



Insurance Essay Competition



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Topic: “What could be done to improve women insurance coverage in Cambodia?”

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Although the insurance sector has been growing positively in the Cambodian market over the years, many Cambodians were and are still reluctant about insurance since it is a brand new concept for the country. In recent years, global exposure and an increase in living standards enable Cambodians to start welcoming insurance products. Currently, most insurance products focus on the well-being of children and the breadwinner of the family who are usually men. However, limited products are designed specifically for women. This matter needs to be brought to light as women are the most vulnerable to risk both physically and financially. Hence, many actions should be taken to improve women's insurance coverage in Cambodia.

Surprisingly, maternal mortality is a leading cause of death in Cambodia. In fact, one in eleven Cambodian women died during childbirth between 2008 and 2014 (National Institute of Statistics, 2018). A majority of death occur due to unexpected pregnancy complications. Complications of pregnancy such as infection, high blood pressure, gestational diabetes, and miscarriage could lead to unexpected costs which is a huge burden for women during their most vulnerable time (Healthline Media, 2016). Unexpected cost is the main barrier for women from receiving sufficient medical treatment before and after birth. Therefore, the removal of this cost would be a great help to women. The unexpected cost could be mitigated with a well-designed insurance package. Thus, insurance firms in Cambodia should start developing suitable products for women during their pregnancy. This kind of product has already been implemented in other countries. For instance, Prudential Singapore has offered a product called PRUFirst Promise targeting pregnant women. It provides coverage for pregnancy complications, congenital illness, mental wellness care, gestational diabetes mellitus, and hospital care benefits. This insurance can also be transferred to the baby without any medical underwriting, therefore, the infant can be protected from the moment they were born against death, terminal illnesses, premature birth, and permanent disability (Prudential). This package is very beneficial for women and will help ease the burden after her delivery. Such products should be introduced to the Cambodian market as soon as possible as it is exactly what Cambodian women need the most right now.

In addition to maternal health, general health is equally important. According to an observation by The National Institution of Statistics in 2018, women in Cambodia tend to be unhealthier than men in both urban and rural areas. Currently, there are insurance packages that cover critical illnesses; however, general health care and coverage have yet to be introduced. There is a good example of this kind of coverage from an insurance company in India. A company called Tata AIG has developed the Wellsurance Woman policy that is designed to insure women against illnesses and provide them with many benefits such as critical illness cover, cosmetic reconstruction surgeries, health helpline with the expert medical practitioner, personal health tracker, ambulance coverage, and discount at partners companies. Hence, customers could receive generous discounts at their partnered hospital, gyms, spas, skincare, and weight management center. This product was designed to complement women's needs. The attractive benefits of this product contributed to its continuous success in the market.

As a matter of fact, a well-designed product is nothing but an unpractical display without any customers. More exposure should be implemented throughout the country on the insurance product and its benefits. The main issue in Cambodia is that older women are skeptical about insurance products and even assume that it is nothing but a scam for money. At the same time, women tend to spend their income on household necessities instead of using it for optional expenditures like insurance. Insurance is considered a luxury for most Cambodians; therefore, it is often overlooked. The company should take the first step in changing people's mindsets about the insurance sector. This sounds simple, yet extremely

hard to achieve. Skepticism cannot be changed overnight. Persistence and effective strategies are needed to make this a reality. Specifically, marketing strategy. One of the most effective strategies in the Cambodian market is the word of mouth. According to a research by Sit Engagement Labs, word of mouth holds the most weight when it comes to influencing purchasing decisions. It is more powerful than a million-dollar advertisement. The older generation is skeptical about all advertisements while fully trusting the words from their peers. Even the young generation who are exposed to countless advertisements on social media still read and trust other people's comments and feedbacks before making their purchase. This is no surprise as the word of mouth tops the list of channels that most influence online shoppers' decision to try new brand (Strakey, 2021). This proves that a brand new concept like insurance should focus on the word of mouth marketing strategy to distribute their product information. On the other hand, accessibility to information is also one of the problems that women in Cambodia are facing. Many women in rural areas or in the province do not even understand the term "insurance". The company could launch new branches in different parts of the country as well as delegate insurance representatives to meet the customer directly. In addition, women trust another woman. Therefore, female sales agents and influencers should be the ones to inform and persuade other women about the risk management method through insurance. Unless Cambodian women understand the risk they are facing and how insurance would effectively mitigate that risk, they still think insurance is a scam.

In addition to women themselves, the information should also reach her family member. Some women are housewives who depend on her husband financially; therefore, the decision to purchase the insurance product is solely up to their husbands. Men must understand that insurance could help cover any unexpected cost which would both ease his financial burden and ensure that his wife receives sufficient medical treatment at all times. Furthermore, external stakeholders such as hospitals, banks, universities, and private firms could play a part by spreading information as well as educating people about this protection package.

In conclusion, insurance firms in Cambodia must be more attentive toward women's needs and design the product accordingly. On top of that, women's income and the fraction of income available for insurance expenses should also be taken into account. It is equally important to make sure that the products could reach women in all regions. Furthermore, both women and her partner should be convinced about the importance of insurance products for their family welfare. If all of these are achieved, there is no doubt, insurance coverage for women would greatly improve.

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