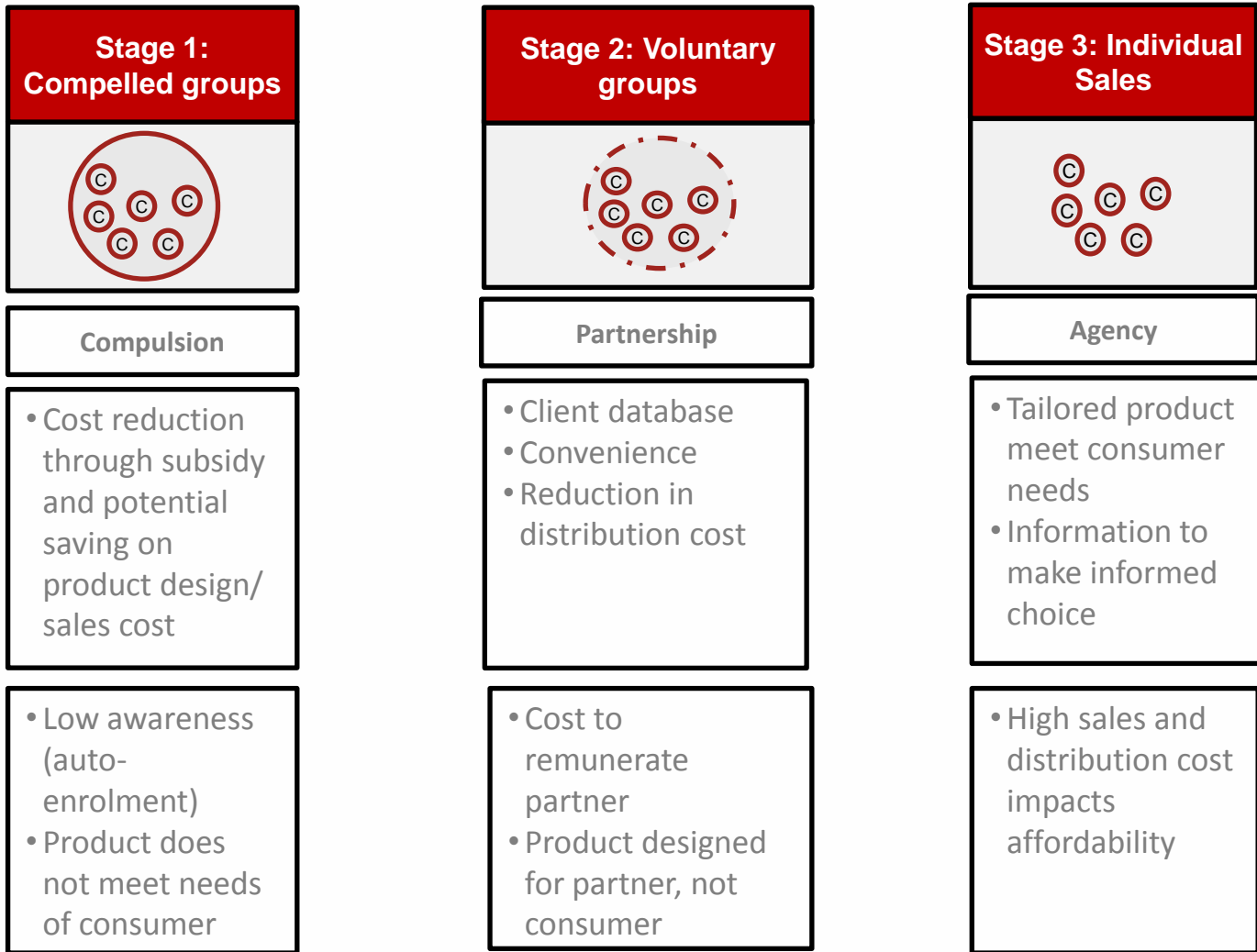


4. Example from South Africa

Hollard.



5. Distribution stages and client value



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