

Developing Gender Focused Strategies: Ensuring the Uptake & Usage of Formal Financial Services by Women

EFInA Financial Inclusion Conference
December 2, 2014



Women's World Banking

Why focus on women?

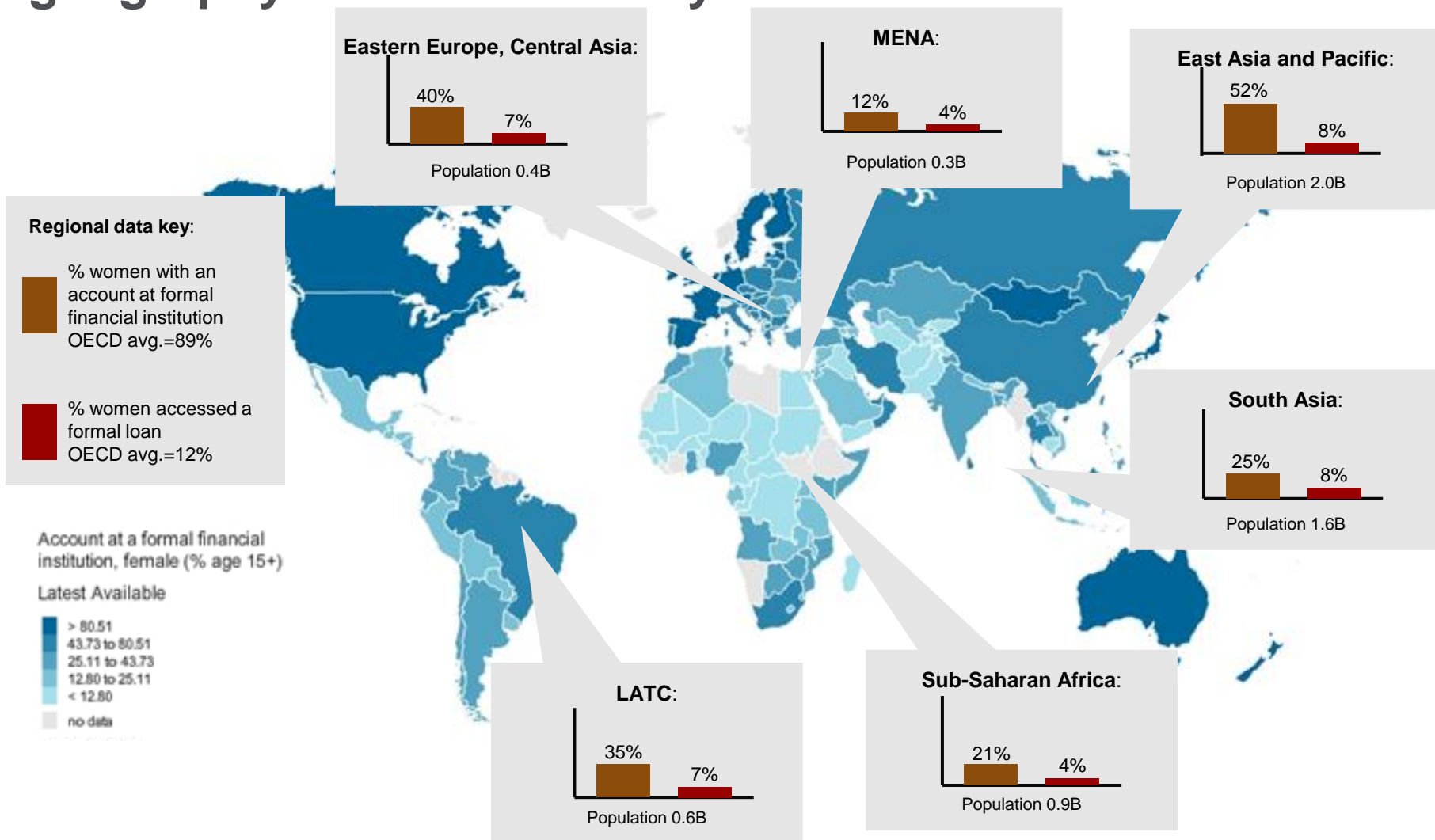
Women account for the majority of the poor and the unbanked worldwide

- 60% of the working poor earning less than US\$1 a day are women (ILO)
- Women living on less than \$2/day are 28% less likely than men to have an account at a formal financial institution (FINDEX)
- *In Nigeria, 72.8% of women are unbanked, vs. 62.6% of men (EFInA, 2012)*

Engaging women is key to advancement of families and societies – and to sustained economic growth

- Women tend to invest more of their income into the health, education and well-being of their families (McKinsey)
- There is a direct correlation between GDP growth and financial inclusion. In Africa, commercial bank depositors per 1,000 adults experienced a near four-fold increase from 2004 to 2012, while simultaneously achieving a 40 percent growth in real GDP per capita. (IMF)
- Women's income growth between 2000 and 2012 in Latin America and the Caribbean resulted in a 30% reduction in extreme poverty in the region (IDB)
- If the credit gap for women-owned SMEs is closed by 2020, by 2030 incomes per capita could be on average 12% higher across the BRICs and next 11 countries (Goldman Sachs)

Women face greater financial exclusion in every geography and across every income level



Women's World Banking's Global Footprint

35+ years focused on women's access to finance

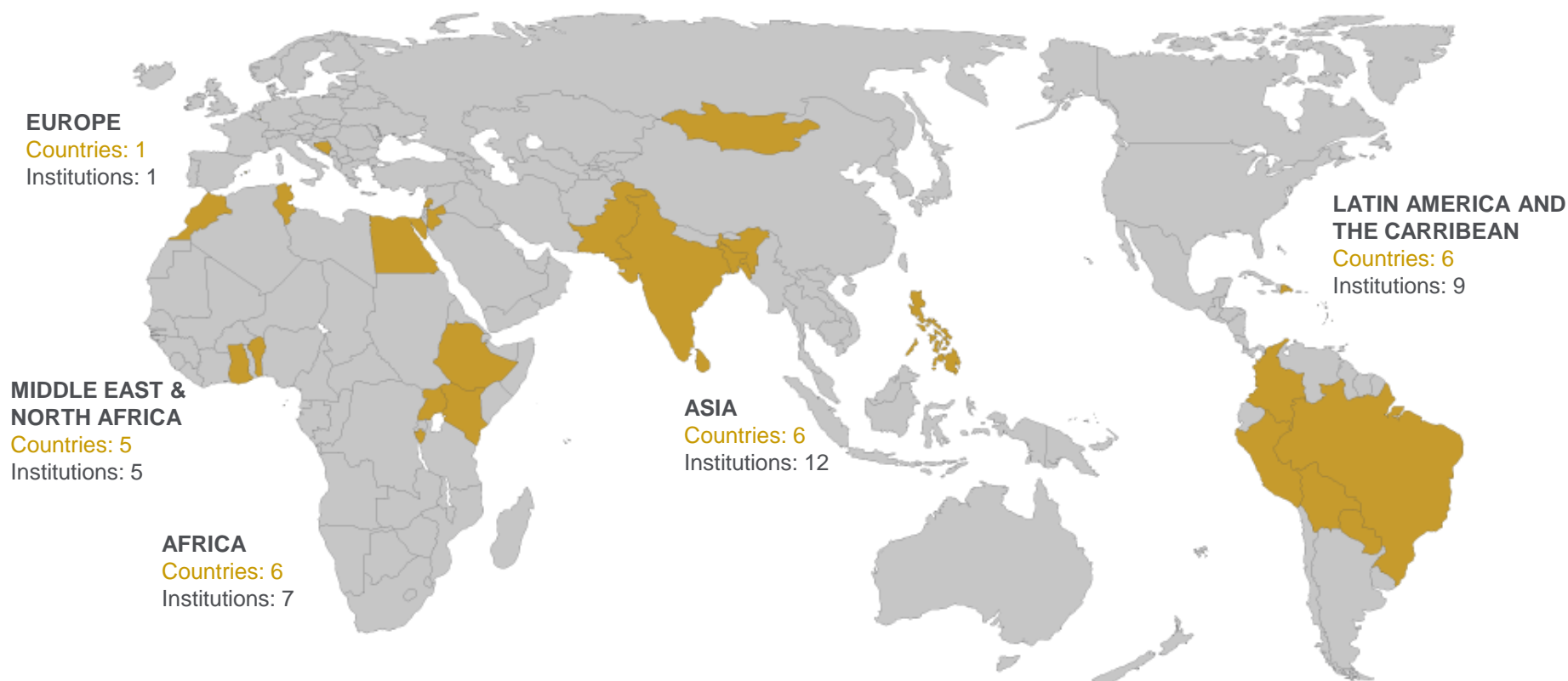
20 million active clients

70% women

34 institutions

\$7.7 billion in outstanding loan portfolio

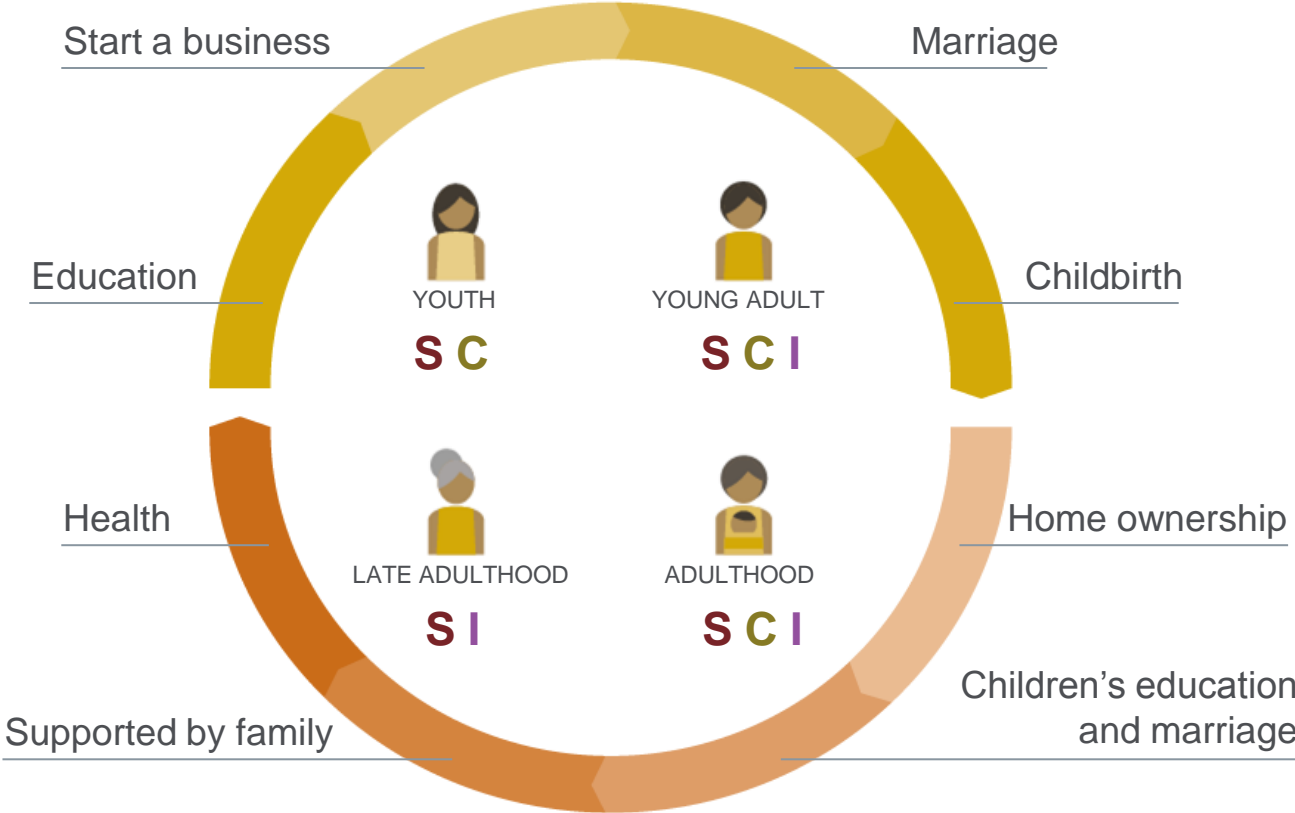
\$5.1 billion in deposits



Women's World Banking is also working with banks in Malawi, Nigeria, Tanzania, and Mexico.

Expanding Financial Access

Women's World Banking develops innovative financial products to meet the dynamic needs throughout a woman's life



▪ **Savings (S)**

▪ **Credit (C)**

▪ **Insurance (I)**

DRIVING UPTAKE AND USE: RURAL CREDIT CASE STUDY



11 años abriendo puertas

Deepen your understanding of potential women clients and act on the implications

A deeper understanding of women's actual contributions to household income led Interfisa to adjust its methodology and product mix to meet rural women's needs

FINDINGS	IMPLICATIONS	SOLUTIONS
<ul style="list-style-type: none">• Both men and women underestimate women's contribution to HH income	<p>A significant portion of family income is disregarded</p> <p>Women are excluded as potential clients</p>	<p>Modify credit methodology to measure income and growth potential of all income-generating businesses</p> <p>Allow multiple loans per HH, based on cash flows of individual activities</p>
<ul style="list-style-type: none">• Loan officers also underestimated women's contributions, and often did not even consider her income in loan assessments	<p>Increased credit risk to institution in relying only on income from one major crop or livestock cycle</p>	<p>Train staff to see women as potential valuable clients</p> <p>Develop multiple loan products for different needs: livestock, artisan, machinery</p>

Tailor marketing messages to women's needs


CREDITOS RURALES CON ENFOQUE DE GÉNERO

¡NDE VALÉ!



Porque trabajás y ayudás a cuidar a tu familia, valoramos lo que hacés, confiamos en vos y te decimos: ¡NDE VALE!

Interfisa Financiera te apoya con créditos especiales, para que sigas creciendo, porque solo vos sabés lo que es mejor para tu familia y tu actividad.



CREDITOS RURALES CON ENFOQUE DE GÉNERO

¡NDE VALÉ!

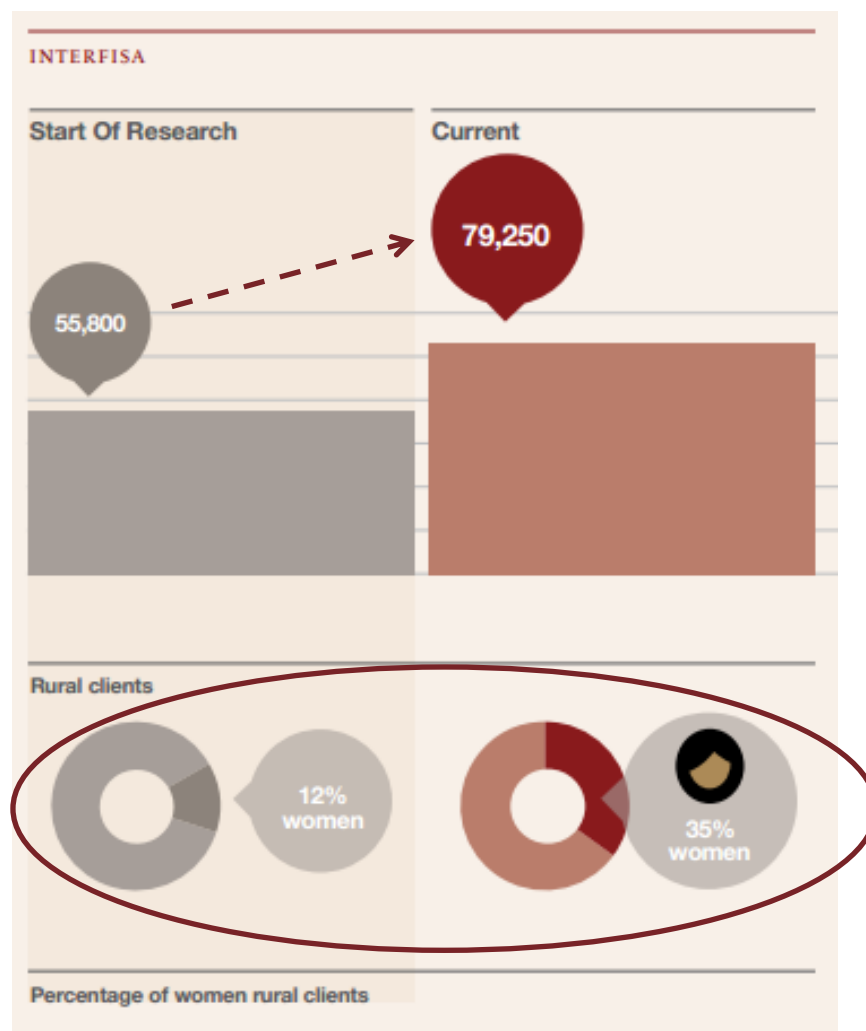


33 años abriendo puertas

Results: Dramatic increase in uptake and use by women

OVERALL RESULTS*

- 15,750 new loans
- 39% to new clients— most had never received a loan from any institution
- Almost 3x increase in % rural women clients, from 12% to 35%
- Average loan size: US\$ 800
- 3 day turnaround time for loans



DRIVING UPTAKE AND USE: BETA SAVINGS CASE STUDY

Deepen your understanding of potential women clients and act on the implications

KEY CONSUMER INSIGHTS

- She is familiar with banks but does not think they are relevant to her
- Even if she has a bank account she prefers the agility of informal mechanisms like ajo and adako
- Comfortable leaving her business for at most 15 minutes to transact

PRODUCT DESIGN

BETA (“better” in Pidgin) is a simple savings account tailored for market women, that offers maximum convenience to customers by delivering a low cost banking service to their shops.

- No forms, no signature, no ID required, no account references, no minimum balance
- No monthly fee, no deposit fee, no withdrawal fee (ATM/branch)
- Starter pack with ATM card for instant account opening
- Interest paid on balances & rewards scheme with weekly cash prizes

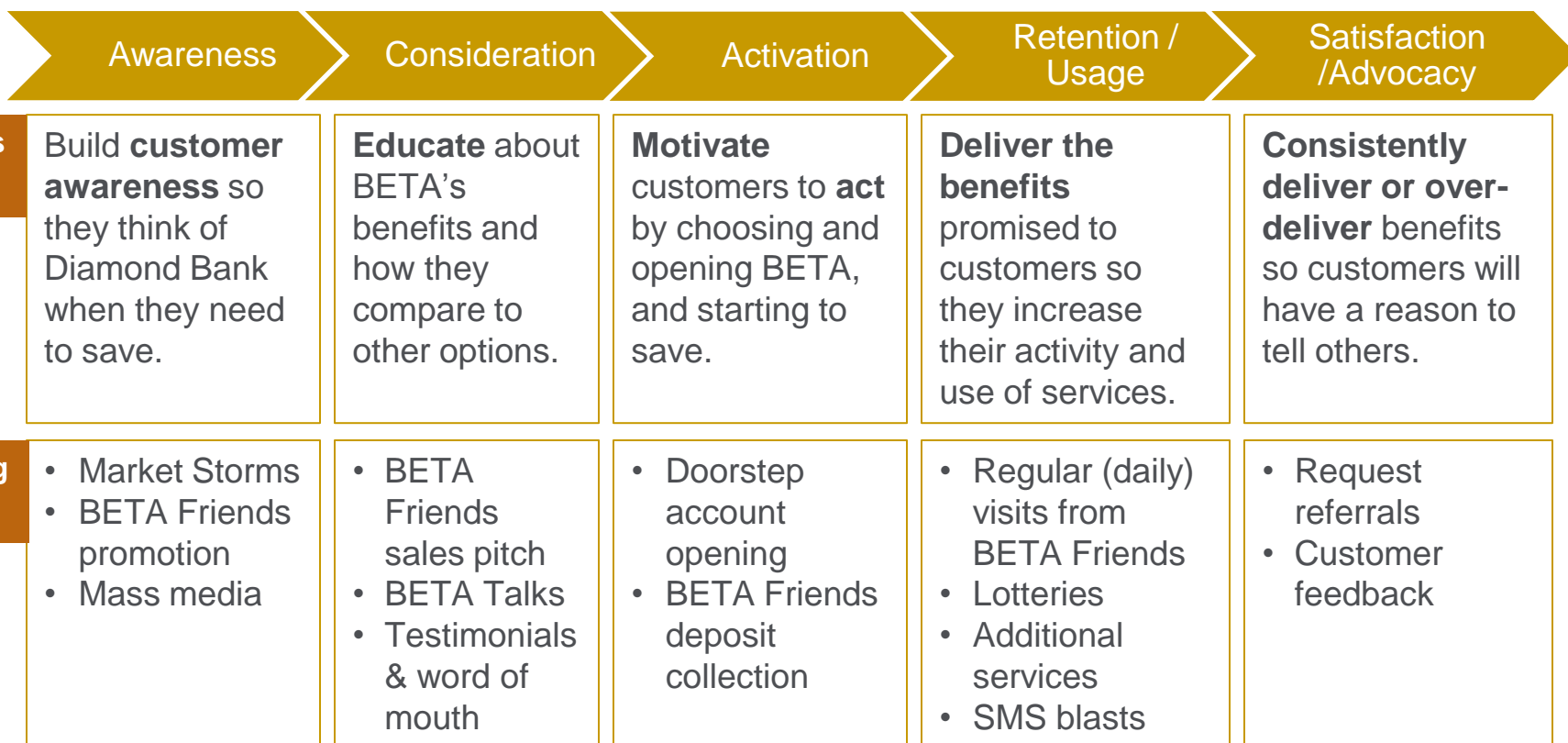


BETA ROLL-OUT RESULTS

- 130,000 accounts
- Women are 35% of account holders
- 100 branches
- \$8MM in deposits


Tailor marketing messages and support activities to meet customer needs



Women tend to be more risk averse – it is more difficult to convince them to open an account– but once convinced, they are loyal customers.



Convey key benefits visually, with limited copy

THE BETA ACCOUNT WEY MAKE SENSE

Diamond Beta Account 

NO WAHALA **E NO COST** **PLENTY AWOOF**

Talk to your trusted BETA friend today

Call 0700-300-0000 to find your nearest branch

Target:
Market
business-
women

Successful-
looking
market
business
woman

Icons for key
benefits;
details on
the back. 3
points max
per benefit.

Know more about BETA

BETA savings account is the simple and BETA way to save your money.

 No passport photograph or ID card needed
No need to leave your shop
Your BETA friend will come to collect your money

No wahala

 You don't need money to open the account
A monthly charge of just N100
Withdraw money for free from all Diamond bank ATMS

E no cost

 You can win weekly cash prizes
5 customers will win **N30,000, N25,000 or N20,000** weekly

Plenty awoof

To win awoof money, just save N1,000 to qualify for the raffle draw.
The more you save, the more you win.

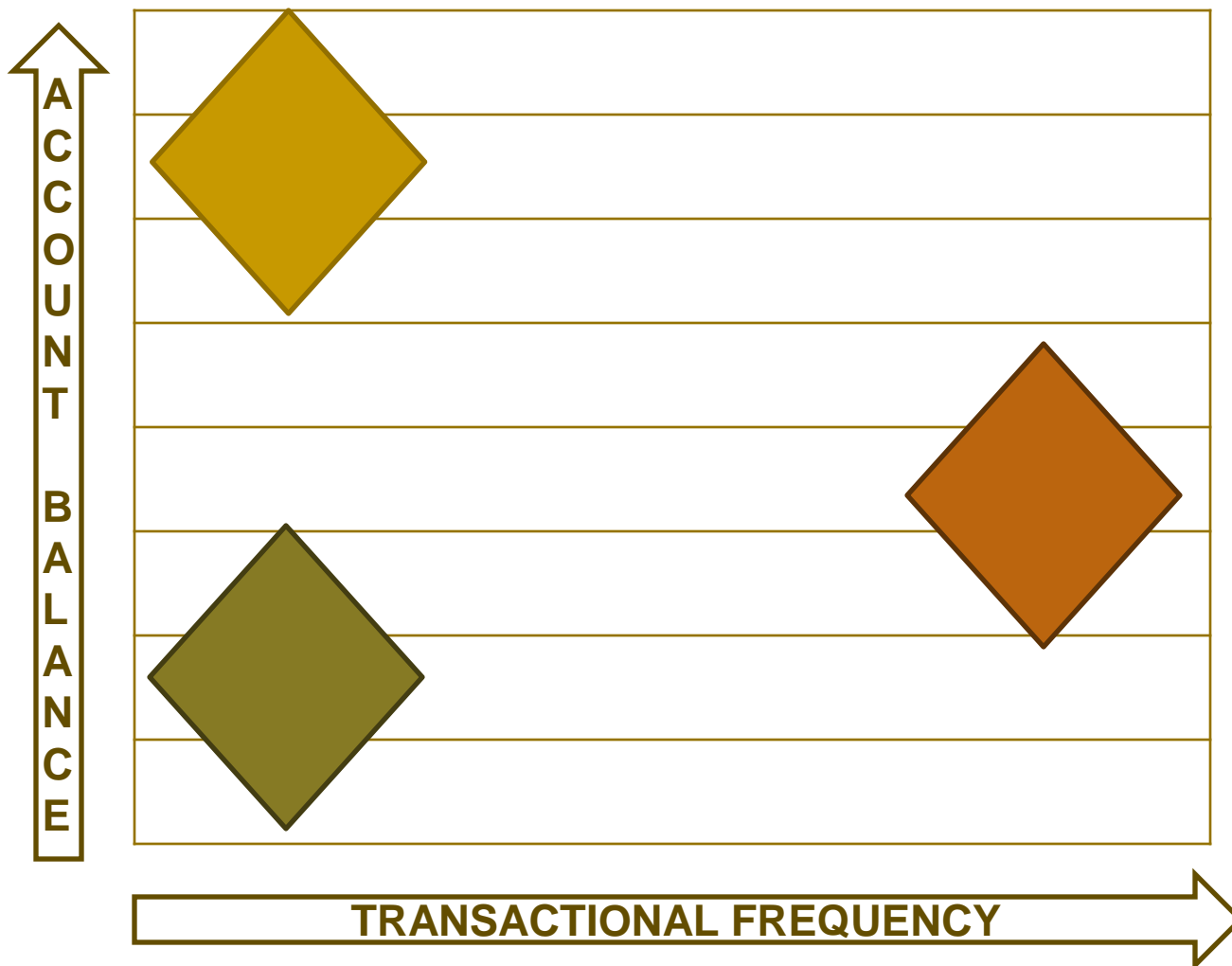
You also enjoy

- free gifts
- free ATM card

Open a BETA savings account today, it's safe and convenient.

Call 0700-300-0000 to find your nearest branch

Understand usage behavior through data segmentation



- **SUPER SAVERS:** Use the account for projects – *how can we help them do more?*
- **TRANSACTIONAL SAVERS:** Use the account as a short-term savings vehicle – *are they looking for an additional service beyond what they already have?*
- **INACTIVE:** Do not use the account – *how do we minimize inactivity and reactivate?*

Complement database analysis with client feedback to support on-going service improvement

- **Transactional and Super Savers:** qualitative research to understand specific uses of account and additional services they require
- **Inactive Clients:** quantitative survey to understand the drivers of inactivity



Reasons for Inactivity

Examples

Customer Driven

No longer in the area, travelled or does not have enough money to save

Customer Service Driven

ATM/PIN issues, lost account number, forgot they have the account

In summary, deep customer understanding and institutional alignment were critical to ongoing success

1. Deepen your understanding of potential women clients
2. Ensure there is institutional commitment to act on the implications
3. Tailor products, service, and marketing messages to women, based on research
4. Monitor uptake and use through database analysis and field monitoring
 - Segment data by gender, transaction patterns and deposit volumes
5. Complement analysis with on-going customer feedback
6. Identify additional needs and develop strategies to meet them
7. Identify and eliminate customer service pain points





Thank you