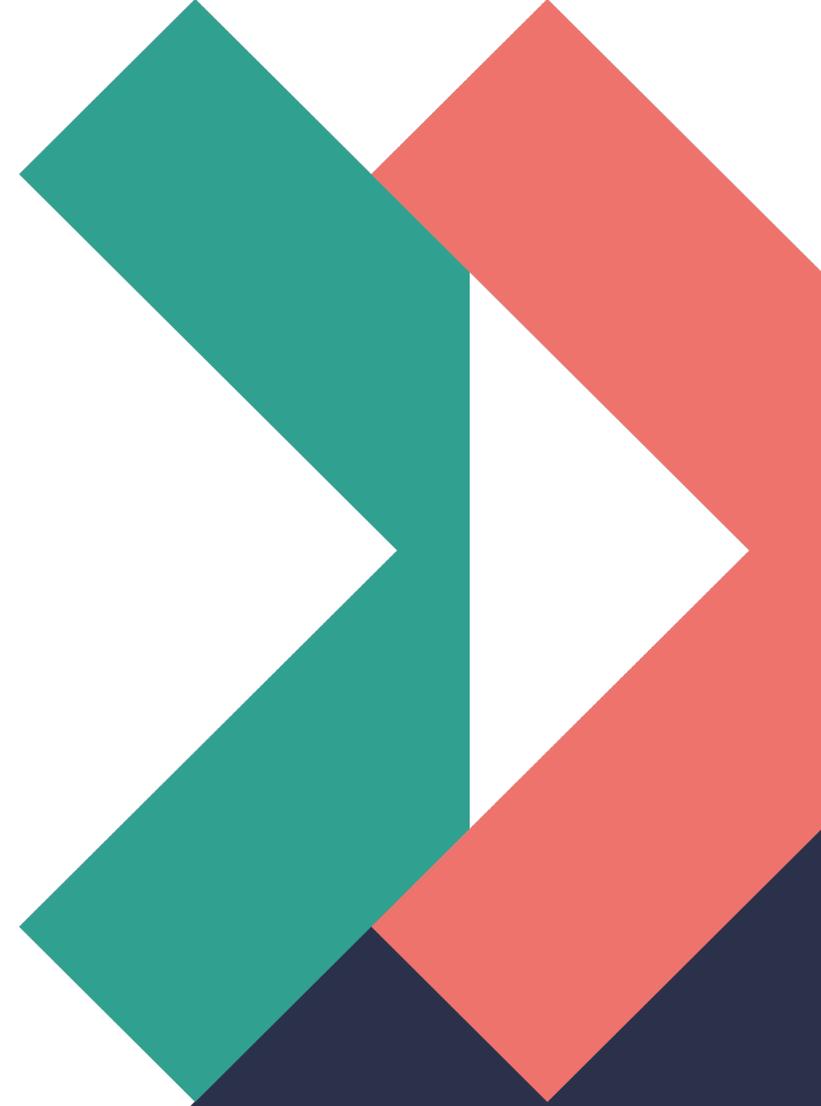


Visioning for market level customer empowerment

29th September 2022, Paris



Agenda

- **Overview**
Anton Simanowitz, SPTF
- **Financial Education +, Philippines**
Lalaine Joyas, Consultant
- **Influencers & consumer advocates, Cambodia**
Vong Pheakyny, CMA
- **Agents as consumer advocates, Nigeria**
Adeluyi Olajide, FCMB
- **Visioning discussion - everyone**

Barriers to access, uptake & use: dis-empowerment

Must accept things as they are



Worried about mistakes in DFS



Trust & confidence

“When I had the problem the agent didn’t give me satisfactorily answers. I was discouraged.” (Male, rural customer, Cote d’Ivoire)

“The problem is the repayment period. We cannot negotiate. Even if I have a problem, there is no one I can go and explain to....they start sending you a message to clear it” (Female urban customer Kenya)

Inequality

Don’t feel welcome in branch

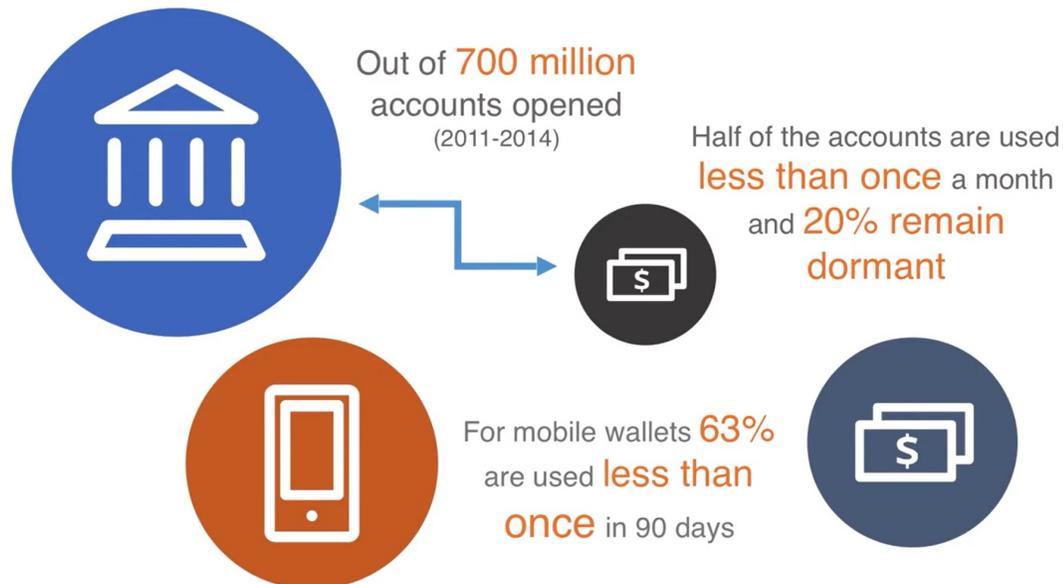
Accessibility

Regular repayments don’t fit with irregular income

The challenge & opportunity

For FSPs it makes business sense

- Uptake and use is below expectations (especially for digital financial services)
- Customer empowerment important for addressing uptake, dormancy, inactivity, exit, delinquency and competitiveness



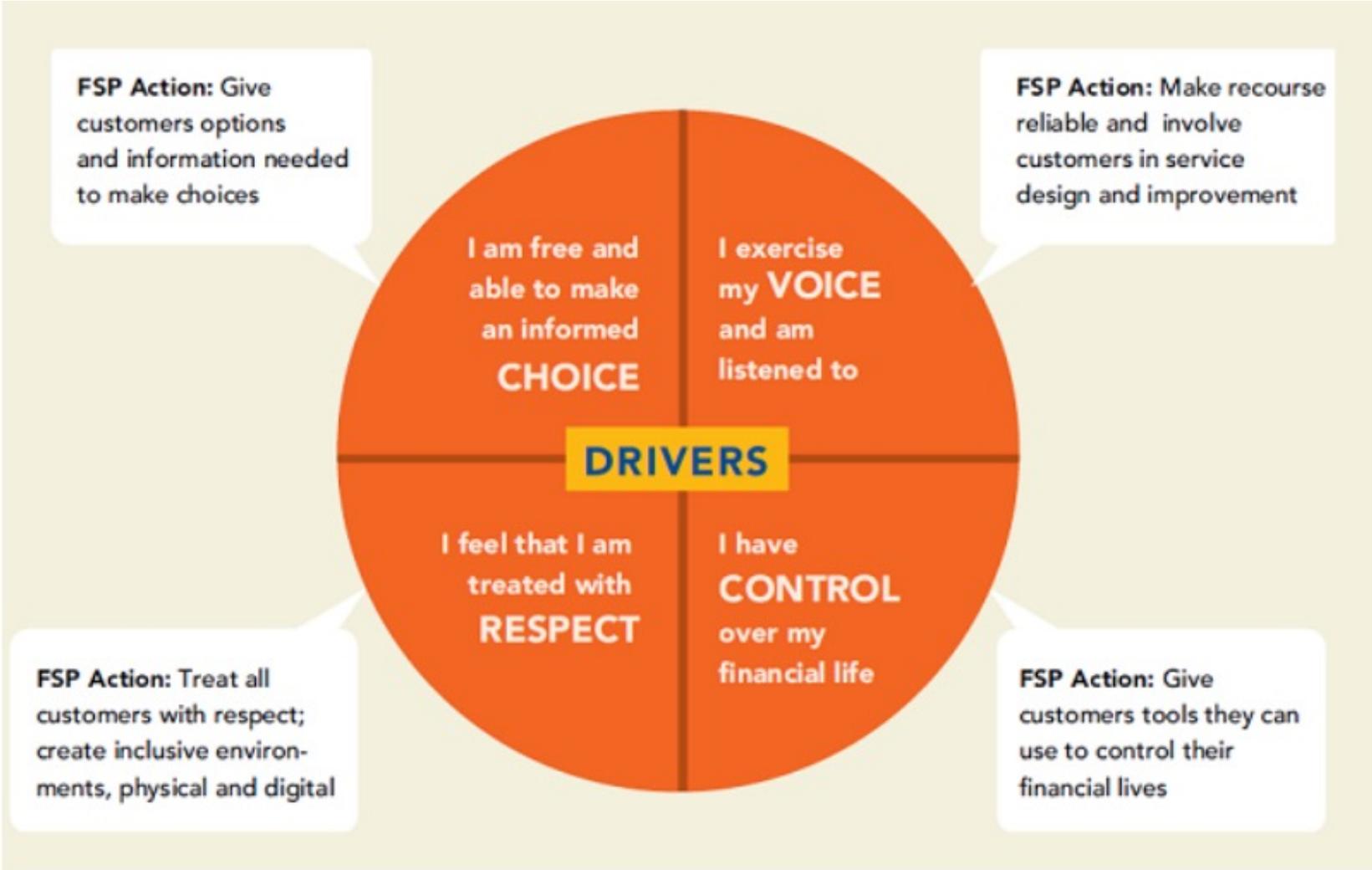
Source: CGAP presentation to e-MFP conference

The challenge & opportunity

For customers it improves access, value & reduces risk

- Exclusion: low income people are more likely to be excluded or treated poorly
- Value: customers use inappropriate products and services or do not use them effectively
- Risk: client protection requires both providers and customers to understand and mitigate risks

Customers & providers – a shared responsibility



Source: Customer Empowerment in Finance, CGAP



Market level action

- **Impartial:** Providers may not have interest to share all information with customers e.g. other providers, right of complaint etc
- **Low touch digital:** Reduced opportunities to build capability.

What market actors can be customer advocates, channel market information & support customer choice & use? At point of need

Market-level Action for Customer Empowerment in the Philippines

Lalaine M. Joyas, MCPI, Consultant

29 September 2022, Customer Empowerment Visioning Workshop



Pathway to Customer Empowerment

Mapping

Areas of customer disempowerment -

- **Lack of awareness of products and providers** due to **limited information** disempowers low-income customers in the search and select (choice) and access stages.
- **Lack of trust** in FSPs and their products due to consumer protection issues
- FSPs' risk mitigating measures affecting customers' behaviour: **intimidation, lack of confidence, fear of being denied access**
- Lack of telco infrastructure **affecting access to information and use of digital financial services**
- **Inconvenience in use of feedback/complaints channels** and **Filipino traits** affecting voice
- Mostly affecting **rural clients**



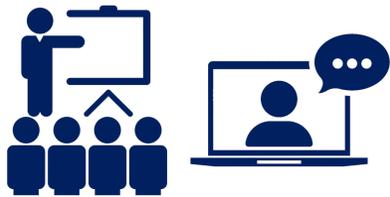
Pathway to Customer Empowerment



5
Short sessions



Modes of learning



Face-to-face / Virtual
Facilitated / Self-learning



Materials in the
Filipino language



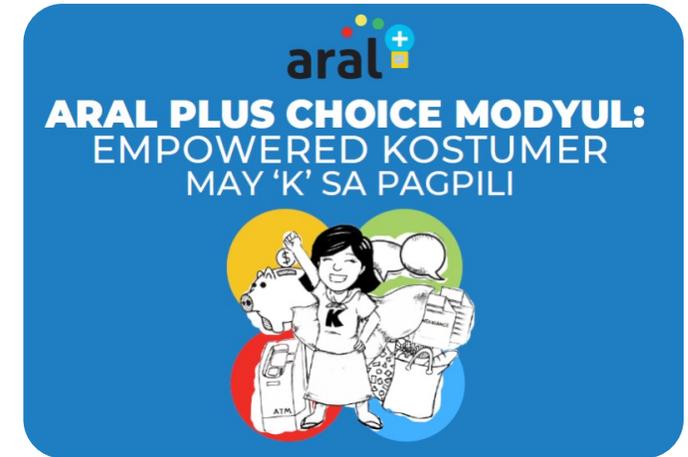
FSP-neutral



Coaching and
mentoring



Pool of trainers and
advocates



Financial education +: applying the customer empowerment lens

Knowledge and action during teachable moments

Will aim to engage market-level actors

Aral+ Choice Module



Pathway to Customer Empowerment



Partnership models that will ensure:

- Wider reach
- Integration and institutionalization
- Sustainability

Potential Partnership



Responsible Consumer Engagement

Financial sector customer empowerment in Cambodia

Vong Pheakyny

Head of Financial Inclusion and Social Impact

Cambodia Microfinance Association (CMA)

29 September 2022

Panel: Market-level Customer Empowerment Approaches





Responsible Consumer Engagement

Understanding financial sector customer empowerment in Cambodia

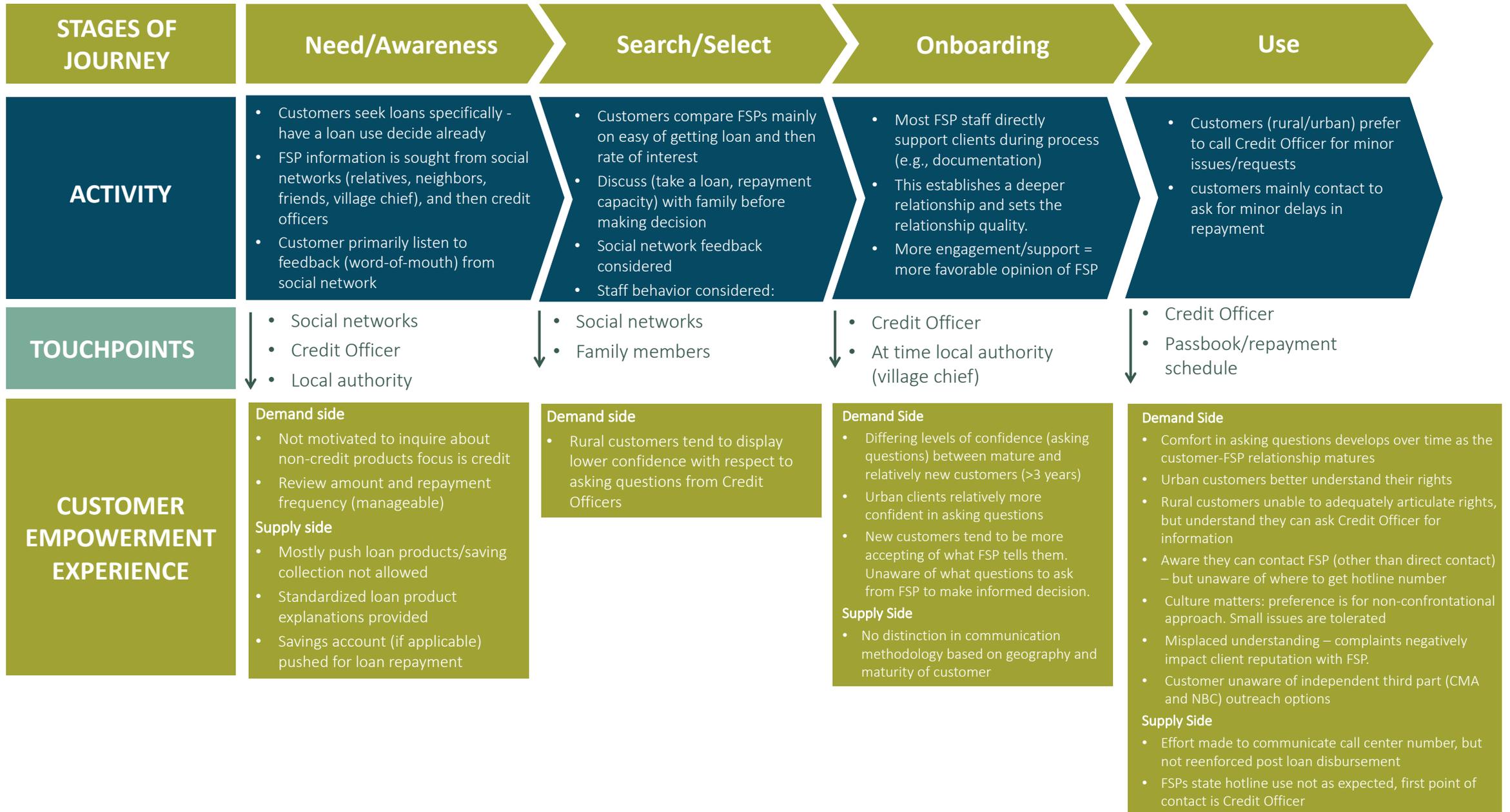
- *Smallholder farmers*
- *Small enterprises*

Cambodia Microfinance Association and Social Performance Task Force
(With support from Appui au développement autonome)

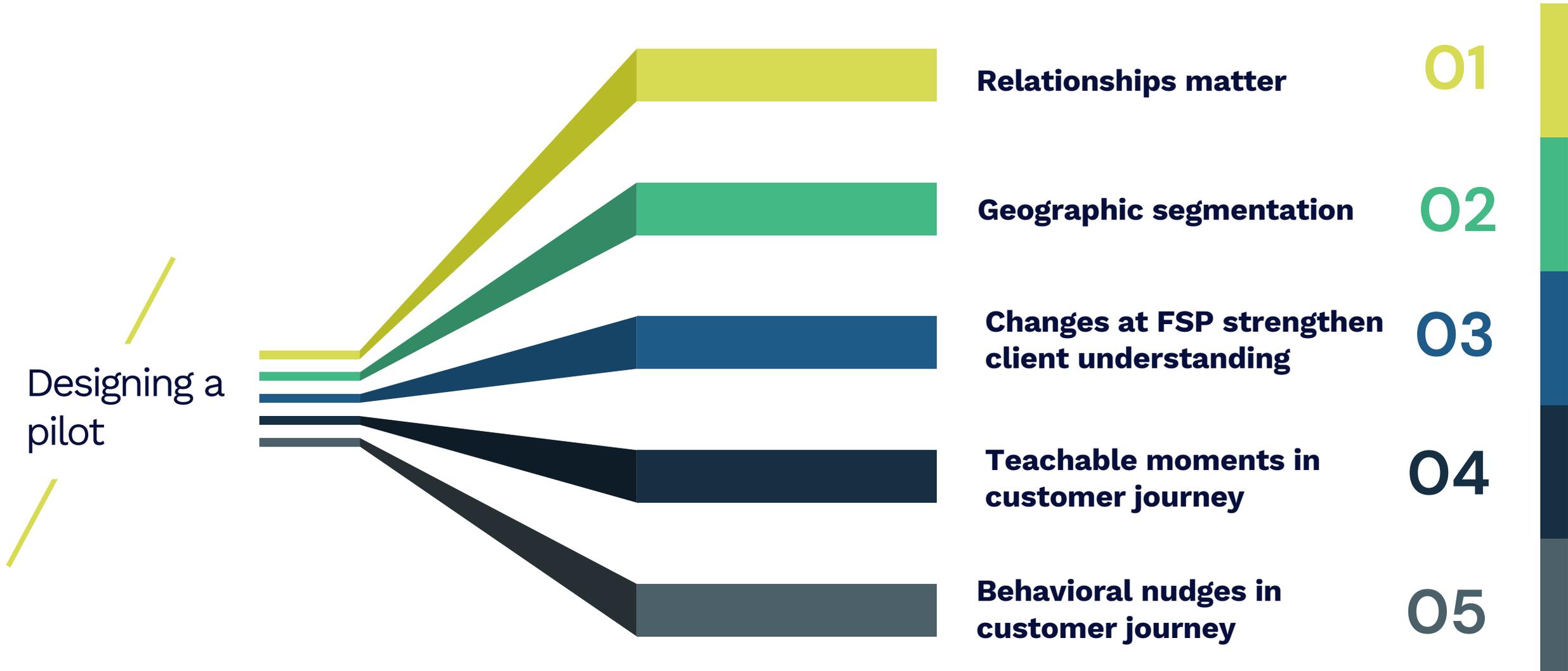
September 2022



Customer empowerment journey map



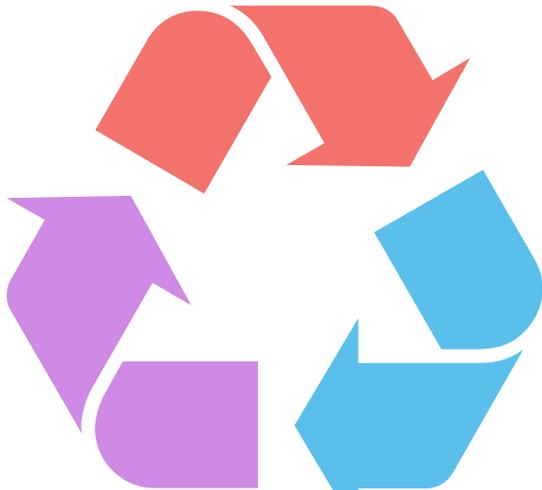
What does this mean for our work on strengthening customer empowerment?



Can local government authority support strengthening customer empowerment?

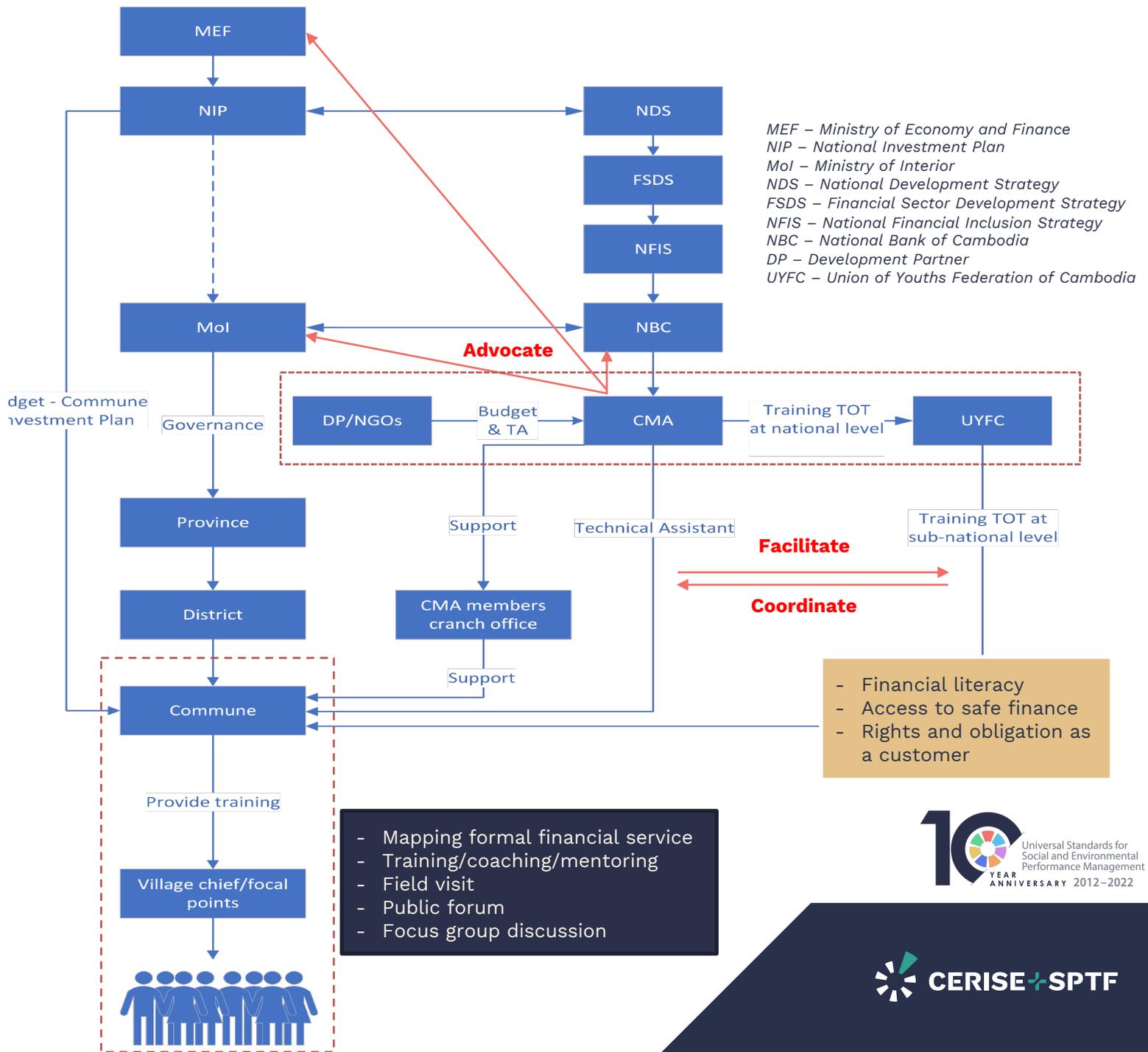
Responsible Sustainable Financial Engagement Program

Promote financial literacy



Eliminate harmful financing services

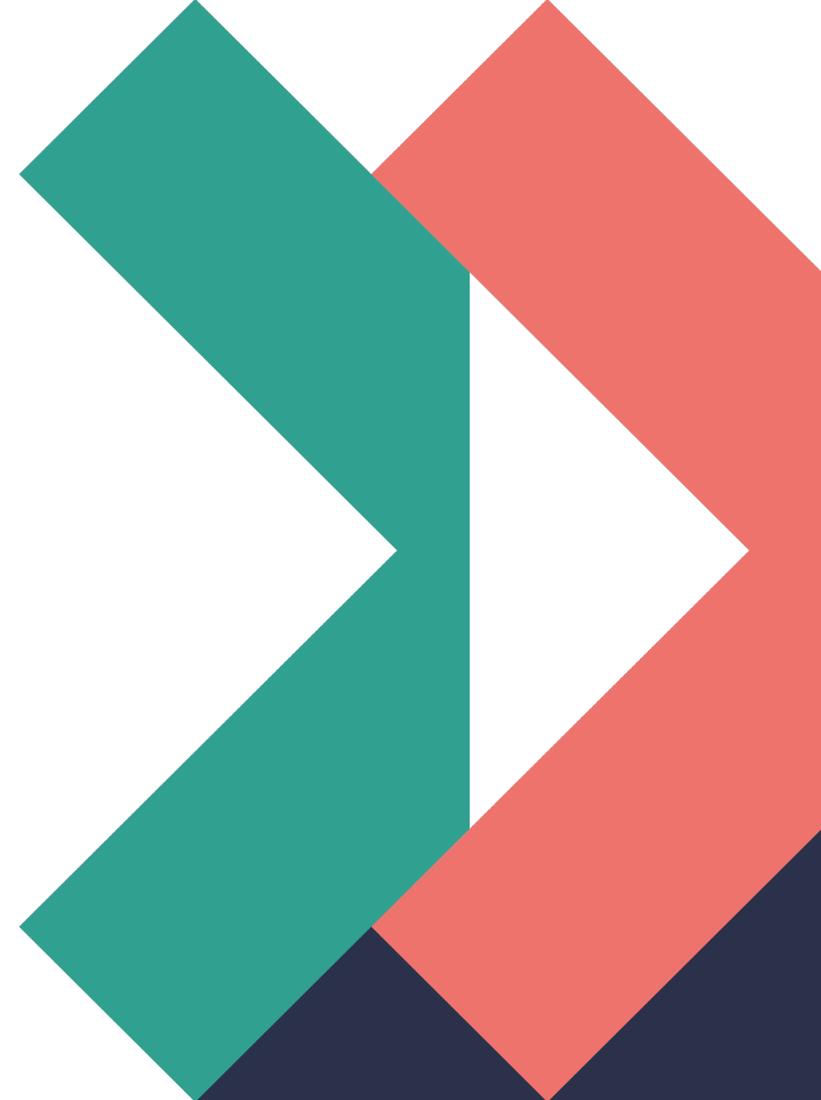
Promote access to safe financing



The Nigerian context of financial inclusion and FCMB's focus

Adeluyi Olajide,
Head, Agent Banking FCMB

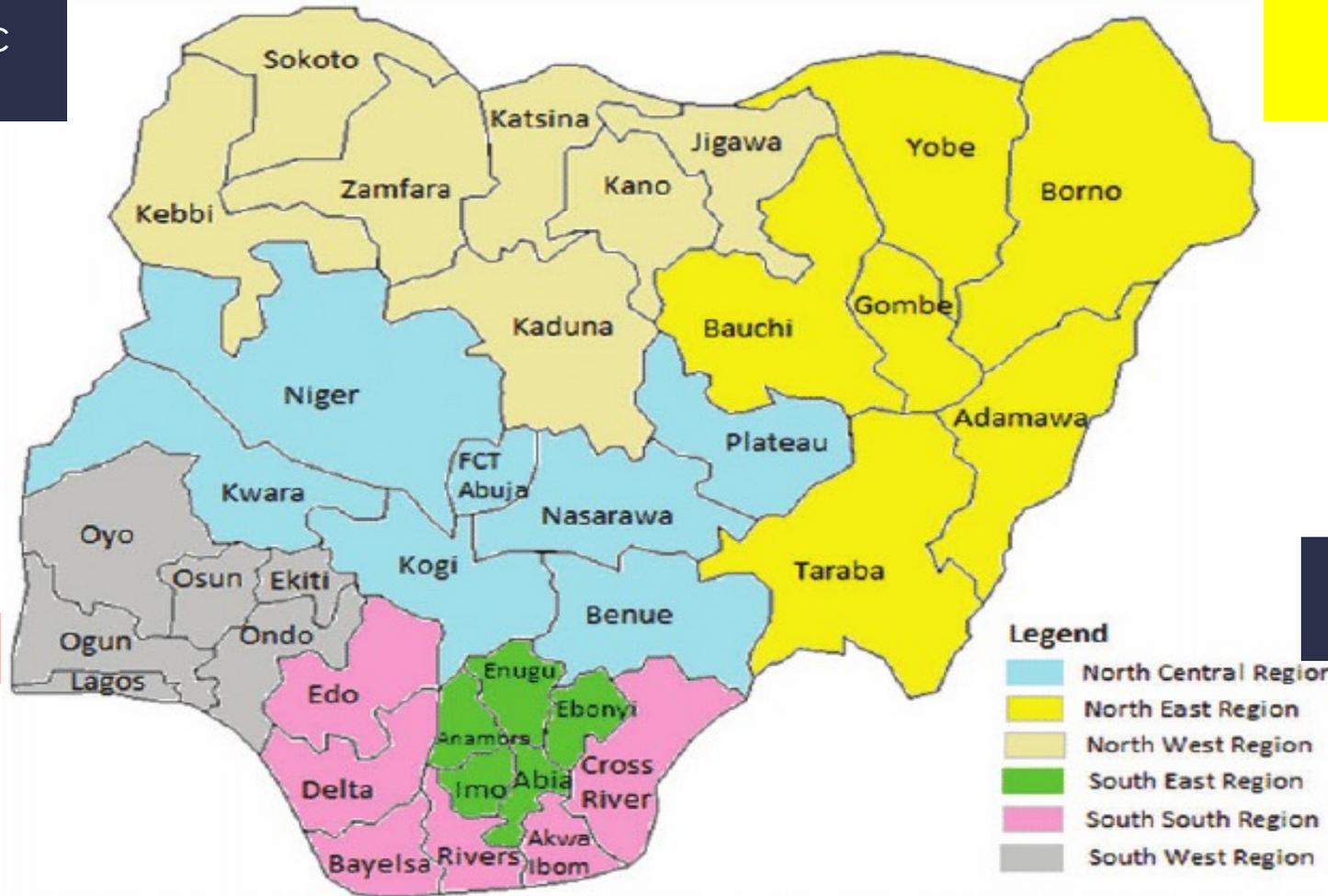
September 23rd, 2022, Panel XX



Barriers to Financial Inclusion in Nigeria

Nigerian Economic Downturn

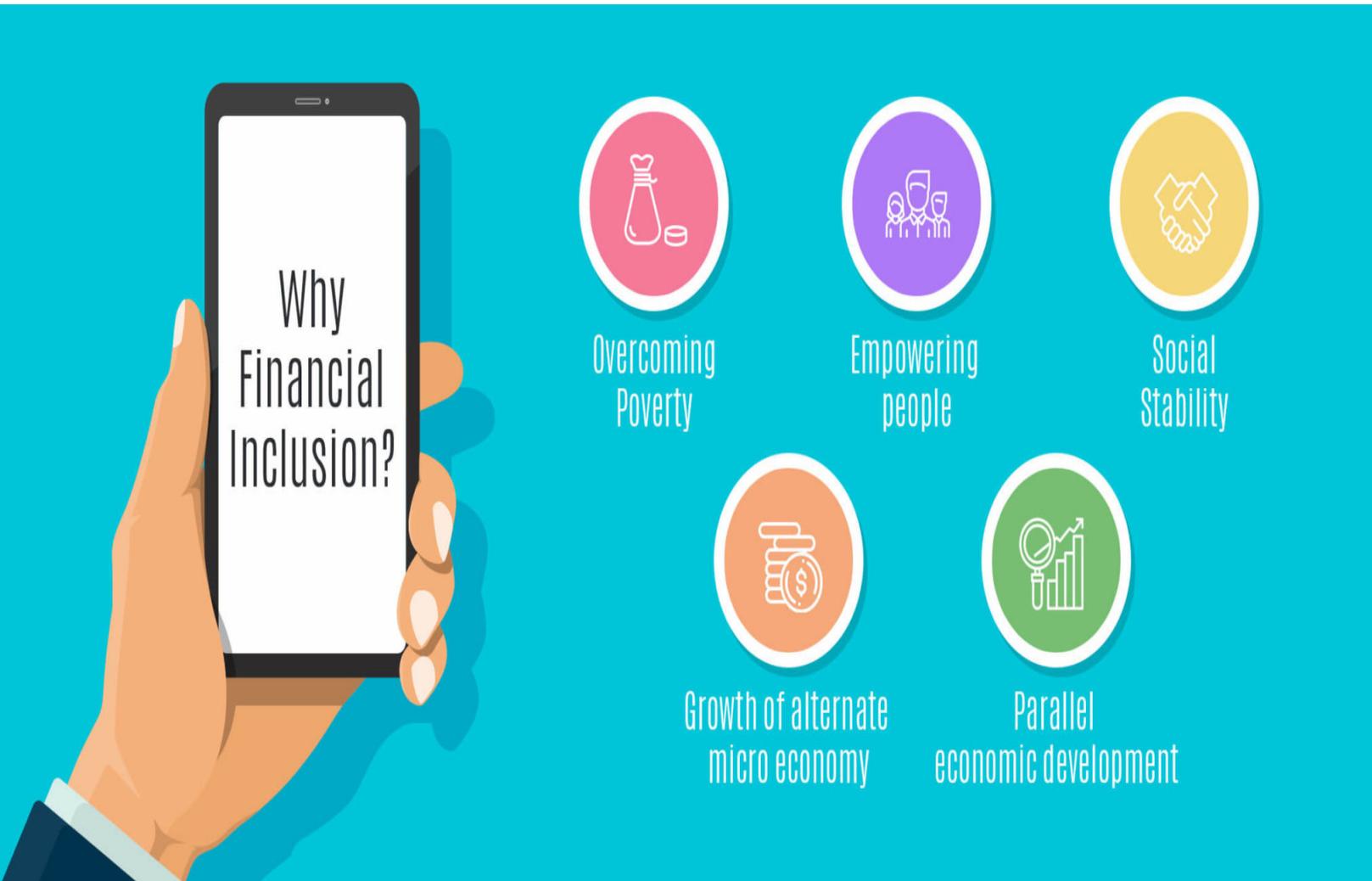
Insecurity in the Northern states



Poor literacy rate

Low trust in financial service providers

FINANCIAL INCLUSION GOAL



FCMB we are equally strong and committed to the country's financial inclusion strategy and infact we have set a target of including 25million Nigerians by 2025 using all channels including Agency Banking



FCMB

Driving impact with financial inclusion

Enabling rural dwellers expand their businesses and improve their standard of living.



200,000 

women traders across Nigeria that have accessed nano loans of over US\$51.28m through FCMB's Micro lending business.

10,000+ 

agents within our agent banking network, with a plan to onboard an additional 20,000 in 2022.

1,000,000+

customers onboarded on the FCMB Easy Account platform.

100,000 

new to bank customers acquired in 2021 with over 50% of them without BVN prior to now.

500,000 

farmers were also added to our Easy Club platform in 2021, with ongoing pilot in 6 states with the support of World Savings Banks Institute (WSBI).





Agent Banking

Banking operations available



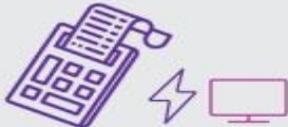
Open an account



Deposit/Withdraw cash



Transfer funds to all banks



Pay bills
(Electricity, DSTV,
GOtv etc)



Purchase airtime
(MTN, Glo, Airtel,
9mobile, etc)



Enjoy Saturday
Banking



Enrol for BVN

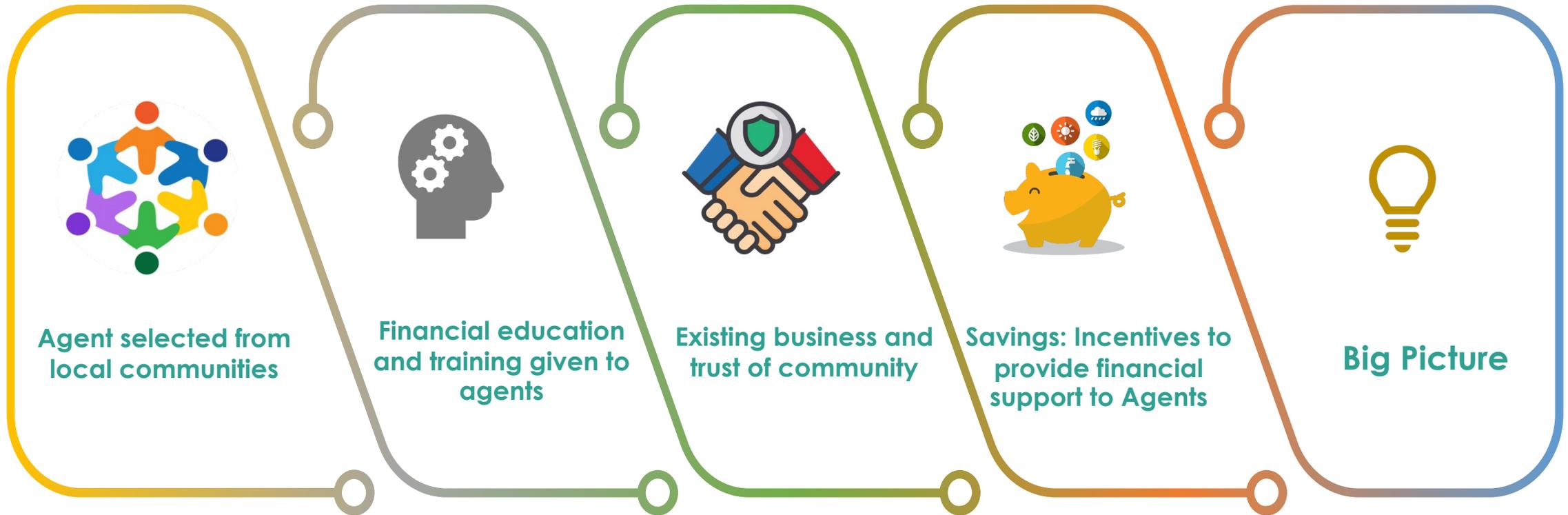


Join **easy** Club for small holder farmers

Fcmb Agent Banking
my neighbour; my bank



How FCMB selects, trains and support Agents



AGENTS AS CUSTOMER ADVOCATES

- Over **30%** of the Bank's financial Inclusion accounts were opened by Agents. This has contributed immensely to our financial inclusion drive

01

Improved Product offerings



02

- **Easy Account-** A tier 1 account that does not require the mandatory BVN.



03

- **Group lending-** This product allows the Bank to avail loans to individuals that belong to an established group within the community. Loan repayment is guaranteed by the members of the group.



FINANCIAL LITERACY AND TRAINING OF FCMB AGENTS



TRAINING AT IBADAN, OYO STATE



TRAINING AT YOBE STATE



Ecosystem approach?

- Build customer capacity for better choice, use, voice
- Providers address points of disempowerment
- Regulators – outcomes approach
- Market level ways to address points of disempowerment – advocates/agents

Visioning

Channels for market level customer empowerment?

Existing activities to build on?

Agenda for SPTF?

