



Youth Needs Assessment Survey

Report of Findings

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EXECUTIVE SUMMARY

The association of Kenya Insurers (AKI) realizes the youth segment is unique and may need exiting products to interest them. The association therefore commissioned SBO research to carry out an investigation of the perception of insurance among the youth and the needs of young people when it comes to life insurance.

The aim of the survey was to gather information that can provide guidance in development of strategies to improve the growth of insurance business through targeting specific and unique needs of the youth in new product development.

The survey targeted people aged between 15- 35. Key informants/ industry players were also interviewed to get their expert opinion on the same.

The survey was carried out in Nairobi, Mombasa, Kisumu, Eldoret, Nakuru, Nyeri and Meru.

Data was gathered using both qualitative and quantitative methods. The qualitative methods applied were focus group discussions and in-depth interviews. The quantitative method was through face to face interviews using questionnaires.

Data was analyzed through percentages and mean scores using the Statistical Package for Social Sciences (SPSS) analysis package. Data was summarized to provide the scores needed to answer the study objectives and is presented in tables, charts and narratives in this report.

Summary of findings

Young consumers do realize that insurance offers reassurance, comfort and peace of mind. They however feel that these are not the immediate needs for them. To them, the most ideal insurance products would be those that would help them save for short-term goals.

The key barriers to the uptake of life insurance among the youth are;

- Lack of information
- Lack of income/ unaffordability
- Perception that insurance is for rich people

- Existing mental barriers (superstition, fears), negativity created in sales persuasion (association of life products with death)
- Lack of appeal to the youth

Medical, Education, and Investment plans are regarded the most ideal insurance packages for the youth but there is need to make them affordable and flexible in payment terms and modes.

Life and Funeral Covers which do not necessarily benefit the assured directly don't have particularly strong appeal. Funeral covers are particularly unappealing because they are seen as a taboo/ anti African.

The following came out strongly as the ideal features of life insurance covers for young people;

- Products that are affordable/ have low premium covers
- Have flexible payment terms and modes
- Are simple to understand
- Have shorter maturity period
- Are advertised in a way that the youth can connect with

It is evident that there is need for insurance companies to engage more with young people. Some of the ways through which this can be done are;

- Have internship programs
- Organize open days in schools/ colleges whereby young people can ask questions and learn more about insurance
- Have specialized agents who sell life insurance to the youth
- Organize seminars
- Roadshows/ concerts and other cool events e.g.
- Sponsoring youth projects and sports
- Organizing fun days for the youth (for children who have education covers or medical covers etc.)
- Introduce sponsorship programs for bright children

- Embrace youth oriented advertising/ target the youth with adverts that have a fun element so that the message can sink
- Expand their reach i.e. open more branches agents i.e. like the banks have done with agency banking
- Use social media to market life insurance to young people.

The following recommendations have been suggested based on the survey findings;

1. There is need for consumer education and demystification of insurance in order to unlock the barriers for uptake of insurance products in general among the youth.
2. Young consumers are seeking for affordable products since they have limited and irregular income. The industry should consider designing life insurance products that young people can afford and those that do not necessarily have monthly premium payments. Premiums can also be paid daily and via M-Pesa.
3. Payment of a cash benefit component would need to be included to promote consideration for long term life insurance products e.g. personal life or pension schemes.
4. There would be need to simplify the life insurance products and communicate the risks covered by life insurance positively and clearly.
5. There is need to target the youth with products that are associated with spending occasions e.g. graduations, weddings.
6. The industry should leverage on investment groups e.g. Chama's to promote investment plans.
7. There is need to purposely target the youth when selling life insurance i.e. go to where the youth are e.g. in colleges etc.
8. The industry should come up with more appealing adverts/ adverts that are not too formal. Formal adverts mainly appeal to mature crowds and the youths feel that they are not meant for them. Youths want to be entertained. The industry should target the youth with adverts that have a fun element so that the message can sink.

9. Create awareness i.e. using social media, road shows, radio, fliers, TVs etc. Social media can especially be used to get the feelings of the youths, understand their needs and get feedback on the insurance products available.
10. The industry should connect more with the youth. They should engage more in activities that involve the youth e.g. sponsor some sports teams for the youth, sponsor entertainment activities. The industry should engage in cool events e.g. musical concerts, blanket & wines, the mingle etc.

1.0. INTRODUCTION

1.1 Background

The Association of Kenya Insurers (AKI) was established in 1987 as a consultative and advisory body for the insurance Industry. It is registered under the Societies Act Cap 108 of the Laws of Kenya.

AKI is a Member's Association for the Insurance companies in Kenya. Currently the association has a membership of 44 insurance companies, majority of which have branches in major towns in the country. The membership of the association is open to any insurance company duly registered under the Insurance Act to transact business in Kenya.

The association's main objective is to promote adherence to prudent business practices by members and to create awareness among the general public with a view of accelerating the growth of the insurance business in Kenya. Day-to-day operations of the association are run by a secretariat while the AKI Board is the topmost decision-making organ of the association.

1.2 Research Background

The youth segment is unique and may need exciting products to interest them. Because of their significant numbers and hence potential to any marketer, it is important to develop products that target them specifically. The penetration of life insurance in Kenya stands is approximately 0.94 per cent of the GDP. This is relatively low and the large youth population is indicative of promising growth potential for the insurance sector.

The insurance industry can thus develop insurance products for the youth and induce insurance product uptake.

Such products may target youth aged 15- 35 years, providing them with more options to choose reliable and user-friendly insurance solutions. Young customers may need numerous benefits that enhances their convenience and are affordable based on their unique appeals that impact on their tastes and preferences.

Various sectors have come up with products that target the youth. Banks in Kenya for instance have bank accounts for under-18 year olds and the parents are the ones who have control of the accounts even though the accounts are in the child's name. When the child turns 18 then there is an opportunity to convert the account to be the child's own in which case the child will provide his/her identification documents for the account.

Some banks have also developed products that are tailor-made for the young adults e.g. Bankika from KCB which is a product targeting youth aged 15- 24 years, providing them with more options to choose reliable and user-friendly financial solutions.

1.3 Research Problem

With the background above, AKI saw the need to carry out a research to establish the perception of insurance among the youth and understand their needs.

The aim of AKI was to gather information that can provide guidance in development of strategies to improve the growth of insurance business through targeting specific and unique needs of the youth in new product development.

This will benefit the insurance industry in the following ways;

- The industry will be able to engage young customers with insurance from an early age.
- The industry will be able to increase uptake of insurance services among the youth and overall insurance penetration thereof.
- Increased uptake of insurance among the youth will create additional revenue streams for insurance companies.

2.0. OBJECTIVES

2.1 Overall Objective

The overall objective of this survey was to conduct a detailed investigation on the perception that young people have with regard to the insurance industry, their expectations, unmet needs, desirable product features and how to target them.

2.2 Specific Objectives

- i) Investigating how the youth perceive life insurance
- ii) Review of the current life insurance products and whether they meet the needs of the youth
- iii) Establish if the youth are already using life insurance services
- iv) Investigating the gaps in meeting the needs of the youth where life insurance is concerned
- v) Establishing the main challenges/obstacles facing the youth preventing uptake of life insurance
- vi) Establish if there is a need in the market for youth insurance products and features of interest in the same
- vii) Establish product enhancements the youth would like to see in life insurance
- viii) Make recommendations for strategies that the industry can use in developing youth products and positioning the same

2.3. Information Areas

The survey revolved around but was not limited to the following key areas;

- a) Detailed demographic profile of respondents
- b) Awareness of insurance products/ services
- c) Perceptions of the insurance industry/ products and services
- d) Market needs and expectations of insurance products among the youth
- e) Unique needs among the youth that are unmet by the current life insurance products
- f) Needs of young customers in terms of pricing

3.0. RESEARCH METHODOLOGY

3.1 Target

The study targeted people aged between 15- 35 years. Key informants/ industry experts were also interviewed to gather their insights on the issue.

3.2 Data Collection Method

Given the objectives of this study both quantitative and qualitative approaches were used. Desk research was also used to extract learning's from best practice and any relevant information available on youth products/ how to effectively target the youth.

a) Qualitative Approach

Focus groups

Focus Group discussions and In-depth interviews were used to gather data needed from the target population regarding key issues on challenges and youth market needs/potential. The focus groups gave insights from current and potential insurance customers in the youth segment. A discussion guide was used to guide the discussion path. The focus group method helped interpret and present the market at the level of the individual rather than at the aggregate level. Focus groups were instrumental in exploring individual feelings, perceptions and satisfaction, especially because of the unstructured nature of the questions and the participatory approach used. The dynamics generated gave valuable insights into youthful customer's deeper concerns and feelings and hence contributed towards obtaining a deeper understanding of their perception, unmet needs and the ideal youthful product features.

In-depth Interviews

In-depth interviews were used to get qualitative information from various stakeholders on a one-on-one basis. This involved the use of unstructured interviews aimed at obtaining unrestricted responses on their perception of current insurance products, the needs of the youth and how to target the youth successfully.

b) Quantitative

The quantitative phase aimed at quantifying the qualitative data on the issues emerging at the qualitative phase. Quantitative data was gathered through face-to-face interviews using structured questionnaires. The aim of the quantitative phase was to quantify the responses and confirm the extent to which respondents hold certain opinions. This helped us to answer the question - what proportion or percentage of respondents hold a certain view since the data was analyzed to answer issues raised from the research objectives. This phase also gave the aggregate of different response categories as well as breakdown by segment and demographics among others.

c) Desk Research

In addition secondary data was reviewed extensively to extract various benchmarks and best practice from other countries, sectors (and learning's on all the aspects under study).

3.3 Sample Size

Qualitative

The sample size for the qualitative phase was eight focus groups and thirty in-depth interviews. The focus groups targeted individuals in the youth segment while the In-depth interviews targeted marketing and life insurance managers in insurance companies, insurance agents, brokers and other stakeholders in the insurance industry.

Quantitative

The quantitative survey consisted of a random sample of 600 respondents from various segments. These are current life insurance policy holder's aged 15- 35, potential insurance policy holders and insurance agents/brokers.

This sample was considered adequate for this research and had a margin of error of plus or minus 5% at 95% confidence level.

3.4. Data Analysis

Data gathered through questionnaires was analyzed through percentages and mean scores using the Statistical Package for Social Sciences (SPSS) analysis package. Data was summarized to provide the scores needed to answer the study objectives and data is presented in tables, charts and narratives in this report. Data on various countries was analyzed to extract learning's on best practice in strategies to target the youth.

3.5. Research Instruments

The research instruments included:

- a) In-depth interview guide
- b) Focus group guide and recruiting questionnaire
- c) A semi-structured questionnaire

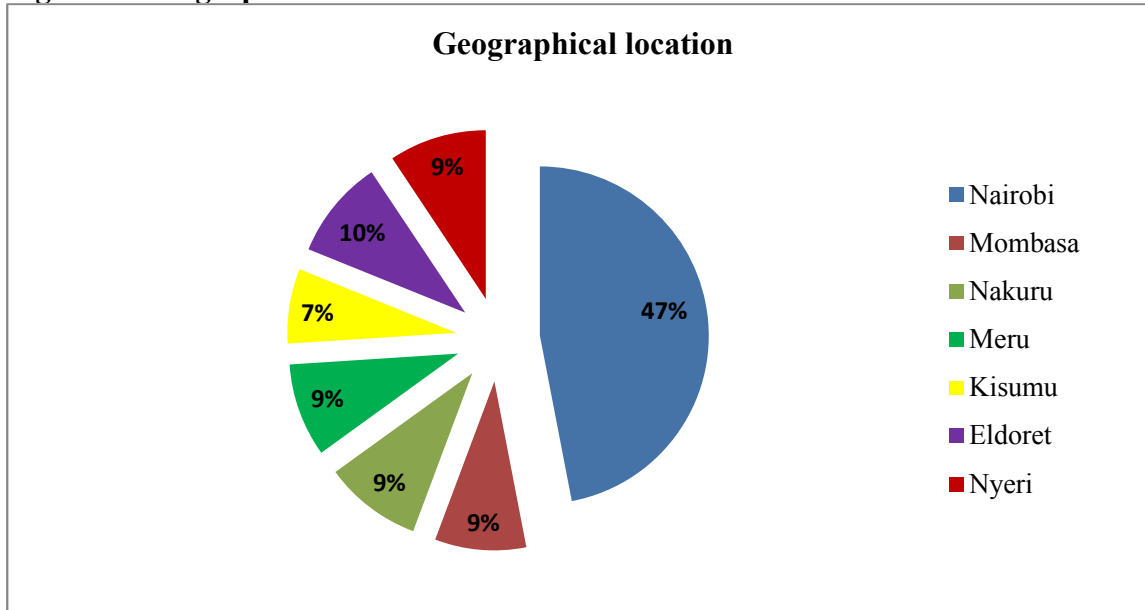
3.6. Interpretation

Findings were related to pertinent information through interpretative analysis. The interpretative process applied deductive and inductive logic. Once data was analyzed, the various bits of new information were related and combined to one another and to other existing information relevant to the study. This data was then reassembled and synthesized into a form that enabled objectives of the study to be accomplished. Qualitative matrices were used to compare various data sets.

4.0. FINDINGS- CONSUMERS

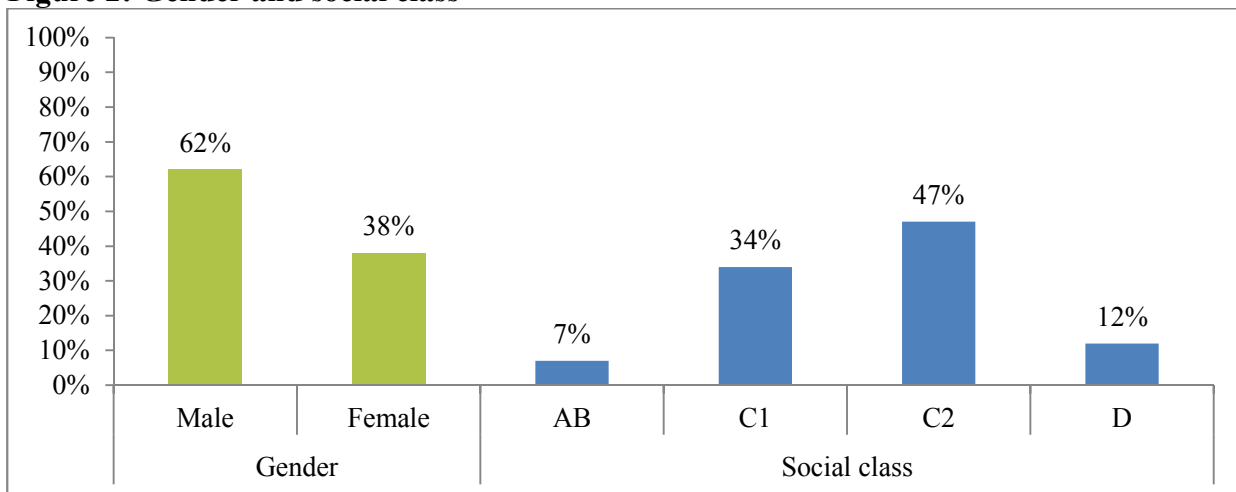
4.1. Profile of Respondents

Figure 1: Geographical location



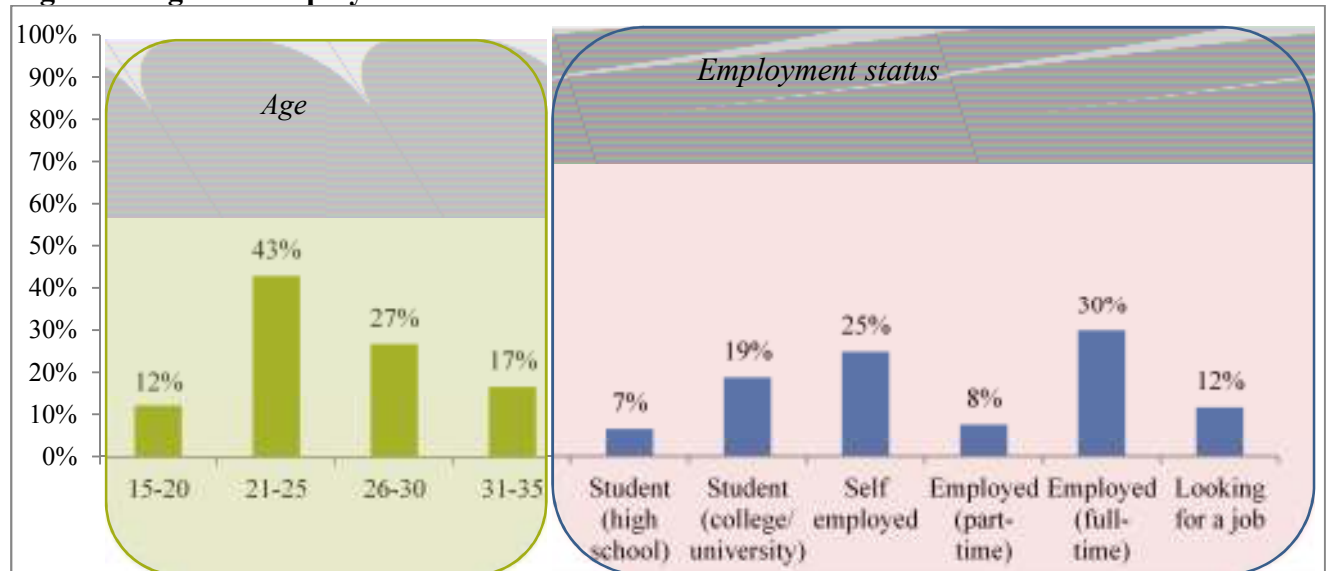
The sample was drawn from various geographical locations as shown in figure 1 above.

Figure 2: Gender and social class



Majority of the respondents were young people in the social class C1 and C2.

Figure 3: Age and employment status



The respondents were young people aged 15 – 35 years. The sample was also representative of youths in different employment status in order to get a feel across the board.

4.2. Understanding the Youth

In carrying out this assignment, we started by understanding the young people who were the target for the survey. We sought to understand their values and their spending patterns in order to establish what drives them.

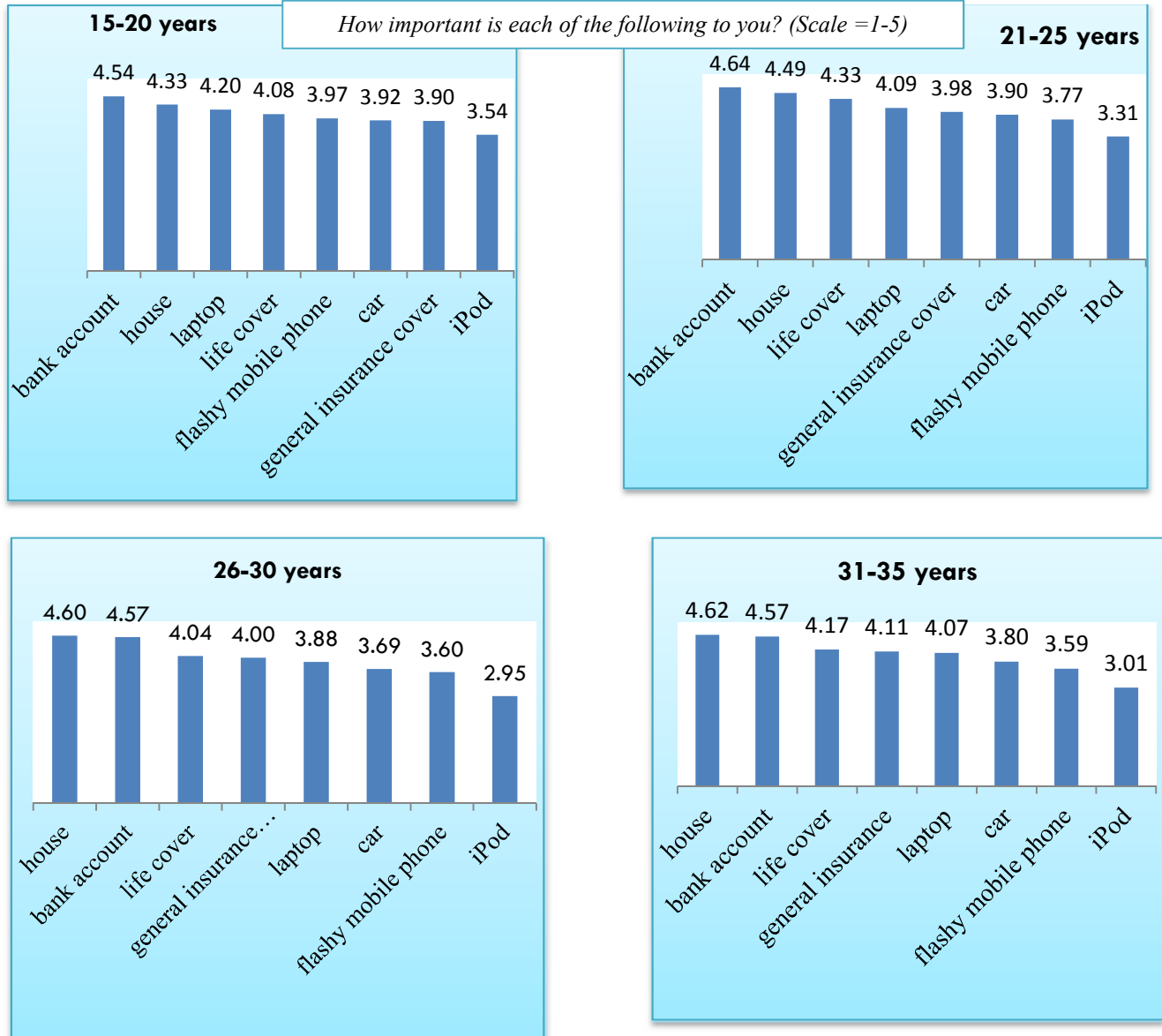
Things that the youth consider important

In the qualitative phase, respondents were asked to state the things that they consider important to them. The things that topped their priority list were;

- Health
- Education
- Family
- Being financially stable

Priorities among the youth

Figure 4: Priorities among the youth

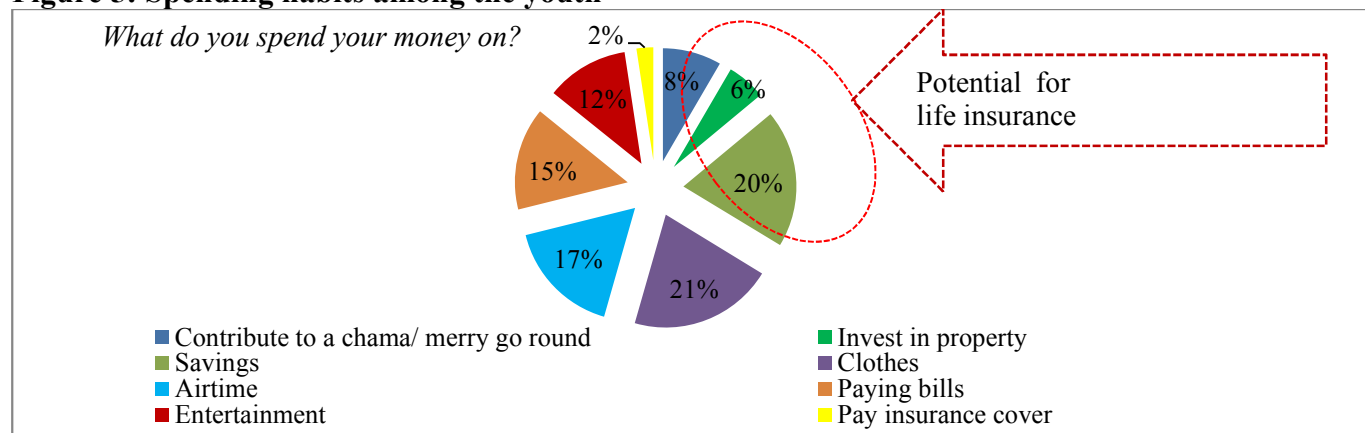


As shown in figure 4, findings from the quantitative phase show that owning life covers is placed a distant third among the needs of young people and even so the ‘life cover’ that they were referring to here is a medical cover which most youths classify as a type of life insurance cover. This implies that young people are also in favor of medical schemes. It is also evident that older age groups appreciate life insurance more.

Spending habits among the youth

Respondents were asked to state how they spend their income. Findings show that this segment does have some income that goes into savings and investments. This shows that there is potential in this segment to invest in insurance.

Figure 5: Spending habits among the youth



Values of the youth

The youth value parenting, education and health. This implies that there is need for youth products in preparation for parenting. This also indicates that there is potential for life insurance products that offer protection for family and which guarantees a secure education.

Table 1: Things that youth value

Please rate the extent to which you value each of the following things in life (scale =1-5)					
	Total	15-20	21-25	26-30	31-35
Being a good parent	4.73	4.49	4.72	4.79	4.83
Getting a good education	4.68	4.80	4.59	4.79	4.63
Good health	4.68	4.80	4.66	4.70	4.62
Owning a good home	4.67	4.49	4.65	4.76	4.71
Family	4.60	4.28	4.57	4.72	4.72
Getting married	4.30	3.79	4.26	4.47	4.49
Being religious	4.13	4.23	4.14	4.01	4.23
Friends	4.11	4.15	4.15	4.12	3.94
Driving a good car	4.00	4.07	4.15	3.82	3.84
Owning a good mobile phone handset	3.98	3.95	4.04	3.91	3.97
Having fun	3.93	3.97	4.07	3.82	3.71
Being famous	3.65	3.69	3.72	3.61	3.53
Lots of free time	3.63	3.82	3.71	3.59	3.32

4.3. How the Youth Perceive Insurance in General

There are both positive and negative perceptions about insurance in general among the youth.

The positive perceptions are;

- Insurance is a way of getting covered against risks
- Insurance is a way of being guaranteed security /protection in future
- Insurance is a way of ensuring that the loved ones get compensated in the event that someone dies

The negative associations with insurance are;

- Threat/ death
- Insurance is a ‘con game’, ‘Pata-Potea’ gambling
- Insurance is expensive thus only affordable to the rich/ working class and people who are already financially secure
- Insurance is ambiguous
- Savings that do not benefit the policyholder in their lifetime; instead it only benefits beneficiaries when the policyholder dies

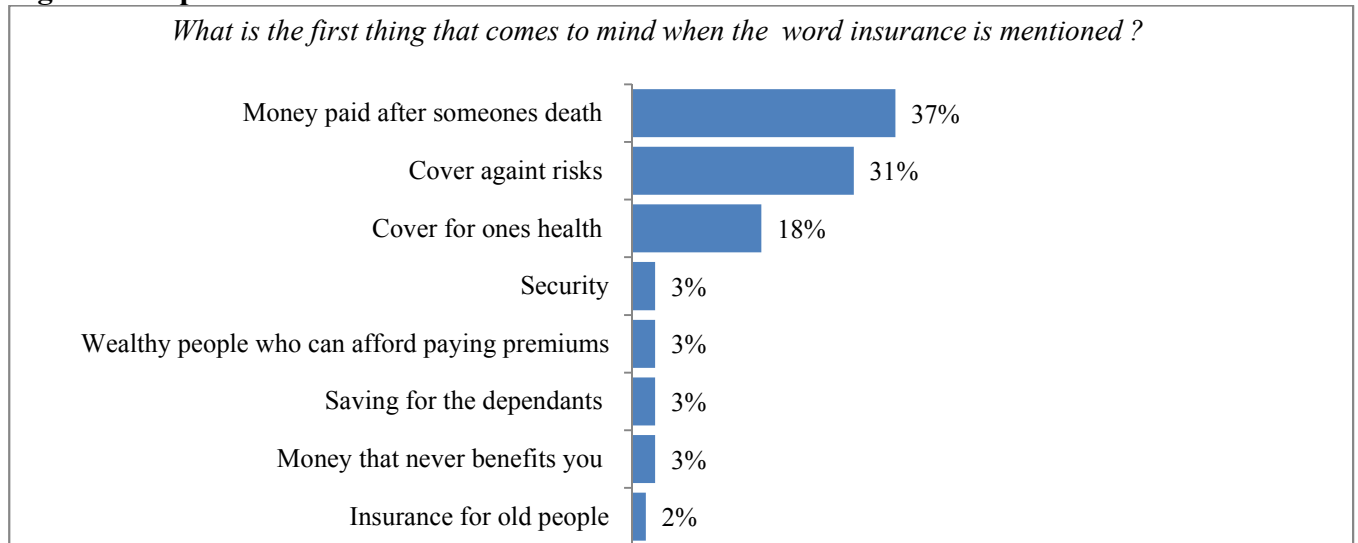
These perceptions are driven by lack of information thus there is need to put intervention measures that will ensure that young people are well informed about insurance and its benefits.

Consumer education and demystification of insurance would unlock the barriers for uptake of life insurance products. These perceptions also reveal that this segment is seeking for affordable products. The approach used in selling policies whereby fear and phobia of a given risk occurring is created in persuasion of purchase consideration has also contributed immensely to the negative perceptions about insurance.

*‘Insurers use complex terms that are hard to comprehend’
‘Insurance is for people with cars & children’*

‘Insurers do not put propositions and they do not show a person how they can benefit; instead they use threatening terms e.g. ‘in case of death’, ‘this and that will happen’

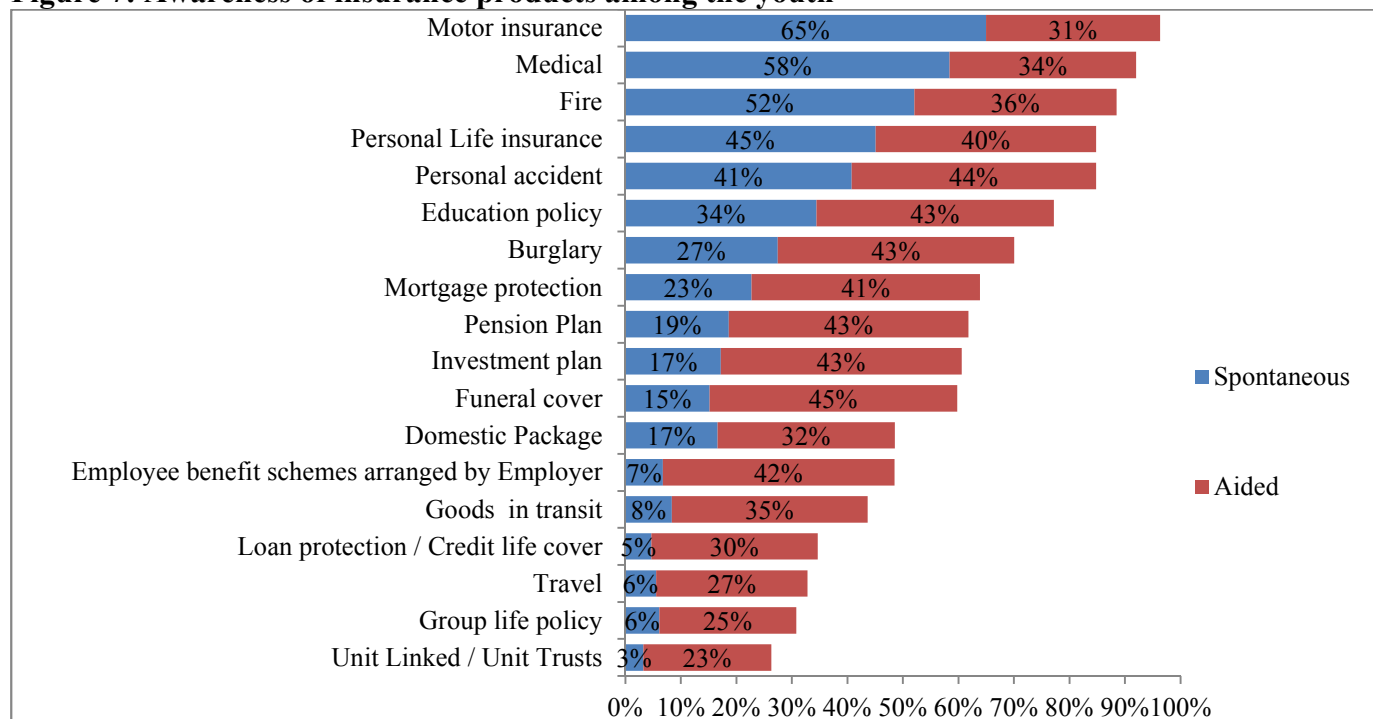
Figure 6: Top of mind associations with insurance



4.4. Awareness of Insurance Products among the Youth

Motor insurance has the highest awareness levels among young people followed by medical and fire insurance. Personal life has the highest awareness levels in the life insurance category followed by education plans. The awareness of the life insurance policies is basically very low before prompting. This implies that it is not top of mind and there is need to create more awareness where life insurance is concerned.

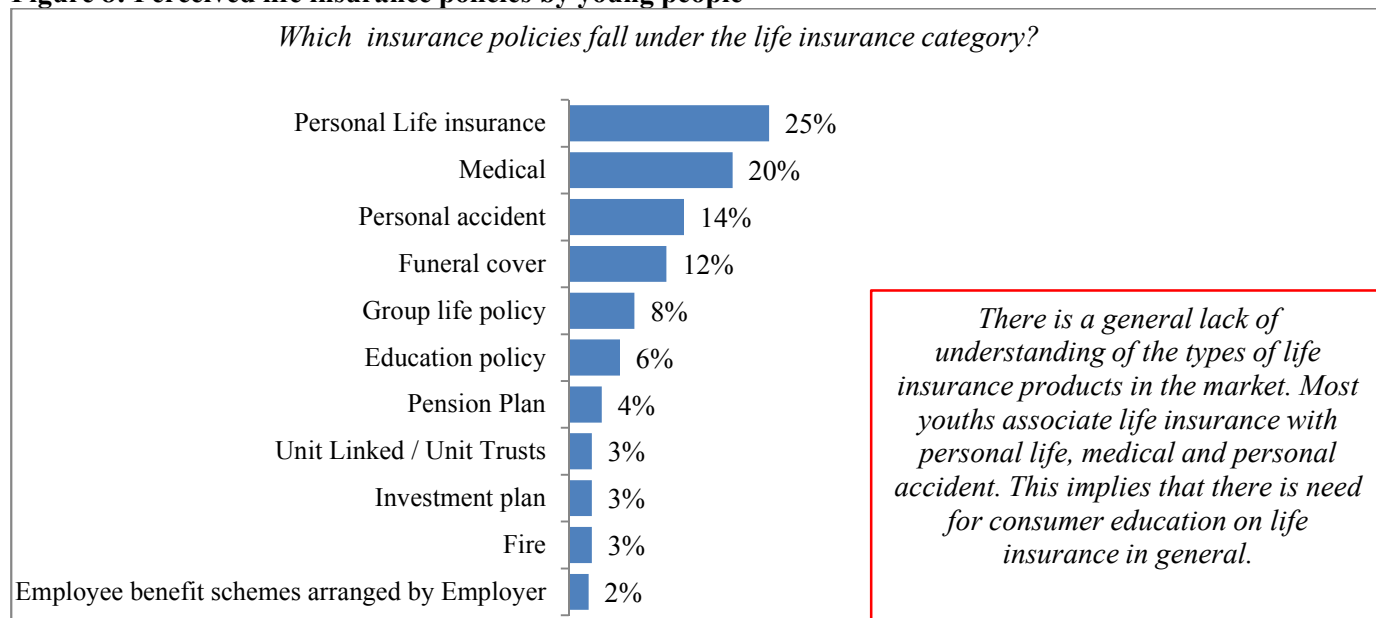
Figure 7: Awareness of insurance products among the youth



4.5. Differentiation between General Insurance and Life Insurance among the Youth

There is a general lack of differentiation between general insurance and life insurance. This is mainly due to the lack of information. When asked to state what life insurance is, the respondents stated that life insurance is a cover against a person's life e.g. death, illness, accident etc. General insurance is on the other hand perceived to be insurance against all risks that do not involve life. From this perspective, the young people who were interviewed in this survey tended to classify medical covers and personal accident covers under the life insurance category whereas investment plans were classified under the general insurance category. This is shown in figure 8.

Figure 8: Perceived life insurance policies by young people



4.6. How the Youth Perceive Life Insurance

Life insurance is perceived to be for old people (35+) and those who are very rich. Life insurance is also seen as a cover that does not benefit the holder in his life. The cover only benefits ones beneficiaries upon his death.

“It is an inheritance to the family when someone dies”

Perception of Education plans

Education plans are positively seen as a way of saving for a child’s education. Education plans are associated with focus thus this is a positive aspect that the insurance industry can capitalize on in marketing education plans to the youth.

The youth however feel that the current education plans in the market are only meant for people with children thus they are not the target market for the same. This is more so for the people aged below 25years. There is thus need for the industry to come up with innovative education plans that suit the needs of this segment e.g. an education plan for a master’s degree.

Perception of pension plans

Pension plans are perceived to be a way of guaranteeing someone a better life after retirement and a way of maintaining a good living standard after retirement. Young people however tend to think that they are far from attaining retirement age thus they are not willing to take up pension plans now. This segment is in favor of plans that can allow them to accumulate some savings to start a business. Other studies have also shown that generally there is a perception that people do not retire from active work life and instead, retirement is just leaving formal employment and entering self-employment. This makes majority of the youths have a preference for saving methods that qualify them to get their savings before retirement age. They then put their savings into business which provide security in old age.

There is also a perception that one needs to save for tomorrow and not for retirement. This is because they may not attain the set retirement age. People have therefore formed the perception that they need to save for short term goals i.e. children. The children will then assist them in old age. Pension plans are thus seen as unsuitable for these needs.

Perception of group life plans

There is a general lack of understanding as to what group life plans entail. Most of the respondents interviewed stated that group life plans are covers taken by people in organized groups e.g. Chama's or churches. Group life plans are however perceived to be important in that they secure the future of the beneficiaries.

Perception of funeral covers

Although funeral covers are seen as an easy and affordable way for making funeral arrangements and surety of having a decent send off, most people are skeptical about the same because they are 'Anti-African' taboo. Funeral covers are thus perceived to be for the ailing or elderly people.

These perceptions show that there are inherent emotional barriers attributed to the Funeral Cover that would need overcoming before this type of cover can gain prominence in this segment.

Perception of individual life plans

Individual life plans are associated with death ‘*A cover that does not benefit the policyholder in their life time*’. Individual life plans thus seem to draw no appeal to the youth since they feel that they still have a long way to go. This is more so with generation Y who feel that old age is ‘40’. This makes life plans unsuitable for their needs especially because this is a generation that seeks instant satisfaction. Services with short-term benefits appeal more to them.

Perception of investment plans

There is limited information on the existence of investment plans through insurance companies among young people. When asked to state what investment plans through insurance are, most respondents said that it is whereby someone insures their business/ investments.

Those who are aware of the existence of investment plans through insurance companies however do admit that these are a disciplined way of saving towards a goal. There is however a tendency among the youth to dismiss investment plans through insurance in favor of other ways of investing e.g. real estate or starting income generating ventures citing minimal gain on investments.

4.7. Usage of Life Insurance among the Youth

The coverage of life insurance among the youth in Kenya is very low currently.

‘Most of the people who buy insurance covers are 40 years, 50 years’- industry player.

Figure 9: Usage of life insurance among the youth (Overall)

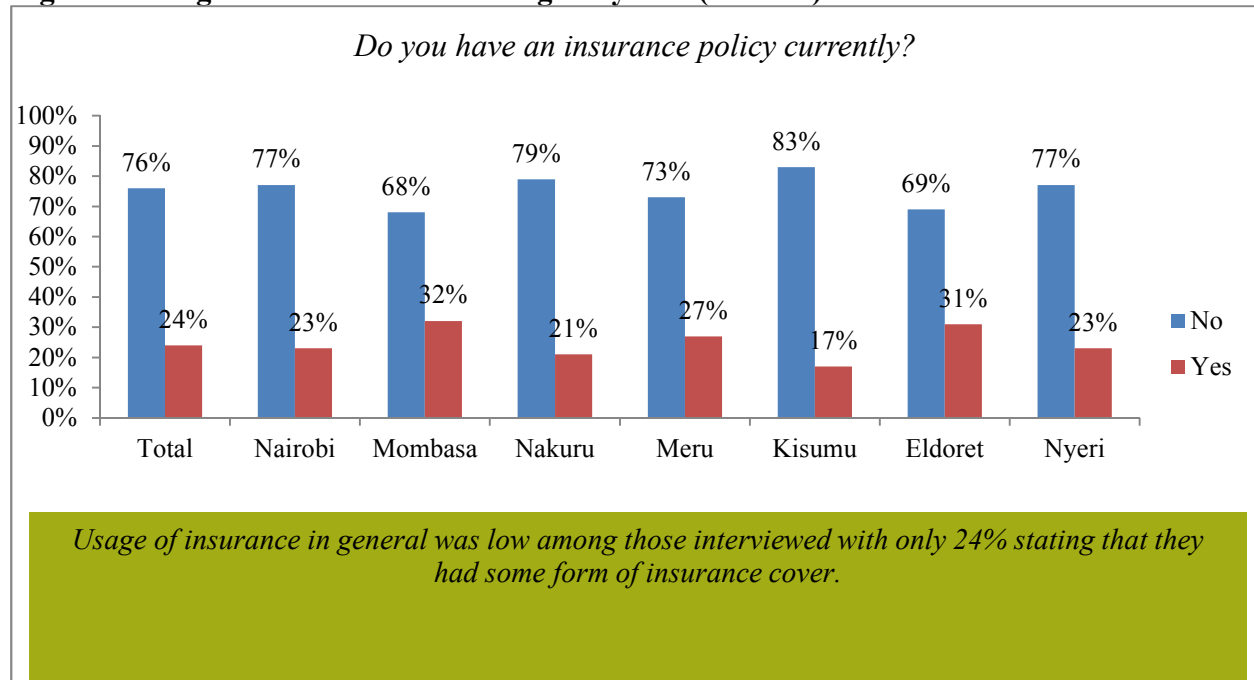
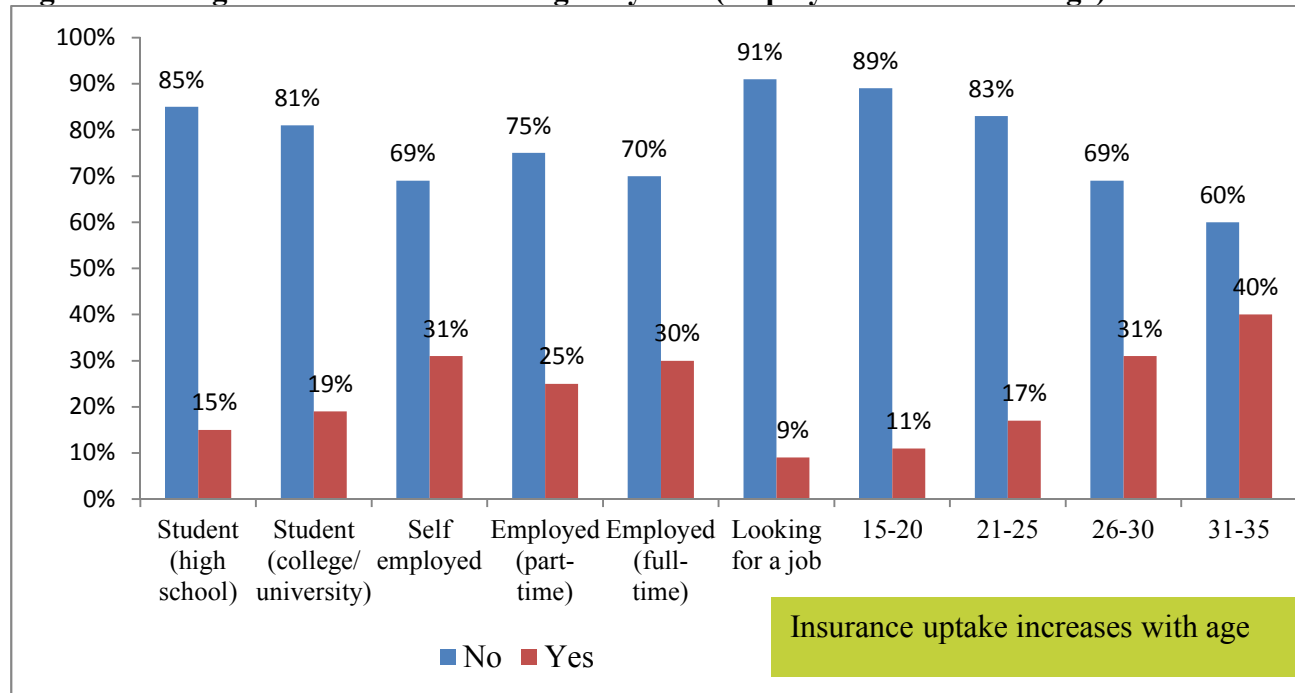


Figure 10: Usage of life insurance among the youth (employment status and age)



4.8. Types of Covers Held Currently

The main insurance covers held are medical plans through NHIF or insurance companies. It was also noted that these are mostly corporate medical covers through the parent’s employers. This indicates that the uptake of all forms of insurance is low among young people. Uptake of education insurance however increases as people approach 35 years. This is because at that age, majority of the people have children thus they see the need to take up education policies for their children’s education (Figure 12).

Figure 11: Insurance cover held currently (per region)

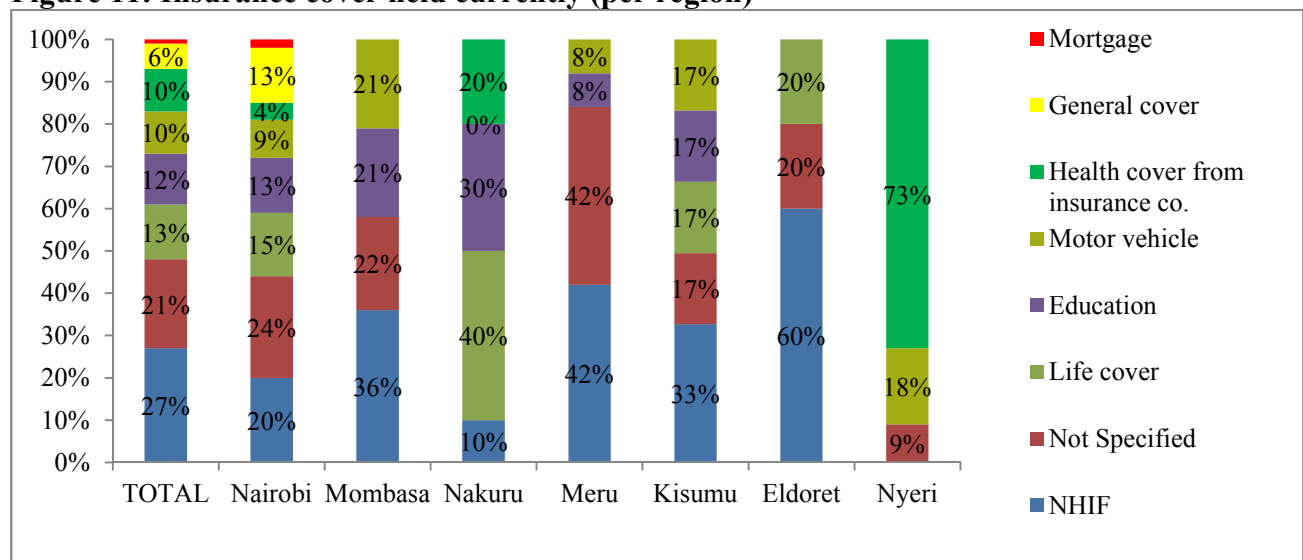
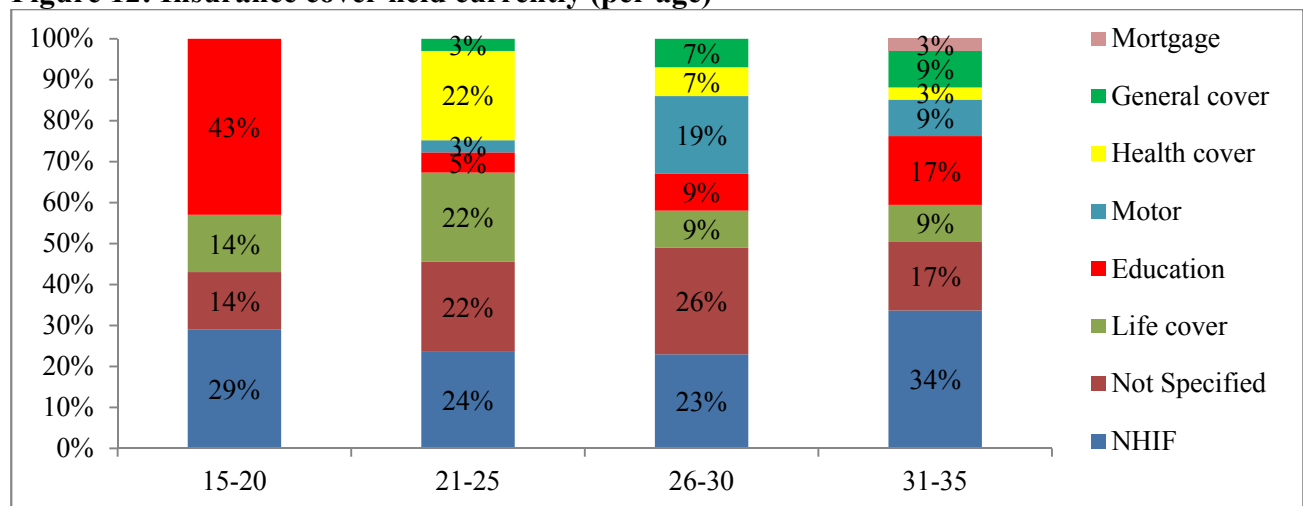


Figure 12: Insurance cover held currently (per age)



4.9. Reasons for Low Uptake of Life Insurance among the Youth

Low usage of life insurance among the youth in Kenya is driven by various factors. Some of the factors that have contributed to low uptake of life insurance among the youth in Kenya are;

(1) Lack of products that target the youth specifically

Most of the young people currently lack a stable income to enable them buy life insurance covers. The insurance industry on the other hand has not been able to come up with covers that can favor the youth in terms of short term benefits, affordability and flexibility in payment.

(2) Lack of information

The insurance industry has not done enough to reach out to the young people. This has led to lack of information on the available insurance products and their benefits. As a result, young people are not introduced to insurance early enough thus they do not see it as a priority in life. Most young people hence feel that life insurance is meant for the old people (40 years and above).

(3) Perception that life insurance is for the elderly

People aged 30 years and below have the perception that they have a long way to go thus they do not need life insurance and more so the personal life, pension scheme and funeral cover.

(4) Lack of money

For the youth, limited access to cash is a significant barrier. This is because most of the young people have either just entered employment or are unemployed. This makes it difficult for them to afford insurance policies which are perceived as expensive.

(5) Preference for other ways of saving

Most people prefer to invest their money in land or start businesses as opposed to investment plans/unit trusts. This is because of the perception that insurance companies give low returns and there is no assurance that someone will be paid.

(6) *The fact that life insurance only matures at a certain age and they are far from that age*

Young people are particularly in need of products that offer short term benefits. This makes the existing life insurance products unappealing.

(7) *Waiting period for maturity is long*

Pension plans and life insurance plans only mature at a certain age. Young people feel that they are far from reaching that age thus the preference for other investment methods that can give short term returns.

(8) *Insurance products do not appeal to the youth*

The existing insurance products as well as the advertising do not appeal to young people. Youths want to be entertained. The industry should target the youth with adverts that have a fun element so that the message can sink

“They use serious people in advertisements and this does not connect well with young people. They need something exiting i.e. use comedians and put humor and excitement in the adverts”

(9) *Loss of premiums in case of loss of income*

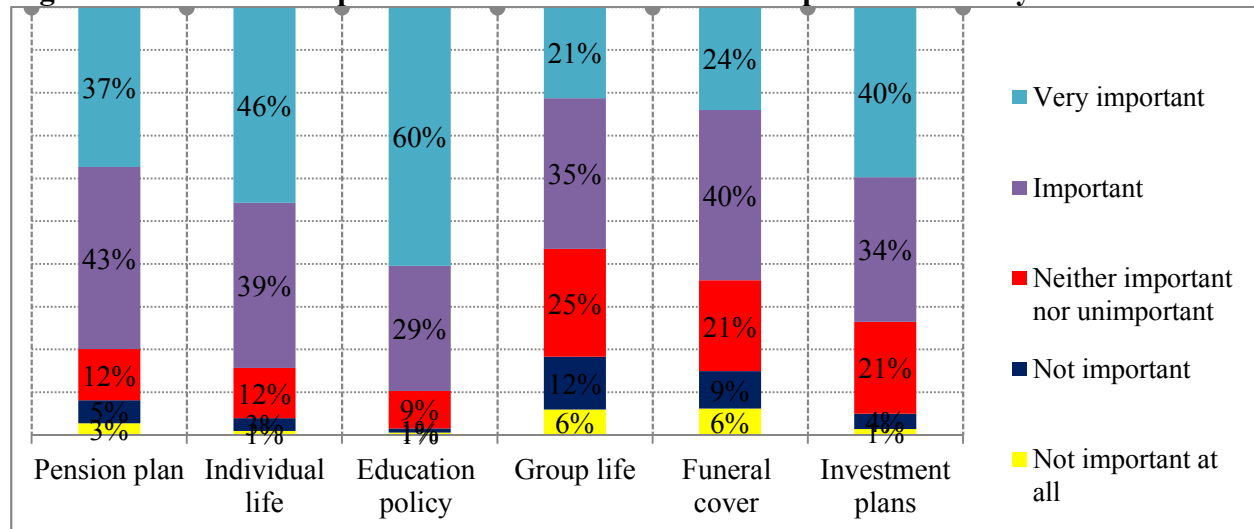
The fact that in the event that one loses their job the premiums contributed up to that time are non-refundable makes life insurance unappealing and the youth opt for investments that do not have such risks e.g. Land.

4.10. Importance of Life Insurance Products As Perceived By the Youth

The youth generally feel that education policies are the most important in the life insurance category followed by individual life and pension plans. Group life and funeral covers had the lowest ratings in terms of importance whereas investment plans are important but there is a preference for other ways of investing as opposed to through insurance companies.

The reason for considering education policies as important is because they secure children’s education whereas individual life policies would benefit ones family in case of death or disability.

Figure 13: Perceived importance of various life insurance products to the youth



4.11. Whether the Insurance Industry Has Effectively Targeted the Youth with Life Insurance

Young people and industry players alike felt that the industry has not been able to target the youth effectively when it comes to life insurance. This is mainly because the existing policies are largely unaffordable to the youth and they are not flexible yet the youth lack a regular income. The existing life products are also long-term in nature whereas young people are looking for products with short-term benefits.

‘The youth want products that pay today’- industry player

Another reason as to why insurers have not targeted the youth effectively is that there is lack of awareness on the benefits of life insurance and the existing products are not advertised.

Industry players also admit that the youth in Kenya do not get acquainted with insurance at an early age. This is because the education system does not incorporate insurance in the curriculum.

Young people thus lack an understanding on the need to save since the saving culture is not inculcated in them at an early age and more so, saving through insurance.

Another area where the insurance industry has not been able to target young people effectively is in engaging with the youth effectively. The insurance companies have not yet devised ways of engaging with the youth i.e. the advertisements do not appeal to young people and/or do not communicate about the importance of life insurance to young people.

Figure 14: Whether insurers have targeted the youth effectively

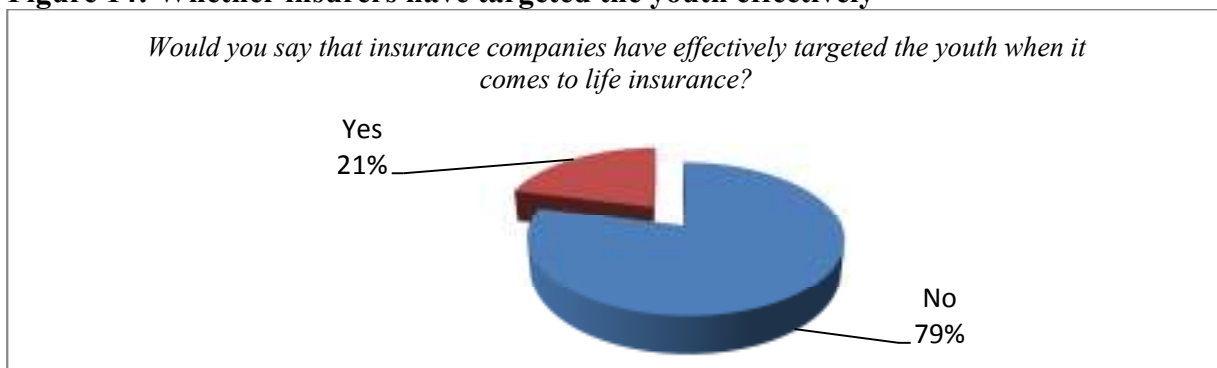


Table 2: Areas where the insurance industry has not targeted the youth effectively

<i>In what ways has the insurance industry been ineffective in targeting the youth with life insurance?</i>	
Cannot afford the existing policies	43%
Existing policies don't suit/meet the youth needs	22%
Lack of knowledge of the benefits	16%
Existing life plans only target the working class	10%
Lack of advertisement and empowerment	9%

4.12. Ways through Which Insurers Can Target the Youth with Life Insurance

Some of the ways through which the insurance industry can engage with young people from an early age are;

- (1) Have internship programs
- (2) Organize open days in schools/ colleges whereby young people can ask questions and learn more about insurance.

- (3) Organize seminars
- (4) Roadshows/ concerts
- (5) Sponsoring youth projects and sports
- (6) Organizing fun days for the youth (for children who have education covers or medical covers etc.). The industry can also engage in cool events e.g. musical concerts, blanket & wines, the mingle etc. in an endeavor to reach out to young adults
- (7) Introduce sponsorship programs for bright children
- (8) Embrace youth oriented advertising/ Have advertisements that are entertaining when advertising youth products
- (9) Expand their reach i.e. open more branches agents i.e. like the banks have done with agency banking.
- (10) Use social media to market life insurance to young people.

'There is need to do something hyper in order to reach out to the youth'

'People only get to know about insurance when they are old'- industry player

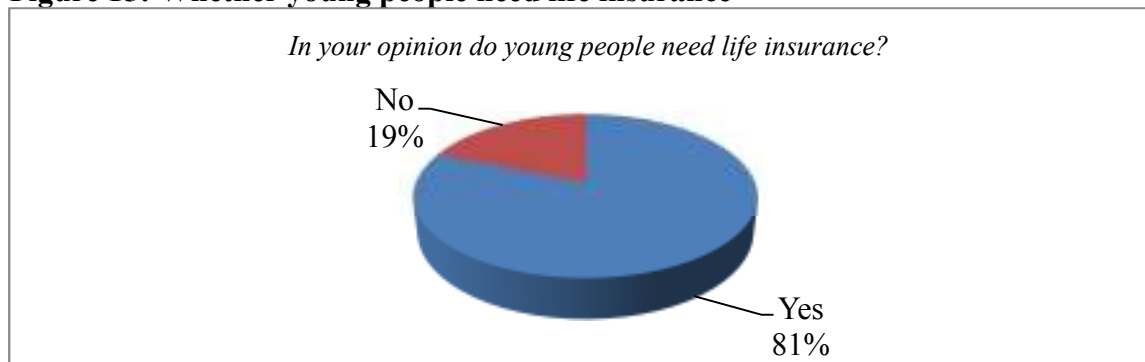
- (10) The industry can also have specialized agents who sell life insurance to the youth

4.13. Need for Life Insurance for the Youth

Young people as well as insurers feel that there is a need for life insurance products that are specifically targeted at the youth in Kenya. This is because the needs of young people are different and they may not be met by the existing life products. Young people are especially looking for fast ventures and the most unique need among the youth is perhaps the fact that they look for '*liquidity*' in terms of short term gains. This makes the current life insurance products unsuitable since they mature after a long time thus they are unsuitable to young people given that they are far from attaining that age.

Most of the young people also do not have families thus they feel that they should not take personal life insurance policies since they do not have children whose life they should secure.

Figure 15: Whether young people need life insurance



4.14. Features of Interest in a Life Insurance Product for the Youth

The ideal features of life insurance products targeted at young people are;

(1) Affordability

Most of the young people are either unemployed or just got employed. This means that they are not well established and need a life product that has low premiums.

(2) Flexibility in payment terms

Most of the young people do not have a stable source of income. Those who are in colleges rely on money given to them by their parents/ guardians or money earned from part-time/ casual employment. This implies that their income is irregular and they may not afford a monthly premium. As such, this segment would need products that do not require them to make monthly premium payments.

Flexibility in terms of payment modes is also desirable. Products that require to be paid for on a daily basis and in small amounts would be suitable i.e. 10 shillings per day via MPESA.

(3) Demystification of insurance

The current perception is that insurance in general is hard to understand thus people shy away since it is not clear what their gains are. There is need for the industry to come up with simpler products and use simpler terms that this segment can relate with.

(4) Have short maturity periods

Young people want to save for shorter term goals e.g. save for a dream wedding or a master’s degree, dream car or house. (Although the current investment plans are ideal for this need, there is limited information on the same and the returns are perceived to be minimal).

This presents the industry with the opportunity to target the youth with products that are associated with spending occasions e.g. graduations, weddings

(5) Well-advertised/ advertised in a way that appeals to the youth

The current life insurance products are perceived to be unappealing to young people i.e. the advertisements are unappealing/ not catchy. Again this points out that there is need to target the youth with adverts that have a fun element so that the message can sink.

Figure 16 shows that all the above mentioned factors would be likely to influence young people to buy life insurance. Figure 17 further illustrates the features of a life insurance product that would be of interest to the youth.

Figure 16: Likelihood of various factors in influencing youth to buy life insurance

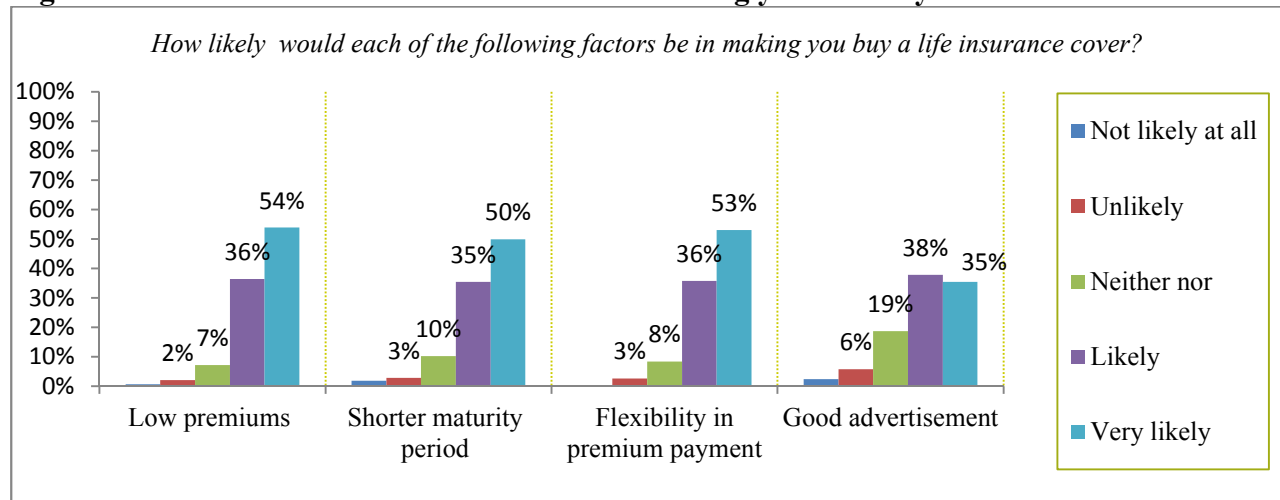
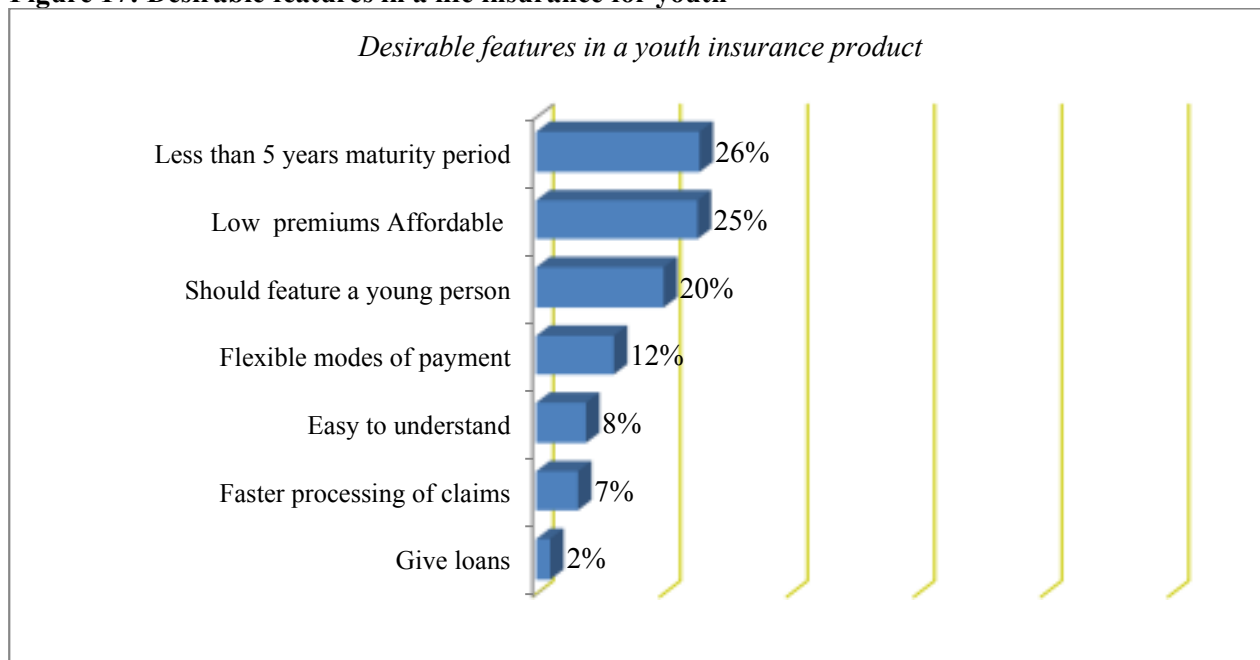


Figure 17: Desirable features in a life insurance for youth



4.15. Proposed Products That May Interest Young People

Some of the life insurance products that may be of interest to young people are;

- A saving product than can enable someone acquire property after graduating
- A saving plan that will enable someone to get some lump sum money upon graduating so that they can start a business
- Saving for wedding
- Saving towards a dream car or house
- Saving for holiday
- Education plan for masters
- Education plans for unborn children. This can be structured in form of a savings plan which can then be converted to an education policy upon the birth of the child

All of these indicate that the needs of the youths are linked to spending occasions.

It is worth noting that needs seem to change as the age progresses i.e. as people approach 35 years they appreciate the need for a life cover, education cover and even pension plans. This category however still appreciates the need for flexibility and affordability

4.16. How Insurers Can Effectively Target the Youth

- Develop savings products targeted for the youth/ students. These should be need based and innovative. Service delivery should be 24 hours with good customer service
- Change name from life insurance since the name has a connotation of death
- Demystify the association of life insurance and death
- Develop products with flexible in payment terms and modes
- Purposely target the youth when selling life insurance i.e. go to where the youth are in colleges etc. The industry can also have specialized agents who sell life insurance to the youth. This has worked in Ghana.
- Come up with more appealing adverts/ adverts that are not too formal. Formal adverts mainly appeal to mature crowds and the youths feel that they are not meant for them
- Create awareness i.e. using social media, road shows, radio fliers, TVs etc. Social media can especially be used to get the feelings of the youths, understand their needs and get feedback on the insurance products available
- Lower maturity period to at least 40 years
- Have more accessibility
- Make payment of premiums easy such that one can pay through the phone
- Engage more in activities that involve the youth e.g. sponsor some sports team for the youth, sponsor entertainment activities

4.17. Perception about Advertisement in the Insurance Industry

Although the insurance industry has been engaging in advertising, young people feel that they do not connect with these advertisements. The people used in the advertisements do not represent the youth.

‘They use old people and people who are well established/ rich’

The desirable advertisement modes that can have effective reach to young people are;

- FM channels e.g. easy FM, classic FM, Kiss FM
- TV
- Online

‘Young people are interested in live shows e.g. the advertisements on Bankika’

Figure 18: Advertising channels for life insurance products for the youth

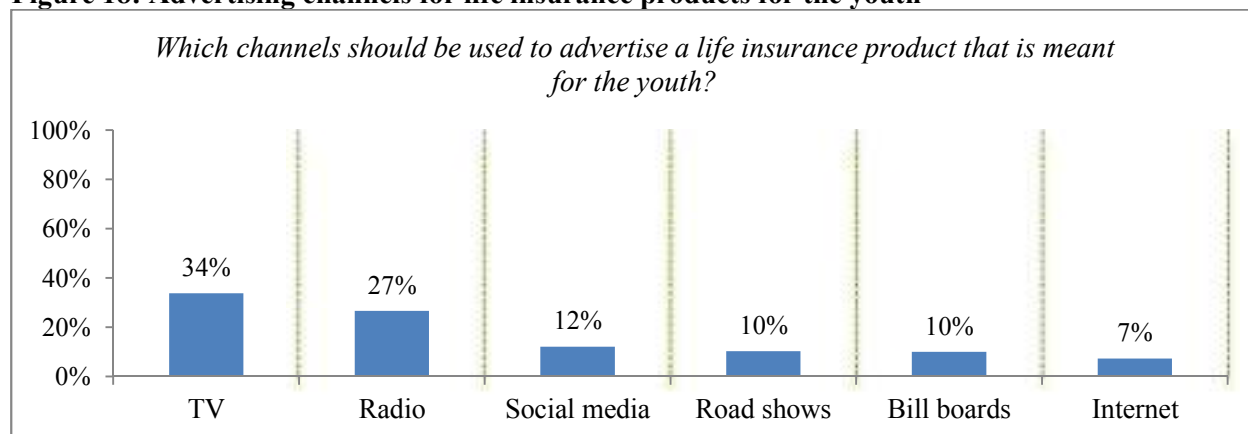


Table 3: Social Medias that should be used to advertise life insurance to youth

Facebook	66%
Twitter	29%
Linkedin	3%
Yahoo	3%

Table 4: TV stations to create awareness

TV stations that should be used to advertise life insurance products

Citizen	45%
NTV	27%
KTN	19%
KBC	4%
Q TV	2%
K24	2%
Kiss TV	1%

Table 5: Radio stations that should be used to advertising life insurance products

Radio stations that should be used to advertise life insurance products

Kiss 100	23%
Citizen Radio	23%
Classic 105	21%
Radio Jambo	8%
Easy FM	7%
Q-FM	6%
Capitol FM	4%
KBC	3%
Ghetto FM	2%
Radio Maisha	2%
Milele FM	2%

5.0. FINDINGS- BROKERS/AGENTS

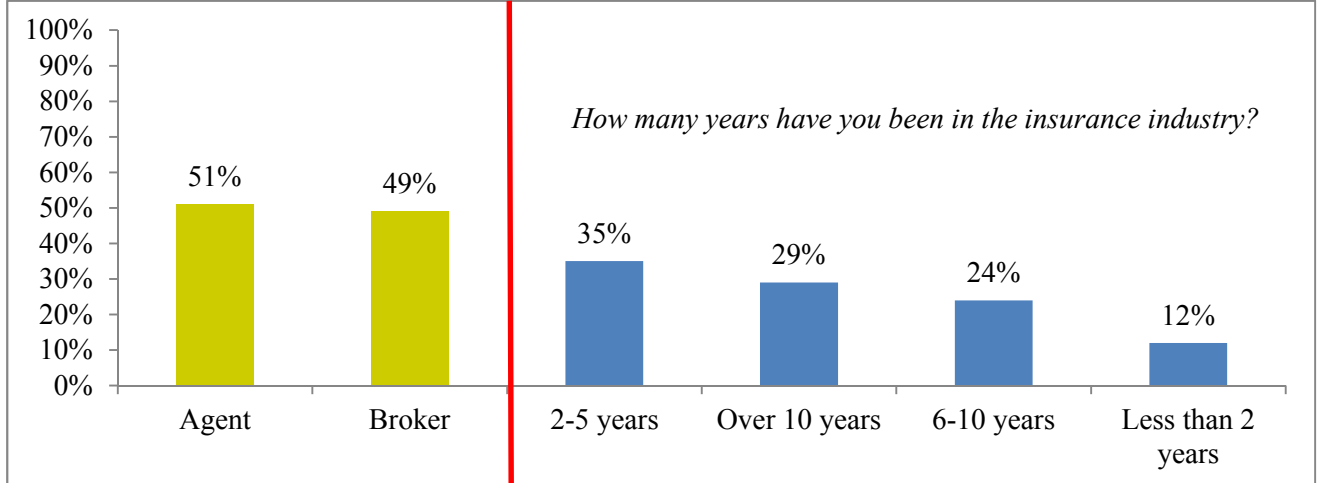
5.1. Introduction

Insurance brokers and agents were interviewed in order to get their perspective regarding the uptake of life insurance among the youth.

5.2. Profile

Figure 19 below shows the profile of the agents and brokers who were interviewed in this survey.

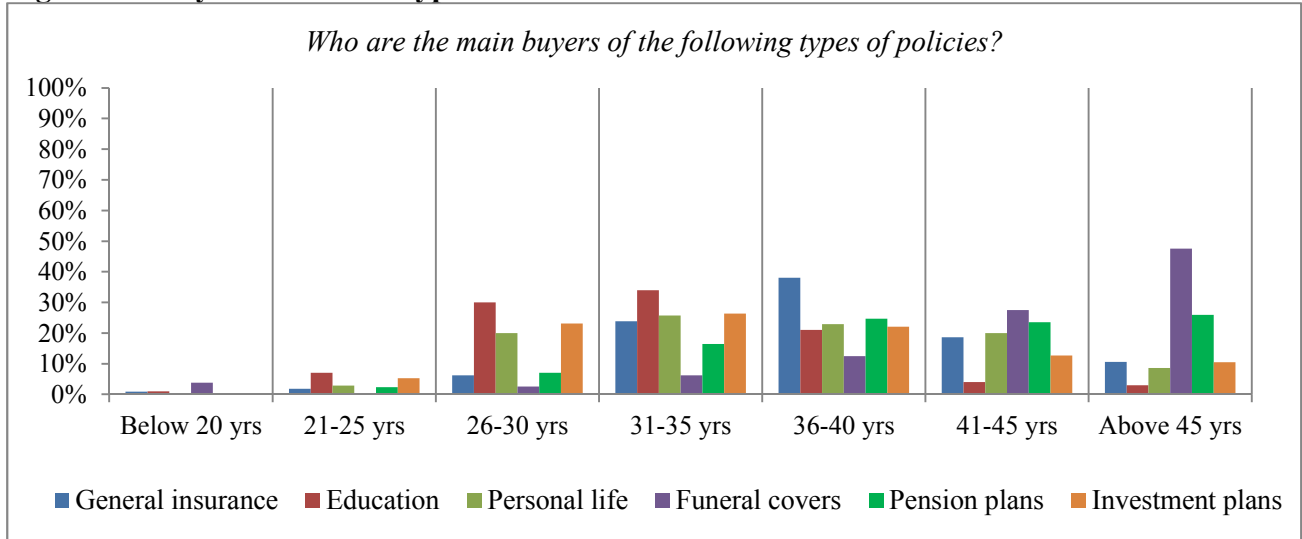
Figure 19: Profile of brokers/ agents



5.3. Uptake of Insurance from the Perspective of Insurance Brokers and Agents

Insurance brokers and agents realize that the youth segment has limited uptake of insurance (both general and life). Figure 20 shows the perceived uptake of various types of covers among different age segments.

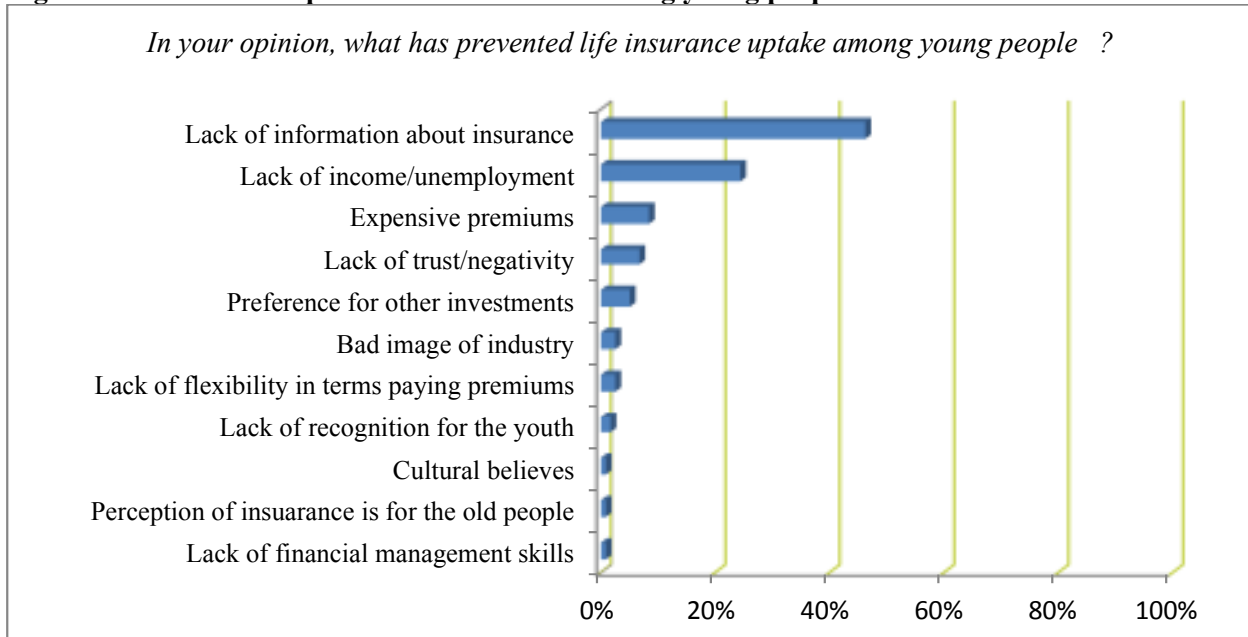
Figure 20: Buyers of various types of covers



5.4. Barriers to Uptake of Life Insurance among the Youth

Agents and brokers also agree that lack of information has been a major hindrance to the uptake of life insurance among the youth. This should thus be the starting point for the industry in repositioning itself for this segment.

Figure 21: Barriers to uptake of life insurance among young people



5.5. Efficiency of Industry in Targeting the Youth with Life Insurance

Agents and brokers acknowledge that the insurance industry has not effectively targeted the youth with life insurance products. This is because;

- The industry has not created enough awareness/ education about their services to young people
- They do not have products that the youth can afford
- There are no products that are focused on the youth
- Their terms and conditions are not easy and are unclear
- They do not have flexible modes of payment

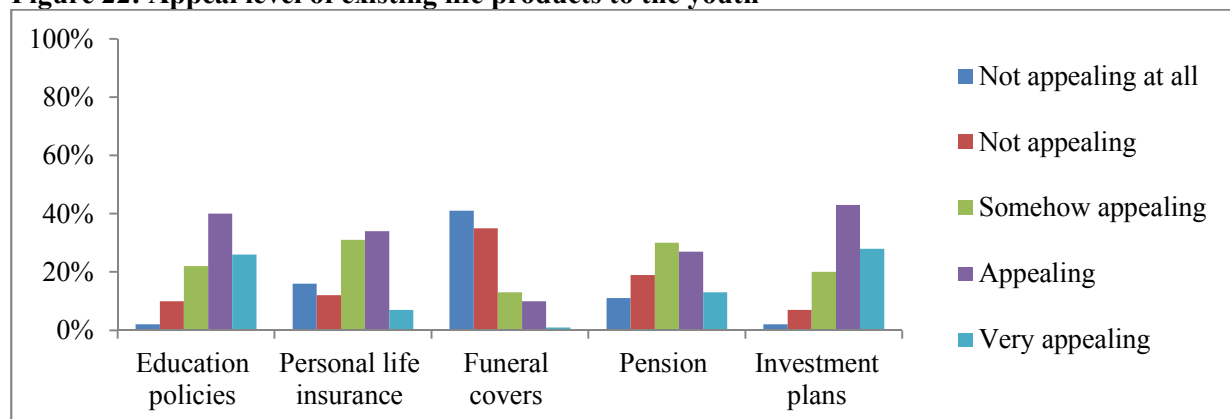
Table 6: Reasons for being ineffective in targeting the youth

<i>Why has the insurance industry been ineffective in targeting young people with life insurance?</i>	
Have not created awareness/education about their services	49%
They are expensive	20%
Do not have products that are focused on the youth	16%
Terms and conditions are not easy/unclear	5%
Do not have flexible modes of payment	3%
No incentives to the youths	2%
Inadequate use of technology	2%
Insurance education not offered in most institutions of higher learning	2%
Long maturity period for life products	1%
Low visibility	1%

5.6. Appeal of the Current Life Insurance Products to the Youth

Some of the existing life products are perceived to have some appeal to the youth e.g. education policies and investment plans. Pension plans and funeral covers however have very low appeal level to young people.

Figure 22: Appeal level of existing life products to the youth



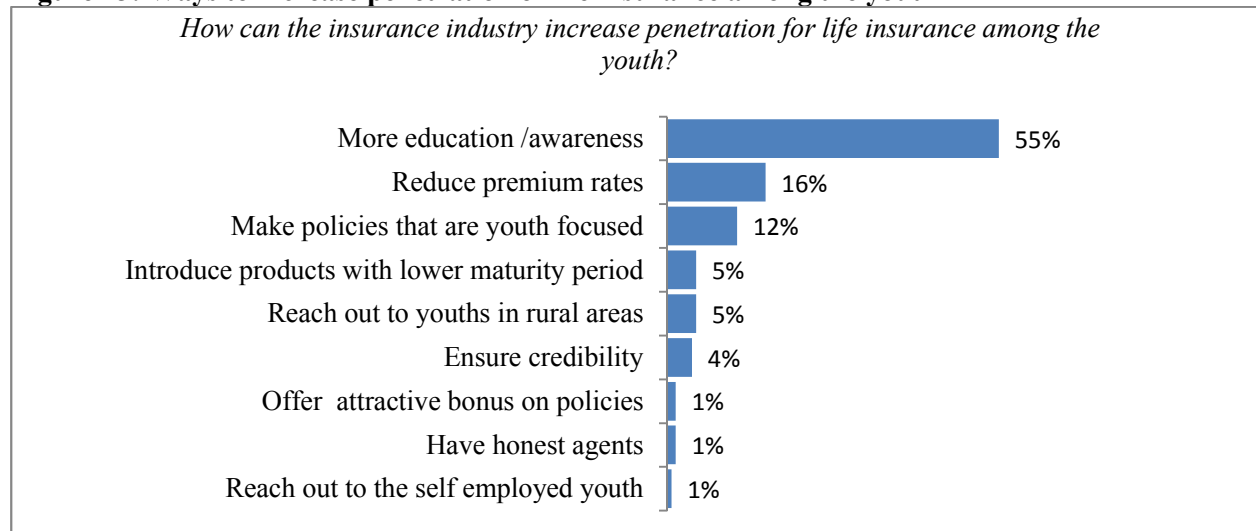
5.7.Suggested Ways through Which the Insurance Industry Can Increase Penetration for Life Insurance among the Youth

Some of the ways through which the insurance industry can increase penetration for life insurance among the youth are;

- Carrying out consumer education whereby young people are taught about the importance of saving and benefits of insurance from an early age
- Developing specific products that are affordable to the youth (lowering premiums)
- Introducing products that are more youth focused i.e. those that have short maturity periods

Other ways through which the industry can reach out to young people are shown in figure 23.

Figure 23: Ways to increase penetration of life insurance among the youth



5.8. Whether There Is Need for Insurance Products Targeted Specifically At the Youth

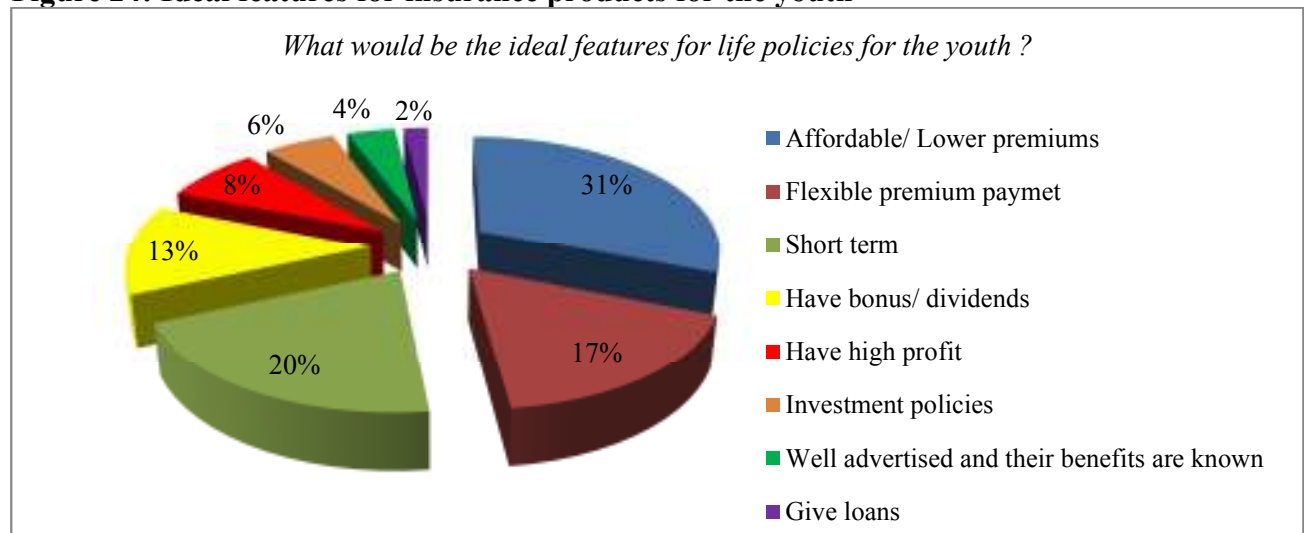
Brokers and agents articulated similar sentiments with consumers on the need for insurance products specifically targeted at the youth. They felt that there is need to secure a bright financial future for youths and promote investing and saving culture among the youth. Industry experts also feel that the young people have unique needs that are not met by the existing life policies.

Table 7: Why there is need for life insurance products for the youth

<i>Why is there need for life insurance policies that are specifically targeted for young people?</i>	
Will help secure a bright financial future for youths	27%
Promote investing and saving culture among the youth	20%
To protect the future of the next generation	19%
Youth have unique needs	16%
They have a long period to enjoy the policy	7%
They have inadequate income to buy current policies	7%
Enable the youth to be self-dependent	3%
Most youth have businesses and jobs that are not pensionable	1%

Ideal features of life insurance products for the youth

Figure 24: Ideal features for insurance products for the youth



6.0. CONCLUSIONS

Whereas the young consumers appreciate the need for reassurance, comfort and peace of mind in reference to insurance, they feel that these are not the immediate needs for them. To them, the most ideal insurance products would be those that would help them save for short-term goals.

The key barriers to the uptake of life insurance among the youth are;

- Lack of information
- Lack of income/ unaffordability
- Perception that insurance is for rich people
- Existing mental barriers (superstition, fears), negativity created in sales persuasion (association of life products with death)
- Lack of appeal to the youth

Medical, Education, and Investment plans are regarded the most ideal insurance packages for the youth but there is need to make them affordable and flexible in payment terms and modes.

Life and Funeral Covers which do not necessarily benefit the assured directly don't have particularly strong appeal. Funeral covers are particularly unappealing because they are seen as a taboo/ anti African.

The following came out strongly as the ideal features of life insurance covers for young people;

- Products that are affordable/ have low premium covers
- Have flexible payment terms and modes
- Are simple to understand
- Have shorter maturity period/ help youths achieve short-term goals
- Are advertised in a way that the youth can connect with

It is evident that there is need for insurance companies to engage more with young people. Some of the ways through which this can be done are;

- Have internship programs
- Organize open days in schools/ colleges whereby young people can ask questions and learn more about insurance
- Have specialized agents who sell life insurance to the youth
- Organize seminars
- Roadshows/ concerts and other cool events e.g.
- Sponsoring youth projects and sports
- Organizing fun days for the youth (for children who have education covers or medical covers etc.)
- Introduce sponsorship programs for bright children
- Embrace youth oriented advertising/ target the youth with adverts that have a fun element so that the message can sink
- Expand their reach i.e. open more branches agents i.e. like the banks have done with agency banking
- Use social media to market life insurance to young people.

7.0. RECCOMENDATIONS

5. There is a need for consumer education and demystification of insurance in order to unlock the barriers for uptake of insurance products in general among the youth.
6. Young consumers are seeking for affordable products since they have limited and irregular income. The industry should consider designing life insurance products that young people can afford and those that do not necessarily have monthly premium payments. Premiums can be paid daily and via M-Pesa.
7. Payment of a cash benefit component would need to be included to promote consideration for long term life insurance products e.g. personal life or pension schemes.
8. There would be need to simplify the life insurance products and communicate the risks covered by life insurance positively and clearly.
11. There is need to target the youth with products that are associated with spending occasions e.g. graduations, weddings.
12. The industry should leverage on investment groups e.g. Chama's to promote investment plans.
13. There is need to purposely target the youth when selling life insurance i.e. go to where the youth are e.g. in colleges etc.
14. The industry should come up with more appealing adverts/ adverts that are not too formal. Formal adverts mainly appeal to mature crowds and the youths feel that they are not meant for them. Youths want to be entertained. The industry should target the youth with adverts that have a fun element so that the message can sink.

15. Create awareness i.e. using social media, road shows, radio, fliers, TVs etc. Social media can especially be used to get the feelings of the youths, understand their needs and get feedback on the insurance products available.
16. The industry should connect more with the youth. They should engage more in activities that involve the youth e.g. sponsor some sports teams for the youth, sponsor entertainment activities. The industry should engage in cool events e.g. musical concerts, blanket & wines, the mingle etc.

8.0. APPENDICES

8.1. Consumers questionnaire

Questionnaire Serial No.		Interviewer No.	
---------------------------------	--	------------------------	--

Survey Location		Gender	
Nairobi	01	Male	01
Mombasa	02	Female	02
Nakuru	03		
Meru	04		
Kisumu	05		
Eldoret	06		
Nyeri	07		

Date of Interview	
--------------------------	--

Interviewer Name	
Respondent's Name	
Telephone No	
Occupation of head of household	

Social class:

AB.....1
 C1.....2
 C2.....3
 D.....4

1. Which of the following best describes you?

Student (high school)	01
Student (college/ university)	02
Self employed	03
Employed (part- time)	04
Employed (full- time)	05
Looking for a job	06
Other (please specify)	

2. Do you or any member of your household work in any of these occupations?

Journalism (Newspaper, magazine, TV, Radio)	TERMINATE
Insurance providers/ insurance agencies /brokers	TERMINATE
Research Company	TERMINATE
Advertising agency	TERMINATE
None of these	CONTINUE

3. Have you participated in any market research study in the past 6 months?

Yes	01	TERMINATE
No	02	CONTINUE

4. In which of the following age categories does your age fall into?

Below 15 years	TERMINATE
15-20	01
21-25	02
26-30	03
31-35	04
Above 35 years	TERMINATE

5. Do you have any insurance policy currently?

Yes	1	Which one? INTERVIEWER RECORD NAME OF POLICY
No	2	

GENERAL NEEDS AND ASPIRATIONS AMONG THE YOUTH

6. According to you, how important is it that you have each of following things?

	Not important at all	Not Important	Neither important nor unimportant	Important	Very important
Own a car	1	2	3	4	5
Own an iPod	1	2	3	4	5
Have a general insurance cover	1	2	3	4	5
Own a laptop	1	2	3	4	5
Have a life cover	1	2	3	4	5
Have a bank account	1	2	3	4	5
Own a house	1	2	3	4	5
Own a flashy mobile phone	1	2	3	4	5
Other (Please specify)					

7. a) Think about the things that you value most in life. Please rate the extent to which you value each of the following things
USE A 5 POINT SCALE WHERE 1 MEANS DO NOT VALUE AT ALL AND 5 MEAND VALUE VERY MUCH

	Do not value at all	Do not value	Neither nor	Value	Value very much
Being a good parent	01	02	03	04	05
Getting married	01	02	03	04	05
Family	01	02	03	04	05
Owning a good home	01	02	03	04	05
Helping people in need	01	02	03	04	05
Owning a good mobile phone handset	01	02	03	04	05
Getting a good education	01	02	03	04	05
Good health	01	02	03	04	05
Having fun	01	02	03	04	05
Friends	01	02	03	04	05
Lots of free time	01	02	03	04	05
Being religious	01	02	03	04	05
Being famous	01	02	03	04	05
Driving a good car	01	02	03	04	05
Other (Please specify)					

7. b) Generally what do you spend your money on?

Clothes	01
Savings	02
Entertainment	03
Airtime	04
Contribute to a chama/ merry go round	05
Paying Bills	06
Invest in property	07
Pay insurance cover	08
Other (specify)	
Other (specify)	

8. a) Who is your role model locally? **PROBE WHY?**
 8. b) Who is your role model internationally? **PROBE WHY?**

8a)	8b)

9. Which of the following items do you have currently?

A general insurance cover	1 (Please specify type)
A laptop	2
A life insurance cover	3
A bank account	4
A mobile phone	6

10. Who would you say had the greatest influence on whether or not to purchase the above mentioned items? **CODE FOR ALL ITEMS MENTIONED IN QUESTION 9**

	A general insurance cover	Laptop	Life cover	Bank account	Mobile phone
My parents	1	1	1	1	1
Myself	2	2	2	2	2
My brother/ Sister	3	3	3	3	3
My peers/ friends	4	4	4	4	4
Myself	5	5	5	5	5
Other (Please specify)					

INVESTIGATING HOW THE YOUTH PERCEIVE LIFE INSURANCE

11. a) In your opinion, what is insurance? **WRITE IN VERBATIM**

11. b) What is the first thing that comes to mind when life insurance is mentioned? **WRITE IN VERBATIM**

12. (a) What types of insurance are you aware of? **SPONTANEOUS AWARENESS- DO NOT READ LIST**
 12. (b) What types of insurance are you aware of? **AIDED AWARENESS- READ LIST**
 12. (c) Which of these insurance policies fall under general insurance category?
 12. (d) Which of these insurance policies fall under life insurance category

TYPE OF POLICY	12(a) Spontaneous awareness	12(b) Aided awareness	12(c) General policies	12(d) Life policies
Domestic Package	01	01	01	01
Mortgage protection	02	02	02	02
Motor insurance	03	03	03	03
Burglary	04	04	04	04
Personal accident	05	05	05	05
Fire	06	06	06	06

Personal Life insurance	07	07	07	07
Goods in transit	08	08	08	08
Education policy	09	09	09	09
Pension Plan	10	10	10	10
Travel	11	11	11	11
Investment plan	12	12	12	12
Medical	13	13	13	13
Employee benefit schemes arranged by Employer	14	14	14	14
Loan protection / Credit life cover	15	15	15	15
Unit Linked / Unit Trusts	16	16	16	16
Funeral cover	17	17	17	17
Group life policy	18	18	18	18
Others (<i>Specify</i>)				

13. a) Do you know the difference between life insurance and general insurance?

Yes.....1

No.....2

13. b) If yes what is the difference?

13. c) In your opinion. Do young people {**PEOPLE AGED 15 TO 35 YEARS**} need life insurance?

Yes.....1 **ASK QUESTION 13 d**

No.....2 **ASK QUESTION 13 e**

13. d) Why do you say that young people **NEED** life insurance?

13. e) Why do you say that young people **DO NOT NEED** life insurance?

13. f) In your opinion, how important would you say each of the following policy is to you as a young person?

	Not important at all	Not important	Neither important nor unimportant	Important	Very important
Pension plan	01	02	03	04	05
Individual life policy	01	02	03	04	05
Education policy	01	02	03	04	05
Group life	01	02	03	04	05
Funeral cover	01	02	03	04	05
Investment plans from insurance companies	01	02	03	04	05

14. a) Would you say that the insurance companies have effectively targeted the youth when it comes to life insurance?

Yes.....1 (**ASK QUESTION 14b**)

No.....2 (**ASK QUESTION 14e**)

14. b) Why do say that the insurance companies **HAVE** effectively targeted the youth when it comes to life insurance?

14. c) Why say that the insurance companies have **NOT EFFECTIVELY** targeted the youth when it comes to life insurance?

--

15. a) If you got a well-paying job today, what are the things that you would give priority to? Rank them in order of importance

Buy a car	
Buy a house	
Get a funeral cover	
Buy land	
Get an individual life policy	
Get an investment plan from an insurance company	
Get married	
Go out more often	
Get an education plan for my children	
Get a pension plan to secure my old age	
Other (Please specify)	

15. b) Why have you rankedat number one? **MENTION THE ITEM RANKED IN POSITION 1 IN 15a ABOVE AND PROBE FOR REASONS AS TO WHY IT IS RANKED NUMBER ONE**

--

15. c) Why have you rankedat number two? **MENTION THE ITEM RANKED IN POSITION 2 IN 15a ABOVE AND PROBE FOR REASONS AS TO WHY IT IS RANKED NUMBER TWO**

--

15. d) Why have you ranked the following in that position.....? **MENTION THE POSITION AT WHICH EACH OF THE FOLLOWING LIFE INSURANCE POLICIES HAS BEEN RANKED AT IN QUESTION 15a ABOVE**

15. d (I) Pension plan
15. d (ii) Individual life plan
15 d (iii) Education plan
15 d (iv) Funeral cover
15 d (v) Investment plan

16. a) How likely would each of the following factors be in making you to buy a life insurance cover? **USE A 5 POINT SCALE WHERE 1 MEANS NOT LIKELY AT ALL AND 5 MEANS VERY LIKELY**

	Not likely at all	Unlikely	Neither nor	Likely	Very likely
Low premiums	1	2	3	4	5
Shorter maturity period	1	2	3	4	5
Flexibility in premium payment	1	2	3	4	5
Good advertisement	1	2	3	4	5
Others (specify)					
Others (specify)					

16. b) In your opinion, how can insurance companies persuade more young people buy life insurance policies?

17. a) Have you ever seen any advertisement on a **life** insurance product/service

Yes.....1 (**ASK QUESTION 17 b and c**) No.....2(**SKIP TO QUESTION18**)

17. b) Which advert did you see?

17. c) To what extent do you agree or disagree with the following?

	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
The advert I saw was very appealing	1	2	3	4	5
The advert I saw was meant for someone like me	1	2	3	4	5
The advert I saw was very persuasive	1	2	3	4	5
The advert I saw was easy to understand	1	2	3	4	5

18. a) What kind of advert can appeal to you as a young person (**PROBE, WHO SHOULD ADVERTISE, WHAT SHOULD THE ADVERT LOOK LIKE**)

18 b) what channels should be used to advertise a life insurance product that is meant for the youth?

Radio	1 (Specify name of station).....
TV	2..... (Specify name of station).....
Internet	3.....(Specify name).....
Social media	4
Bill boards	5
Road shows	6
Others (Please specify)	

19. If you were to design a **LIFE INSURANCE PRODUCT MEANT FOR THE YOUTH**, what would it look like in terms of?

- a) Features
- b) Price
- c) Advertisement

19. a) Features	
19. b) Price	
19. c) Advertisement	

Others (Please specify)

20. What else should insurers do in order to make you to buy life insurance?

21. Any other comments

THANK YOU SO MUCH FOR PARTICIPATING IN THIS SURVEY

8.2. Agents/ Brokers Questionnaire

Questionnaire Serial No.		Interviewer No.	
	Interviewer Name		
	Respondent's Name		
Date of Interview	Telephone No		
	Name of company		
Time of Interview	CATEGORY	Agent	01
		Broker	02

INTRODUCTION

Good morning/ afternoon, my name is.....; we are carrying out a research on insurance policies, may I ask you a few questions?

1. How many years have you been in the insurance industry?

Less than 2 years	01
2-5 years	02
6- 10 years	03
Over 10 years	04

2. In your own opinion who are the main buyers of various categories of insurance products?

	Below 20 Years	21- 25 Years	26- 30 years	31-35 years	36- 40 Years	41-45 Years	Above 45 years
General insurance policies	01	01	01	01	01	01	01
Education policies	02	02	02	02	02	02	02
Personal life insurance	03	03	03	03	03	03	03
Funeral covers	04	04	04	04	04	04	04
Pension	05	05	05	05	05	05	05
Investment plans	06	06	06	06	06	06	06

3 a) In your opinion, has there been enough uptake of life insurance among the people aged between 15-35 years?

Yes1 **GO TO QUESTION 4** No2 **GO TO QUESTION 3b**

3 b) In your opinion, what has prevented life insurance uptake among young people? PROBE: WHAT ELSE?(People aged 15-35 years)

3. a) According to you, has the insurance industry done enough to target young people with life insurance?(people aged 15-35 years)

Yes1 **GO TO QUESTION 4b** No2 **GO TO QUESTION 4c**

4 b) what has the insurance industry **SPECIFICALLY DONE** to target young people with life insurance?

4 c) what has the insurance industry **NOT DONE** to effectively target young people with life insurance?

4. According to you, how appealing is each of the following type of life insurance cover to young people? (ages 15-35)

	Not appealing at all	Not appealing	Somehow appealing	Appealing	Very appealing
Education policies	01	02	03	04	05
Personal life insurance	01	02	03	04	05
Funeral covers	01	02	03	04	05
Pension	01	02	03	04	05
Investment plans	01	02	03	04	05

5. What are some of the unique needs among the youth that have not been met by the current life policies in the market?
PROBE FULLY- WHAT ELSE?

6. How can the insurance industry increase penetration for life insurance among the youth?

7. a) In your own opinion, is there need to come up with life insurance policies which specifically target the young people aged 15-35?

Yes1 **ASK QUESTION 7b AND 7d** No2 **ASK QUESTION 7c THEN SKIP TO QUESTION 8**

7. b) Why is **THERE NEED** for life insurance policies that are specifically targeted for young people? (ages 15-35)**PROBE FULLY**

7. c) Why is there **NO NEED** for life insurance policies that are specifically targeted for young people? (Ages 15-35)**PROBE FULLY**

7B)

7C)

7. d) What would be the ideal features for such policies? **PROBE FULLY**

8. What else should insurers do in order to persuade more young people take life insurance covers?

9. Any other comment on how the industry can effectively target the youth with life insurance?

THANK RESPONDENT AND CLOSE INTERVIEW

8.3.Focus Group Discussion Guide

INTRODUCTION AND WARM UP (5 mins)

- The moderator introduces him/herself and explains the purpose of the exercise.
- The moderator explains that the discussion is open, not an exam and there is no wrong or right answer. Explain that the information given by respondents is confidential.
- Encourage the respondents to give honest opinions.
- Explain the use of the recorder.
- Ask the respondents to introduce themselves, their interests; hobbies etc. start by introducing self to help them feel at ease doing the same

MAIN DISCUSSION

Understanding the youth	<ul style="list-style-type: none"> ✓ What are the 3 most important things in your life? ✓ What are the things that you yearn for most? ✓ What things are normally top of the list when it comes to spending your income? ✓ Supposing you got a job of your dream today, what things would you do with your income for the first six months?
General perception of insurance	<p>Word association: I would like you to tell me the first word that comes to mind when I say the following words:</p> <ul style="list-style-type: none"> ✓ Insurance ✓ General insurance policies
Investigate how the youth perceive life insurance	<p>Word association: I would like you to tell me the first word that comes to mind when I say the following words:</p> <ul style="list-style-type: none"> ✓ Education plan ✓ Pension plan ✓ Group life plans ✓ Funeral cover ✓ Individual life plan ✓ Investment plan with an insurance company
	<p>Sentence completion: I would now like you to finish the following sentences:</p> <ul style="list-style-type: none"> ✓ If only insurance was..... ✓ People who have insurance covers are ✓ People who have individual life insurance covers are ✓ People who have group life insurance covers are ✓ People who have pension plans with insurance companies are... ✓ People who have funeral covers are..... ✓ People who have investment plans with insurance companies are... ✓ People who have education policies are.....
Establish if the youth are already using life insurance services	<ul style="list-style-type: none"> • What type of insurance covers are you aware of? Any others? <p>PROBE FOR THE DIFFERENCE BETWEEN GENERAL AND LIFE COVERS</p> <ul style="list-style-type: none"> • Are you aware of any life insurance services? PROBE FOR THE TYPES AWARE OF • How did you get to learn about the mentioned insurance covers? • What is your understanding of life insurance? What does it cover? What are the terms? • Do you have life insurance cover? If so which type of life insurance is it? • Would you say life insurance is important? Why or why not? PROBE FOR <p>Individual life policy, Group life, Education plan, Pension plan, Funeral cover, Investment plan from an insurance company</p>
Establishing the main challenges/obstacles in facing the youth preventing uptake of life insurance	<ul style="list-style-type: none"> • Why don't you have life insurance? What are some of the things that are preventing you from taking life insurance? PROBE FOR: Individual life policy <p>Group life, Education plan, Pension plan, Funeral cover, Investment plan from an insurance company, What would make you consider taking up life insurance?</p>

<p>Establish if there is a need in the market for insurance youth products and features of interest / Establish product enhancements the youth would like to see on life insurance</p>	<ul style="list-style-type: none"> • Would you ever consider taking up a life insurance cover? Why or why not. • Which cover would you consider taking? PROBE FOR: Individual life policy, Group life, Education plan, Pension plan, Funeral cover, Investment plan from an insurance company, What would make you consider taking up life insurance? • Is there a need for insurance products targeted towards the youth? Why or why not? PROBE FOR: Individual life policy, Group life, Education plan, Pension plan, Funeral cover, Investment plan from an insurance company, What would make you consider taking up life insurance? • If you were the MD of a major insurance company and you were to come up with a life insurance cover targeted towards the youth, what would you do to make it attractive to the youth? What else would you do?
<p>Review of the current life insurance products and whether they meet the needs of the youth.</p>	<p>✓ In your opinion, are the current life insurance policies targeted for someone like you? WHY? WHY NOT</p> <p>PROBE FOR: Individual life policy, Group life, Education plan, Pension plan, Funeral cover, Investment plan from an insurance company, What would make you consider taking up life insurance?</p>
<p>How best to target them</p>	<ul style="list-style-type: none"> ✓ If an insurance product targeting the youth came into the market today, what would be the best way to inform you about it? How else? ✓ Have you seen any advertisements on insurance that you particularly like? Which ones? ✓ How should life insurance be advertised in order to persuade more young people to buy them? Probe- how else? : ✓ What channels should be used? What should those adverts look like?
	<p>What else should insurers do in order to persuade more young people take life insurance covers?</p>

8.4. In-depth Interview Guide

Name of respondent:

Name of company:

Position/ designation:

INTRODUCTION AND WARM UP

- The moderator introduces him/herself and explains the purpose of the exercise.
- The moderator explains that the discussion is open, not an exam and there is no wrong or right answer. Explain that the information given by respondents is confidential.
- Encourage the respondents to give honest opinions.
- Explain the use of the recorder.

MAIN DISCUSSION

<ul style="list-style-type: none"> • Which life insurance products are available in the Kenyan market? • What is the target market for these life insurance products? Probe for individual life, group life, education, pension plans, investment plans and funeral cover.
<ul style="list-style-type: none"> • In your opinion, do young people (age 15-35) buy life insurance covers? Probe: why; why not • Which are the life insurance products that are currently offered for the youth (people aged 15-35) • Do the current life insurance policies appeal to the youth? Why/ why not?
<ul style="list-style-type: none"> • As a player in the insurance industry, what would you generally comment when it comes to youth and life insurance? Nb: has there been enough uptake of life insurance among the youth (ages 15-30). Probe- why? Why not • What has prevented life insurance uptake among young people? Probe: what else?
<ul style="list-style-type: none"> • And generally, do you think that the insurance industry has done enough to target the youth when it comes to life insurance? Probe fully • Do the existing life insurance policies appeal to young people? Why? Why not? • What are some of the unique needs among the youth that have not been met by the current life policies in the market? Probe fully- what else? • Does the industry make enough effort to reach out to young people? What are the gaps when it comes to targeting the youth with life insurance? • How can these gaps be addressed?
<ul style="list-style-type: none"> • In your opinion, do you feel that there is a lot of untapped market for life insurance among the youth? • If yes, <i>Where is the greatest potential i.e. among which ages?</i> <i>Which social classes?</i> <i>Which category i.e. is it among employed youths or???</i> • How can the industry increase penetration for life insurance among the youth?
<ul style="list-style-type: none"> • In your own opinion, is there need to come up with life insurance policies which specifically target the young people aged 15-35? Probe, why/ why not • If yes, what policies should be developed? • What would be the ideal features for such policies? Probe fully • How should these policies be marketed? How should they be advertised?
<p>What else should insurers do in order to persuade more young people take life insurance covers?</p>

Any other comment on how the industry can effectively target the youth with life insurance?

THANK RESPONDENT AND CLOSE INTERVIEW