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Breaking Barriers: Understanding the Factors Behind Low Agricultural Insurance Uptake in Zhombe District

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The study "Breaking Barriers: Understanding the Factors behind Low Agricultural Insurance Uptake in Zhombe District" looks at the main problems that smallholder farmers in Zhombe North District have when they want to acquire agricultural insurance. The main goal is to find out what these farmers think and believe about crop insurance. The study uses a mixed-methods approach, which combines qualitative and quantitative methods, because it is based on a practical research philosophy. The study chose 279 people from a group of 1,014 farmers in wards six to eight. This group included 20 non-life insurance companies and 259 smallholder farmers. The study employed structured surveys to collect quantitative data and thematic analysis to gather qualitative insights. The results show that people don't purchase insurance for three main reasons: they don't trust it, they can't afford it, or they don't know enough about it. Many farmers are unaware of how insurance can benefit them and believe it is a waste of money. The study makes it obvious that there is a need to quickly come up with affordable insurance options and focused training programs. It also shows how vital it is for the government to help people get insurance. The study hopes to improve sustainable farming methods and farmers' ability to bounce back from setbacks in Zhombe District and other parts of Zimbabwe by addressing these issues. The study provides crucial information that can assist policymakers in making decisions to enhance agricultural insurance systems and promote economic growth in rural areas. Such actions will make both local and national food security and resilience stronger.

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INTRODUCTION

Zhombe District, located in Zimbabwe's Midlands Province, roughly 200 kilometres southwest of Harare, the nation's capital, is known for its communal farming practices. With an average annual rainfall of 600 to 800 mm and a distinct wet season that lasts from November to March, the district has a subtropical highland climate. However, in recent decades, mid-season dry spells and droughts have increased in frequency and severity, making Zhombe particularly vulnerable. As a result, the region's agricultural productivity and food security have been greatly impacted, underscoring the growing need for efficient risk mitigation strategies such as agricultural insurance.

The importance of agriculture to global economic development, especially in developing countries, cannot be overstated. In regions like Zhombe, smallholder farmers make up a large portion of the rural population and are essential to food production. Yet, these farmers face numerous challenges that threaten their livelihoods, including erratic weather patterns, pests, diseases, and limited market access. Such obstacles can lead to significant crop losses, negatively affecting both income and food security in these communities.

Given this strong reliance on agriculture, effective risk management techniques are vital. Agricultural insurance serves as a key instrument for reducing these risks by offering financial protection against losses caused by the inherent uncertainties in farming. Despite its potential benefits, agricultural insurance remains remarkably underutilised among

smallholder farmers worldwide, with regions like Zhombe, Zimbabwe, being no exception.

Several factors contribute to the global under-adoption of agricultural insurance. These include low awareness, a lack of knowledge regarding the efficacy of insurance, concerns about affordability, and mistrust of providers (Madaki et al., 2023). Additionally, studies from regions such as the Czech Republic reveal that the adoption of formal risk management strategies is influenced by factors like farm size and risk perception (Kislingerová & Pipika, 2022). Strategies to increase uptake often focus on raising awareness, improving product quality and design, and addressing affordability concerns (Nshakira-Rukundo et al., 2021).

These challenges are particularly pronounced in Africa. Despite the potential of crop insurance to protect against climate risks, only a small fraction of farmers on the continent purchase it (Nshakira-Rukundo et al., 2021). Adoption is further hindered by issues such as low income, regulatory barriers, poverty, and limited knowledge of insurance products (Malambo, 2022). Efforts to lower costs, enhance government support, and improve product quality have been shown to boost uptake (Nshakira-Rukundo et al., 2021).

Zimbabwe faces many of these same challenges, including low awareness, affordability concerns, and trust issues (Hlatshwayo & Mpundu, 2025). Research indicates that factors such as farmers' income, education level, and farming experience play a significant role in their willingness to purchase crop insurance (Nyathi & Tshuma, 2024). Innovative solutions like parametric insurance,

which offers faster payouts linked to measurable weather events, may help smallholder farmers build greater resilience (Hlatshwayo & Mpundu, 2025).

Despite these potential solutions, the low rate of adoption remains a persistent issue in Zimbabwe. This trend is fueled by a general lack of trust in insurance providers, inadequate awareness of the benefits of agricultural insurance, and limited understanding of policy details. Consequently, smallholder farmers remain highly vulnerable to climate-related shocks, further aggravating food insecurity (World Bank, 2020). With recent gross premiums for agriculture at just 2.78%, 1.84%, and 1.42%, insurance penetration remains low despite the clear need for protective measures (IPEC, 2020–2022).

Given this context, the goal of this study is to thoroughly investigate the factors contributing to the limited adoption of crop insurance among smallholder farmers in the Zhombe North district. The research explores farmers' perceptions of insurance, the risks they face, and potential strategies for increasing insurance awareness and accessibility. Understanding these dynamics is imperative, as increasing insurance uptake could play a crucial role in hunger reduction, poverty alleviation, and the overall well-being of rural communities.

METHODS

This study uses a pragmatic research philosophy, which is perfect for applying a mixed-methods approach to real-world problems. The study attempts to fully comprehend the elements influencing smallholder farmers' decisions to buy crop insurance in Zhombe North District by combining quantitative and qualitative data (Dawadi, Shrestha & Giri, 2021). Agriculture extension agents have identified 1,014 smallholder farmers who live in the six, seven, and eight wards of Zhombe North District as the target population. Zhombe North was chosen because, in comparison to nearby districts, it has a higher concentration of

smallholder farmers. Using a 95% confidence level and a 5% margin of error, a statistically representative sample size of 279 participants was calculated using the Raosoft online sample size calculator (<http://www.raosoft.com/samplesize.html>).

The sample consisted of 20 active non-life insurance companies registered with the Insurance and Pensions Commission (IPEC) and 259 smallholder farmers. To determine the factors influencing farmers' decisions to buy insurance, structured questionnaires containing closed-ended questions were dispersed throughout the three wards of Mabura, Sidhakeni, and Empress Mine for the quantitative component. To ensure representation from every ward, stratified random sampling was used to choose survey respondents. Participants were chosen for in-depth interviews using stratified purposive sampling for the qualitative component, which offered a variety of local viewpoints. Twenty qualitative interviews were carried out in total, five with representatives of non-life insurance companies and fifteen with smallholder farmers. Participants were able to go into further detail about their experiences with crop insurance during the 45–60 minute interviews, which were conducted according to a semi-structured interview schedule. Consent was obtained before the interviews were recorded, and they were then transcribed for analysis.

Multiple regression statistical methods were used to analyse quantitative data to find important correlations and factors affecting smallholder farmers' adoption of insurance. To identify recurrent themes and gain a deeper understanding of participant narratives, thematic analysis was applied to qualitative data. At different points, the qualitative and quantitative findings were integrated, with the qualitative insights giving the statistical results depth and context (Skamagki et al., 2022; Wasti et al., 2022).

To guarantee compliance with ethical research procedures, ethical approval was acquired from the

relevant institutional review boards. All participants gave their informed consent after receiving guarantees of confidentiality and the freedom to leave the study at any moment (Lee, 2023). In Zhombe North District, this mixed-methods approach provides a thorough understanding of the factors influencing smallholder farmers' crop insurance decisions by fusing strong quantitative analysis with insightful qualitative data. The findings are anticipated to inform future policies

and initiatives aimed at boosting insurance enrollment in the area.

RESULTS

Data Analysis on Low Uptake Causes and Recommendations to Increase Them

The data below shows the percentages of several factors that contribute to low uptake. This is a summary:

Reasons for Low Uptake

	Agree (%)	Disagree (%)
Total number of participants is 279		
Lack of Knowledge	70	30
High Premiums	58	42
Unnecessary Expense	64	36
Availability of Substitute risk methods	62	38
Lack of trust in Insurance	63	37
Lack of Income	70	30
Inadequate infrastructure	60	40

Source: *Researcher (2025)*

Ideas to Promote Uptake

Potential uptake-boosting tactics are listed in this section, along with the corresponding support percentages.

	Support (%)	Oppose (%)
Total number of participants is 279		
Mobile Marketing	40	60
Education	78	22
Tailor-Made Products	68	32
Affordable Premiums	53	47
Government Intervention	65	35
Opening New Branches in Zhombe	60	40

Source: *Researcher (2025)*

Qualitative Findings from Interviews on the Uptake of Agricultural Insurance

To complement the quantitative findings on the factors influencing the low adoption of agricultural insurance in Zhombe District, qualitative interviews were carried out with a wide range of participants, including smallholder farmers, insurance brokers, and leaders of the local community. The interviews

offered detailed perspectives on the problems and possible fixes noted in the survey data.

Absence of Knowledge: Many farmers said they were unclear about agricultural insurance and didn't fully comprehend its terms and conditions. For instance, a 46-year-old man who grows maize in Ward eight stated, "I am aware of insurance, but I am not sure how it operates or what its potential

benefits are." Others shared this opinion, with the majority of farmers exhibiting a general hesitancy to trust insurance companies despite having little understanding of the specifics of their policies. Some, such as a Ward Six vegetable farmer, 31 years old, stated, "I have heard about insurance from others, but no one has really explained it to me in a way I understand." Conversely, insurers observed that customers hardly ever review the terms and conditions prior to enrolling.

Insufficient Income: One recurrent theme was financial constraints. According to a 54-year-old male community leader, "The majority of farmers live paycheck to paycheck; they consider insurance an unaffordable luxury." As a 38-year-old male cattle farmer from Ward Seven stated, "We only get money after harvest, so paying for insurance upfront is just too difficult." Farmers highlighted the difficulty of irregular income. Despite farmers' requests for post-harvest payment options, insurance companies insisted that pre-disaster payments are required for coverage.

Trust Issues: One of the main obstacles was trust. Several participants related unpleasant experiences. A 57-year-old widow and groundnut farmer from Ward six revealed, "I tried to get insurance before, but when it came time to submit a claim, they told me I wasn't eligible." "Insurance needs to be more dependable and transparent for us to trust it," said many, including a 64-year-old retired mine worker and community elder. Experiences with other insurance types (life, car insurance & medical) also influenced perceptions, with the majority expressing doubts about the dependability of regional insurance providers. Insurers cited Zimbabwe's unstable economy as one of the challenges in honouring claims.

High Premiums: Many people thought that premiums were too expensive. A 29-year-old female bean farmer from Ward eight explained, "I would consider insurance if it weren't so expensive; right now, I need every dollar for seeds and fertiliser." It was difficult for farmers with low

incomes and yields to defend insurance expenditures. Insurance companies retorted that monthly payments, if possible, could lower insurance costs and that annual payment plans raise premiums. Logistical issues further hindered adoption. A 45-year-old man who grows sorghum in Ward Six stated, "There are no agents around here, and I don't have internet to look at my options." The options available to rural farmers are limited by a lack of brokers and internet services, as well as inadequate transportation infrastructure. Insurance companies acknowledged that low rural uptake makes infrastructure investments unappealing, citing connectivity as a persistent issue.

Ideas for Supporting Adoption Education Programs:

Many people called for workshops and information sessions, demonstrating the strong support for education. A 34-year-old woman from Ward Seven who grows sunflowers proposed that regular meetings with professional explanations of insurance would probably boost enrollment. Farmers who lacked insurance knowledge responded particularly positively to this concept. Participants advocated for customised insurance plans that align with their farming methods. A 42-year-old male mixed-crop farmer from Ward Six stated, "We need insurance that understands our crops and local conditions, not a generic solution." This kind of personalisation was thought to have the potential to boost adoption.

Government Intervention: Many believed that the government could help increase adoption. A 50-year-old male local leader from Ward eight said, "It would have a big impact if the government could help with cost reduction or information sharing."

Mobile Marketing: Some younger farmers saw the potential of mobile marketing, even though quantitative data indicated little support for it. A 23-year-old female horticulture farmer from Ward Seven suggested that since most young people have

phones, sharing information via WhatsApp or SMS could be effective. The participants emphasised the importance of incorporating mobile solutions into larger educational initiatives.

DISCUSSION

The analysis of agricultural insurance uptake in Zhombe District reveals critical barriers and opportunities for improvement that resonate with existing literature. A primary barrier identified is the "Lack of Knowledge," with 70% of farmers unaware of the benefits and mechanics of agricultural insurance. This finding aligns with studies by Mustapha, Kaechele, and Bavorova (2023), indicating that low awareness is a common issue across various regions, including Nigeria and Ghana. The study also highlights "Lack of Income," where 70% of respondents indicated that economic constraints deter them from purchasing insurance. This is consistent with findings from Ghazanfar et al. (2015), which assert that high premium prices discourage uptake. Additionally, trust issues emerged as a significant barrier, with 63% of farmers expressing scepticism toward insurance providers. As noted by Budhathoki et al. (2019), building trust through transparency and reliable service is essential for increasing participation in insurance programs. To address these barriers, the study suggests several strategies. Notably, there is overwhelming support (78%) for educational initiatives aimed at increasing awareness and understanding of insurance products. Tailor-made insurance products (68%) that cater to the specific needs of local farmers could also enhance uptake. Government intervention (65%) is crucial, as policy measures and public awareness campaigns can facilitate greater access to insurance. While mobile marketing received the least support (40%), it still presents an opportunity for outreach, particularly in a region with high mobile phone usage.

Interestingly, the findings also acknowledge contrasting results from other studies. For instance, research from Chipata District indicates that pricing may not significantly impact insurance decisions,

and an inverse relationship between higher education and insurance participation was observed in Tanzania (Machangu-Motcho & Hepelwa, 2025). Furthermore, while some literature suggests a positive relationship between past shocks and microinsurance use, Cole et al. (2013) found no such correlation, indicating that farmers' decision-making processes are complex and context-dependent. It is crucial to recognise that this analysis has certain limitations. Because some groups, especially young farmers, may be underrepresented, the sample's representativeness may have an impact on how broadly the results can be applied. Although younger generations are more likely to use social media platforms like WhatsApp and mobile text messaging, traditional data collection techniques might not adequately capture their distinct viewpoints and preferences regarding the adoption of insurance. In light of the fact that younger farmers are becoming a more important segment of the agricultural industry in Zhombe District, it is suggested that future interventions should take into account using digital platforms in addition to aiming for greater demographic representation.

Addressing knowledge gaps and economic barriers is essential for increasing agricultural insurance uptake in Zhombe District. By focusing on education, tailored products, and government support, stakeholders can foster a more resilient agricultural insurance framework, ultimately enhancing the sustainability of the agricultural sector in the region. This comprehensive understanding will inform future research and interventions aimed at effectively breaking down barriers to insurance uptake.

CONCLUSION

"Breaking Barriers: Understanding the Factors Behind Low Agricultural Insurance Uptake in Zhombe District" says that the main reasons farmers don't obtain crop insurance are a lack of trust, a lack of information, and not having enough money. To correct these issues, policymakers should launch

focused education campaigns to raise public awareness of the benefits and workings of insurance. They should also work with providers to offer farmers flexible and affordable insurance options, and they should ensure that the claims process is open and easy to use to build trust. By taking these specific steps, policymakers may considerably increase the number of people who buy insurance, make farmers more resilient, and help Zhombe District's agricultural development become more sustainable.

Recommendations

The implementation of focused educational initiatives for smallholder farmers and the promotion of reasonably priced insurance plans catered to their requirements are two of the study's most practical recommendations. Farmers can learn more about the advantages and operations of agricultural insurance and help to dispel common misconceptions by hosting workshops, seminars, and other educational events, possibly in collaboration with government organisations and insurance companies. To make coverage more accessible to farmers with different income levels, insurance companies should also create and advertise flexible insurance plans with reduced rates or adjustable payment options with government assistance. Together, these initiatives have the potential to greatly raise smallholder farmers' knowledge of and adoption of agricultural insurance.

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