



Making Inclusive  
insurance work in  
Zambia

# **THE MLIFE EXPERIENCE**

**Agnes Chakonta,  
Managing Director  
Madison Life Insurance Company  
Zambia Limited**

## OVERVIEW: Madison Life Inclusive Insurance Journey

---

- Formal micro insurance began in 2000.
- Madison's interest began with a request from an MFI.
- MFIs' support insurance for protection of the loans under Partner Agent Model.
- Death and illness were the two primary risks that were covered.
- Informal or unregistered insurance activities still there .
- Micro insurance has evolved over time , the under privileged
- Inclusive Insurance -2015 onwards – SM, SME'S

# PRODUCT LINES

Phase 1

Death and illness of  
principal

Phase 2

Family members  
added

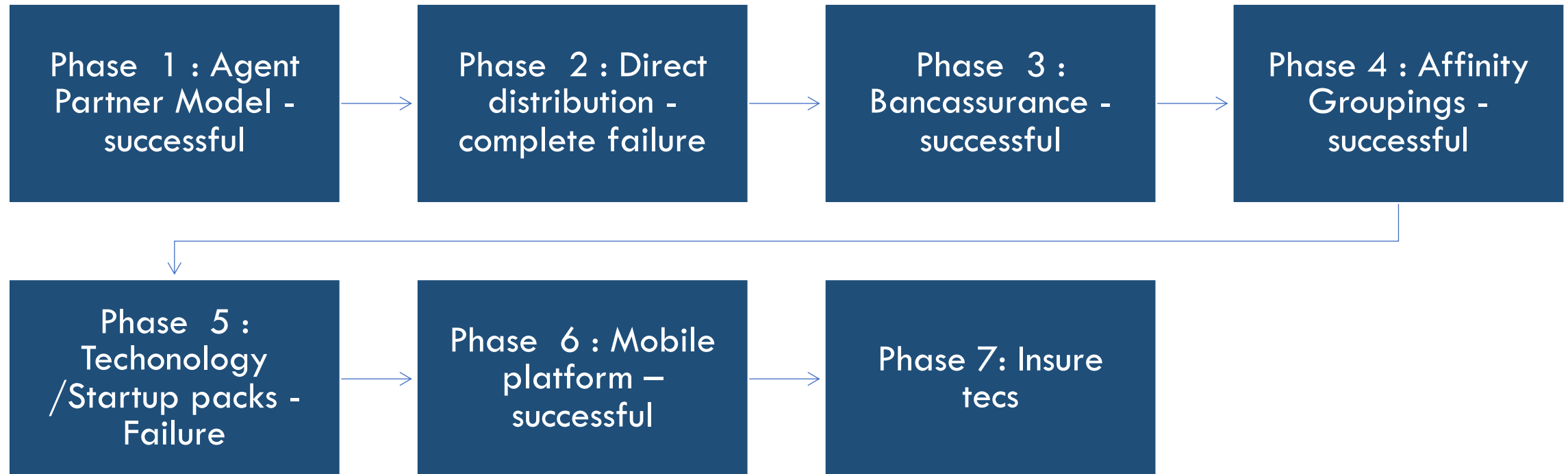
Phase 3

Funeral cover added

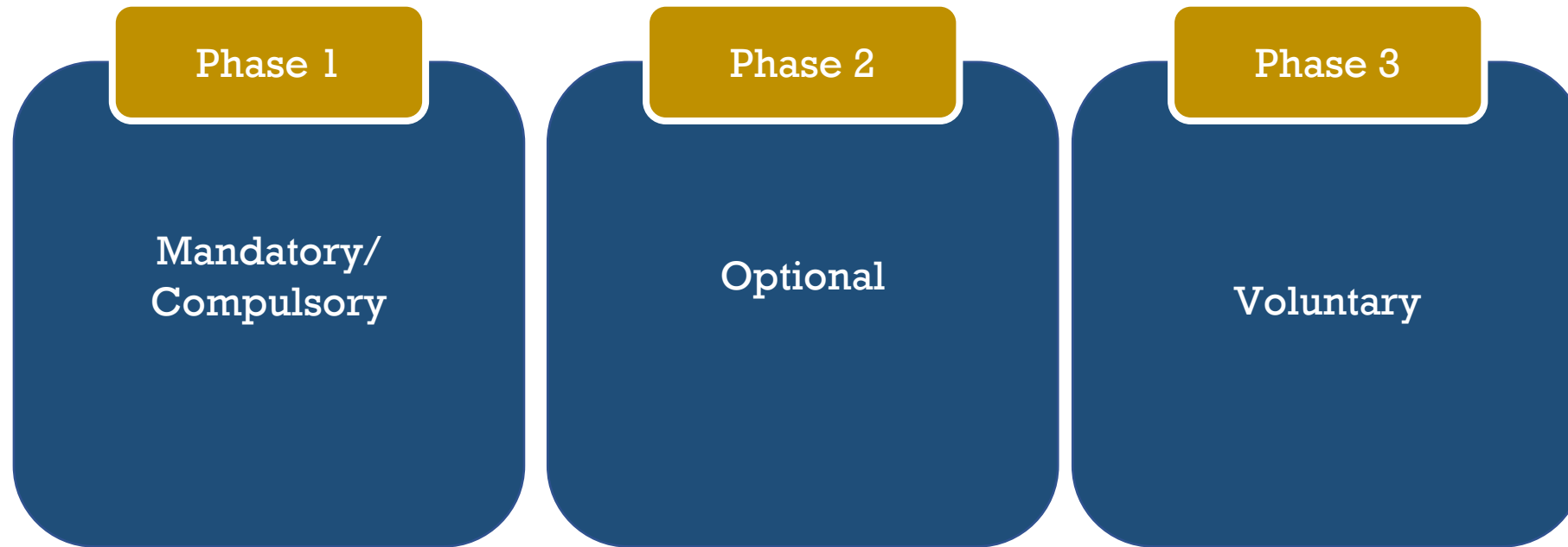
Phase 4

Travel insurance/  
Medical Cover

# DISTRIBUTION CHANNELS



# Nature of Demand

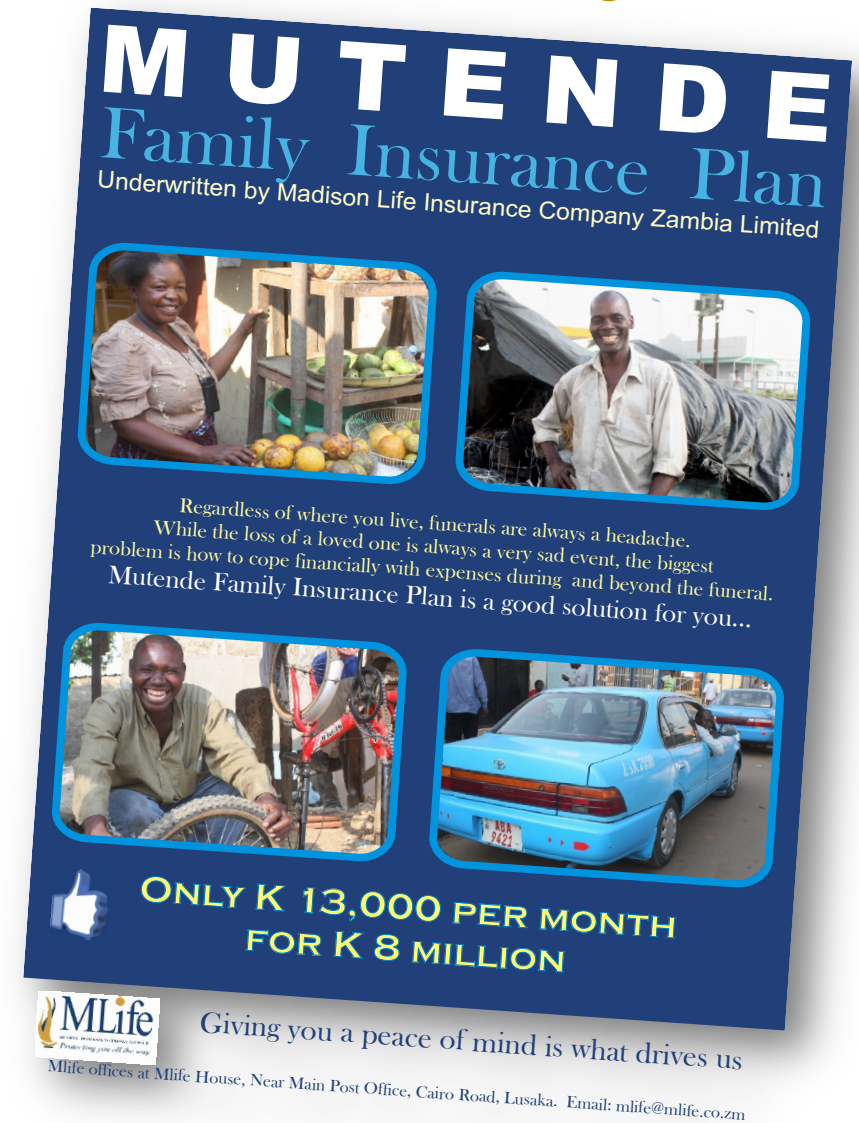


# Experience: Product: Family funeral cover

## Phase 2

- Distribution strategy: Direct sales i.e. one to one selling through micro enterprise associations
- Selling points at Major Markets .
- Premium range: Monthly minimum = US \$ 2
- Sum assured minimum: = US \$ 1,300

Project failed to generate the targeted interest and volumes



**M U T E N D E**  
**Family Insurance Plan**  
Underwritten by Madison Life Insurance Company Zambia Limited

Regardless of where you live, funerals are always a headache. While the loss of a loved one is always a very sad event, the biggest problem is how to cope financially with expenses during and beyond the funeral. Mutende Family Insurance Plan is a good solution for you...

**ONLY K 13,000 PER MONTH  
FOR K 8 MILLION**

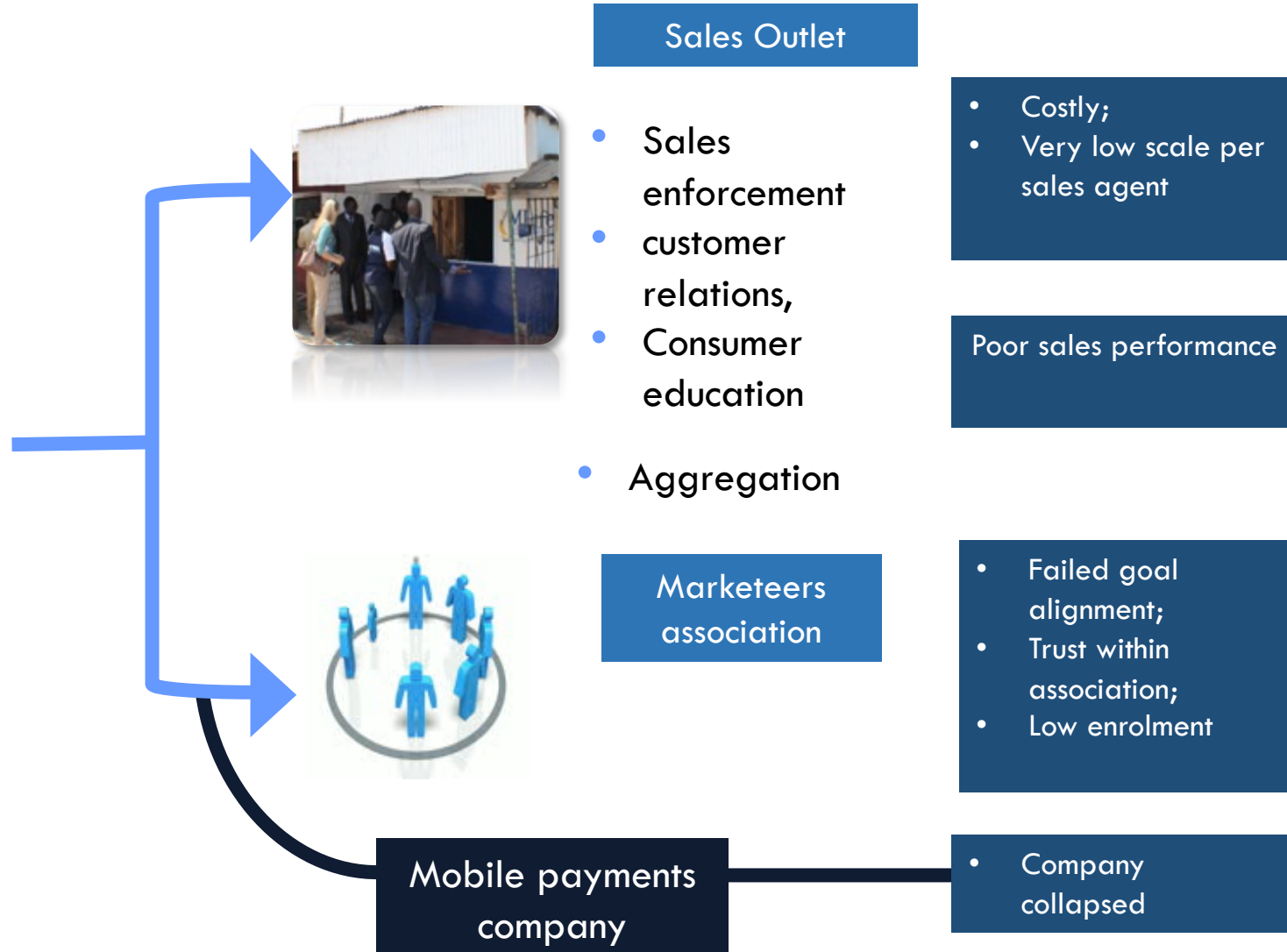
**MLife**  
MADISON LIFE INSURANCE COMPANY ZAMBIA LTD  
Protecting you all the way

Giving you a peace of mind is what drives us

Mlife offices at Mlife House, Near Main Post Office, Cairo Road, Lusaka. Email: [mlife@mlife.co.zm](mailto:mlife@mlife.co.zm)

# Phase 2: Product: Family funeral cover

## RESULT 1

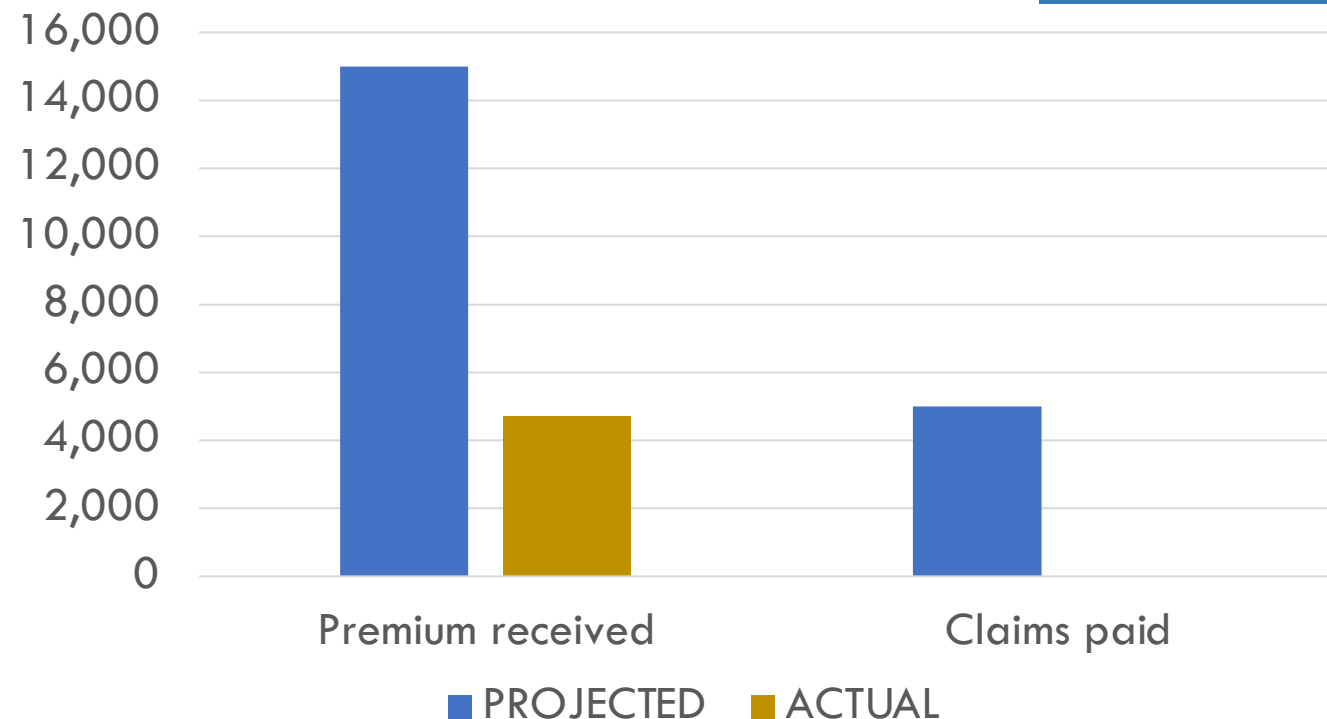


# Experience 1: Product: Family funeral cover

## RESULT 2

...first 4 months of single channel strategy

Only 735 lives covered



Product performance Aug – Dec 2012 [ZMW]



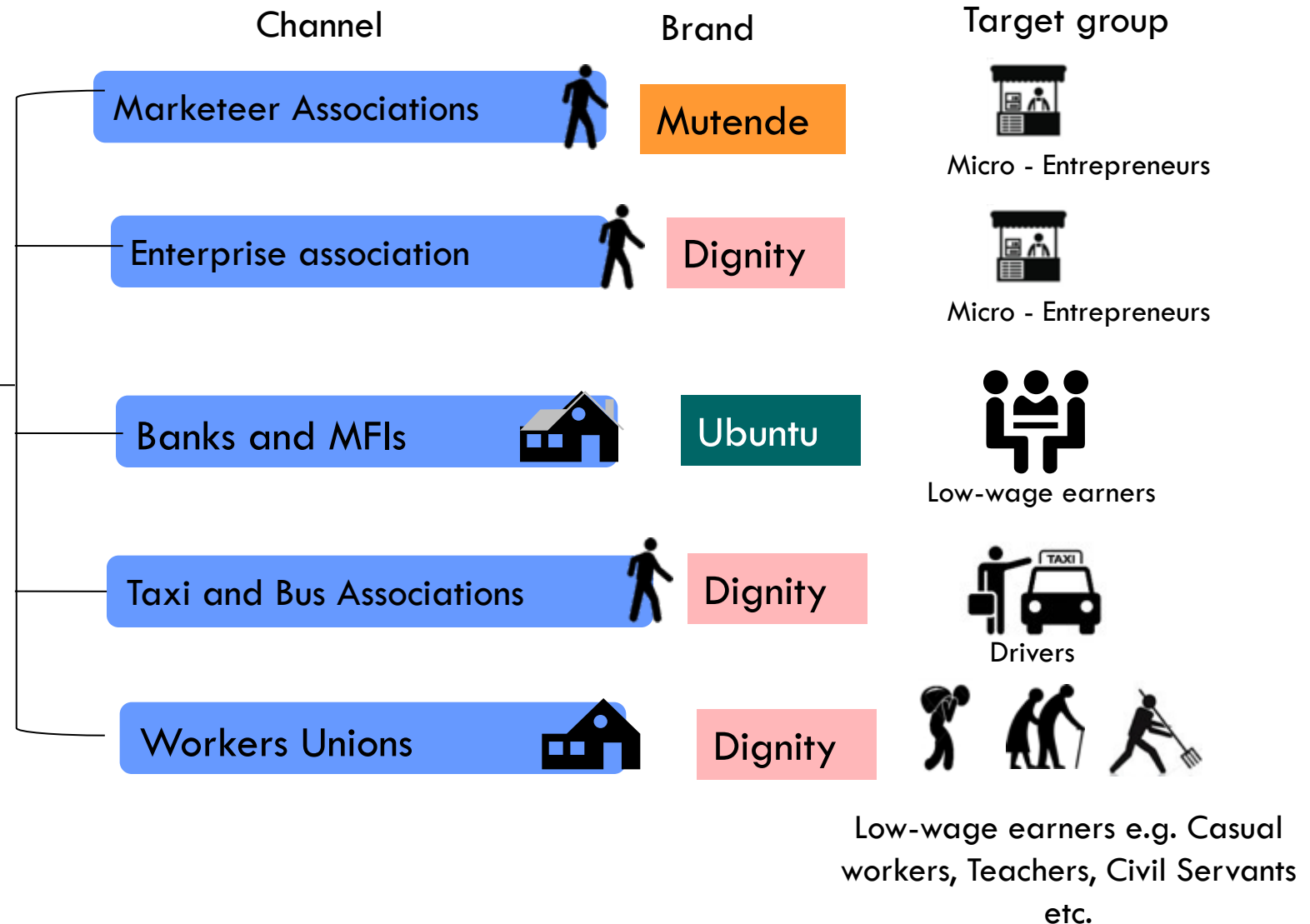
# FAILURES IN INCLUSIVE INSURANCE

*How and  
Why Did  
It Go  
Wrong?*

- Project failed to generate the targeted interest and volumes .
- Product not accepted by the intended market.
- Overly Dependant on the Agent; project proved costly to the Agent;
- Failure to market Madison Life as a company and brand;
- Lack of Education /product Knowledge;
- Informal Protection Scheme working well .

# Multiple branding and distribution

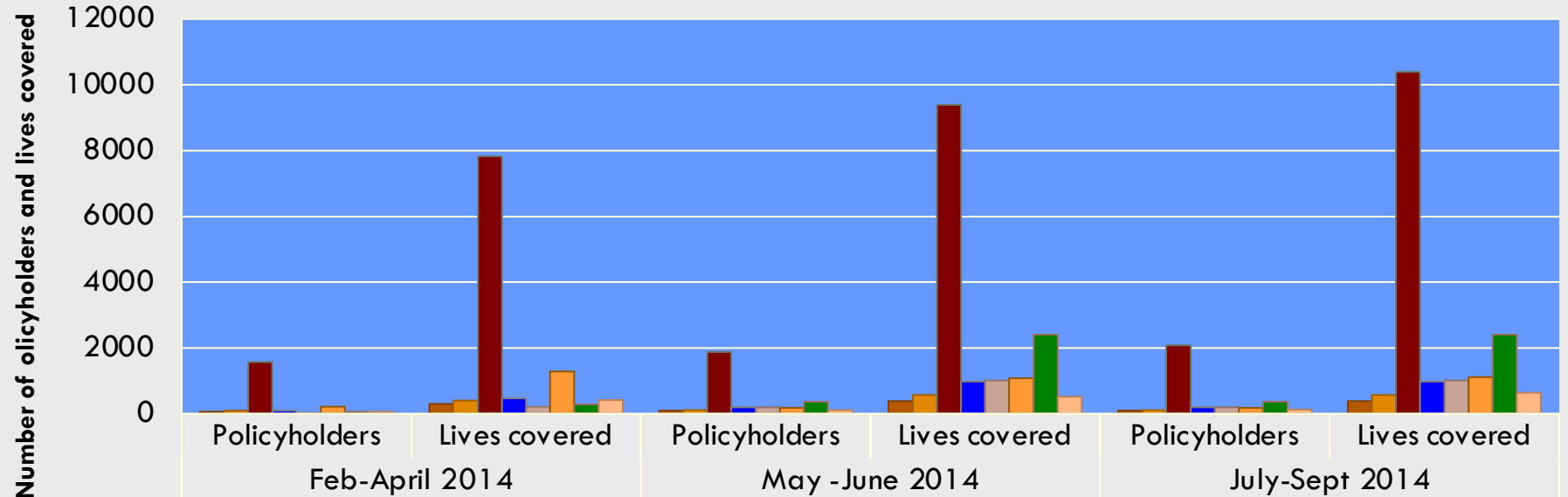
## Phase 3 & 4



# Multiple branding and distribution

## Phase 3 & 4

Performance: Policyholders and lives covered- Feb-Sept 2014 (cumulative)

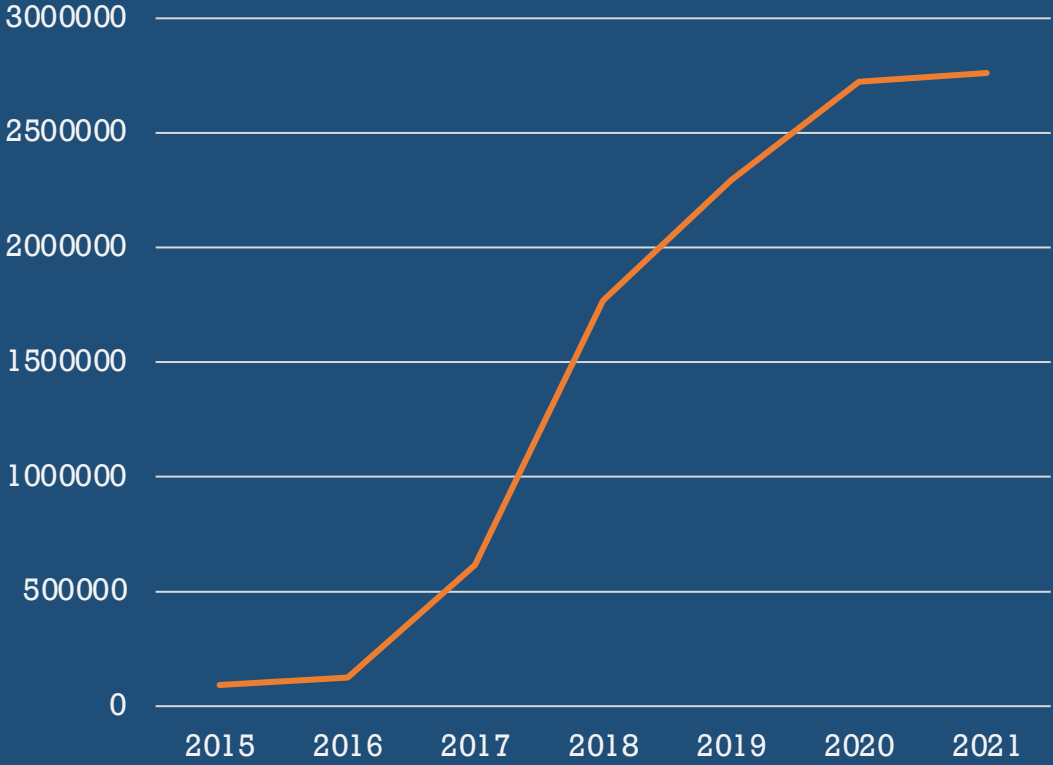


	Feb-April 2014		May -June 2014		July-Sept 2014	
	Policyholders	Lives covered	Policyholders	Lives covered	Policyholders	Lives covered
Mutende-Marketeer association (Mandevu)	59	295	95	383	95	383
Mutende- Marketeer association (Chilenje)	102	408	115	576	115	576
Ubuntu (Stanbic Bank)	1570	7825	1878	9,390	2078	10390
Dignity- Workers Union (UNZA)	94	470	195	975	195	975
Dignity- Workers Union (Local authorities)	35	210	201	1,005	201	1005
Dignity- Bus & Taxi association	215	1290	179	1,075	185	1110
Dignity- Bus & Taxi association (Pan African Building Society)	55	275	360	2,400	360	2400
Dignity- ZAFWIB	70	420	105	526	129	645

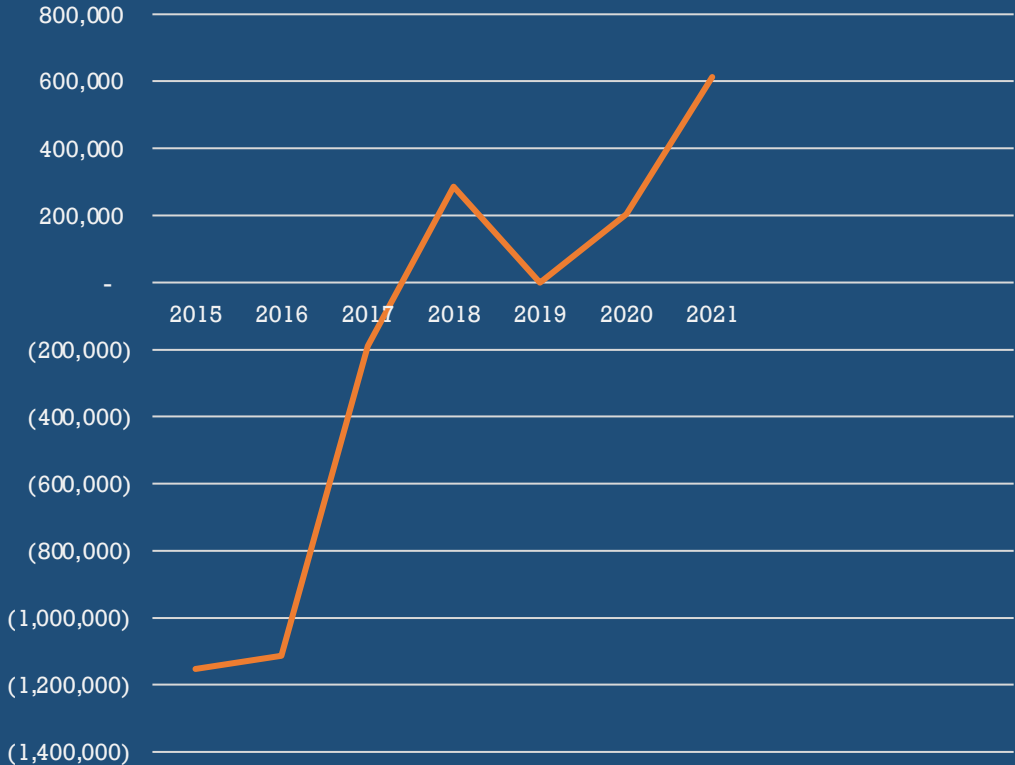
# Tilitonse

## Phase 3 & 4

GWP'ZMW



PROFITS



# SUCCESS FACTORS .

---

- Start with Achieving Client Confidence;
- Understand the culture and environment;
- Education of the clients is key;
- Product must be accepted by the intended market and generate desired volumes
- Aggregator should be able to woo large numbers;
- Aggregator must have necessary capacities; collect premiums and settle claims using cheap means.
- A win –win arrangement with the aggregator.
- Always work with simplified products;
- Add APPROPRIATE sweeteners ;
- Good communication /interaction
- Take ownership

● Thank you