

A toolbox for business correspondent agents for better customer engagement

Results from a behavioral design solution to modify product information delivery in digital financial services

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Summary: By improving the delivery of product information, agents increased the sales of life insurance product by 36%*

MSC and FIA Global conducted an experiment to improve awareness and uptake of banking products in Damoh district# in Madhya Pradesh, India, with 18 agents of FIA Global who serve 1.26 million people of the district

The problem



Customers have limited trust in agents when it comes to long-term association products, such as pension and insurance schemes. Potential reasons include:

- ❖ Lack of awareness at the customer level of the services that an agent offers;
- ❖ Low reliance on agents for products that need long-term association and commitment by customers;
- ❖ Products that need long-term commitment are not integral to the financial lives of the LMI

The intervention or concept



Developed a communication toolbox—a behavior design solution that includes three components: in-store promotions, interactive audiovisuals, and tools for in-person meetings and session activities



A one-stop solution for CICO points that is

- ❖ Easy to use for agents
- ❖ Mix of physical and digital
- ❖ Low-cost
- ❖ Interactive
- ❖ Uses behavioral concepts

Results



The total enrolment in the government-backed life insurance product [PMJJBY](#) grew by **36%** in 2021 compared to the same assessment period in 2020.

The support for customer-centric information delivery helped the agents diversify the product offerings and increase revenues.

A district in India is the administrative division. The number and size of the districts varies from state to state.

* Comparison of total enrolments of PMJJBY in June-November, 2020 to June- November, 2021

Background: Products that need a long-term commitment from customers are difficult to sell at the agent outlet

MSC conducted dipstick research to understand the key challenges in insurance and pension product uptake by LMI customers at an agent outlet

Insights from the field



Insight #1: Customers **perceived** the PMJJBY* life insurance product to be **expensive**, and thus unaffordable.

Insight #2: Customers possessed **limited conceptual understanding of insurance**, perceiving it as a savings product with definite returns.

Insight #3: Customers had **limited information about the claim process** and **lacked trust** in it. They instead had heard stories of locals unable to receive their due claim successfully.

Insight #4: Customers **did not maintain adequate balance** in their bank account to pay the annual premium, which signaled an action-intention gap.

Stories from the ground—agents speak



Generally, customers have limited understanding of the product as they are not well-educated. They also doubt whether they can get due claims and assume that the claim process will be difficult. This made customers question if insurance might be useful for them as a product, especially in the context of the future.

- An agent from Damoh, Madhya Pradesh



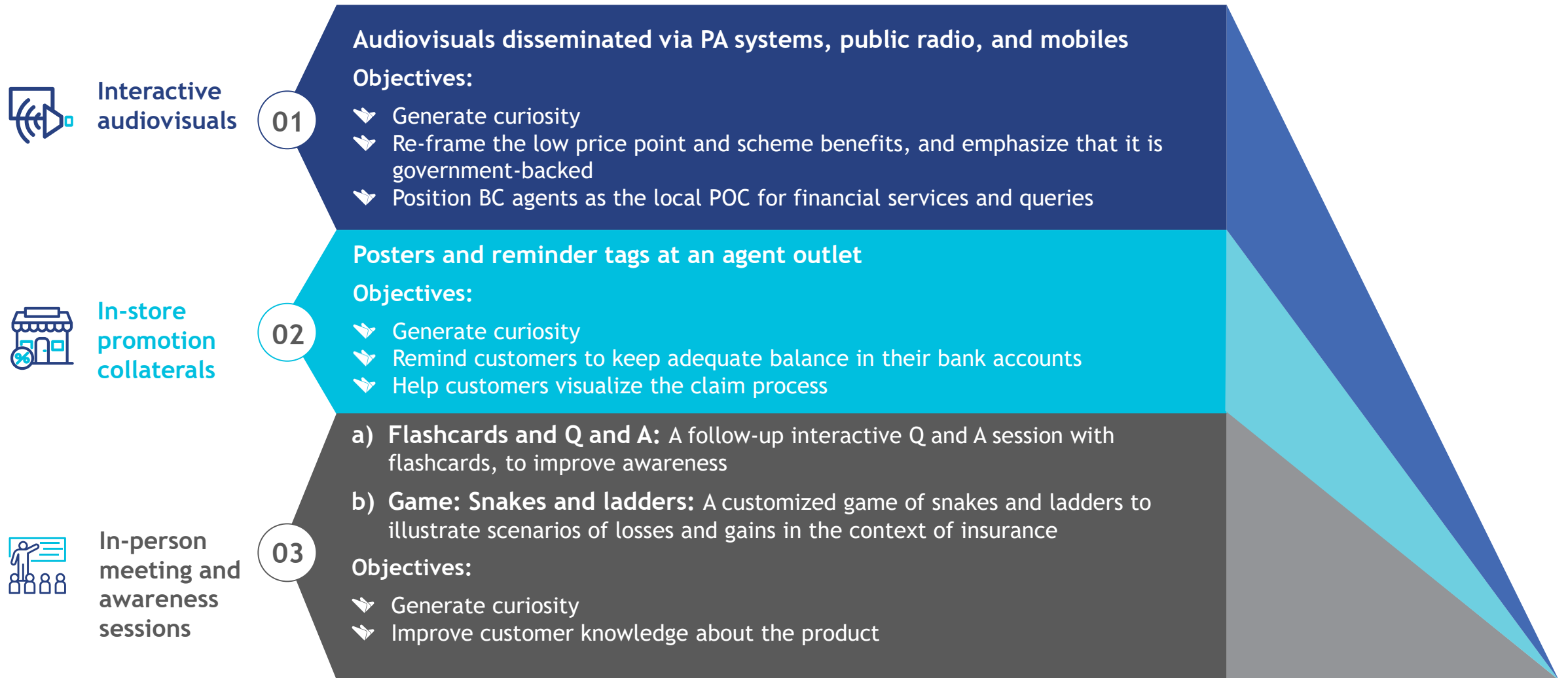
I tried to explain the importance and coverage of PMSBY and PMJJBY to potential customers. Yet, the price point mainly drove customer choice in favor of PMSBY. They preferred PMSBY due to their possibly low incomes and limited understanding of the difference between the two schemes.

- An agent from Damoh, Madhya Pradesh



*[PMJJBY](#)- Pradhan Mantri Jeevan Jyoti Bima Yojana—government-sponsored life insurance product, [PMSBY](#)- Pradhan Mantri Suraksha Bima Yojana—government-sponsored accidental insurance product

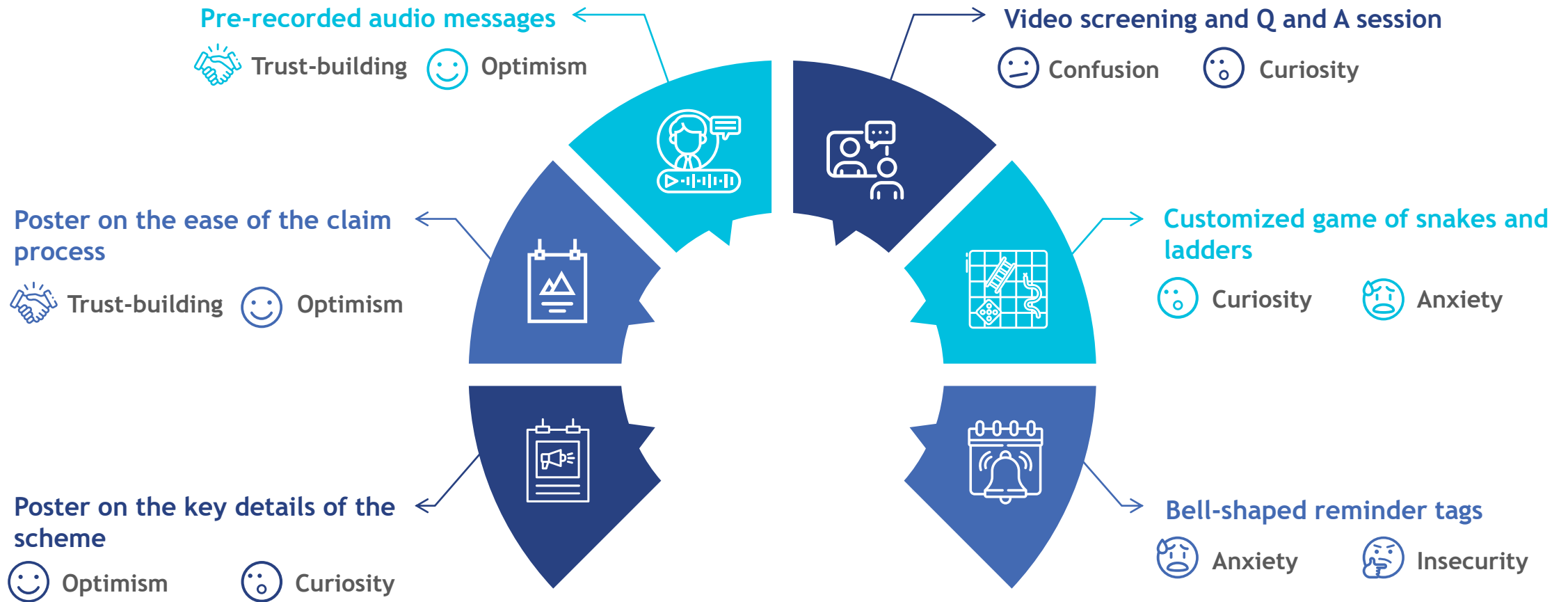
Design concept*: A communication toolbox with three distinct elements that enable agents to promote products effectively to the LMI segment



* MSC's flagship approach [MI4ID](#) explicitly incorporates behavioral insights as an integral part of both, the exploratory and solution-development processes.

Design concept expanded: Each of the toolbox elements target specific emotions that influenced customer behavior and decision-making

- ▶ Applying the principles of human-centered design (HCD), we designed elements in the toolbox by distilling our insights from the field.
- ▶ We identified specific emotions each element or activity could target to elicit the desired customer behaviors around product uptake.



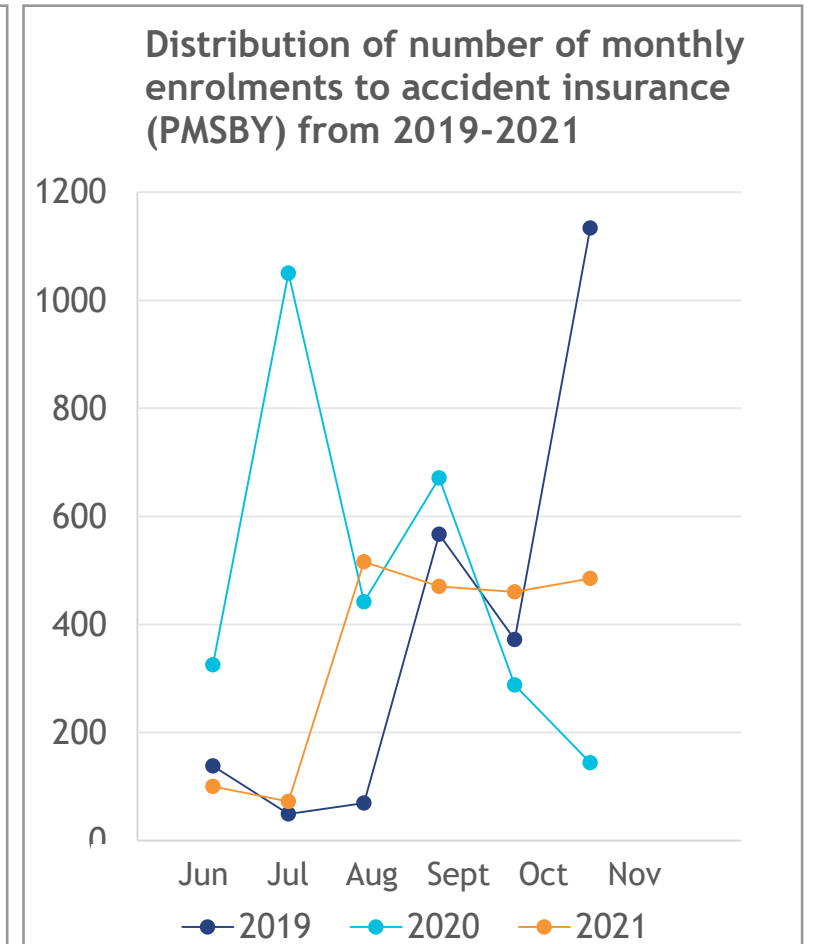
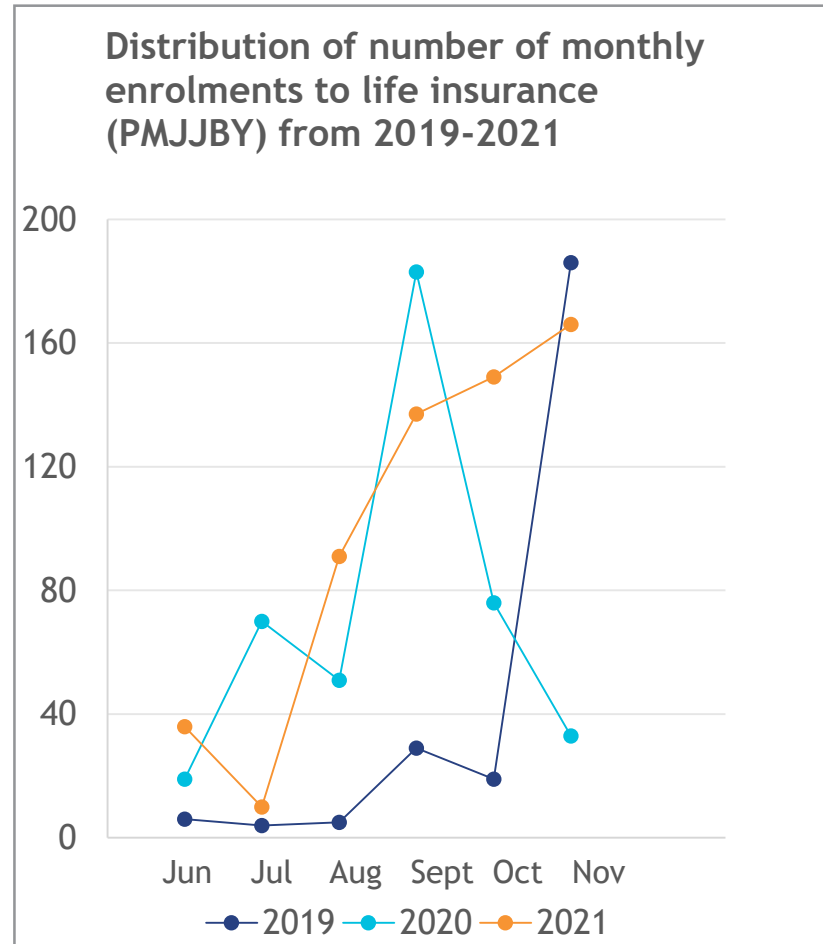
Please refer to the [slide](#) to understand the key points considered to design the toolbox

Results: The intervention to support the delivery of product information improved customer-agent engagement and increased enrolment (1/2)

The communication toolbox, which rolled out in June, 2021, enhanced the customer-agent engagement and increased enrolment to a relatively difficult-to-sell insurance product.

The support on information delivery helped agents diversify the products and increase the revenue streams.

- Despite the limitations and challenges that the COVID-19 pandemic presented, **the total enrolment in PMJJB (men and women) grew** by 36% in 2021 compared to 2020.
- The ratio of PMJJB to PMSBY insurance enrolled increased by 38% from 2019 to 2020. This ratio almost doubled from 2020 to 2021.



The intervention to support the delivery of product information improved customer-agent engagement and increased enrolment (2/2)

The intervention to support product information delivery resulted in diversification of products sold at the agent outlet, and generated additional business income

Increase in enrolments



- ▶ During the COVID-19 crisis, PMJJBY enrolments reduced to 33 in November, 2020 from 186 in November, 2019. In November, 2021, the numbers increased again to 166. When the pilot started in June, 2021, agents had opened 36 accounts.
- ▶ Monthly enrolments of life insurance (PMJJBY) and accident insurance (PMSBY) were higher in 2021 compared to 2020 for most (4 out of 6 months for PMJJBY; 3 out of 6 months for PMSBY) of the months between the assessment period of June-November.

Addition in revenue from sale of PMJJBY



- ▶ PMJJBY sales also increased compared to PMSBY, which is comparatively easier to sell than PMJJBY. This could be because PMSBY costs INR 12 (USD 0.16) per annum and PMJJBY INR 330 (USD 4.44) per annum. The ratio of PMJJBY to PMSBY insurance enrolled increased by 38% from 2019 to 2020. This ratio almost doubled from 2020 to 2021.
- ▶ The 18 agents who were part of the intervention earned* more, i.e., INR 680 (USD 9.14) per month in 2021 in comparison to 2019, and INR 314 (USD 4.22) per month in 2021 compared to 2020.

* The effective commission might differ. We have taken the commission at INR 12 per PMJJBY enrolment

Agents used a combination of physical and digital elements creatively to engage potential customers through diverse mediums

The intervention helped increase awareness and improve customer outreach further through different mediums



One-to-one customer interaction is vital in the agency business. I try to inform customers about new products when they come to withdraw their benefits—mostly in the first week of the month. Audiovisual aids save time and engage customers with less effort.

- Agent in Damoh, M.P

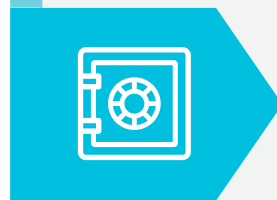


I believe serving customers well and building their trust in the product are the most important aspects of my business. To achieve this, the communication media helps me create awareness about the product and enhance enrolments.

- Agent in Damoh, M.P



Digital elements encouraged the agents to use social media to engage with customers: Agents found the links to audiovisual content beneficial and used them creatively. It helped establish trust among agents, influence potential customers, and save time. Agents used audiovisual links as their WhatsApp status, forwarded the videos to customers on WhatsApp, and displayed them on their mobiles and laptops.



Self-explanatory and informative in-store promotional collaterals generated curiosity among customers. Agents felt that collaterals strengthened interactions with customers to spread awareness about the product-as the customers had already read it and were curious to know more.



Uniquely shaped collaterals, such as bell-shaped tags, proved to be a good reminder for customers, and resultantly generated queries about insurance products from the customers to the agents.

Key lessons to scale-up the intervention to more agents (1/2)

Better communication of the value of the products and services is required to spread awareness and build trust in the products—particularly those that require a long-term commitment from customers.

01

Continually evolve delivery of information on the product



The information delivery elements prove beneficial if we combine physical and digital aids that:

- ▶ emphasize key features,
- ▶ improve the agent-customer interaction,
- ▶ generate a call to action at different “teachable moments” of the customers
- ▶ target different customer segments

02

Inclusive designs should be the mantra



Design for inclusivity—designing for “oral” (illiterate and neo-literate) customers—is essential to reach the under-served. A major proportion of the rural women belong to the oral segment. To target women-customers, the information design should be understandable and relatable to them.

Key lessons to scale-up the intervention to more agents (2/2)

Better communication of the value of the products and services is required to spread awareness and build trust in the products—particularly those that require a long-term commitment from customers.

03

Give a set of tools to agents for better customer engagement



Agents used the communication toolbox content in different ways. They innovated some strategies themselves. Having access to such tools would empower agents on customer-facing communication and overall engagement with customers.



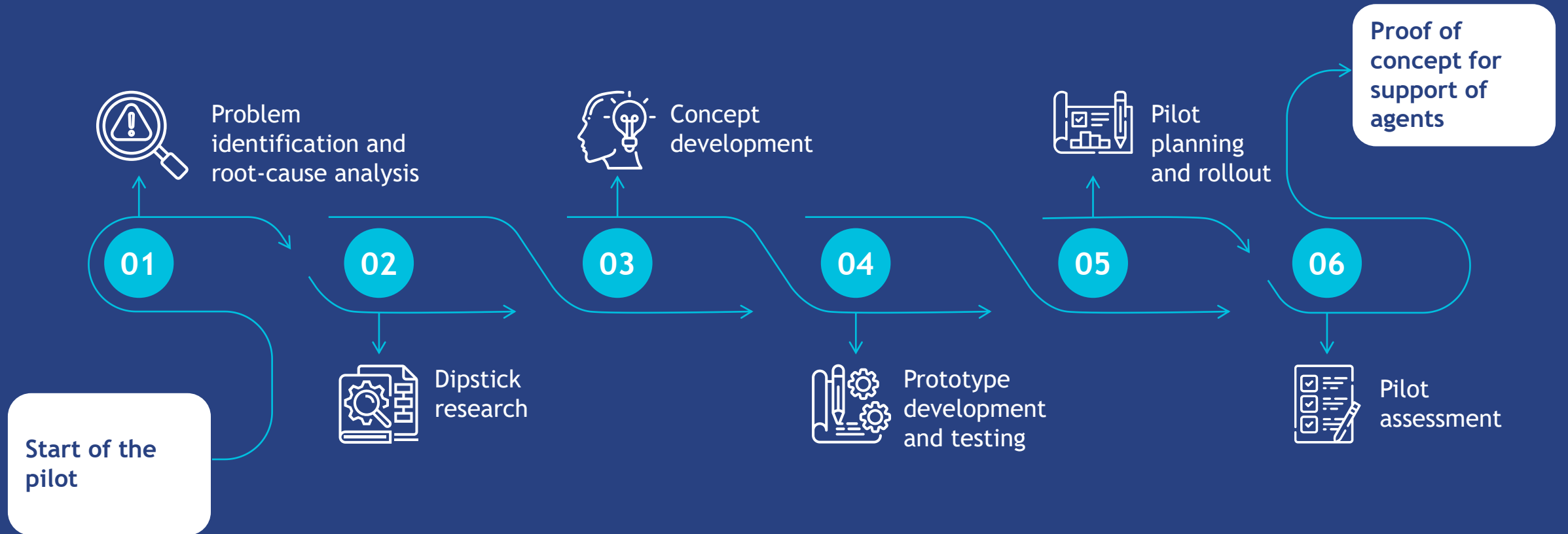
MSC and FIA Global have been scaling up the communication toolbox and support 25,000+ agents in customer interactions and diversification of their revenue streams. FIA also plans to integrate the communication toolbox in its existing digital communication systems to agents.

Pilot journey



Key milestones of the pilot intervention

The journey was a mix of stakeholder discussions, field research, tool-box design using behavioral concepts, systematic implementation, and pilot assessment.



MSC and the FIA Global team worked on scoping, concept development, pilot design, implementation, and testing

Stage 1: Problem identification and root-cause analysis



Stakeholder consultations

- ▶ Workshops facilitated with the FIA Global team to understand the key challenges faced in marketing and promotions of products, other than regular cash-in and cash-out by the agent network.
- ▶ Conducted ecosystem mapping and need analysis of agents from the FIA team's perspective. This helped us understand the need for the intervention.



Problem identification

- Customers have limited trust in agents with long-term association products, such as pensions and insurance programs. Potential reasons include:
- ▶ Lack of awareness at the customer level on the services that an agent offers
 - ▶ Low reliance on the agent for products that need long-term association and commitment from customers
 - ▶ Financial products that require long-term commitment are not an integral part of the financial lives of the LMI customers



Root-cause analysis

- ▶ Brainstorming sessions were held internally and with FIA to arrive at the root causes, represented in the form of fishbone diagrams.

MSC's expertise in understanding LMI segment and agent networks

Stage 2: Dipstick research: In-depth interviews to gather insights and anchor the intervention design

01

Primary research

- Conducted 15 agent interviews in Damoh, Madhya Pradesh
- Documented key insights on use and adoption of long-term financial products based on agent interviews



02

Synthesis of findings

- Used behavioral analysis techniques to identify key messages and nudges
- Identified change-enabling levers and associated shift to desired behavior



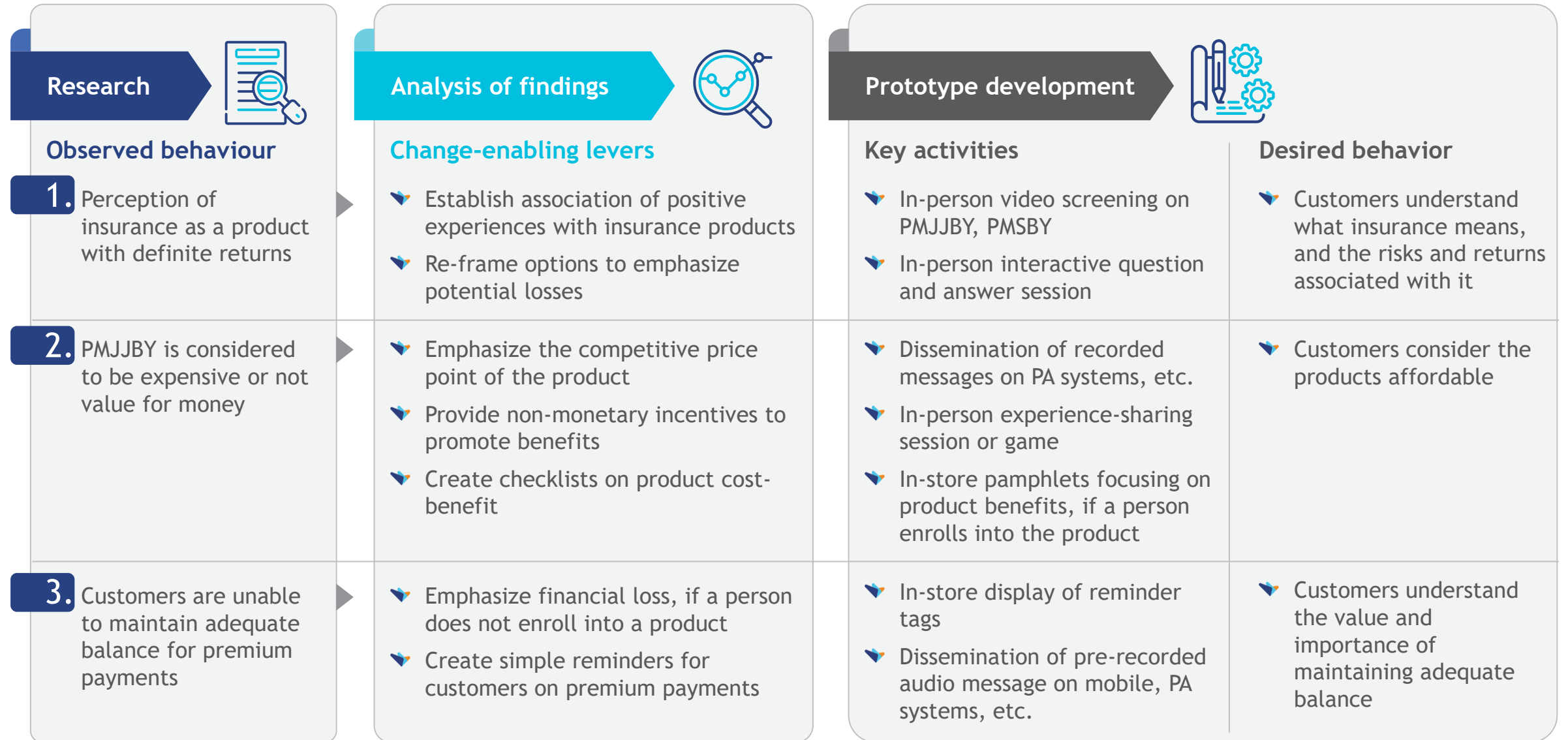
03

Concept development




- Conceptualized a communication toolbox based on HCD principles
- Developed concepts for elements of the toolbox, such as posters and tags



Process to build the prototype of the communication toolbox (1/2)



Process to build the prototype of the communication toolbox (2/2)

 Research	 Analysis of findings	 Prototype development	
Observed behaviour	Change-enabling levers	Key activities	Desired behavior
<p>4. Agents get regular queries about claim process and customers have limited information and trust in the claim process</p>	<ul style="list-style-type: none"> Offer product choices in categories Offer the schemes as more personally relevant for customers 	<ul style="list-style-type: none"> In-person interactive question-and-answer session 	<ul style="list-style-type: none"> Customers understand the purpose of each of the schemes
<p>5. Customers prefer enrolling for PMSBY rather than PMJJBY among insurance products</p>	<ul style="list-style-type: none"> Position policy agents as a commitment device Help customers visualize the claim process Associate the process with positive experiences 	<ul style="list-style-type: none"> In-store pictorial displays of the claim process Dissemination of pre-recorded audio message on mobile, PA systems, etc. 	<ul style="list-style-type: none"> Customers should trust and be aware of the specific details of the claim process
<p>6. The customer and their family may not remember their status of policy enrolment</p>	<ul style="list-style-type: none"> Remind policy customers of the primary intention Offer relevant choices prior to the auto-debit Offer a shortened, notional time period 	<ul style="list-style-type: none"> Dissemination of pre-recorded audio message on mobile, PA systems, etc. 	<ul style="list-style-type: none"> Customers or family members can recall policy terms and conditions, particularly its renewal period

Stage 3: Concept development—the communication toolbox included prototypes of IEC* collaterals designed to engage potential customers through diverse mediums

01



In-person awareness meetings & sessions

a) Flashcards and Q and A

- Flashcards on PMJJBY and PMSBY for a group of potential customers to illustrate the main features of the schemes
- This will be followed by a Q and A session led by an agent or FIA staff with flashcards

b) Game: Snakes and ladders

- A customized game of snakes and ladders to illustrate scenarios of gains and losses in the context of insurance

02



In-store promotion collaterals

In-store promotional collaterals

Placement of varied printed collaterals at agent outlets to:

- Generate curiosity toward Jan Suraksha schemes
- Remind customers to keep adequate balance in their bank accounts close to the premium deduction date
- Help customers visualize the claim process

03



Interactive audiovisuals

Audiovisuals and Q and A

Dissemination of audiovisuals to:

- Generate curiosity toward the schemes
- Re-frame the low price point and scheme benefits, and emphasize that it is government-backed
- Position BC agents as the local point of contact for financial services and queries

Designing to improve customer-agent engagement for a financial product

The information delivery should complement the agent level understanding of the product, its features, and key processes



01

Repeatedly emphasize product details, eligibility, and nature of benefits, preferably in form of visual aids to improve awareness

02

Design collateral tags in unique shapes, such as a bell or star, to attract and retain customer attention

03

Design such that the solution is customer-centric and fills the information gaps of LMI segment

04

Offer pictures, real-life examples, and localized stories are more relatable to LMI customers

05

Consider the infrastructure available, ensure devices used by the agent are easy to use and save time

At-a-glance: Use of the toolbox elements by FIA agents



Stage 4: Prototype development and testing: Insights from the concept testing exercise helped to improve the design, relevance, and potential reach of the toolbox elements

Visual aids



- Non-animated, real-life examples are more relatable
- Repeatedly emphasize details like scheme eligibility and benefits in the visual aids to improve awareness

Flash cards and game board for awareness sessions



- Simplified presentation of the Snakes and ladders board scenarios
- Agent-level understanding of the insurance, its types, and key steps are critical

In-store promotional collaterals



- Design of payment reminder tags in unique shapes, such as a bell or star, to attract and retain customer attention
- Identification of the right place to hang the tags
- The use of simple words and regional languages will make it more relatable

Audiovisual messages



- Repetition of the name of the scheme, premium amount, and eligibility criteria in the messages to improve recall
- Making a mention of the scheme benefits to the policyholder and family members to motivate them

Stage 5 and 6: Pilot planning, roll-out, and pilot assessments



01 Pilot plan preparation and initiation

Finalize the pilot plan, keeping in view the COVID-19 scenario on the ground.

Pilot activities started in Damoh, Madhya Pradesh. The material was disseminated at the agent outlet in March, 2021 among 18 agents. The location was selected based on MSC's and FIA's existing ground presence in the area.

Regular feedback was gathered from the field. The ability to run awareness sessions was limited by COVID-related restrictions and also constraints of space and time with agents. This resulted in a few elements of the communication toolbox being left unused.

Agents found the videos to be useful and used it creatively on their WhatsApp status.

02 Pilot assessments



03 Pilot end

The pilot was run from June, 2021 onward at 18 agent locations in Damoh, Madhya Pradesh. We assessed the results till November, 2021.

Limitations



The COVID-19 crisis and lockdowns have disrupted the lives of agents and customers alike, including a shift in customer priorities and financial capabilities. The customer footfall and hence business at agent outlets reduced during the pandemic, and agents mostly did cash-in cash-out transactions. Even for customers, their ability to enroll in long-term association products was affected.



Agent outlets have limited infrastructure and resources to disseminate information and conduct group activities while maintaining social distancing norms. This limits the scope to reach out to the masses during the COVID-19 situation and the use of the communication toolbox elements related to it.



The qualitative interviews during the dipstick and assessment phase had to be conducted telephonically due to COVID-19. This limited the rapport and depth of conversations in the interviews. In addition, the responses from agents were self-reported, with limited physical interactions.

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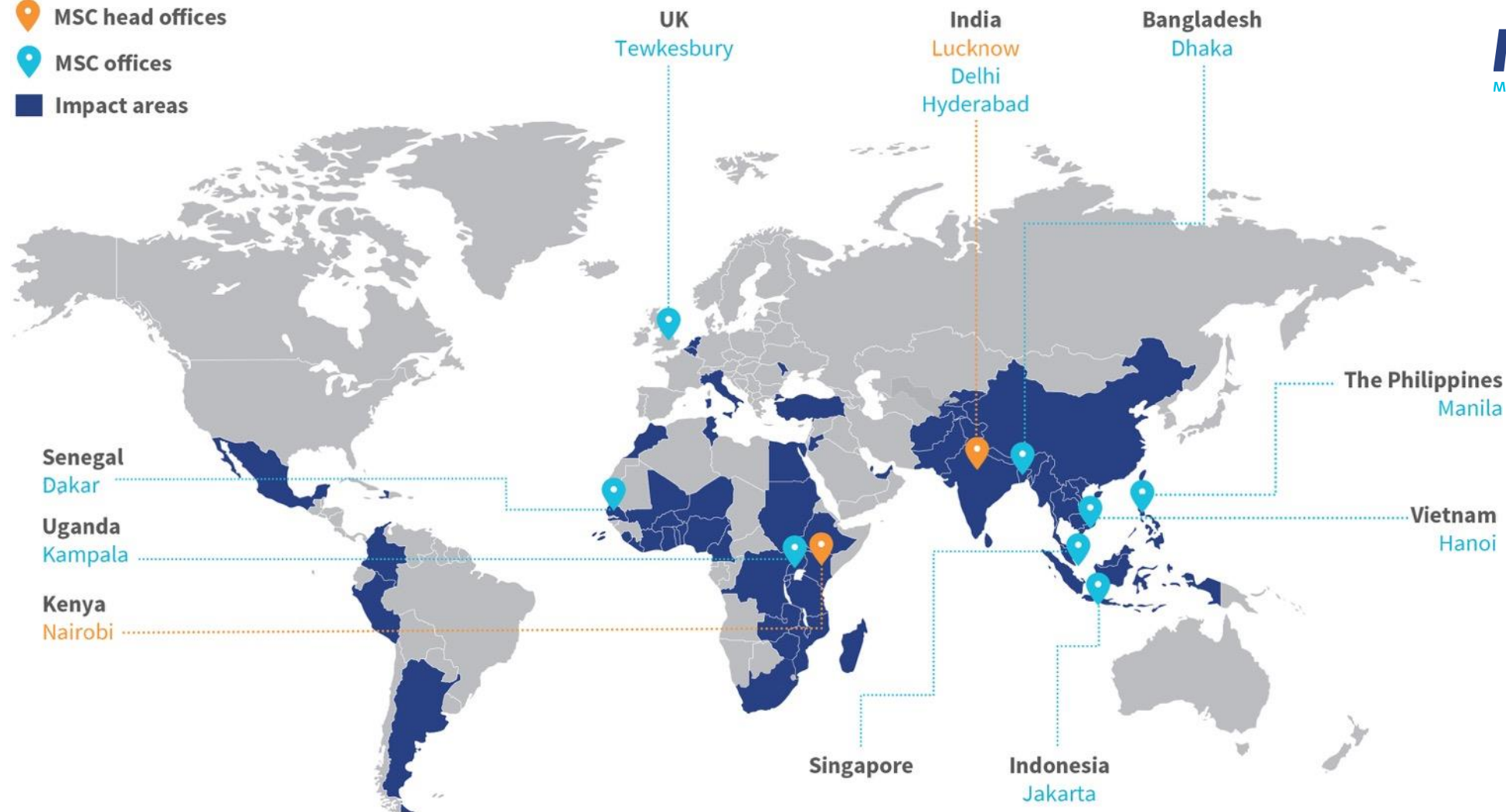
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