

The Paradox of Gender- Neutral Banking

Acknowledgements

This report is based on findings from consumer research conducted by 12 Global Banking Alliance for Women (GBA) member banks, representing a range of cultures and geographies from around the world. We would like to thank those members for being so generous in sharing their insights so that others can learn how best practice banks serve women customers. The primary authors of this report are Joanne Thomas Yaccato and Inez Murray, both of whom have spent many years conducting gender-based research for financial services companies. Liz McGuinness compiled and analyzed the member bank research, which is part of the GBA database. The database will continue to grow with additional member research and secondary sources.

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Executive Summary

Following the 2014 report, “How Banks Can Profit from the Multi-Trillion Dollar Female Economy,” this report reveals the implicit problems with gender-neutral banking. Assuming that gender differences that exist in the world outside the bank disappear when people walk through the door has resulted in high levels of dissatisfaction from one of the world’s most powerful economic forces: women.

Women are least satisfied with financial services out of all industries. The inability of banks to successfully serve women customers translates into an estimated global credit gap of up to US\$800 billion annually for women-owned formal and informal microenterprises and small and medium enterprises (MSMEs).

The way for banks to reach women and keep women customers is not to treat them the same as men, but to integrate their specific financial needs, preferences, attitudes and behaviors into business models and customer value propositions (CVPs).

Key insights from GBA member banks reveal that women are time-sensitive; are avid seekers of

information and advice; are calculated risk-takers rather than risk averse; do not like “pink marketing”; and want to connect, not only with their banks, but also to their peers, potential customers and suppliers, and the wider community.

The research further revealed that five criteria are core to a successful women’s strategy: positioning products as solutions to problems; positioning information, education and networking as core products; building the financial capability of women customers; establishing an intelligent, no “pink marketing” zone; and training staff to listen to women rather than sell to them, creating a relationship-based business model that sustains their loyalty.

At its core, being successful with women customers is about respecting their needs and finding ways to connect them — to the bank, to each other, to new markets and to the larger community. There may be more of an upfront investment, but it will be one with significant payback.

Introduction

One of the principal findings of “How Banks Can Profit from the Multi-Trillion Dollar Female Economy” was the banking industry’s widespread misconception that women and men have the same attitudes toward finance. This attitude resulted in a “gender-blind” or “gender-neutral” approach by senior leaders in the industry. Paradoxically, these same senior leaders cited a lack of specific data around the Women’s Market as evidence against the business case for targeting it. “Feminized” versions of existing products, colored pink, were often understood to be sufficient.

This report is GBA’s response to these misconceptions. Research from 12 GBA member banks proves not only a strong case for gender-intelligent strategies, but tackles the industry’s basic assumption that gender-neutral banking works.

By presenting successful CVPs developed by GBA members through careful gender-based research, this report illustrates the need for a gender-intelligent business model.

The Paradox of Gender- Neutral Banking

Gender-Neutral Banking

The last 10 years has borne witness to the banking industry's growing awareness of women's considerable financial and purchasing power. Over the decade, the financial services industry has attempted to recognize the value of women customers through "gender-neutral" banking policies that treat women and men equally. Indeed, there is consensus that women need full access to banking services. However, if banks continue to assume gender differences disappear when people walk through their doors, they will lose an opportunity to capture one of the world's most powerful economic forces.

The proof of this lost opportunity lies in the high levels of dissatisfaction with the industry. Women are least satisfied with financial services out of all consumer industries.¹ Banco G&T Continental — El Salvador found that women SME owners consider their primary obstacle to business growth to be widespread discrimination, leading not only to difficulty accessing credit, but also to a lack of confidence in their business abilities. Globally,

Women control or influence:

- 90% of household financial decisions.³
- 85% of consumer spending.⁵
- 27% of the world's wealth.⁶

And women are starting businesses at significant rates – in many countries more so than men.

The way to reach and keep women consumers is not to treat them the same as men, but to take women as seriously as men by integrating their specific financial needs, preferences, attitudes and behaviors into banks' business models.

the inability of banks to successfully serve women customers translates into an estimated credit gap of up to US\$800 billion for women-owned formal and informal MSMEs.²

This raises the question, "How can banks bridge the gap and tap into this enormous opportunity?" This research review revealed a key insight: The way to reach and keep women consumers is not to treat them the same as men, but to take women as seriously as men by integrating their specific financial needs, preferences, attitudes and behaviors into banks' business models.

Making the Shift to Gender-Intelligent Business Models

With several decades of research to draw from, scientists and academics report that women and men experience the world through their own unique lenses. Brain mapping has shown that women are biologically “wired” to notice everything around them. When making decisions, women possess the ability to process and integrate vast amounts of information from a variety of sources, including non-verbal cues. Their brain physiology also enables quick processing of all possible outcomes as well as the broader implications of actions or ideas, not only for themselves but for their families and the larger community.³

Culture has no small hand in making sure girls and boys grow up with specific role expectations; parents and spouses see this every day. Cultural norms around the world dictate that most women perform two full-time jobs: one in the paid labor force and one unpaid at home. Even those in the workplace perform the lion’s share of domestic work, such as child and elder care, shopping, and housework. In developed economies, for example, women perform an average of 2 hours more daily domestic work over and above their male counterparts, while in emerging markets this number jumps to 3.17 hours.⁴

A failure to acknowledge gender differences in consumers only serves to exacerbate the problem and perpetuate stereotypes. However, developing a gender-intelligent business model requires a hard look at one of the banking industry’s most used, yet least understood, operating principles. Historically, the business model for banking was conceived by men to meet the needs of their primary customers – also men. Arguably, this model continues to this day. And therein lies the problem.

Break the Habit of Comparing Women to Men

Because the industry's de facto business model is based primarily on the needs and preferences of men, treating women and men the same means *treating women like men*. While the motivation behind gender-neutral banking is laudable, the results have proven to be less so. Sixty-seven percent of women in major economies report feeling their financial advisors do not understand them or are not interested in serving them.⁵ Around the world, women report banks' not taking them seriously — both at a cultural and institutional level — as one of their biggest obstacles to accessing financial services.

The systemic belief that women are “risk averse” comes from data based on comparing women's behavior to the industry's default standard: men. The data could just as easily be re-interpreted to show that when compared to women, men's risk tolerance is too high.

The endemic practice of comparing women's behavior to men's exacerbates this perception. The best example of this is the industry's attitude toward risk tolerance. The systemic belief that women are “risk averse” comes from data based on comparing women's behavior to the industry's default standard: men. The data could just as easily be re-interpreted to show that when compared to women, men's risk tolerance is too high. On its own, comparative gender-based data does not provide an accurate picture of women's attitudes and behaviors.

GBA banks are increasingly moving away from the gender-neutral business model to one that is more inclusive. It is based on gender intelligence – an equitable model that takes *every* customer seriously by recognizing and addressing differences. This results in a holistic CVP that ultimately raises the bar for every consumer.

GBA Bank Research: Key Insights from Our Best Practice Banks

Based on GBA member bank research, we have isolated the following five criteria as critical in the development of a successful gender-inclusive CVP.

1. Women have a unique relationship with time
2. Women are avid consumers of information and advice
3. Women are calculated risk-takers, striving for a balance between risk and reward
4. Women do not like “pink marketing”
5. Women want to connect, not only with their banks, but also to peers, potential customers and suppliers, and the wider community.

Insight #1:

Women have a unique relationship with time

“Taking care of the house is still a predominately female role. Although women spend much of their time with their companies and employees, it is expected that they still devote energy and time to the demands of the house. Women have been facing this historical cultural barrier for decades.”

- Itaú Unibanco, Brazil

One of the key drivers for women in opening their own businesses is the flexibility they gain to manage their home and work lives. Having a wide sphere of responsibility and a genetic predisposition for detail means that women are acutely time-sensitive consumers. As a result, they are particularly adept at noticing time-wasters, such as unnecessary or duplicate paperwork, long waits and approval processes, difficult-to-navigate or poorly designed websites, meetings scheduled at inconvenient times, and irrelevant information.

Women are particularly adept at identifying time-wasters:

- Unnecessary or duplicate paperwork
- Long waits and approval processes
- Difficult-to-navigate, poorly designed websites
- Meetings scheduled at inconvenient times
- Irrelevant information

Of even more importance is women’s ability to sense when an advisor rushes through a meeting or is more intent on reciting their own script rather than listening or uncovering her needs.

Women do not expect banks to play an important role in the achievement of their business goals, other than as a place to conduct financial transactions. The responsibility of deciphering the bank’s offer to figure out what it will do for them requires taking time that women don’t have.

“Work is very important, ... and women work long, tedious hours – at the same time trying to balance their family lives with husbands and kids.”

- Access Bank, Nigeria

Banks need to recalibrate their entire customer experience and create one that is more balanced: respectful of time constraints but providing directly for women’s needs. A popular bank slogan is, “We’ll save you time.” The truth is banks cannot save women time. If women have 10 minutes of free time, they will fill it with one of their many responsibilities. In fact, the promise of free time risks being seen as marketing rhetoric because women know the promise of “more time” is not deliverable. Women have developed an effective “mute” button for taglines like this, so they are best avoided.

GBA Best Practice Solution: Position Products as Solutions to Problems

Insight #2:

Women are avid consumers of information and advice

Knowledge is core to women's decision-making processes, often requiring more upfront time investment for advisors. Research from GBA member banks reveals that women feel they do not have enough or the right information about bank products and are dissatisfied with the amount and type of information banks provide.⁷

Women are open to advisory services, and those who take advantage of them often report feeling more financially secure. Providing women with the information they seek to make decisions is not only critical to meeting their needs but also to deepening their relationship with the bank.

Traditionally, networks provide a source of business information and advice. However, a lack of formal organizations for women as well as family responsibilities often interfere with their ability to engage in after-hours activities. Most women rely on their personal networks, and while deeper, they are also narrower, providing fewer business benefits. This is why many entrepreneurs are willing to pay to supplement their networks and knowledge with peer-to-peer training, online courses and webinars.

One key domestic role women play is that of "family researcher." Women are the dominant users of social media and represent the majority of users researching online.⁸ An interesting implication of this role relates to women's definition of "joint decision making." In focus groups conducted around the world, women were asked to describe what specific criteria they used to define the notion of "joint." The

description is universal: "We decide together that the family needs a new car or a children's savings plan. My job is to research all of the options available, narrowing them down to the 2 or 3 that fit our needs. My husband and I go over them together and then decide." While women perceive this behavior as "joint," in reality, it isn't – it's an independent act.

In many cultures, men may be perceived as primary decision-makers. But when the situation is viewed through a gender lens, it shows that women take the lead in family decisions, and their influence and value as customers can be understood for what it is.

Researching is an impartial activity, but a woman pre-selecting the options to present to her partner is anything but. This is a further illustration of women's influential power in family decision-making. In many cultures, men may be perceived as primary decision-makers. But when the situation is viewed through a gender lens, it shows that women take the lead in family decisions, and their influence and value as customers can be understood for what it is.

GBA Best Practice Solution:
**Position Information,
Education and Networking
as Core Products**

Insight #3:

Women are calculated risk-takers striving for a balance between risk and reward

Gender-based studies show that women and men perceive risk differently. Women's dual responsibilities mean they typically look for both a financial and emotional return on investment.⁹ They focus more on longer-term, nonmonetary goals,¹⁰ whereas men are more influenced by market timing impulses.¹¹ Women are patient investors and will consult their advisors before changing their portfolios.

Care-giving responsibilities, along with brain functions that facilitate rapid "connecting-of-the-dots," have a significant influence on how women define risk. They need to be more attuned to risk implications, so they take time to weigh all possible outcomes. In other words, women are *calculated* risk takers.

A common misinterpretation of "calculated" risk behavior is that it's the same as being "risk averse" or "low risk." It is a classic example of why comparing the behavior of women and men does not work. In this case, comparative data actually becomes skewed, resulting in incorrect conclusions. In early 2000, a study revealed how the perception of women's risk tolerance affects advisors' behavior: Women were presented with fewer options than men, and the options were often too conservative for their needs.¹²

"The first time I went to the bank [without my father], asking for my own things, there was a difference in what they offered, even though it was the same bank."

– BLC Bank, Lebanon

Fewer, more conservative options are precisely what women don't want or need from their banks. Because they live longer on less money, their

investments have to work harder – something a heavily weighted conservative approach can't offer. Once equipped with the right information, women are just as likely as men to consider higher-risk vehicles.

"Only women who have borrowed have credit knowledge. Those who don't borrow don't have the knowledge. Women have the capacity to access and pay back well once this problem has been addressed."

– Centenary Bank, Uganda

Another issue where using men as a benchmark biases data is around confidence in financial decision-making. Research from OECD suggests there may be a gender "confidence" gap.¹³ This may result from different cultural cues that boys and girls receive during childhood.¹⁴ While cultural cues are different, concluding women lack confidence by simply comparing their behavior to men's is not necessarily accurate. The study states that, regardless of their actual understanding of financial concepts, women express less confidence in financial decision-making than men.¹⁵ There is a strong case for using a gender lens here: Women may express less confidence because it is more socially acceptable for women to admit they don't know something, even if they do. Conversely, society deals a harsher judgment on men when they admit not knowing something. A better interpretation of the data would be one that doesn't focus on gender differences in confidence, but rather focuses on social circumstances that impact behavior.

Insight #3 (Continued from previous page)

Women's risk behavior also correlates with their views of credit. There is a negative view of debt in many cultures, which influences women who already perceive debt as a risk to the overall quality of their financial portfolios.

“Borrowing money from banks is tying yourself down for a life of repayments.”

– IFC research, HBL, Pakistan

Globally, most women use savings or loans from family members to start their businesses. As women's businesses grow, the majority still finance business expansion through retained earnings. Those who do go to a bank tend to use consumer rather than business loans.

“When we started, no bank wanted [to lend to] us. Why would we go to lenders?”

– Banco Económico, Bolivia

Women SME owners believe collateral and other stringent requirements for business loans are an obstacle to borrowing, with many women reporting they do not have the necessary documentation to obtain a bank loan. For example, 42 percent of women SME owners in Australia do not have projected cash flows.¹⁶ Even if these requirements were completely eliminated, however, there would still be a need to shift attitudes to debt. Banks can encourage women to use banks as a source of credit by educating them on the difference between “good debt” (investment) and “bad debt” (consumer), and offer assistance in putting together the documentation the bank requires.

GBA Best Practice Solution:
Build the Financial Management Capability of Women Customers

Insight #4: Women do not like “pink marketing”

All too often, banks use a superficial approach to the women's market, such as using the color pink. Research from GBA banks reveals that many women do not like or flat-out disdain this marketing strategy, citing “pink marketing” as an example of banks not taking them seriously.

Research from BLC Bank indicated that women had significantly higher levels of disdain for bank marketing compared to men.¹⁷ Based on personal experiences, women believed banks were incapable of representing them intelligently and cited feeling disrespected by many bank marketing campaigns.

Many women do not like or flat-out disdain this marketing strategy, citing “pink marketing” as an example of banks not taking them seriously.

GBA Best Practice Solution:
Make It a No “Pink Marketing” Zone

Insight #5:

Women want to connect, not only with their banks, but also to peers, potential customers and suppliers, and to the wider community

Creating an authentic relationship-based business model to replace the entrenched transaction model is an area that continues to plague most banks. Indeed, by almost every measure, banks fall considerably short in women's criteria for relationship banking, which remains the one *critical* area banks need to get right.

By women's standards, a major challenge to overcome is the quality of relationship managers. Banks can invest significant resources in marketing campaigns, websites, education and

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training, but the whole thing can fall apart the minute women walk through the door of the branch. The branch staff is the most important marketing brochure that a bank has at its disposal. However, surveys show that women cite the relationship manager's "lack of knowledge around small business and women's unique requirements" as key impediments to successfully

establishing a relationship.¹⁸ Bankers receive comprehensive technical knowledge, but often receive insufficient training on selling skills.

"Although the interest rate of the credit seems like the most important factor for women when it comes to choosing banks, it's actually communication with bankers that impacts the whole process. It was the sense of trust and sincerity provided by relationship managers that affected how they made their decisions on choosing banks."

– TEB, Turkey

Gender-based selling skills are close to non-existent. Consequently, bankers and women customers are often at cross-purposes. For example, women process information by using language. When they need to make a decision or solve a problem, they process the different variables externally through "talking it out." Men, on the other hand, process internally. They think, decide and then speak. If people don't share communication rituals, the chances of misunderstanding dramatically increase. Men can interpret women's verbal processing as being "long-winded," "irrelevant" or a "waste of

Insight #5 (Continued from previous page)

time.” It is also common for men to interrupt this process by offering solutions, often way too soon. Women generally aren’t looking for an answer during initial discussions, but are relying on the relationship manager to be a sounding board. Consequently, women feel unheard, bankers become confused, and both end up frustrated.

Training advisors to listen to and interpret women’s verbal processing properly gives a bank a decided competitive edge. Those who understand what is happening reframe this “annoying chatter” as an integral part of the sales process, and chances of establishing a good relationship increase exponentially. Simply put, women look for a good listener and coach. They seek an inclusive and collaborative approach and want to stay engaged in the financial planning process.

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While training is important, GBA banks also provide a relationship model that is customized to the needs of different market segments. Women can access different levels of relationship

management, from branch-based small business officers to dedicated relationship managers, depending on the sizes and types of their businesses. The same approach applies to women consumers: Banks can segment by income (mass market, professional and high net worth), adjusting level and type of engagement by sub-segment.

“Clients don’t remember ‘the loan,’ they remember how a bank made them feel and how long they had to wait.”

– BLC Bank, Lebanon

Women may require more time and resources upfront, but the payoff is significant. Best practice banks have discovered that if you establish a relationship with women, you will have loyal customers for life. You’ll also have their families, friends and colleagues. The research is unequivocal: If satisfied, women are significantly more loyal, generating greater numbers of referrals than men. Many GBA banks have introduced formal referral programs, and monitor customer satisfaction and net promoter scores regularly.

GBA Best Practice Solution:
Create a Relationship-based Business Model

GBA Best Practice Solutions

The research from GBA member banks has determined that these five criteria are core to a successful women's strategy:

1. Position products as solutions to problems
2. Position information, education and networking as core products
3. Build the financial management capability of women customers
4. Make it a no "pink marketing" zone
5. Create a relationship-based business model

1. Position products as solutions to problems

Women's time pressures require that banks offer a "solutions-based" sales approach. Using language that conveys a message like, "We make life simpler," is more believable (and deliverable) than the empty promise to save time.

BLC Bank's research revealed that women place a high value on convenience.¹⁹ The bank optimized certain operational elements identified as high priority: streamlining the credit process to reduce turnaround time, modifying loan document processing to reduce the burden to customers and implementing a tracking system to allow customers to monitor application status.

Women also gravitate to the convenience of one-stop shopping or product bundles and packages. GBA banks have been successful with framing product bundles around women's life-cycle goals and aspirations, which are universal. Women strive for happy, healthy families, along with personal autonomy and financial independence. Women in Australia report they want to "have it all" — a successful career and a happy motherhood.²⁰ In Uganda, women focus on three aspirations — personal growth, supporting the family and financial independence²¹ — while women in the Dominican Republic aspire to be professionally stable and have their children do well.²² Along with individual and family health, personal and children's education were also universal priorities. Purchasing a home is a primary goal for women in many countries.²³ Regardless of the breadth and depth of these aspirations, women depend on entrepreneurship to accomplish these goals.²⁴

Banks should ensure that product bundles address one or more of the aforementioned

needs, and are supported by marketing materials and product information that are relevant and clearly demonstrate how the offering meets the needs of women. It is important to always keep their goals in mind.

Product Development Through A Gender Lens:

- For business finance, address women's unique business barriers with flexible repayment schedules, grace periods based on cash flow and an expanded definition of collateral (i.e. receivables or gold).
- Offer savings products for housing, retirement, travel, children's education and children's first accounts. An automatic monthly savings program is very useful.
- Add wrap-around services that meet women's needs with your insurance offer.

2. Position information, education and networking as core products

GBA member banks view access to information, education and networking opportunities as core products. For example:

TEB in Turkey is an SME-focused bank that has been successful in positioning education and training as integral bank products. Topics of value to women include business planning, financing options for different stages of business development, costing and pricing, and cash flow forecasting. Value-added topics such as time management and leadership skills have also proven to be popular.²⁵

In 2015, Westpac in Australia ran a successful

campaign targeting retirement planning for women. The bank discovered that women felt financially challenged because of interrupted careers due to maternal and care-giving demands. As a result, women had lower retirement savings than men.²⁶ The campaign highlighted these particular issues for women, resulting in a significant uptake in retirement products and advisory services — by both women and men.

Relevant Information

- Provide access to a wide range of relevant information sources through channels such as web portals, social media, newsletters and SMS blasts.
- Link SME owners to business specialists such as legal and tax consultants, HR professionals, and export and trade finance experts.

Responsive Networking

- Provide opportunities for peer-to-peer networking.
- Offer relevant, aspirational speakers at all events. Encourage networking.
- Offer opportunity for business trips and exposure visits.

3. Build the financial management capability of women customers

Because women are *calculated* risk takers, and those owning businesses may be less leveraged than they could be, building women's financial capability should be a central focus in education and marketing.

- Focus on key issues that prevent women from accessing finance, e.g. cash flow forecasting.
- Ensure information is relevant, timely and convenient to access.
- Develop strategic partnerships to deliver topics beyond the scope of the bank's expertise.
- Point women to opportunities, e.g. seminars, advisory services.
- Embed financial education in communications.

4. Make it a no "pink marketing" zone

In order to become the bank of choice for women, a bank needs to be relevant and offer ways to connect. A best practice bank informs, not sells, and does so in a way that speaks intelligently to women customers.

- Tell stories. Be authentic. Use language that inspires and motivates.
- Capitalize on testimonials from real clients. Use real entrepreneurs in marketing materials, not people who look like bankers.
- Adopt an "educational approach" to marketing.
- Build a strong presence on social media and a sophisticated website with resources — information, education — that enables networking, e.g. a LinkedIn plug-in.
- Offer awards that give exposure, such as Woman Entrepreneur of the Year.
- Build the bank's brand by informing women about corporate social responsibility initiatives.

5. Create a relationship-based business model

Banks that integrate gender intelligence will automatically create a relationship-based customer service model. This requires a sales force that understands women's unique needs.

Create a Gender Intelligent Sales Force

- Train staff in gender-based communication and selling skills, e.g. listening, providing solutions, how women view risk, women's decision-making process.
- Make sure staff is conversant with sector-specific issues for SMEs.
- Differentiate level and quality of relationship management by customer segment.
- Nominate Champions and Ambassadors throughout the distribution network, with one Women's Market Champion per branch.

Recognize Women's Loyalty

- Recognize customer loyalty through reward programs such as points programs and discounts for shops and services.

Pulling It All Together: Gender-Intelligent Customer Value Propositions

GBA member banks have developed CVPs with the goal to solve women’s problems and make life simpler. They appeal to women’s integrative approach by providing a holistic package that includes products, information, education and networking wrapped in a relevant and consistent customer service experience.

BLC BANK

When BLC Bank of Lebanon asked women SME owners what “products” were missing from their bank, most responses were related to customer service rather than financial products. Along with the finding that women are not product-centric, the research revealed that:

- Women want more efficiency, respect and trust. They tend to remember things like how the bank made them feel and how long they had to wait more than the loan itself.
- Women want to be taken seriously – as seriously as men.
- Women want more balance between work, family and leisure time.
- Women are not interested in women-only products, with many feeling that this is demeaning.²⁷

BLC Bank responded by developing a holistic package that would deliver:

- Access to finance – capital, comprehensive business solutions, products.
- Access to knowledge – advice, education, guidance.
- Access to markets – market information, networking opportunities, exposure.
- Access to service excellence – transparency, respect, efficiency, fast.
- Access to bank CSR initiative – community organizations, global impact.

BLC Bank’s Customer Value Proposition

Financial Solutions		
Access to Finance	Two new products and comprehensive virtual banking services	Collateral-free loan: for established businesses of at least 2 years Mother-Child Account: allowing mothers to open fiduciary account in their name with their minor child as a beneficiary, without having to refer to the child’s legal guardian – in Lebanon, the father. BLC Cloud® and HEY! BLC: comprehensive alternative delivery channel, ATM, Internet, Mobile Banking and HEY! the revolutionary mobile payment.
Non-Financial Services		
Access to Knowledge	Training	Workshops and business power sessions Roadshows and technical trainings reaching remote and rural areas
Access to Networks and Markets	Exposure	Networking events Conferences Brilliant Lebanese Awards with “Women Entrepreneur of the Year” and “Business of the Year” categories
Access to Service Excellence/Information	Consultancy: advisory services and business tools for sustainable business practices	www.we-initiative.com to connect, access business tools and consult experts & mentors. www.lebanon.smetoolkit.org to support all SMEs Advisory services via: Ambassadors and champions (internal) Experts and mentors (external)
Access to CSR		UN Global Compact signatories Strengthen work with community organizations

Banco BHD León

When Banco BHD León decided to become the Bank of Reference for women in the Dominican Republic, market research revealed women's needs revolved around four elements, regardless of segment:

- Individual well-being: Women want to be healthy.
- Family well-being: Women want to know their kids and parents are safe.
- Economic independence: Women want to improve the quality of life for themselves and their families.
- Saving time: Women seek more time for themselves and their families.

Based on these results, BHD León developed product bundles to meet the needs of women under five main life-cycle goals:

- Education – education for women and their children.
- Health – protection for themselves, their families and their children.
- Mobility – security, saving time and automobile needs.
- Home – home ownership as a form of economic independence.
- Business – growing their businesses.

Each solution bundles credit, savings and insurance, including innovative financing as well as preferential treatment by suppliers, access to information and other services. For education, for example, the bank offers zero percent financing for school fees as well as programmed savings accounts that include the option to borrow double the amount saved at the end of a 6-month or 12-month time period, life insurance for the account holder and discounts on school supplies.

Once the value propositions were developed, the bank worked on re-engineering the sales approach, moving from the traditional “product push” approach to listening to the customer, providing advice and offering specific solutions based on individualized needs.

Over the last 10 years, the financial services industry has made an effort to reach out to women customers. However, the pervasive approach of being “gender blind” or “gender neutral” has not appreciably moved the needle. The customer insights from the GBA bank survey prove that to be successful in this market, banks need to address women on their own terms. At its core, being successful with women customers is about respecting their needs and finding ways to connect them – to the bank, to each other, to new markets and to the larger community. There may be more of an upfront investment, but it will be one with significant payback.

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