WEBINAR

Mapping It Out: Practical Tools for Reaching Remote Clients

Savings at the Frontier

12 December 2019
9:00 AM UK / 10:00 AM Paris
1. Attendee microphones will remain muted during the entire webinar session.

2. To ask questions during the webinar, please use the Chat box on the right-hand side of the Webex session. You may submit your question at any time during the webinar presentation.

3. To ensure your question is seen by the moderator, select “All Participants” from the drop down menu when sending the question.

4. The webinar recording will be emailed to all attendees and registrants.
Speakers

John Balaba  
Oxford Policy Management

Mbinya Mutiso  
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Marvin Chibuye  
VisionFund Zambia

Casper Fibaek  
NIRAS & Aalborg University

Abedengo Darko  
DSS, Ghana
The proximity gap

- **Definition:** The distance that people need to travel in order to save money securely and later access it in order to be able to spend it or transfer it elsewhere.

- The proximity gap is therefore the distance between where financial services providers are and where the informal savers live and work. It requires the informal savings user to spend resources including time, money, and opportunity to access the services.

- Research has shown that FSP recognize the commercial opportunity and benefits of expanding services to lower income segments and into rural areas.

- ISM linkage attempts have generally tended to be confined to urban and peri-urban areas, and some connected rural areas with reasonable roads and telecoms access.
Informal Savings Mechanisms: Poll
Mbinya Mutiso
Consultant
Oxford Policy Management
Why does proximity mapping matter?

- Formal finance is a function of proximity, but is often as much process-related as proximity driven. Integrating systems, sharing work forces and processes is hard to engineer and manage.

- It is easy to over-estimate how far mobile money has solved the rural proximity challenge.
  - This creates a proximity cliff edge, beyond which it is difficult to establish a viable agent business model.

- A good understanding of the proximity gap is key to building viable models of product delivery.
Why is this important?

FSPs will be able to:

- Use available population data to study the viability of increasing footprint into the rural and peri urban areas.
- Map and document ISM, NGO, bank and Mobile Network Operators (MNO) agents in their areas of operation.
- Deploy appropriate delivery channels to reach the unserved
- Establish a database of ISM customer- location, numbers and activities.
- Use the information to develop viable business models for reaching and serving ISM Users.
Geo-location tools

- What3words’Use of freely available/ open source application for geo-locating ISM, banks, MNO and bank agents including ‘what3words’ and ‘Plus Codes finder.’

- These applications are simple to use/ free/ work in online and offline models/ data capture and transfer is possible.

- Open the application you downloaded, identify the ‘what3words’ or PlusCodes Finder (alpha numerical code) that describe your location, save it to phone or share it.

- Location accuracy is 3x3 meters – much higher than navigation apps.
Starting point – get locations into some form of public domain mapping
Take boundaries from administrative units mapping
Overlay boundaries from administrative units mapping onto geo-mapping of agents/groups
Use enhanced map to encapsulate challenge and think about improving cash-in/out options

Mali village groups approx 40 Groups in area. Homestead has shop ideal for agency
Agent catchment plots overlaid on Chongwe ward. Yellow equals 3k radius around actual. White equals potential agent catchment plots.

There are open spaces where MNOs/ Bank could deploy agents to serve the savings groups/ upgrade existing MNO outlets to mobile money agents.
Solidarity Loan groups with significant self-organised saving activity found within a self-organised infill area. Can link their transactional loan activity with their informal savings activity.

Chawama Lilayi peri-urban infill area with partner-FSP on edge of infill. Loan groups with significant self-organised saving activity found within infill area.
Casper Fibaek
Industrial Researcher
NIRAS & Aalborg University
Abednego Darko
Founder and CEO
DSS, Ghana
Susu enterprise in Tema
Susu enterprise in Volta region
Practical application of the Tool

- Classification of documented customer locations.
- Linking customer transaction data.
- Identification of competitor profile in areas of interest.
- Process mapping.
- Highlight the potential for business growth by showing population data in an area.
- Potential for providing additional services.
Find out more

- Visit opml.co.uk/projects/savings-frontier to:
  - access our proximity scoping report – ‘Moving proximity from critical to addressable challenge’.
  - sign up to our newsletter.
  - read our blogs.

- Follow us on Twitter @SavingsFrontier
Q&A

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Upcoming CGAP webinars

Webinar I | Agent Networks at the Last Mile: The Role of Policy Makers and Regulators focuses on the steps policy makers and regulators can take to enable rural agent networks. 9-10 a.m. (US ET), December 12. Register>>

Webinar II | Agent Networks at the Last Mile: The Role of Financial Services Providers highlights emerging business models and innovations that providers are using to expand agent networks in remote places. 9-10 a.m. (US ET), December 18. Register>>
WHAT’S NEXT

1. We will email you when the webinar recording and related materials become available on the FinDev Gateway website.

2. Continue the discussion on this topic on Gateway LinkedIn Group. Join the group via the link shared in the Chat box.

3. For more resources on financial inclusion, visit www.FinDevGateway.org and www.cgap.org
Thank you

www.FinDevGateway.org