

# Focus group discussions: insurance in the low-income market in Kenya

Terms of reference and request for proposals

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# 1. Background

The Centre for Financial Regulation and Inclusion (Cenfri) has been commissioned by the International Labour Organization (ILO)/United Nations Capital Development Fund (UNCDF) and Financial Sector Deepening Kenya (FSDK) to do a study on microinsurance in Kenya.

- The ILO<sup>1</sup> is the tripartite UN agency that brings together governments, employers and workers of its member states in common action to promote decent work throughout the world. It is at the forefront of the microinsurance debate internationally through its Social Finance Program.
- United Nations Capital Development Fund (UNCDF) offers investment capital, capacity building and technical advisory services to promote microfinance and local development in the Least Developed Countries (LDCs).
- Financial Sector Deepening Trust Kenya (FSDK) was established in early 2005 to support the development of financial markets in Kenya as a means to stimulate wealth creation and reduce poverty. Current donors include the UK's Department for International Development (DFID), the Kenyan Ministry of Trade and Industry / World Bank and Swedish SIDA.
- **Cenfri** is an independent, non-profit research organisation set up with initial funding from the FinMark Trust. It focuses on a range of research areas related to the extension of financial services to the low-income market, one of which is microinsurance.

Microinsurance (loosely defined as insurance used by low-income individuals<sup>2</sup>) is part of the broader study field of financial inclusion. This deals with the issue of how to ensure (through regulatory adjustments, supply-side initiatives and financial education) that more and more people in a country use financial services. In Kenya, the FinAccess National Survey (see [www.fsdkenya.org](http://www.fsdkenya.org) for an overview) indicated that 32.7% of Kenyan adults do not use any kind of formal or informal financial service (including bank accounts, loans, etc) and only 6.8% of adults have some kind of insurance product. Financial inclusion and specifically insurance penetration is therefore particularly low in Kenya. This study sets out to determine the reasons for this low penetration by identifying the dynamics of the market and developing a strategy for its development. Our study will consist of:

- *A regulatory overview:* what are the features of insurance and other regulation impacting on the insurance market in Kenya? How could regulation better facilitate the extension of insurance into the low-income market?
- *A supply-side overview:* what companies or other entities (such as informal risk-pooling groups) are offering insurance in Kenya? What products do they offer and what are the product features?

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<sup>1</sup> <http://www.ilo.org/global/lang-en/index.htm>. Also see: [www.ilo.org/socialfinance](http://www.ilo.org/socialfinance) or [www.ilo.org/microinsurance](http://www.ilo.org/microinsurance)

<sup>2</sup> The formal definition of micro-insurance, as adopted by the International Association of Insurance Supervisors, is: insurance that is accessed by or accessible to the low-income population, potentially provided by a variety of different providers and managed in accordance with generally accepted insurance practices. To distinguish micro-insurance from social welfare, it should be funded by premiums and managed based on a generally accepted risk-management principles (IAIS, 2007).

- A *demand-side overview*, drawing on FinAccess to know what the level of usage currently is. However, we also want to gain a better understanding of the *demand patterns* in the market: what are people's perceptions of the risks they face? How do they cope with risks/unexpected events? What role does insurance play or could it play in future? **It is for this part of the study that focus group discussions are required.**

*Role of focus group discussions.* The objective of the focus group discussions will be to understand the lower income market's experience of risk (the severity of different risks) and interaction with insurance, their decision-making criteria (whether to buy or not to buy insurance?) and their perceptions of the insurance market. This is a necessary input for Cenfri to make recommendations on the way forward for microinsurance development. The focus group research is therefore subcontracted to feed into our larger research and policy strategy process.

*Defining insurance.* Insurance can be defined simply as the provision of a pay-out (be it in the form of cash or of service rendered such as a funeral or a product replaced such as a lost cell phone) in the event of a risk event, in return for a predefined premium. For example: I, as insurer, undertake to pay your dependents KES245,000 when you die to cover your funeral. In return, you pay me KES490 every month. Or: I undertake to repair your house, should it be damaged by fire. In return you pay me a certain sum every month. If your house however does not get damaged, you do not get any payout. These two examples represent two different kinds of insurance: life insurance and general insurance. Another category is health insurance. Below, we briefly explain each:

- **Life insurance** is usually related to an event which will only occur once (e.g. death or disability) and for which there will hence only be one claim per covered life per policy. In many other countries, the most popular form of insurance for the low-income market is funeral insurance. Knowing that they face an unavoidable expense of a funeral if a family member should die that they would not be able to cover without going into debt, low-income people take out an insurance policy to cover the cost of the funeral. More often than not, they would not take out a formal insurance policy from an insurer. Rather, people get together to form their own risk-pooling groups, such as burial societies, where each member contributes a certain amount each month. Then, when one member has a death in the family, the group makes a certain pay-out to that member.

Another important type of life insurance product to be investigated in Kenya is **credit life insurance**. Internationally, this is the other most popular microinsurance product. It covers your debt, should you die so that your family is not burdened with it. It can also include an additional pay-out to your family. The distinguishing factor is however that credit life insurance is often not voluntary for the consumer. Rather, the credit provider compels you to take out the cover as a prerequisite to obtaining a loan. Credit life insurance is therefore of special relevance to the microfinance industry (MFIs), the cooperative industry (especially SACCOs), as well as to any other people with loans.

- The main distinguishing factor of **general insurance** is its indemnity basis. Multiple claims are possible within a single year, e.g. on a car or on household contents. General insurance is therefore usually associated with asset insurance sold on an indemnity basis. The pay-out will be based on the actual value of the loss incurred (e.g. to replace a stolen household good), up to the maximum amount covered and will often be made

directly to the retailer or service provider, rather than to the policy holder. General insurance will also include agricultural or crop/livestock insurance. The extent to which this is relevant in Kenya, given the importance of agriculture to the livelihoods of the poor, needs to be investigated through the focus group discussions.

- **Health insurance** is also very relevant for the low-income market, especially in countries where public healthcare is not sufficient. The focus group discussions would need to explore how people cope with an illness in the family, whether they engage in any form of risk-pooling or insurance to cover medical expenses, or whether they are dependent on state-provided healthcare. Within the Kenyan context, it would also be important to understand people's interaction with the National Hospital Insurance Fund and whether they require additional financing.

*Appendix 1 provides more background information on insurance and the channels through which insurance to the low-income market are usually sold.* While based on international evidence (we have not yet studied the features of the insurance market in Kenya), the focus group service provider should nevertheless familiarise itself with these terms and structure the focus group discussions to gauge the relevant information for the Kenyan context.

## 2. Scope

Below we provide tentative suggestions for the scope of the project, based on our present knowledge. They are not prescriptive. Rather, they aim to give a better understanding of the type of information we require and can be used in formulating an effective approach to structuring the focus groups and the discussion guide.

### 2.1. Participants

*Lower-income.* Insurance (and other financial services) traditionally serve only the top-end of the market. In this study, we however explicitly want to gauge the perceptions and behaviour of the low-income market. Given the fact that Kenya is a low-income country where only a very small proportion currently use insurance, the majority of the market would qualify as "low-income" for the purpose of extending financial inclusion. Nevertheless, we recommend that focus group participants be recruited to exclude the middle to higher-income market. At the same time, given the nature of insurance, it may be wise not to include the poorest of the poor (e.g. those dependent on social welfare or the community/contributions from their family for survival). The characteristics of the low-income market can be defined in terms of income (in relation to the national poverty line or the minimum wage), assets or employment status (formal vs. informal sector). **We invite you to include in your proposal the proposed definition of the low-income market to be applied**, taking into consideration the way in which it was measured for the purposes of FinAccess Kenya.

*Male and female, mostly household heads.* It will be important to include both males and females in the sample (e.g. half the groups will be male, half female). Though it can generally be expected that it will be the household head that makes insurance decisions, this is not necessarily the case, e.g. with cell phone insurance or where women take out credit products, e.g. from an MFI, and are required to pay for credit insurance.

*From both rural and urban areas.* It will be desirable to have at least four to six rural focus groups. These groups do not need to be deep-rural, but can be fairly close to Nairobi. We suggest that the budget be the guideline for the extent to which rural groups can be included and the distance from Nairobi – or whether it is your opinion that enough can be gauged from urban dwellers who have strong links with rural areas. Urban township areas/compounds may be a suitable focus area.

*Age differentiation.* It is sometimes necessary to distinguish between different age groups. This would be especially important in the case of e.g. funeral insurance. Age differentiation should be subject to what is realistically possible within the budget. In past focus group discussions in other countries, we have distinguished between people of e.g. 20-35, 36-50, and 50+, with 2 focus groups being dedicated to each age group (one male and one female group per age category).

*Have insurance.* It is important that a significant proportion of the focus group participants already have some type of insurance cover. This may be informal (e.g. through a funeral fund) or formal (e.g. credit life insurance through an MFI of which they are a credit client). Given the very low insurance penetration in Kenya, we realise that this may be problematic. You should therefore indicate what is realistic in your proposal on how to structure the groups. Including groups like this may therefore mean that the FGD provider has to conduct focus groups with the clients of an existing microinsurance scheme offering life/health insurance.

*Have insurable assets.* To gauge receptiveness to general insurance, it is important that most focus group participants have at least one insurable asset. Insurable assets can include:

- A cell phone.
- Other assets and household durable goods, e.g. fridge/freezer, hi-fi/music centre, radio sets, microwave oven, VCR, TV, etc.
- A house of your own. It would be preferable for a significant proportion of the participants to have their own house, or have a direct family member who owns their own house.

We recognise that, with the exception of cell phones, most of the poor will not have many assets. This therefore need not be an absolute recruitment requirement.

**For all of the above factors, we understand that full coverage will not be possible in the scope of this research and invite proposals on how best to structure the focus groups within the Kenyan context.**

## **2.2. Contents**

As stated, the goal is to understand the drivers of low insurance penetration into the low-income market. The types of insurance highlighted above, namely general, life (including funeral and credit life) and health insurance should be included in the scope. The themes to explore will include:

*The insurance decision:*

- *Perceptions of risks that they experience, what makes them vulnerable?* Maybe they can rank different risks, e.g. death, illness, unemployment, loss of income, loss of assets, etc to see how highly the risks relevant to the various types of insurance rank.
- How do they cope when something bad/unexpected happens, e.g. a family member dies, you lose your job, your house burns down, etc? Loans? Use savings? Ask your family or community for help? Other coping strategies?
- Whether insurance is regarded as an appropriate way to cover risks.
- Decision-making criteria for: (i) whether or not to mitigate against risk (willing to go without the asset or to make an alternative plan if a life risk event occurs, or want to devise a way of replacing it, ensuring income?); and (ii) which coping strategy to use (saving, credit, turning to family and friends, insurance)

*Engaging with insurance products currently on the market:*

- Awareness of products available and perception of value proposition
- Various features of products currently available (awareness) and whether appropriate/whether they understand the product offering (perception)
- Affordability of products (and criteria for deeming something “affordable”)
- Do they trust insurance firms? Recognition of brands?
- Whether they have ever bought such insurance products, or have family/friends who have done so

*What prevents uptake and under which circumstances it can be achieved*

- What do they require of a product? (e.g. flexibility in terms of lapses, affordable, easily understandable, easy and quick claims pay-out procedures, sold to them face to face by a sales person rather than through call centre, etc). [We must however guard against open-ended questions in drawing up the discussion guide, so as not to lead to purely speculative answers.]
- How important is advice on whether the product is appropriate? How do you know you can trust the advice provided? On what aspects would they like advice?
- How important is various types of disclosure of the terms of the policy (written vs. verbal)?
- Do they feel that other people cheat (risk of fraud), and does that impact on the decision to take out insurance?
- What would make them take out insurance?

Note that all these themes and sub-questions need not necessarily be included (or included in this format) in the discussion guide. They merely serve to provide an indication of the outcomes we would like from the focus groups. The structure and contents of the discussion guide will be determined by the successful research company in consultation with Cenfri.

*As an example, we include a discussion guide used for a similar project in Uganda in Appendix 2.*

### 3. Deliverables

The following deliverables and tentative dates (to be negotiated with the successful firm) are suggested:

Action	Approximate date
Proposals received detailing approach and proposed structure of focus groups, as well as costing	02 March close of business
Appointment of research company	05 March
Compilation and finalisation of the discussion guide (with inputs from and review by Cenfri)	12 March
(Recruitment of focus group participants)	(15 March – 20 March)
Focus group sessions	22 March to 2 April
Final deliverables: transcripts of each session in English and a report summarising the main themes.	16 April 2010

**Table 1. Deliverables and expected time line.**

We would require the presence of one of the Cenfri team members at least 2 focus group sessions. It is desirable that the focus group discussions be conducted in the participants' home language. Therefore we would require the presence, if possible, of somebody to do simultaneous interpretation for us and the cost of interpretation should be included in the proposed budget. If this is not possible in the set-up of the focus groups, please explain so in your proposal and suggest a way in which our attendance can be meaningful.

Furthermore, we would like to invite representatives from the Kenyan insurance industry to observe some of the Nairobi-based focus group discussions with us. This would imply the need for a one-way mirror and/or viewing room in order to minimise the impact of our presence on the discussions. Potential providers are therefore requested to indicate how they will accommodate the presence of 2-8 people (including 2 from Cenfri) in a way that is least disruptive to the research process.

The project is run according to a tight timeline. Our country visit for the supply and regulatory analysis is scheduled for 12-23 March. This dictates the need to schedule at least two focus group discussions within that time, as well as one or two meetings beforehand to finalise the discussion guide and focus group approach. The final deliverables, in the form of the transcripts of the sessions in English as well as a report summarising the main findings/themes emerging need to reach us by 16 April. We reserve the right to comment on the final report and request reasonable revisions before 30 April 2010, when the final invoice should be submitted for project completion.

### 4. Budget

A limited, **all inclusive** budget of up to US\$23,000 is available for the focus group discussions. We cannot consider a proposal exceeding this amount. We invite you to propose on the number and configuration of focus groups possible within this budget, indicating the total cost per group. We will favour a proposal including as many focus groups as possible, while still allowing for in-depth questioning within each group.

Note that, if selected, you will receive payment in US Dollars/KES directly into your bank account. The Dollar limit will however be absolute, regardless of exchange rate fluctuations. We therefore recommend that you quote in Dollar, indicating KES amounts for your own purposes and taking heed that these may change slightly depending on the exchange rate on the date of payment.

*Contracting.* Contracting will be directly with Cenfri. All invoices and deliverables will be submitted to Cenfri.

### **Proposal requirements**

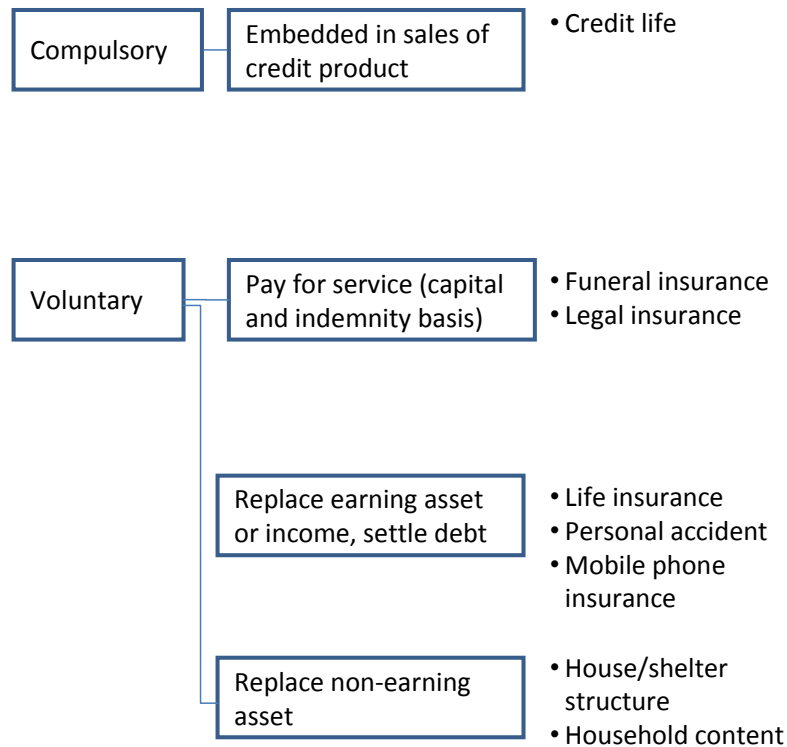
We invite you to submit a proposal for conducting the focus group discussions as outlined above. The proposal should contain the following components (in no particular order):

- *The proposed structure of the groups.* An overview of how participants will be recruited and how the groups will be constituted (demographics, income profile, etc).
- *The proposed approach to reaching the desired outcomes.* It is not necessary to develop a discussion guide at this point. However, you must convince us of your ability to structure the discussions in such a way as to obtain the required information and gauge perceptions and behaviour as outlined in the terms of reference.
- *A brief overview of your experience.* Any experience your company has in managing projects of a similar nature will be most beneficial: firstly to identify and recruit the relevant participants and, secondly, in developing an approach that produces the relevant information at a reasonable cost and within a realistic time frame. We are particularly interested in experience in the low-income market and in the financial services sphere. However, if you do not have previous experience in specifically financial inclusion, this will not be a disqualifying factor.
- *The proposed budget, invoicing schedule, deliverables and timeline.*

## Appendix 1: Background information on insurance

### Typology of insurance products and value proposition

To better understand the low-income market, we have classified insurance products (including both long-term and short-term insurance for the time being) as follows:



**Compulsory insurance.** Sometimes, the consumer does not have a choice whether or not to take out insurance, i.e. it is compulsory. This happens when it is embedded in/bundled with the sale of another product/financial service. The best example is credit life insurance – the person giving out the loan or selling the durable good on credit forces the consumer to take out a credit life policy so that, should they die, the outstanding amount of the loan will be covered.

**Voluntary insurance,** where you *decide* to buy an insurance policy, is based on the value proposition of the insurance to the consumer. This, in turn, is determined by the purpose that the insurance serves:

- To pay for an underlying service, such as a funeral. This type of insurance is normally the most popular, especially as a funeral is such an “unavoidable expense”.
- To replace an earning asset, e.g. you insure your life so that your dependents are not without an income earner, should you die. You can however also insure assets that you use to generate income, e.g. your business premises or stock, your car if you use it for work, or your cell phone, should it be a fundamental part of your business.

- To replace a non-earning asset. Especially in the higher-income market this is also an important type of insurance: people insure their household goods/contents, the structure of their house, their cars, or other valuables such as jewellery.

Our argument is that, as one moves down this scale from the top two (compulsory and voluntary pay-for-service insurance), to the bottom two (voluntary replace-earning-asset and finally voluntary replace-non-earning-asset insurance), the take-up diminishes and it asks for increased sales effort to sell products and increased costs to assess claims. Note that most *short-term insurance products* are found at the *bottom half of the scale*.

**Value proposition.** In each of these instances the value proposition (and the decision of whether or not to take out insurance) is partly based on your *alternative coping strategies*, should you lose the asset: can you borrow money from a friend or relative to replace the lost asset? Can you borrow money from a micro-lender without your financial position being compromised too much? Can you accumulate enough savings to cover the potential loss? Can you go without the asset? This will impact the decision-making criteria. So, for example, it is unlikely that anybody will be able to save enough to build a new house or buy a new car, should their house burn down or their car be stolen, which makes house structure insurance relatively more popular than, say, insurance on an individual item like a hi-fi or TV. This also makes an “earning asset” more important to ensure than a household good.

Also important is people’s perception of their *exposure to risk*: you may think that the chances are very slim that your house will burn down and hence not find it worthwhile to insure its structure. However, you may feel that there is a high risk that your house will be broken into, therefore finding it worthwhile to insure your household contents. Everybody knows that they will die some day, so life insurance is more popular.

### **Distribution models for low-income products**

By “distribution models” we mean the strategy for selling insurance. Traditionally, insurance is sold by brokers who visit prospective clients and discuss their financial needs with them, give them advice on the products most suitable to them, etc. This face-to-face interaction and the provision of advice however raises the transaction cost of selling an insurance policy. Hence it is more feasible for high-value policies than for the low-value policies sold to the low-income market.

Our observation of the low-income market in other countries is that insurers are increasingly targeting group-based distribution models where they sell products via:

- **Partnerships with cash retailers, e.g. Pep and Shoprite.** These retailers have a large footprint across Southern Africa. Though they do not yet do so in Kenya, in South Africa they sell insurance products “off the shelf” in the case of Pep or at the Money Market Counters in Shoprite. Some insurers are also exploring ways of selling insurance via talktime vendors. Typically, these products are therefore sold without any advice or face to face disclosure of the features of the product: the person buys the product (which contains the policy document and sometimes a brochure with all the “technical details”), then gets phoned by the call centre to activate the product. This implies that disclosure is only after the buying decision has been made.

- **Partnerships with retailers with account-holders.** In South Africa, two retail clothing chains have entered into partnerships with insurers to sell insurance products to their account-holders. While this has largely been focused on funeral (i.e. life) insurance, these product offerings also include one type of general insurance, namely cell phone insurance.
- **Partnerships with other groups, such as church groups or labour unions.** Insurers can also partner with other groups including MFIs, cooperatives, church groups or labour unions. These groups act as “aggregators” of the clients and the insurers can then sell policies to individuals via the group.
- Furthermore, insurers may start to explore **non-debit order/account to account payment channels** such as allowing people to pay their premiums at a Mpesa or similar point of sales (POS) outlet, or at the post office. Some insurance products aimed at the low-income market also make use of an agent force, or of a type of broker system. It is important for us to understand the target market’s needs with regard to cash payment of premiums (do they have a bank account? Do they trust debit orders? **Is there a post office or another outlet within easy reach of them where they could go and make a premium payment**), as well as for face-to-face interaction in making the decision to purchase.

## Appendix 2: Example discussion guide from Uganda

This is the discussion guide used for a similar microinsurance focus group exercise in Uganda in 2007. It should not be used verbatim for Kenya, but is intended to provide guidance and ideas of the type of discussion to include. It will be important to adapt it to the Kenyan context.

The groups were divided as follows:

- **A groups:** have never had formal insurance
- **B groups:** currently have insurance or have had formal insurance before.

[Formal insurance is a product with an MFI or formal insurance company, with a predetermined benefit amount and regular premiums]

Core questions	Probing questions	A group time	B group time
<i>Introductions</i>		10	10
Thanks for coming. We are having these discussions to understand better how people handle some of their financial affairs. We don't want to influence your discussion or answers so we'll tell more about it at the end. We will record the discussions. But details and names will be confidential.			
Your name, family status, where you live, your job, etc.			
<i>Risks</i>			
What do you use your money for?	<ul style="list-style-type: none"> <li>• How much do you spend every week?</li> <li>• How much do you save for the future?</li> <li>• How much do you put aside for unplanned events?</li> </ul>	5	5
What kind of events can happen in your life which you can't plan for and which you need money for? i.e. risks <ul style="list-style-type: none"> <li>• For yourself</li> <li>• For your family</li> <li>• For the broader community</li> <li>• For your business</li> </ul>		10	5
Which of these events are you most concerned about?	What is the relative importance of death and funerals?	10	5

<b>Core questions</b>	<b>Probing questions</b>	<b>A group time</b>	<b>B group time</b>
Which are the most likely to happen?  Which have the worst financial consequences?	What is the relative importance of health events, sickness disability, etc?		
<i>General risk management</i>			
How do you handle these events/risks?  <ul style="list-style-type: none"> <li>• How can you prevent them from occurring?</li> <li>• How do you deal with their impact after the event?</li> </ul>	Has the way you deal with these events changed at all over the last ten years?  What are the limitations of the current ways you use to handle these events?	10	5
How do you use savings to manage these events?		5	5
How do share the impact of these events within your immediate and wider family?		10	5
<i>Risk pooling</i>			
Do you belong to groups in the community which share these kind of risks, where people look after each other when these events occur? Or do you know about these kind of groups?	<ul style="list-style-type: none"> <li>• What sort of risks do these groups deal with (death, health events, loss or damage to assets)?</li> <li>• What events are specifically excluded?</li> <li>• How are the groups structured (who collects money, bank account, secretary, written constitution, meetings, etc.)</li> <li>• How many people, etc.?</li> <li>• How do the processes work? (membership, 'claim' payment, contribution collection, etc)</li> </ul>	10	5
What works well in these groups, what works badly?	<ul style="list-style-type: none"> <li>• Do you get anything back if the event doesn't happen?</li> <li>• Have you ever lost money?</li> </ul>	10	5

Core questions	Probing questions	A group time	B group time
	<ul style="list-style-type: none"> <li>• Does the group charge you for being a member?</li> <li>• How easy is it to get the money when the event happens?</li> <li>• Do these groups have a wider, social role?</li> <li>• Do people every try to cheat these groups?</li> <li>• How does the group deal with that?</li> </ul>		
<i>FOR GROUPS WHO HAVE NEVER HAD INSURANCE</i>			
Have you heard of insurance?	<p>Do you know anything about it?</p> <p>What do you think about it?</p> <p>What have you heard from other people about it?</p>	10	
	<p><i>Facilitator to explain the features of insurance, the differences between insurance and risk poolin:g</i></p> <ul style="list-style-type: none"> <li>• Contract with a company</li> <li>• Guaranteed benefit</li> <li>• If nothing happens, you don't get anything back</li> </ul>		
Would you ever use insurance products?	Why/why not?	15	
Are you comfortable with the idea of insurance?	Do you understand it, what's difficult?		
Is it too expensive?	Is it for rich people only? Have you ever priced it?		
Is it easy for you to buy?	<p>Are there branches close by where you can buy it?</p> <p>Do you need someone to talk to about it before you buy it?</p> <p>What level of access would make insurance attractive to you?</p>		
Do you trust big companies in general?	Is there any benefit to dealing		

Core questions	Probing questions	A group time	B group time
Why/why not?	with a big company instead of a small one/informal organisation?		
<i>FOR GROUPS WHO HAVE INSURANCE/HAVE HAD IT IN THE PAST</i>			
What do you understand by the term 'insurance'?	<p><i>Facilitator to clarify the features of insurance, the differences between insurance and risk pooling</i></p> <ul style="list-style-type: none"> <li>• Contract with a company</li> <li>• Guaranteed benefit</li> <li>• If nothing happens, you don't get anything back</li> </ul>		5
<i>Cover details</i>			
What risks are you covered for by your insurance/did you used to be covered for?	<p>Death</p> <ul style="list-style-type: none"> <li>• Funeral expenses</li> <li>• Life insurance</li> </ul> <p>Health</p> <ul style="list-style-type: none"> <li>• Expenses</li> <li>• Income replacement</li> </ul> <p>Loss of or damage to assets</p> <ul style="list-style-type: none"> <li>• House</li> <li>• Possessions</li> <li>• Crops</li> </ul>		5
How did you find out about insurance and buy it?	<p>How did you buy the product – through a broker, directly from the company, through someone else?</p> <p>How do you pay your premiums? Is this easy, convenient?</p> <p>How often does the company or intermediary communicate with you?</p> <p>What do they tell you or ask from you?</p>		5
	Do you have a paper policy document? Do you understand what it says?		5

<b>Core questions</b>	<b>Probing questions</b>	<b>A group time</b>	<b>B group time</b>
	<p>Do you understand what is covered and when the insurer will not pay out your policy?</p> <p>What kind of information did you have to give the insurer?</p>		
Have you ever made a claim on the policy?	<p>How did this process work?</p> <p>Was this easy, convenient, paid in time? Lot of paperwork?</p> <p>Was the claim paid? Did it cover the whole loss?</p> <p>If not, why?</p>		5
<i>Evaluation</i>			
What good experiences have you had with insurance?	<p>Paid claim quickly</p> <p>Was cheap</p> <p>Company was reliable and helpful</p>		10
What bad experiences have you had with insurance?	<p>Claims not paid</p> <p>Unhelpful service, hard to understand</p> <p>Expensive</p> <p>Difficult to access</p>		10
Overall, are you glad you have insurance?	<p>Even if you haven't claimed, are you glad you had the insurance in case?</p> <p>How do you feel about paying the premium when you haven't claimed?</p>		5
If you gave up your insurance, why did you do so?			
Would you recommend using insurance to your friends or family?	Are insurance products good value for money?		5

Core questions	Probing questions	A group time	B group time
	<p>What are the main obstacles to using insurance?</p> <p>What would cause you to use more insurance?</p> <p>What would make insurance work better for you?</p> <p>What would be a reasonable price to pay for a typical life insurance?</p>		
<p>Can you trust big insurance companies?</p> <ul style="list-style-type: none"> <li>• Will they still be around when your claim has to be paid?</li> <li>• Can they be relied on not to disappear with your money?</li> </ul> <p>Do you trust them more or less than informal mechanisms?</p>	<p>What would it take for you to trust a big insurance company?</p>		5
<i>Other</i>			
<p>Do people try and cheat on their insurance? E.g. make a false claim.</p> <p>What do you think about that?</p>	<p>How do you think cheating can be reduced?</p>		5
<p>Are there other risks you would like insurance to cover?</p>			5
<i>Total minutes</i>		105	120
<i>Total hours</i>		1.8	2.0