

BIMA & Hannover Re Closing the protection gap

The insurance penetration in emerging markets is typically less than 3% of the GDP¹. Largely, due to complex and expensive insurance products and the customers' lack of (financial) knowledge and trust in insurance in general. In contrast, mobile penetration in emerging markets has surpassed 80%. BIMA recognised a way to close this gap by harnessing the power of mobile.



Offer accessible insurance to those who need it.

Concept

BIMA, a leading insurance and health tech player in emerging markets uses mobile technology to deliver affordable and easy-to-use insurance and health products to underserved consumers, often excluded from traditional insurance models.

The core model combines mobile technology and key partnerships with mobile operators and mobile money providers. The scalable model includes an agent local sales force, trained by BIMA so that customers purchasing insurance for the first time receive tailored advice.

BIMA's model enables customers to digitally register through their mobile phones, with no paperwork or medical examinations. Payments are then automatically deducted from customer's mobile accounts. To ensure that products remain affordable, monthly premiums can be divided into micro-instalments deducted from the customer's airtime credit on a daily basis.

Value proposition

Offered are pre-paid insurance solutions for life, personal accident and hospitalisation together with pre-paid tele-doctor services all delivered with mobile technology. To meet the unique needs of the local consumers, the insurance products are characterised by being easy to understand and affordable, complemented by simple registration via SMS or call.

By partnering up with Hannover Re a global reinsurance programme was created to facilitate the international expansion of BIMA, through partnerships with local underwriters and their ability to benefit from Hannover Re's strong market position, global network and local market knowledge.

Hannover Re's contribution

- Global standardised reinsurance contracts
- Risk transfer to close the protection gap and to facilitate BIMA's international expansion
- Access to global network for obtaining local pricing and regulatory compliance knowledge

75% of BIMA customers are accessing affordable insurance policies for the first time.

¹ Gross Domestic Product