

INSURANCE TOOLKIT

Technical tool

Understanding market demand: How to use focus group discussions in the development of inclusive insurance

By Katie Biese and Michael J. McCord

Introduction

Understanding market demand is a critical step in the process of developing solutions to meet the risk management needs of rural poor people, particularly with regard to insurance. What seems like a clear need (such as farmers managing losses resulting from drought) does not always translate into demand for insurance (farmers actually wanting to buy insurance to protect against the effects of these risks). It is essential to understand the other factors that affect farmers' purchase decisions and/or insurers' ability to offer a valuable risk management solution. These include low-income client perceptions and beliefs, accessibility, affordability, preferences and household economics. A clear picture of these other factors also informs the decision on whether insurance is appropriate for a particular context and target group, which is not always the case. This clarity helps identify key components that should be included in market education and selling practices.

Why use focus group discussions? FGDs are a key tool that can be used to assess demand for inclusive insurance,¹ including microinsurance and agricultural and climate risk insurance, and other risk management solutions (i.e. risk reduction and risk retention).

What is an FGD? An FGD is a qualitative research method in which a small group of people who are representative of the target market are gathered to discuss a specific topic. A moderator leads the discussion. Questions are open-ended and seek to elicit the perceptions and beliefs of the individuals in the group, and deepen understanding of issues that cannot be captured through quantitative methods.

Who is the target and what is the purpose of this guide? This guide is intended for donors and their implementing partners, such as NGOs, consultants, technical service providers, regulators and supervisors, insurers, or other stakeholders working to improve the resilience of low-income populations. It facilitates planning for FGDs with rural, low-income target groups, as part of demand research on risk management and inclusive insurance opportunities. It also provides practical support for the implementation of FGDs, including sample question guides, with a focus on agricultural insurance.

1/ In this guide, "inclusive insurance" refers to all insurance schemes aimed at excluded or underserved markets, including the microinsurance market, as well as agricultural and climate risk insurance for markets that are underserved or not served at all. "Microinsurance" refers to inclusive insurance that is specifically designed for and accessed by low-income populations. For more details on this terminology, refer to the following sources: [Issues Paper on Conduct of Business in Inclusive Insurance \(IAIS, 2015\)](#), [Issues in the Regulation and Supervision of Microinsurance \(IAIS, 2007\)](#), and [Proportionate Regulatory Frameworks in Inclusive Insurance: Lessons from a Decade of Microinsurance Regulation \(A2ii, 2016\)](#).



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When should FGDs be used? FGDs can be used during the design phase of a project that is considering including insurance activities. They can also take place during implementation of a project, prior to setting up or adjusting an insurance solution. Finally, they are important to ongoing insurance solutions for supervision, monitoring and evaluation, should any changes need to be made.

What kind of information can be gathered from an insurance FGD? An FGD should be used when the information sought is qualitative in nature and you are interested in open-ended responses (the “whys” and the “hows”). It can be used when you want a group of people to provide information about their community or target segment. For example, an FGD can be used to gain an understanding of why people deem one issue a greater priority than another, how they make financial decisions, why smallholder farmers plant when they do, why they use particular techniques, or how they decide when to apply fertilizer, all of which may have important implications for risk management. FGDs can also bring important underlying information to light.

FGDs can be used to gather demand information at multiple points in the process of developing a client-centric inclusive insurance scheme, for example:

- To understand farmers’ risk priorities and inform decisions about what types of products to introduce.

- To address questions that arise from quantitative research such as a survey, and go deeper into certain aspects, like attitudes or fears.
- To move to a deeper level of research to design specific product or scheme attributes.
- To get feedback on a proposed product and scheme prototype.
- To test marketing and market education materials and methods.
- To assess client satisfaction and identify improvements for a product or scheme.
- To identify barriers to take-up at any stage of the scheme (before or after launch).

How to use this guide. This guide focuses on the types of information about demand for inclusive insurance that are most commonly obtained via FGDs. It also provides practical guidelines and can be used as an implementation tool. Part 1 sets out the key topics with suggestions on how to approach them. Sample question guides for each of the key topics are provided at the end of the document. Part 2 covers how to implement FGDs for any given objective, including information on the stakeholders who should be involved, how to organize the logistics and the research plan, and what to share with the moderators. The full FGD process is outlined as a map in Figure 1 so the reader can have a view of the whole process as they work through the details.

FIGURE 1 THE FOCUS GROUP DISCUSSION (FGD) PROCESS



The information that can be gathered during FGDs and how to ask for it

What to ask

Table 1 shows common topics that can be explored via the FGD method. It presents an overview of key research areas, with links to the sample question guides in the left hand column. The topics addressed will vary, depending on where the project is in terms of product development, and the objectives. Those listed

in Table 1 would never all be addressed in one sitting with participants; but two to four topics may be used in combination to achieve a particular objective. For example, if relatively little is known about a target population, and it is early on in terms of assessing whether insurance should be part of a project, one might start with an FGD that focuses on the general nature of risks faced by the target population (Topic A) and participants' current risk management and coping strategies (Topic B).

TABLE 1 KEY RESEARCH AREAS AND RELEVANCE TO INCLUSIVE INSURANCE PRODUCT AND SCHEME DESIGN²

Topic and question guide	Relevant data generated	Link to product/scheme design
A. Nature of risks QUESTION GUIDE A	<ul style="list-style-type: none"> – Overview of major risks faced by target group – Financial impacts of specific risks – Level of worry/importance of risks – Prioritization of risks 	<ul style="list-style-type: none"> – To identify insurable risks – To prioritize types of coverage that will have impact and value for clients – To identify appropriate coverage amounts
B. Risk management and coping QUESTION GUIDE B	<ul style="list-style-type: none"> – Traditional strategies to manage risks before they happen – Coping mechanisms used to respond after risks occur – Short- and long-term impacts, and limitations of using the above strategies and mechanisms 	<ul style="list-style-type: none"> – To assess gaps in current informal and formal coping approaches, helping to show what risk transfer via insurance can achieve, and identify specific types and amounts of coverage – To identify complementary products or services to manage risks, such as access to emergency loans or discounted drought-resistant seeds
C. Knowledge, experience and perceptions of insurance QUESTION GUIDE C	<ul style="list-style-type: none"> – Understanding of insurance and how it works – Perceptions and beliefs about insurance and insurers – Specific experiences with insurance 	<ul style="list-style-type: none"> – To identify marketing and communication strategies – To design field agent training programmes – To facilitate consumer protection mechanisms
D. Household economics/business finances QUESTION GUIDE D	<ul style="list-style-type: none"> – Nature, sources and timing of cash flows – Typical income, expenses, and margins for a particular economic activity 	<ul style="list-style-type: none"> – To assess ability to pay – To identify appropriate timing for enrolments, premium collection, etc.
E. Deep dive on a general risk area (e.g. agricultural production) QUESTION GUIDE E	<ul style="list-style-type: none"> – Nature of specific risks and their impacts – Perceived exposure to risks – Nature of risks over time 	<ul style="list-style-type: none"> – To identify specific product attributes (coverage, amounts, marketing, terms, timing, etc.)
F. Insurance delivery issues QUESTION GUIDE F	<ul style="list-style-type: none"> – Trusted service providers – Access to payment technologies and financial services – Access to information 	<ul style="list-style-type: none"> – To identify appropriate delivery channels – To design appropriate enrolment, premium collection and claims payment processes – To identify other key features of scheme design, such as digital payments
G. Product prototype feedback (optional) QUESTION GUIDE G	<ul style="list-style-type: none"> – Information based on a product prototype, if available (rather than on concepts, as in prior steps) 	<ul style="list-style-type: none"> – To get participant feedback on particular aspects of a prototype scheme – To understand willingness to pay for a particular solution

^{2/} Some of the information in this table has been loosely adapted from the following publication: Jennefer Sebstad, Monique Cohen, and Elizabeth McGuinness. 2016. *Guidelines for Market Research on the Demand for Microinsurance*. Prepared by Microfinance Opportunities and Abt Associates Inc. for the United States Agency for International Development (USAID). June 2006. <https://www.marketlinks.org/resources/guidelines-market-research-demand-microinsurance>

How to start the discussions: general tips for implementing FGDs

(Question guides referenced correspond to those provided in Table 1)

Clarify what is meant by risk (Question guides A, B, C). Risk can be a difficult concept to understand. A risk is the chance or likelihood that an event will cause damage or loss.³ Moderators may have to explain in multiple ways; other definitions might be “unforeseen or sudden events or problems that create a danger to something you value and result in a loss to you or your family” or “bad things that may or may not happen”. For example, risks mentioned by FGD participants may include “prices are bad” or “we are poor” – which are certainly adverse conditions, but not risks. Moderators should clearly explain that the group is discussing things that are uncertain; we cannot know or predict with certainty whether or when they will affect us. It may be easier for participants if you relate risks to their livelihoods, for example, asking “what risk events have your family or business faced in the past five years?”. It is best not to provide specific examples of risks as this may skew the responses.

Avoid talking about “insurance”, at least at the beginning (Question guides A, B, D). Most people lack real understanding of or familiarity with insurance; this can be particularly true of low-income, rural households. However, in order to discuss and gather much of the initial information needed to assess inclusive insurance demand, it is not necessary for the participants to know about insurance, or even discuss it.

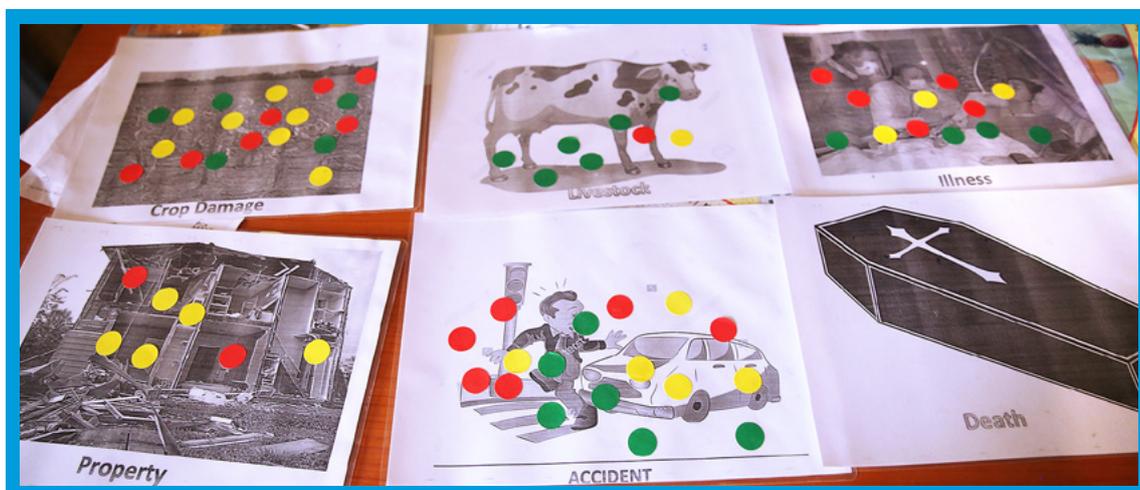
In most cases, FGDs can be presented as discussions about risk. For example, they can initially be focused on questions such as: “What risks do you worry about the most?” “What is the impact of Risk X on your financial condition?” “What do you do to reduce the chance of Risk X happening to you?” After this, provide a short definition that includes the concept of risk pooling and insurance – i.e. a monetary payment is made in advance and compensation will be awarded if specific losses occur, but that it is different to savings. For example, a good starting point may be to ask how the participants themselves would define insurance. Often, they rely on hearsay and know of problems they have heard of, or may relate insurance to a government scheme or taxation. It is important to clarify any misconceptions. Depending on the group, they may already have experience with a type of risk pooling, but not insurance, such as social funds within village savings and loans associations (VSLAs). Save specific questions about insurance – such as obtaining information on perceptions or attitudes towards insurance, or introducing a specific insurance prototype for feedback (Question guides E, F and G) – for later in the discussion.

Be visual and interactive (all question guides).

In general, it can be helpful to have interactive exercises and visual aids to facilitate FGDs. For example, using risk cards to show simple visual depictions of common risks (i.e. fire, death, drought), using stickers to “vote” on key topics or key risks, or participatory rural appraisal tools such as cash flow or crop cycle mapping.

Start with a warm-up and motivation (all question guides). Talking about risk inevitably involves talking about loss. This can be difficult

FIGURE 2 RISK CARDS AND VOTING STICKERS USED DURING AN FGD TO UNDERSTAND GENERAL RISKS PARTICIPANTS FACED AND THEIR LEVEL OF WORRY (STICKER COLOURS REPRESENT COST, LIKELIHOOD AND WORRY)



3/ Source: Craig F. Churchill, Dominic Liber, Michael J. McCord, James Roth. *Making Insurance Work for Microfinance Institutions*. ILO, 2003. <http://www.microinsurancecentre.org/resources/documents/operations/making-insurance-work-for-microfinance-institutions-a-technical-guide-for-developing-and-delivering-microinsurance.html>



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for many people. A five to ten minute “warm-up” session can be used to get participants comfortable with talking with the moderator and with each other. Choose simple but relevant topics that participants know the answers to, rather than ones that they must think about or offer an opinion on. For example, ask them to describe their farms, small businesses, the community itself or their families. You may also need to ask them for their consent, and

agreement for any photos taken. Last but not least, to motivate them to share information, explain how the data they provide will be used (in aggregated form to maintain confidentiality) and the potential benefit for them.

Create a conducive atmosphere. The FGD team should provide a setting that is comfortable for participants and encourages them to provide honest and considered answers (see Box 1).

BOX 1 TIPS FOR CREATING A CONDUCTIVE FGD ATMOSPHERE

- The FGD team should be briefed by a local person who knows about the group’s norms, in order to understand basic and important dos and don’ts before the session. Cultural expectations may vary in each context.
- FGD stakeholders must keep an open mind. FGD teams often come with preconceived ideas and then prompt for support for those ideas from the participants. This hinders the effort to respond to participant needs and demands for product and scheme development.
- Be physically at the same level as the participants. For example, if they sit on the ground, sit on the ground. Do not stand over them as if you are an authority. Remember, the participants are the authorities, the FGD team is trying to learn from them.
- Never push your own opinion on the participants.
- You are not there to educate participants, but to gather their existing knowledge and perspectives.
- Never disrespect the participants. They are helping you, not the other way around.
- Probe the responses that you get from the participants until you completely understand what they are expressing. Train moderators to do this. Too often moderators are one question away from gaining real insight but stop short.
- If you are hiring a moderator to lead the FGDs, make sure to debrief with them after each session during the first few days to ensure they are getting results that will help you to address the objectives.
- Make sure the moderator is asking open-ended questions (those that do not have a “yes” or “no” response). For example, the question “What worries you?” will give you better information than “Does it worry you that your husband might get sick?”



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Implementation of FGDs: stakeholders and planning

→ **The first step: clarifying who is responsible.** FGDs may be implemented as a stand-alone activity or as part of another assignment. In all cases, it is important to clarify the key responsibilities and the team that will be required to plan, perform and supervise the task. A local service provider, international firm or NGO may be selected to lead the task, and collaborate with other entities.

1. Stakeholders and roles

FGDs involve multiple stakeholders with unique roles and responsibilities. Table 2 provides general descriptions and characteristics, and responsibilities before, during and after the FGD sessions.⁴ Note that during the actual sessions there should be a limited number of non-focus group participants present. In sessions, the FGD team should be small, preferably one moderator

and one note-taker, with additional observers only when necessary. Keep in mind that FGDs must always be conducted in a language and dialect of the participants, and the facilitators must understand the culture of the target group. Otherwise, there will be communication issues and important nuances will be lost.

Inviting guests

Although staff from the project or donor organization, or important implementation partners might benefit from hearing client perspectives directly, it is not good practice to invite them to observe FGD sessions. Non-participating observers impact the dynamics of FGDs and can skew the results. However, they may review the research plan, the objectives and the question guide and participate in the debriefing session if they do opt to attend. Rather than observing the live FGD, recordings may be watched or listened to if the participants have given their consent.

TABLE 2 FGD STAKEHOLDER DESCRIPTIONS AND RESPONSIBILITIES⁵

Insurance expert	Moderator	Assistant moderator/ Note-taker	Intermediary	Observer (only if necessary)
General description and characteristics				
<ul style="list-style-type: none"> – Technical knowledge of inclusive insurance scheme development – Preferably, expertise and experience in preparing and conducting FGDs 	<ul style="list-style-type: none"> – Local language proficiency – Local context knowledge – Specialized skills for facilitating group sessions – One or more, depending on number of FGDs and types of groups (i.e. women-only groups might need a woman moderator) – (Not typically an insurance expert but could be, depending on project) 	<p>Person other than the moderator who can assist the moderator with logistics and take notes, which is important</p>	<ul style="list-style-type: none"> – A representative of an organization close to the target group, such as a microfinance institution (MFI), cooperative, farmer organization or NGO – This person will not attend the actual FGD sessions 	<ul style="list-style-type: none"> – Person other than the moderator and note-taker – Good listener and detail-oriented; friendly approach, perhaps known to the target group – Usually a project staff member

4/ Participants themselves are key stakeholders. They are not included in this table because the focus of this tool is on those conducting the exercise.

5/ Roles can sometimes be interchanged and there should be some flexibility. For example, the insurance expert may be the moderator, or the observer may take notes.

Insurance expert	Moderator	Assistant moderator/ Note-taker	Intermediary	Observer (only if necessary)
Responsibilities: Pre-FGD				
<ul style="list-style-type: none"> - Key person for design of research plan for FGD, including tender, selection of partners, session structure and guide, including questions - Design templates for attendance, note-taking and results - Train moderators - Provide FGD props (e.g. risk cards, posters, stickers, handouts such as short questionnaires on data easily gathered in writing) - Ensure objective is understood 	<ul style="list-style-type: none"> - Review and become familiar with the objectives, session guide, core and probing questions and research plan (or be involved in designing the research plan and session guide) - Plan group icebreakers - Ensure venue is prepared, materials such as white paper or flipcharts complete, snacks, incentives are available - Ensure all plans are appropriate for the local context 	<ul style="list-style-type: none"> - Review and become familiar with the objectives, questions and research plan - Become familiar with the note-taking template - Support with translating documents, as needed 	<ul style="list-style-type: none"> - Identify participants according to the selection criteria provided - Invite participants and make sure they attend - As applicable, provide a venue 	<ul style="list-style-type: none"> - Review and become familiar with the objectives, questions and research plan
Responsibilities: During FGD				
	<ul style="list-style-type: none"> - Ensure good group dynamics and comfortable sharing environment - Ask the key questions and probes using materials such as flipcharts - Lead discussion in a logical manner - Lead according to the type of participants - Stay focused – be a good listener - Unbiased approach – respect participants' opinions - Respect time commitment 	<ul style="list-style-type: none"> - Record key points in the note-taking template - Note non-verbal communication - Manage video/audio /photos - Assist the moderator - Protect the discussion environment and time available - List participants' names with initials to record comments - Observe and record when similar comments are made 	<ul style="list-style-type: none"> - Possibly have a staff member attend in the observer role 	<ul style="list-style-type: none"> - Introduce themselves and their role as learner and supporter - Seat themselves among participants - Do not participate in discussion - Record key observations - Pay attention: listen and observe body language - Assist moderator and assistant moderator, as needed - Take photos, if appropriate
Responsibilities: Post-FGD				
<ul style="list-style-type: none"> - Analyse and interpret results - Decide how results will be used - Present results and next steps to key stakeholders - Moderator responsibilities, depending on project 	<ul style="list-style-type: none"> - Debrief with note-taker, observer and insurance expert - Discuss/clarify any doubts or areas of disagreement - Have the full recording translated and transcribed 	<ul style="list-style-type: none"> - Provide notes, recordings, and attendance list to moderator and/or insurance expert - Take pictures of materials and session (if participants agree) 		<ul style="list-style-type: none"> - Provide notes, observations, and photos to moderator and/or insurance expert and note-taker

2. The research plan

A research plan is essential. This will ensure that the concept is well developed, implementation is fully prepared, all stakeholders are aligned, and that the FGDs will generate the desired data in an efficient and effective way. The key elements to include are as follows.

→ **Objectives.** Briefly describe why the FGDs are being planned. Where are you in the process of addressing the risk management needs of rural poor people? What are the major areas of investigation and the key questions to be answered? What information do you need to have at the end of the FGDs for the session to be considered successful? Refer to Table 1 for some ideas. Also clarify how the findings will be used. Will the FGD results be presented as general findings for a broad, public audience to draw from and build on (i.e. made publicly available)? Or will they be context-specific findings for immediate implementation by specific stakeholders (i.e. remain internal)?

TABLE 3 SAMPLE FGD PARTICIPANT CRITERIA FROM AN AGRICULTURAL MICROINSURANCE PROJECT

General criteria: Agricultural loan holders from Bank X

#	Location	Type of crop	Gender
1	Region A	Irrigated crops	M
2	Region A	Irrigated crops	M
3	Region A	Irrigated crops	F
4	Region B	Cereals, fruits	F
5	Region B	Cereals, fruits	M
6	Region B	Cereals, fruits	M
7	Region C	Cotton, non-irrigated crops	M
8	Region C	Cotton, non-irrigated crops	F
9	Region C	Cotton, non-irrigated crops	F
10	Region D	Wheat, beans, oil seeds	F
11	Region D	Wheat, beans, oil seeds	F
12	Region D	Wheat, beans, oil seeds	M
13	Region E	Cotton, fruits	M
14	Region E	Cotton, fruits	M
15	Region E	Cotton, fruits	F

→ **Identification of the general target segment and selection of the people in the sample.** Whose risk management problems are you seeking to mitigate? This should be specific enough to identify participants in the FGDs, but broad enough to allow for sub-segmentation as necessary. For example, “Rural farming households in region X”; “MFI clients with agriculture loans”; “Beneficiaries of IFAD’s XX programme”. Then consider which additional characteristics may be relevant for sampling, such as gender, age, location, etc. Gender is nearly always a factor, and there should be separate groups of women and men (see Box 2 on how to maximize women’s participation in FGDs). Other factors might be specific crops cultivated, loan status (borrowers vs. non-borrowers), age, specific locality, etc. (see Table 3).

→ **Number and size of groups.** The total number of groups needed will depend on how many of these sub-segments you wish to analyse, as well as how different you anticipate their needs to be. Six to eight participants per group is the ideal size. Another factor is whether you want to gather data from different regions. It is critical to conduct FGDs in sufficient number that trends and commonalities begin to show themselves. Drawing conclusions from one FGD session is a common error. In general, three focus groups per relatively homogenous segment (e.g. female borrowers) should be sufficient to start to identify trends and triangulate information. If all three groups vary in their answers dramatically, you should plan for additional sessions.

→ **Plans for identifying and recruiting specific participants.** In most cases, participants should be invited by an intermediary they know and trust (the intermediary role as described in Table 2). Examples include local officials, representatives of MFIs, savings and credit cooperatives (SACCOs), banks, religious groups, input suppliers, farmers’ associations, other NGOs, veterinarians, community groups, and others active in the target area. The key is finding partners in places where the target populations gather or interact. Identify someone responsible for this who has good contacts and can identify target participants based on the established selection criteria. This person should be provided with high-level information about the FGD, so they can inform the participants and motivate them to attend. A small budget or some compensation for this role may be necessary, if the intermediary does not already have some stake in the project.

→ **Question guides.** Question guides should be prepared for the moderator, usually by an inclusive insurance expert with expertise in demand research. Based on the objectives, guides provide key questions, together with probing questions and potential prompts. Samples of guides in several common areas for insurance and risk management are provided at the end of this brief. Guides should be contextualized for use in sessions; someone familiar with the local context should review them and make sure the phrasing and probing

questions are appropriate and relevant. Guides should be accompanied by note-taking templates, which follow the guide and facilitate efficient note-taking and analysis.

Question guides should also include explanations, where necessary to orient participants throughout the sessions. Concepts to be explained include risks (personal and business), risk coping mechanisms (traditional and financial) and insurance. Insurance product examples can also

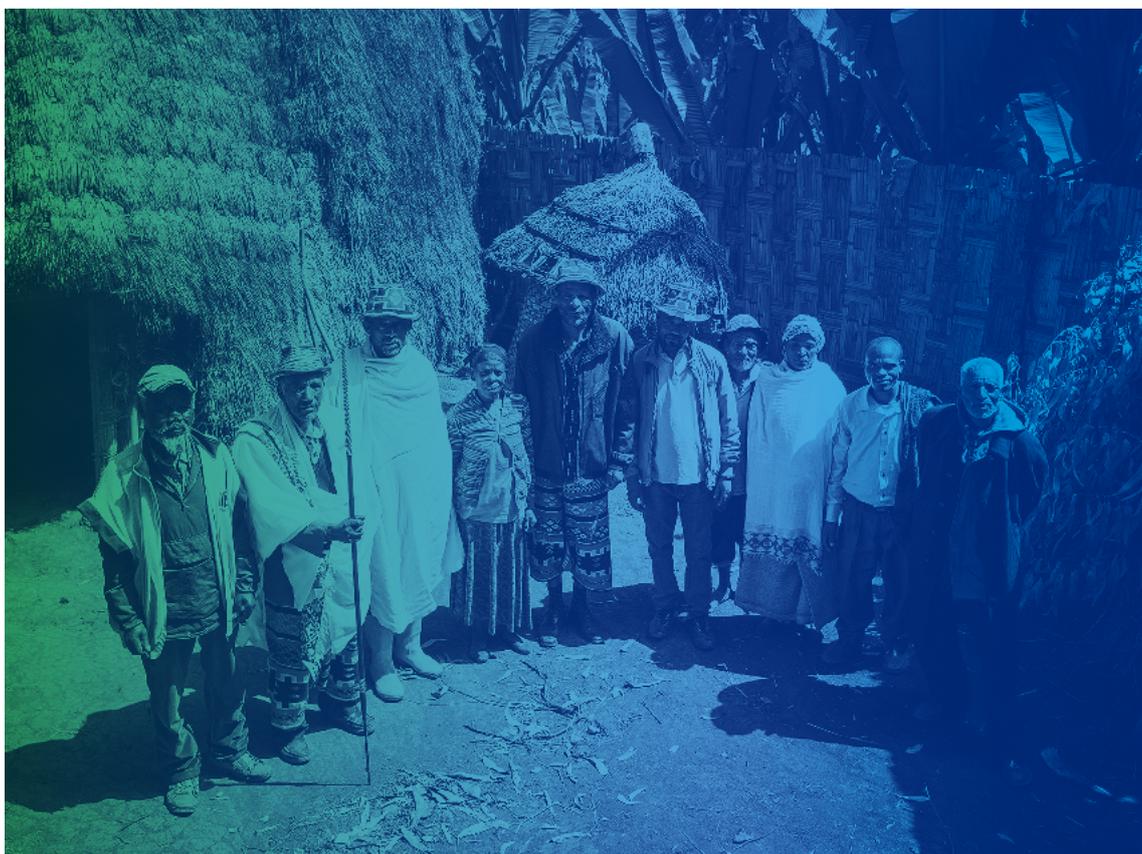
be given, making clear what the product does and does not cover. Be aware of cultural context, education levels and potential misconceptions that may arise. For example, when explaining mobile insurance, participants may think this means insuring their mobile phone or vehicle (a commonly available product) as opposed to accessing insurance products on a mobile phone. Be prepared to explain concepts flexibly and allow time for this.

BOX 2 HOW TO MAXIMIZE WOMEN'S PARTICIPATION IN FGDs

Despite making up half the potential market, women's perspectives are often excluded or underrepresented in research. It is important to ensure that women's voices are heard and that their specific needs and constraints are understood. Practising gender-sensitive research methodologies can help. Some key considerations for FGDs include:

- Holding separate groups of women and men. This is necessary to create a supportive and safe environment in which women can openly share their experiences, ideas, wants and needs.
- Considering that the time of day and location where FGDs are held may differ for women and men, depending on their responsibilities and roles in agriculture and in the home.
- Adjusting who else is present. The moderator should at least be someone women in that community will trust, respect and confide in. This will usually be a woman. Other observers or note-takers can also influence women's level of and comfort with participation, so include observers only when truly necessary.
- Consider how questions may be interpreted differently by women and men, and tailor them appropriately. It is helpful if the moderator is aware of gender concerns and context in the market, and can thus steer the discussions sensitively.

See also: *Making agricultural and climate risk insurance gender inclusive: How to improve access to insurance for rural women*, <https://www.ifad.org/en/web/knowledge/-/publication/making-agricultural-and-climate-risk-insurance-gender-inclusive-how-to-improve-access-to-insurance-for-rural-women>



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→ **Session structure.** Details of how the FGD sessions will be conducted should be agreed in advance, with cultural context a key factor in decisions. Elements to consider include:

- **How many participants per session?** Six to eight participants per group is an ideal size in order to have multiple perspectives and to manage the discussion so that everyone participates fully, but with experienced moderators, larger groups of up to 12 can also work. It is always a good idea to invite more participants than are needed as in most cases not all those invited will attend.
- **What day and time will it take place?** Consider the target participants' lifestyles, work schedules, commitments, and any other barriers to FGD participation. Consider: When do they come back from the fields? What time-based activities do they need to be available for (especially women)? When do they have time to talk? Note that this could be early in the morning, in the evening, on weekends. FGD teams must be flexible and be sure not to cause additional hardships for participants.
- **Where will it take place?** The location should be convenient for the participants, safe, private, quiet and comfortable. This could mean under a tree in a quiet area, in the fields where people are tending crops or livestock, in religious spaces, in a participant's home or yard, at a school that is out of session, or possibly at the location of the organizing partner, such as an MFI or farmers' organization. If not within walking distance for most participants, consider whether transportation can be provided or costs reimbursed. Note that in some jurisdictions, it is necessary to inform local officials of the presence of the FGD team. Be sure to obtain this permission before the FGDs start.
- **How long will it last?** About 1 to 1.5 hours is the ideal length of time, but this will depend on the objectives, group size and cultural acceptability. FGDs should never go over two hours. Remember, the time people spend with the FGD team is time that they are not working, and this can have a heavy opportunity cost for the participants. The FGD team's requirement must be to limit this cost to participants as much as possible. Our research is not more important than their work.
- **Is an interpreter necessary?** The moderator and note-taker should always be fluent in the language of the participants. This helps to contextualize and catch nuances and inferences, especially as participants will discuss among themselves. When any observers attend (e.g. insurance expert, project staff, intermediary staff), they should have their own interpreter so there is not an additional burden of interpretation put on the moderator.

– **Will there be incentives for participants?**

It may be common practice as a minimum to serve a snack and beverage, but additional incentives such as transportation reimbursement or a small token gift may also be appropriate. An informal, voluntary gathering following the FGD is also recommended, but a take-away snack should be offered to participants who need to leave.

– **Will there be any audio or video recording?**

Making a recording of the session is very helpful in ensuring that the details of the discussion are not lost or misremembered. Audio and video recordings can help to bring the reality of the discussion back to local authorities, insurers and others who would benefit from hearing and/or seeing what people are saying on particular issues. This can reinforce the conclusions of the consultants. Make sure to ask people if audio and/or video recording is acceptable, and to record their agreement on the audio or video.

→ **Necessary materials and an interactive approach.**

FGDs should be interactive; they are not a one-way lecture. The use of materials such as flipcharts, post-its, flashcards and stickers allows the moderator to present concepts, and then record and validate what participants are saying. This approach also enables participants to understand complex concepts and encourages them to be more active, moving around, seeing the inputs and building on them. Materials should be prepared in advance and re-usable to the extent possible. Bring extras!

→ **Plans for training.** Moderators (if they have not designed the question guides) should be thoroughly trained before carrying out the FGD sessions. One way to do this is to conduct a practice FGD together with an inclusive insurance expert/donor representative (or whoever created the question guides). This serves as a training opportunity and a way to test the questions and modify the guides.

→ **Expected outputs.** Depending on who is to analyse the data gathered and who is to use the information to design appropriate insurance and risk management solutions, the outputs from the FGD may vary. Do not underestimate the effort required to write up the findings. Make very clear what exactly is expected from those who are implementing the FGDs in terms of the level of detail, length and focus. Possibilities include:

- full translated transcripts
- short reports with major findings and data annexes
- summary results in a template provided
- raw audio/video recordings.



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➔ **Budget.** The budget for conducting FGDs can range from US\$2,000 to US\$20,000 or more. The primary factors affecting the budget are the costs of the key personnel developing the research plan, and preparing and conducting the actual discussions (moderator, note-taker, and interpreter if needed). The number and location of the FGDs is another key determinant. Major expenses to consider include:

- Moderator and co-moderators
- Note-taker
 - Interpreter
 - Translation/transcription
 - Audio/visual recording
 - Transportation (for international consultants or local transport to FGD sites)
 - Food, beverages and token incentive for participants
 - Rental of facility (if necessary)
- Meals and accommodation if the personnel need to travel overnight (which is likely when focused in rural areas)
- Materials such as flip charts and paper

- Inclusive insurance expert time to prepare the research plan and question guides
- Time for the intermediary to recruit participants and organize FGDs
- Costs for topical and methodological training of the moderator and others.

3. Session guide

Once the research plan – including the question guide – has been developed, it is important to create a short document to serve as a session guide for the moderator. This should contain key information to help the moderator conduct an effective and efficient session and ensure a smooth flow of activities during the FGD. In general, session guides would be about two to four pages long and include the following elements.

Session guide: Insurance FGDs

Dates

→ **Objective:** Provide a reminder of the objectives of the FGDs, so that the moderator has the end goal uppermost in their mind.

→ **Preparation** (~30 minutes before scheduled start time): Be clear about what is to be done immediately before each discussion, such as:

- Make sure room is properly configured
- Check all required materials (provide list of materials, including note-taking template)
- As participants enter the room, make sure they fill out the sign-in form/survey.

→ **Introduction** (5 minutes): Provide a short introductory script with key points for the moderator to share with participants:

- Thanking participants for being there
- Briefly explaining why their input is needed
- Outlining the sequence (risks, ...)
- Sharing expectations for how long the session will last and how they should participate
- Introducing those attending (moderator, note-taker, observer, if there must be one)
- Explaining how their inputs will be recorded and used, and any confidentiality issues
- Setting a tone of comfort, openness and respect for the participants as the “experts”.

→ **Question guide** (50-80 minutes): Include the question guide for the moderators, broken down into key topics, with timings indicated for each topic, to help with time management. Samples of question guides for key topics in insurance and risk management are provided at the end of this document.

→ **Closing** (5 minutes): Provide a similar closing script that thanks participants, reminds them of what will be done with the information and who they should contact if they have any questions or concerns.

→ **Follow-up activities** (~30 minutes after scheduled end time): Provide instructions for what should be done immediately after the discussion, such as:

- Share food/beverages/token incentives
- Reimburse participants for transportation
- Take photos of flipcharts/ranking exercises/post-its and similar written materials.

Sample questions for specific topics

The following sample sets of questions can be adapted and used in various combinations, depending on where the project is in terms of product development and the objectives of the FGDs. Note that the questions in Guides A to G would never all be asked in one sitting with participants and can be picked from.

SIGN-IN FORM/SURVEY

It can be helpful to have materials ready to implement a short questionnaire (<2 minutes) for participants to fill out as they arrive. Often there is basic demographic or quantitative information that it is desirable to have from each participant but does not warrant discussion (e.g. household size, size of landholding, loan amount, age). Where feasible, this could be done verbally by the note-taker as part of the sign-in process, or if literacy permits, a short form can be used that each person fills out on their own. This also helps in obtaining proof that the FGD team really did meet these people.

QUESTION GUIDE A GENERAL RISKS

Estimated time: 20-30 minutes

#	Core question	Probing questions/moderator notes	Materials/activities to consider
0	What do you understand by the word “risk”?	<p>What do we mean when we say that risk is “the chance of an unexpected hardship”?</p> <p>Emphasize the uncertain nature of risks; we don’t know when, if or to what degree they might happen.</p>	
1	What are some risks/events/shocks that you or families and/or businesses like yours worry about that might require or cause your income, food supply or assets to be reduced unexpectedly?	<p>Consider what risks you face:</p> <ul style="list-style-type: none"> – While running your farm, business or other income-generating activity. – In your day-to-day family and household life. – In general, and that people face in the community. <p>After respondents answer freely, probe for any particular risks that are not mentioned but that you are interested in, for example:</p> <ul style="list-style-type: none"> – What illnesses worry you? – What accidents or injuries worry you? – What bad weather events affect crops or livestock? – What other risks are there to farming activities? – What consequences would worry you about death of a family member? (Be sensitive when addressing such questions.) – What would worry you about damage to your house or other property? – Does theft or losing assets worry you? If yes, theft of what? Does anything else worry you related to theft? – Do disasters worry you, and if so, which ones? 	<ul style="list-style-type: none"> – Write down each risk on a post-it note/flipchart/whiteboard as they are mentioned. – Group similar risks (health risks, crop risks, etc.), and cluster them early on. – Consider bringing cards with visuals of common risks (disaster, death, accident, livestock loss, health emergency, etc.). – To help them brainstorm, ask what risks they/their community have experienced in the past 5 years.
2	What are the impacts of these events when they occur?	<p>What is the impact of these events on your family and/or business?</p> <p>Probe for any of the following if they are not mentioned:</p> <ul style="list-style-type: none"> – What is the financial cost (expenses you need to cover)? – What is the loss of income, if any? – How does it impact you and your household emotionally? – How does it impact you and your household/business socially? – Is there no impact? (This may be a response for some small shocks.) 	<p>Financial impact stickers: After the discussion, invite participants to place stickers on the three risks that they believe will result in the biggest financial impact. Consider ways to avoid herd mentality, such as asking everyone to think of their answer first, and then place their stickers simultaneously, to avoid putting the spotlight on individuals.)</p>
3	Which of these events happen most frequently?	<p>Let’s look at these risks again:</p> <ul style="list-style-type: none"> – Which of these are the most likely to occur? – In the next 3 to 5 years, which of these things do you think will happen to you the most? – Why do you think that? 	<p>Likelihood stickers: After the discussion, have participants place stickers (of a different colour) on the 3 risks that they believe are most likely to affect them.</p>
4	Which of these events do you worry about the most?	<ul style="list-style-type: none"> – Have participants vote (using stickers) for the top 3 most worrisome risks. – Why did you select the risks that you did? – Considering all these risks and factors – cost, likelihood and worry – as a group can we rank these in the order of most important to least important? – End this part by saying: in the next session we will look at how you cope with these risks, and what other options there might be. 	<p>Severity/worry of risks: Have participants individually vote with the stickers for the most worrisome risks.</p> <p>After the discussion, as a group, rearrange the cards in order, beginning with the most dots. Discuss if that is correct and rearrange as necessary, asking for the reasons why they are ranking risks in that way. When they are satisfied with the overall ranking, record the ranking on each card.</p>

RETURN TO TABLE 1

QUESTION GUIDE B RISK MANAGEMENT AND COPING

Estimated time: 30-40 minutes

This guide is intended to gain insight into the adequacy of participants' existing mechanisms for risk reduction ("ex ante" or prior to the risk event occurring) and risk coping ("ex post" or after the risk event occurring), and into how insurance can play a role. It can be helpful to note in advance that in the case of risk coping, participants can consider both actual experiences if a risk has happened to them or someone they know, as well as hypothetically what they believe they would do if it happened to them.

#	Core question	Probing questions/moderator notes	Materials/activities to consider
0	Identify 2-3 top risks/risks of interest, and ask participants to focus on these (e.g. from Guides A or E)		
1	Considering these risks, what do you usually do to prepare for them in advance, to reduce the likelihood of them happening, or to minimize their impact?	<p>The coping strategies you traditionally use:</p> <ul style="list-style-type: none"> – Responses could include: savings, membership of a risk group, restricting activities to limit potential risk, buying insurance, diversifying activities, planting drought-resistant crops, etc. Ask follow-up questions to understand the strategies more fully. – How easy or difficult is it to do these things? – Do you actually do these things? Do you do others? – Is there any reason someone might choose not to do this? – How much does this help? After doing this, would you still worry about the risk? 	<ul style="list-style-type: none"> – Write down each risk on a post-it note/flipchart/whiteboard as they are mentioned. – Group similar risks (health risks, crop risks, etc.), and cluster them early on. – Consider bringing cards with visuals of common risks (disaster, death, accident, livestock loss, health emergency, etc.). – To help them brainstorm, ask what risks they/their community have experienced in the past 5 years.
2	Review: In the event Risk X actually occurs, what are the financial losses or expenses incurred?	<ul style="list-style-type: none"> – For example, loss of income due to lost yield; loss of food for family, meaning increased costs to purchase, or poor nutrition if not purchased; must pay back input loan with no income. 	Prepare examples that were mentioned in Guide A or E, or other sources.
3	If Risk X does happen, how have you responded in the past, or how would you respond?	<ul style="list-style-type: none"> – How have you and other families responded to or managed the shock when it happens? – What can be done to get the necessary amount of money to replace what you have lost? Responses could include: get money from family and friends; use savings; borrow at no or some interest rate; reduce consumption, including food, school fees or other; use current income; sell assets; get additional work, etc. – Ask follow-up questions to understand how the strategy works in practice. For example, if picking up day labour is a coping strategy, find out: Where do you work: locally/capital region? What is the current daily wage (men/women/food payment)? Are there worse years (drought = more workers)? How many days can you get (per month/how many months)? <p>Of all the strategies mentioned:</p> <ul style="list-style-type: none"> – Which do you expect you would actually do? What else? – Which of these are the most important/cover the most costs? – Which ones take the most/least time to implement? – In what situations would you use or not use a particular strategy? 	<p>List all strategies on a flipchart or post-it notes as they are mentioned.</p> <p>Once there is a full list and you have discussed them, have participants rank the top 3 most important strategies that they would actually use if faced with the given shocks. (Use stickers pre-labelled 1-3.)</p>
4	Of all the different strategies we just spoke about, are there any negative repercussions? Limitations?	<ul style="list-style-type: none"> – What are the downsides? (Ask about cost, availability, health/quality of life consequences, social consequences, stigma, etc.) What are the limitations (e.g. if a disaster strikes, village funds or informal loans are limited)? – Which strategies would you avoid if you could? – What are the overall costs of using these strategies? 	

#	Core question	Probing questions/moderator notes	Materials/activities to consider
5	How effective are these strategies?	<ul style="list-style-type: none"> – Given the costs of Risk X, and the ways in which you have to cope with it, how much financial hardship does this cause for your families? – Are the strategies we discussed enough? How long (how many months) would it take you to get back to “normal”? – What else would help you to better manage these risks? 	

[RETURN TO TABLE 1](#)

QUESTION GUIDE C KNOWLEDGE, EXPERIENCE AND PERCEPTIONS OF INSURANCE

Estimated time: 10-15 minutes

#	Core question	Probing questions/moderator notes
1	What do you understand by the word “insurance”?	<ul style="list-style-type: none"> – Can you explain how insurance works in general? – Assess how people understand premiums, risk pooling, the fact that the premium is not given back if nothing happens, etc. (i.e. How does one pay for insurance?) – What types of insurance do you know about? – Why do people buy insurance? – Note vocabulary and words used. – If people do not have a good understanding of insurance (which is likely), explain how an insurance mechanism works. Draw on local risk-sharing mechanisms as examples, if relevant.
2	<i>(If they know about insurance)</i> How did you learn about insurance?	<ul style="list-style-type: none"> – What efforts are there to enable people to understand insurance? – Who provides this information?
3	Have you or a family member or friend ever been offered insurance? Have you or they ever bought it?	<ul style="list-style-type: none"> – What type of insurance were you offered? (Probe for specific types.) – Can you tell me how it works? – What made you decide to get insurance? – Have you ever made a claim? How did you do it? – Are you happy with your current policy? Why/why not?
4	What is your opinion of insurance?	<ul style="list-style-type: none"> – What do you think are the disadvantages or limitations of insurance? – How trustworthy are insurance companies? – How easy or difficult is it to get insurance? – How do you think insurance can help you? – Why do you think some people do not use insurance products? (Ask why not: could be about cost, availability, trust, health/quality of life consequences, social consequences, stigma, etc.)

[RETURN TO TABLE 1](#)

QUESTION GUIDE D HOUSEHOLD ECONOMICS IN AN AGRICULTURAL RISK SETTING

Estimated time: 30-45 minutes

#	Question category	Probing questions/moderator notes	Materials/activities to consider																																																																																																																																																																				
1	Understanding crops	<ul style="list-style-type: none"> – How do you determine which crops to plant each year? – How many crop cycles do you have? – What are the other on-farm activities in this group/your area? – What are the other non-agricultural sources of income and activities? – Which of these crop(s) are usually sold and which are consumed? – How do you sell your harvest? (To whom/where/under what conditions?) 																																																																																																																																																																					
2	Cropping calendar	<ul style="list-style-type: none"> – Production: For crop(s) X, when do you start (as applicable): Land preparation? Planting? Weeding? Harvesting? Sales? – Other cycles: What are other key cycles you need to be aware of? (e.g. price cycles, labour availability, food purchase) and when are these important? 	Use a calendar grid to describe activities, pre-populate with information that is already known, such as common wet/dry seasons																																																																																																																																																																				
<table border="1"> <thead> <tr> <th colspan="2">SEASONS</th> <th>Jan</th> <th>Feb</th> <th>Mar</th> <th>Apr</th> <th>May</th> <th>Jun</th> <th>Jul</th> <th>Aug</th> <th>Sep</th> <th>Oct</th> <th>Nov</th> <th>Dec</th> </tr> </thead> <tbody> <tr> <td colspan="2">Rainy season</td> <td></td> </tr> <tr> <td colspan="2">Snow</td> <td></td> </tr> <tr> <td rowspan="3">Agricultural seasons</td> <td>Winter crop</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>harvesting</td> <td></td> <td></td> <td>planting</td> <td></td> <td></td> </tr> <tr> <td>Spring crop</td> <td></td> <td></td> <td>planting</td> <td></td> <td></td> <td></td> <td></td> <td>harvesting</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Summer crop</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>planting</td> <td></td> <td></td> <td></td> <td>harvesting</td> <td></td> <td></td> </tr> <tr> <td colspan="2">Lean season</td> <td></td> </tr> <tr> <td colspan="2">KEY CYCLES</td> <td></td> </tr> <tr> <td colspan="2">Staple food price cycles</td> <td></td> <td colspan="2">normal</td> <td></td> <td>high</td> <td></td> <td colspan="2">low</td> <td></td> <td colspan="2">normal</td> <td></td> </tr> <tr> <td colspan="2">Local agricultural labour</td> <td></td> <td colspan="10"></td> </tr> <tr> <td colspan="2">Labour migration</td> <td></td> <td></td> <td></td> <td></td> <td colspan="6"></td> <td></td> </tr> <tr> <td colspan="2">Fuel price peak</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td colspan="2">high</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>				SEASONS		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Rainy season														Snow														Agricultural seasons	Winter crop							harvesting			planting			Spring crop			planting					harvesting					Summer crop						planting				harvesting			Lean season														KEY CYCLES														Staple food price cycles			normal			high		low			normal			Local agricultural labour													Labour migration													Fuel price peak							high						
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3	Questions around specific related activities, e.g. irrigation	<ul style="list-style-type: none"> – How many crop cycles can you obtain under irrigation? (1-3) – How is the irrigation system financed (\$/frequency)? – Do you belong to a water users' association? – How does the payment system work? – Are there any challenges? – Repeat for other relevant topics: financial service providers, extension services, input purchases via cooperatives, etc. 																																																																																																																																																																					
4	Production budget and financial exposure	<ul style="list-style-type: none"> – What is your budget for a year of production for one acre of X (main) crop? – Can you describe each expense type? (Item and range of cost.) – In terms of yield, what does an average year, bad year, good year mean (kg/tonne per acre)? And in terms of income (price per kg/tonne)? – How do you usually finance the activities and input? (Cash crop income, livestock sales, loan, savings, salary, commercial business/trading, remittances from relatives, other.) – How about farmers in your community/area? What are the constraints to accessing finance, if any? 	On a large sheet of paper, draw 2 columns and fill grid (see production budget example below).																																																																																																																																																																				

Production budget – per hectare

Expenses/Activities	Amount in local currency	Income	Amount in local currency/tonnes
Land access (if renting)		Good yield (tonnes)	
Land preparation		Average yield (tonnes)	
Planting		Poor yield (tonnes)	
Weeding		Good price (local currency)	
Seeds		Average price (local currency)	
Fertilizers		Poor price (local currency)	
Pesticides		Income from your labour for others (local currency)	
Cost of others' labour		Rental of your machinery to others (local currency)	
Rental of machinery from others			
Loan interest			
Harvesting			
Transportation of output			
Storage			
Fumigation (e.g. storage pests)			
Association fees			
Other			

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QUESTION GUIDE E DEEP DIVE ON AGRICULTURAL AND CLIMATE RISKS (CROPS)

Estimated time: 30-45 minutes

This question guide could be used when there is already an identified need/priority to address agricultural risks or when agricultural risks have been ranked as a priority in previous discussions, such as after the use of Question guide A. Additional similar question guides can be built around other risk categories, such as health and loss of life, which focus on understanding the specific sub-risks and quantitatively and qualitatively describing the impact.

#	Core question	Probing questions/moderator notes	Materials/activities to consider
0	Explain that we want to understand their risks related to their agricultural activities. Do not focus on insurance in this section yet.		Draw a calendar on a flipchart.
1	What are the risks that your crops are exposed to?	<p>Overview of production risks</p> <ul style="list-style-type: none"> – Without giving examples, identify risks such as pests and diseases, wind, excess rainfall, drought, cold, prices, theft. – How would you describe these phenomena? (Ask for enough detail to ensure a common understanding.) – When does this usually occur? (e.g. around specific dates or seasons, festivals, time indication? Note on the calendar.) 	Use cards/post-its with risks and place them on the crop calendar drawn on flipchart.
2	Which of the climatic events do you worry the most about? Why?	<p>Digging deeper into the most worrisome 2 or 3 risks mentioned:</p> <ul style="list-style-type: none"> – When in the season do you realize (if applicable) the actual/final impact on your harvest? How is the damage observed on your crop? – Is this frequent in the area? Ask how often, if cycles form, etc. – Does it impact everyone? Or do you have marked microclimates? – Have you noticed weather patterns or trends over your lifetime? (Give relevant and context-appropriate weather example.) – What is the impact level on your yield? (e.g. loss of 50% of expected harvest.) 	Prepare examples that were mentioned in Guide A or E, or other sources.

#	Core question	Probing questions/moderator notes	Materials/activities to consider																																			
3	How do pests and diseases affect crop X?	<ul style="list-style-type: none"> – Which pest and diseases have you experienced/do you know for crop X? – When in the season do you realize (if applicable) the actual/final impact on your harvest? How is the damage observed on your crop? – What is the impact on yield? (10/50/100%) – What solutions are you commonly using? (Mixing crops, chemicals, agroecology?) What is the cost of these solutions? – Is technical assistance provided? How helpful is it? (e.g. extension workers.) 	<p>List all strategies on a flipchart or post-it notes as they are mentioned.</p> <p>Once there is a full list and you have discussed them, have participants rank the top 3 most important strategies that they would actually use if faced with the given shocks. (Use stickers pre-labelled 1-3.)</p>																																			
4	What are the other elements that impact the yields of your production or the production in this area?	<ul style="list-style-type: none"> – Describe if applicable: post-harvest losses, seeds/ input quality issues, soil acidification or erosion, other? – If price is one of the main risks: How much does the price fluctuate (what is the range)? When/over which months does it fluctuate? 																																				
5	How have the harvests been in the last 6 years, and were there any significant events?	<table border="1"> <thead> <tr> <th></th> <th>2020</th> <th>2019</th> <th>2018</th> <th>2017</th> <th>2016</th> <th>2015</th> </tr> </thead> <tbody> <tr> <td>Good</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Average</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Bad</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Event(s)</td> <td></td> <td>Hail</td> <td>Drought</td> <td>Frost</td> <td>...</td> <td></td> </tr> </tbody> </table>		2020	2019	2018	2017	2016	2015	Good							Average							Bad							Event(s)		Hail	Drought	Frost	...		<p>Have participants place stickers as applicable from their experience or perspectives.</p>
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QUESTION GUIDE F INSURANCE DELIVERY ISSUES

Estimated time: 10-30 minutes

IDENTIFYING DISTRIBUTION CHANNELS (WHEN THE CHANNEL/PARTNER IS NOT YET KNOWN)

#	Question category	Probing questions/moderator notes	Materials/activities to consider
1	Types of channels	<ul style="list-style-type: none"> – What types of groups, organizations, companies or institutions do you visit on a regular basis? These are places like a rural savings and credit co-op, input suppliers, churches, post offices, water users' associations, etc. They do not have to be related to financial services. – Ask specifically about any channels of interest that are not mentioned during the free response. 	<p>Set up a grid on a flipchart. Record names of channels mentioned in the first column.</p>
2	Access	<ul style="list-style-type: none"> – How often do you visit or go to each of these places? As a group decide on the typical frequency, e.g. once a month, at harvest time only. – Which are the easiest to get to? Assign each as easy, moderate, difficult to get to. 	<p>For each channel, add a note or symbol to indicate the frequency of visits in the second column, and the ease of access in the third column.</p>
3	Trust	<ul style="list-style-type: none"> – Which of these do you trust the most? Why? – Are there any that you don't trust? – For each channel, come to a consensus as to whether the channel has generally high, medium or low trust. 	<p>Note the level of trust in the fourth column.</p>
4	Would you buy insurance from this distribution channel?	<ul style="list-style-type: none"> – Which of these distribution channels would you most consider getting insurance from? Why or why not? 	<p>Have participants rank their top 3 distribution channels, using stickers pre-labelled 1-3.</p>

UNDERSTANDING THE OPPORTUNITIES AND CHALLENGES WITH A KNOWN DISTRIBUTION CHANNEL

If there is a relationship or opportunity with a particular distribution channel, it can be useful to get participants' viewpoints on their interactions with, and trust and perceptions of, that channel (e.g. details of how they interact with a water users' association, a rural co-op, an input supplier). The example here is for microfinance institutions (MFIs).

#	Core question	Probing questions/moderator notes
1	What is your overall experience with your MFI?	<ul style="list-style-type: none"> – Besides loans, have you used other services offered by the MFI? What was your experience with these services? – What has the loan process been like? What do you think is done well? What would you like to see done differently? – Did you experience any challenges in accessing the services? (E.g. was information hard to get or confusing, was it difficult to pay all at once, was the timing of payment poor, were enrolment documents difficult to complete or obtain?) – What else would you like to see your MFI do?
2	What is your repayment experience?	<ul style="list-style-type: none"> – What keeps you from making your repayments on time? – How do you get the money to make your repayments each month? What happens when income is not enough to cover the loan repayment? – What could you do to help reduce your worry about loan repayments?
3	Have you taken loans from other MFIs?	<p>(If there is more than one MFI.)</p> <ul style="list-style-type: none"> – Were the other loans at the same time or at different times to your loan from this MFI? – Why did you go to different MFIs?

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QUESTION GUIDE G INSURANCE PRODUCT PROTOTYPE QUESTIONS FOR A GROUP SETTING

Estimated time: 20-30 minutes

Show and explain the basic insurance product prototype to participants before asking questions. This prototype should include information on product benefits, coverage (sum insured), term of cover (i.e. seasonal), how to make a claim, and how to ask questions or make comments about the product. See the table below for a sample product prototype.

SAMPLE INCLUSIVE INSURANCE CROP PRODUCT PROTOTYPE

Benefits	<ul style="list-style-type: none"> – In case of crop failure due to drought: payout of Ethiopian Birr 1,500-8,000 – Farmers receive a fixed amount, which they choose at the start, based on the expected value of their harvest. – If there is no crop failure at the end of the season, farmers receive nothing.
What is covered?	Any rainfed crops, in case of drought (no other risks are covered).
Term of cover	21 June-24 September
How is a drought determined?	A satellite will gather data on rainfall each day, and will calculate whether there has been enough rainfall over the covered period. If a drought is detected in this village, everyone who enrolls will receive a payout.
What if there are questions or problems?	There is a call-in number for any questions, available any time to all who purchase the insurance.

PRODUCT PROTOTYPE QUESTIONS

#	Core question	Probing questions
1	What do you think?	<ul style="list-style-type: none"> – What were the first words/ideas/thoughts that came into your mind about this product? – Is there anything that caught your attention? What? Why? Is there anything you particularly liked/disliked? – Is there anything unclear?
2	Relevance/value	<ul style="list-style-type: none"> – What would you use these benefits for? How would you spend the payout? (Ask specifically what things they would buy, save, or spend the money on, to understand how they would use the payout to recover from the event.) – Does this insurance have any disadvantages? Which would they be? Why do you consider these disadvantages? Explain. (Make sure they understand that if there is no crop loss and they do not “use” the insurance, they do NOT get their money back.) – How many days after the crop failure would be the ideal time to get the benefit amount? Why? – Would this amount of insurance cover be sufficient for you if your whole crop failed? What amount would be? What amount of cover would be sufficient if half of your crop failed?
3	Payment	<ul style="list-style-type: none"> – When during the year do you have extra cash available to pay for insurance?
4	Claims	<ul style="list-style-type: none"> – What is the most convenient way to get your money benefit in case of crop loss? <p><i>For this satellite method of insurance, the insurance company agrees to pay only if the satellite determines a drought in your area. The data from the satellite might not be perfect. It is possible that your farm may have a drought on your land, but the satellite indicates that there was enough rain in the village overall, and therefore you will not receive a payout. So there is a chance you will have a loss but will not get paid. Or sometimes the opposite happens (you don't have a drought, but the satellite says a drought has occurred, and you receive a payout).</i></p> <ul style="list-style-type: none"> – What questions or concerns do you have about this?
5	Conclusions	<ul style="list-style-type: none"> – Why would you buy this product? What particular aspects make it attractive enough to buy? Why wouldn't you buy this product? What would stop you from buying it?

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INSURED

is a US\$6 million programme financed by Sida (the Swedish International Development Cooperation Agency) and implemented by IFAD through the Platform for Agricultural Risk Management (PARM). The five-year programme's goal is threefold:

- increase the resilience of poor rural households in the face of climate risks
- build their capacity to manage risks
- strengthen their livelihoods.

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CONTACT

insured@ifad.org



International Fund for
Agricultural Development
Via Paolo di Dono, 44
00142 Rome, Italy
Tel: +39 06 54591
Fax: +39 06 5043463
Email: ifad@ifad.org
www.ifad.org

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