ADVANCING YOUNG WOMEN'S FINANCIAL INCLUSION IN TANZANIA

Adam Yusuf, 2017 CGAP Photo Contest

Segmentation analysis & Qualitative research findings 2024

CGAP GMAURICH INSIGHTS 71point4

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This work was commissioned by CGAP and funded in whole or in part by CGAP as part of its *Pushing the Frontiers of Women's Economic Empowerment through Financial Inclusion* project. Unlike CGAP's official publications, the viewpoints and conclusions expressed are those of the authors and they may or may not reflect the views of CGAP staff.

Executive Summary

This reading deck focuses on the financial lives of young women aged 15-24 in Tanzania, who make up almost 10% of the country's population. It highlights findings from segmentation analysis and qualitative research undertaken in 2024.

Segmentation based on key livelihood and demographic factors revealed 8 main segments of young women. Qualitative research then detailed important aspects of the financial lives of three segments of particular interest to financial inclusion stakeholders – business owners, farmers, and dependents – including: goals and concerns; financial service use; and barriers to and enablers of that use.

The deck also contains respondent profiles that enable the reader to more deeply understand the financial behaviors, aspirations, and financial habits of young women in these three segments.

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6. Selected respondent profiles

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Why focus on young women's financial inclusion in Tanzania?

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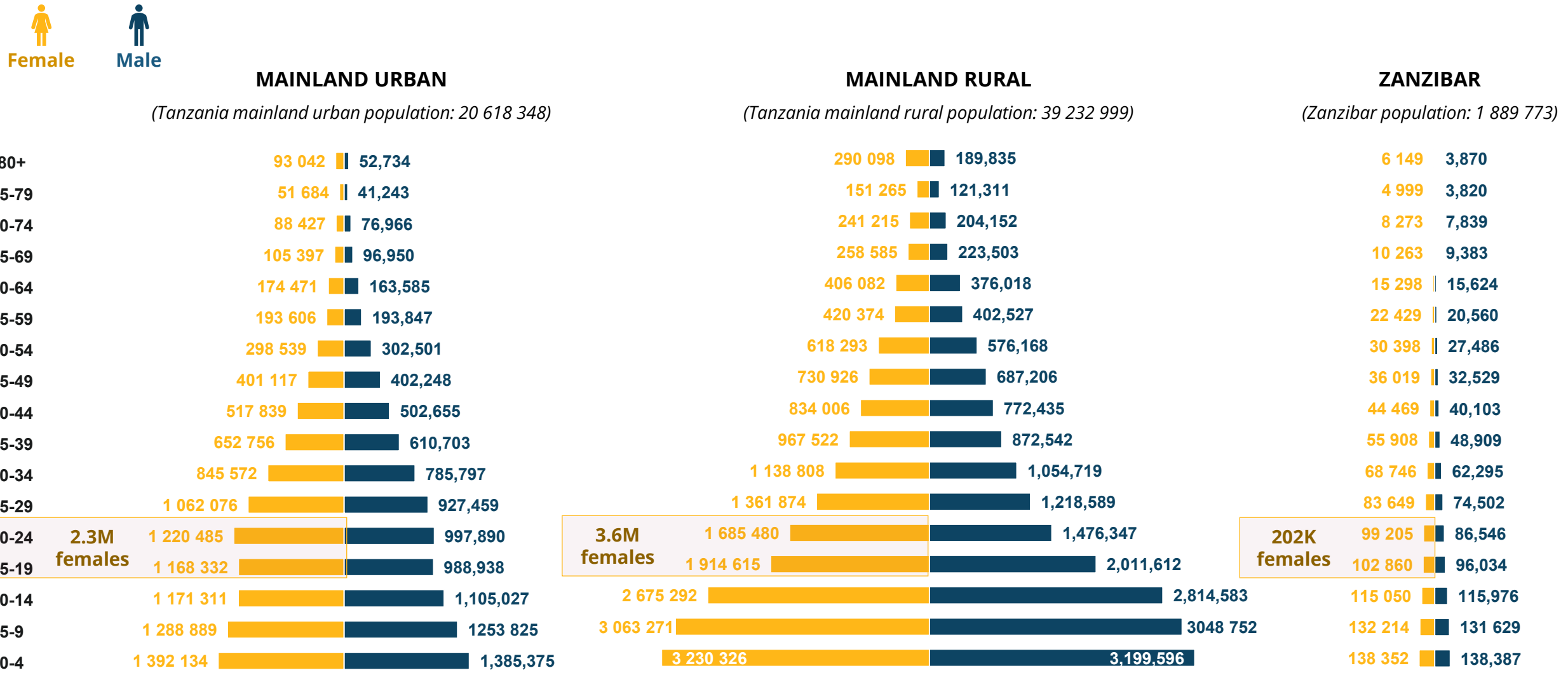
There are over 6M young women aged 15-24 in Tanzania today



Source: Tanzania Age and Sex Distribution Report – 2022 Population and Housing Census

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These young women represent a largely untapped market for formal financial services

ACCESS STRAND Females 16 - 24	Married dependents	Young dependents living at home (never married)	Unmarried dependent, low education	Older Dependents (never married)	Casual workers	Farmers	Salaried	Business owners
SEGMENT SIZE	938,522	981,575	488,463	391,677	996,661	764,913	346,945	343,744
Banked	9%	12%	0%	41%	14%	9%	52%	12%
Other formal non-banked	47%	42%	39%	51%	56%	51%	38%	71%
Formally excluded	43%	46%	61%	8%	30%	40%	10%	17%
	406 000	*454 000*	*297 000*		*300 000*	*308 000*		

Source: Finscope Tanzania 2023

Note: Financial access strand: Banked includes commercial banks and Postbank, Non-bank formal includes insurance, SACCOs, MFIs, remittance companies, mobile money and CMGs, Formally excluded included 'Informal only' (shops/supply chain credit and money lenders) and 'Excluded' (friends/family and saving at home/in-kind)

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And evidence indicates that financial inclusion can improve outcomes for this marginalized but critical group

- Young women are **among the most socially excluded** demographic groups
  - Double the proportion of NEET
  - SSA: 18% married <18
- Young women's outcomes are **strategically important**
  - A 1% increase in the share of women completing secondary education boosts economic growth by 0.3% per capita (Dollar & Gatti 1999)
  - A child born to a mother who can read is 50 percent more likely to live past age five (UNICEF et al 2024)
  - Across age groups, women who had a child under age 18 are less likely to be in remunerative employment (World bank 2024)

- Well-designed financial inclusion initiatives for AGYW have improved financial attitudes, aspirations, plans, and behavior (CGAP Evidence review)
- Plural programs with financial inclusion components have been associated with positive outcomes related to livelihoods, education, health, psychosocial functioning
- Financial inclusion interventions appear to increase participation and retention in plural programs
- Studies reviewed showed no drop in school engagement

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Trung Vo Chi, 2013 CGAP Photo Contest

Question: How can financial inclusion initiatives be designed and delivered to benefit young women at scale?

CGAP research questions

- What use cases do currently excluded young women have for financial services?
- What is the best financial inclusion tool or combination of tools to help different segments of young women increase access to and control over financial resources, while mitigating risks?
- (How) Can digital channels reduce costs and scale programs without sacrificing impact?
- To what extent can impactful financial inclusion initiatives be delivered through the private sector?

☑ Quantitative & qualitative research in Tanzania and Ghana to understand which segments of young women are/not financially included and why to inform ideation of solutions

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What do financial lives of young women look like?

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Women in Tanzania

42%

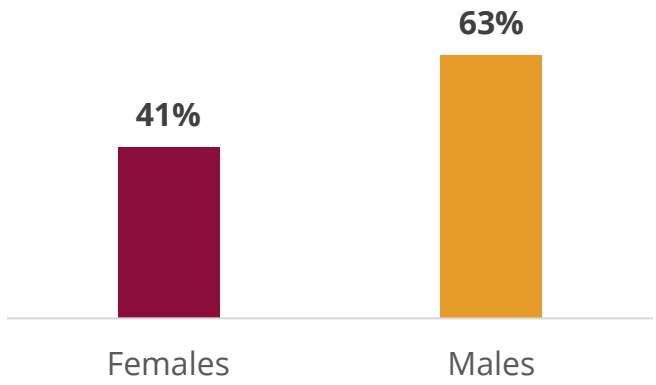
Of women aged 15 – 24 have given birth to at least one child

18

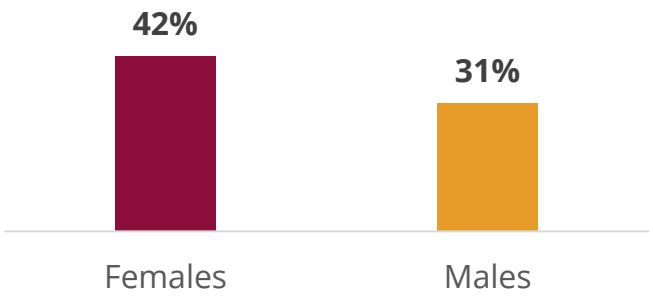
Median age at first birth, of mothers in the 15 – 24 age segment

Female Male

% 15 – 24 who are currently working



% 15 – 24 years olds doing unpaid work
(of those who are currently working)



% 15 – 24 years olds living in urban areas who moved from the countryside

Source: Tanzania DHS 2022
Note: **Currently working**: Questions used to create indicator: Q909: "Aside from your own housework, have you done any work in the last 7 days?" and Q910: "As you know, some [women / men] take up jobs for which they are paid in cash or kind. Others sell things, have a small business or work on the family farm or in the family business. In the last 7 days, have you done any of these things or any other work?" **Unpaid work:** Q916 "Are you paid in cash or kind for this work or are you not paid at all?" **Moved from countryside:** Q108: "Just before you moved here, did you live in a city (Nairobi, Kisumu, Mombasa or Nakuru), in a town or in a rural area?".

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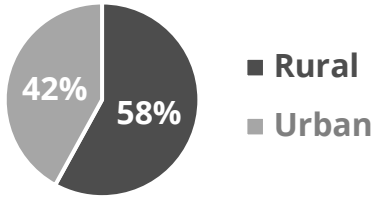
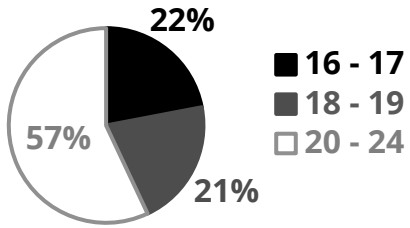
ALL YOUNG FEMALES

5.5 MILLION, FEMALES AGED 16 - 24

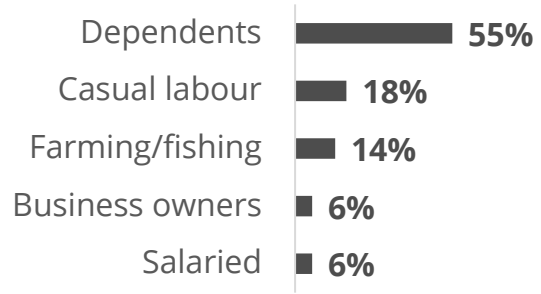
GEOGRAPHY



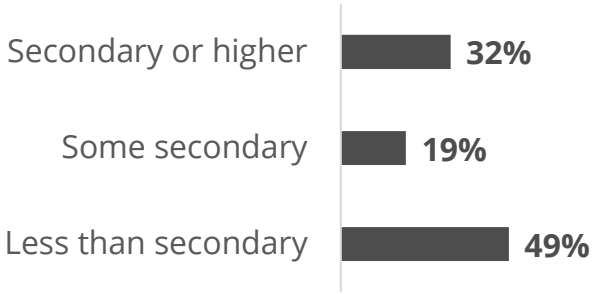
AGE GROUP



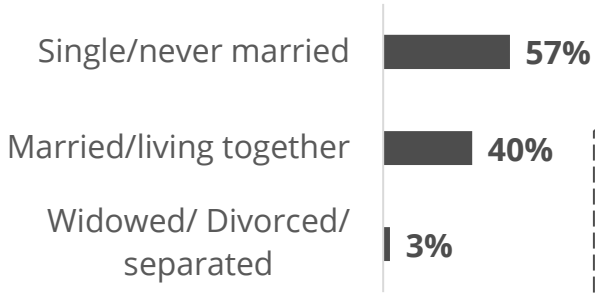
MAIN SOURCE OF INCOME



HIGHEST LEVEL OF EDUCATION



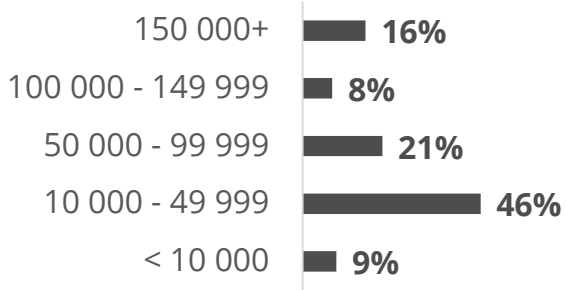
MARITAL STATUS



77% of unmarrieds live with their parents or other relatives

PERSONAL MONTHLY INCOME*

(of those with earned income)



Median income is ***TZS 38,333***

21% HAVE A NATIONAL ID CARD/ NUMBER

33% HAVE A VOTER'S ID

57% OWN A MOBILE PHONE

18% OWN A SMARTPHONE

59% OWN A SIM CARD

20% OWN A SIM CARD REGISTERED IN THEIR NAME

Source: FinScope Tanzania 2023

Note: **Personal monthly income** across all sources of income is derived by dividing any reported annual amounts by 12 plus any reported monthly amounts. **Living with parents or other relatives** based on respondents reported relationship to household head. **Unmarrieds** includes single/never married, widowed / divorced / separated

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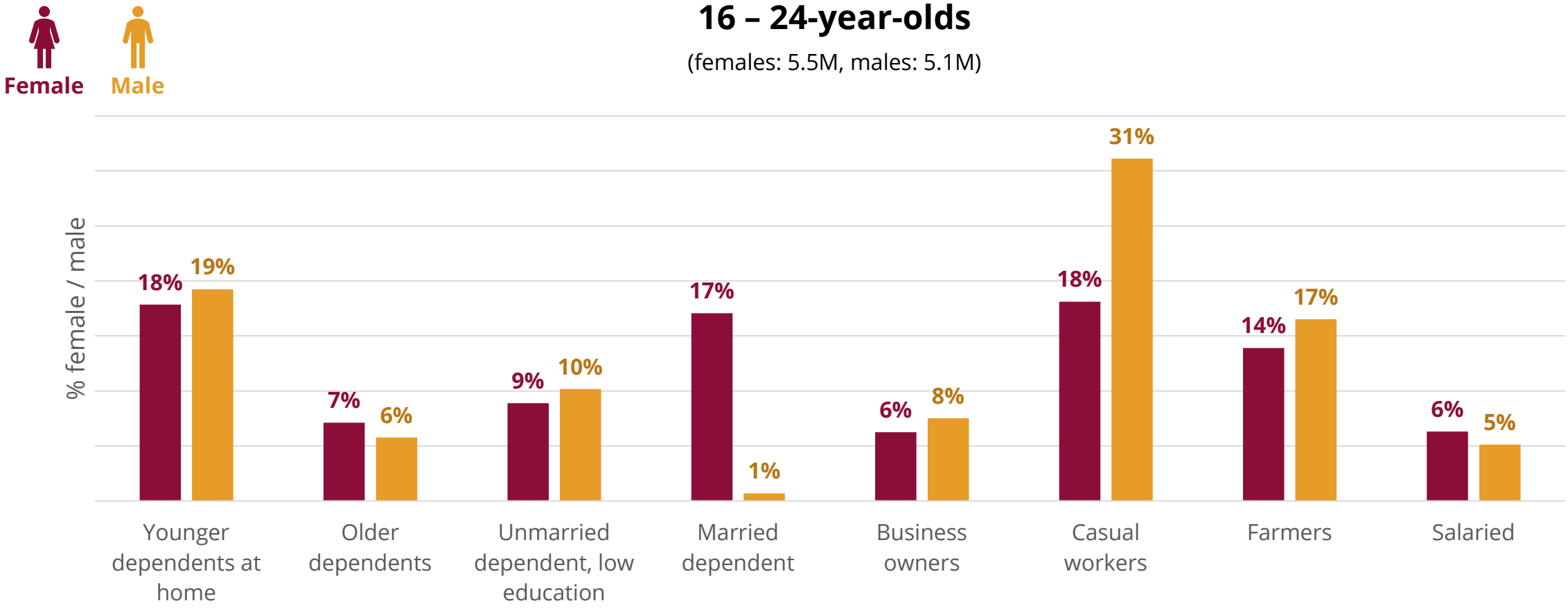
Dependency is lower among young males of the same age group (1.9 million male dependents 16 – 24 compared to 3.0 million dependent young females)



 Source: FinScope 2023

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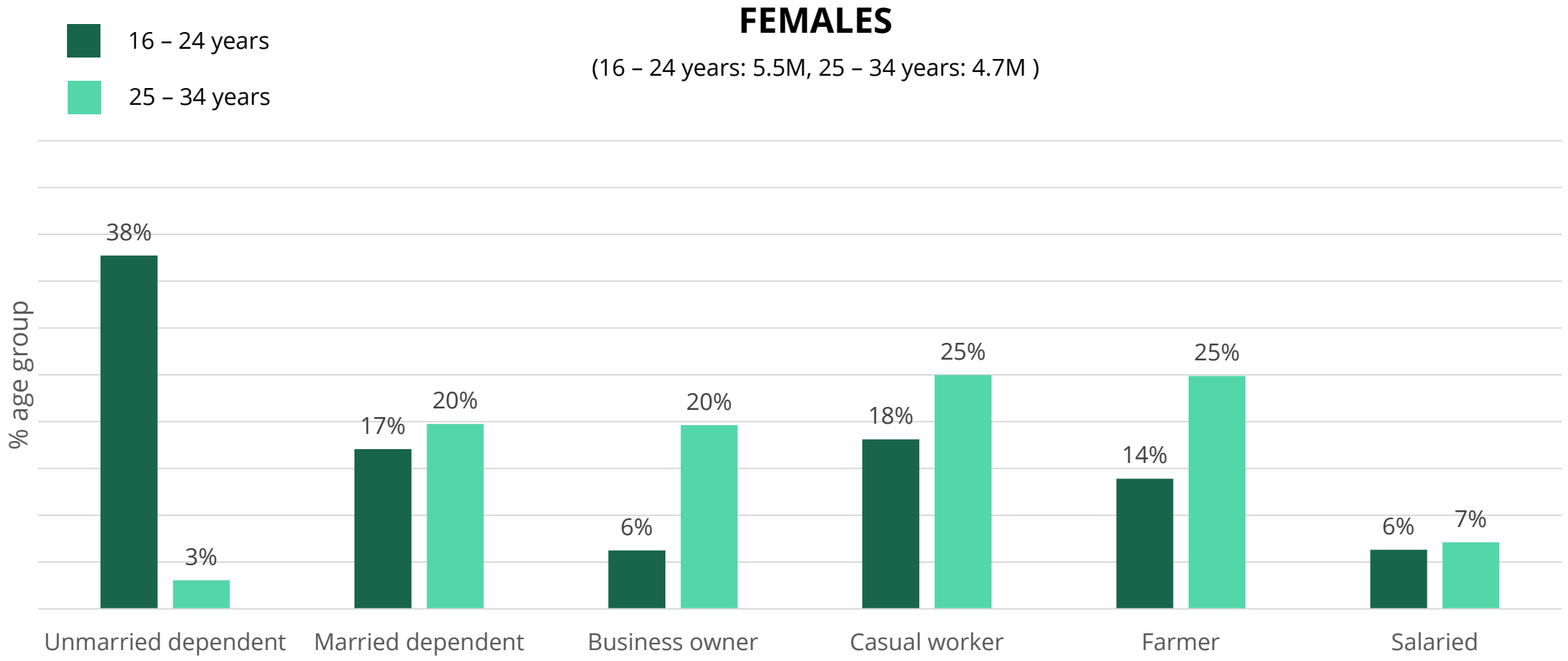
By 25 years old, the level of dependency decreases for females as many move into self-employment, casual work and farming. There are one million female dependents aged 25 – 34 years old



Source: FinScope 2023
Note: Unmarried includes single/never married, divorced/separated, and widowed

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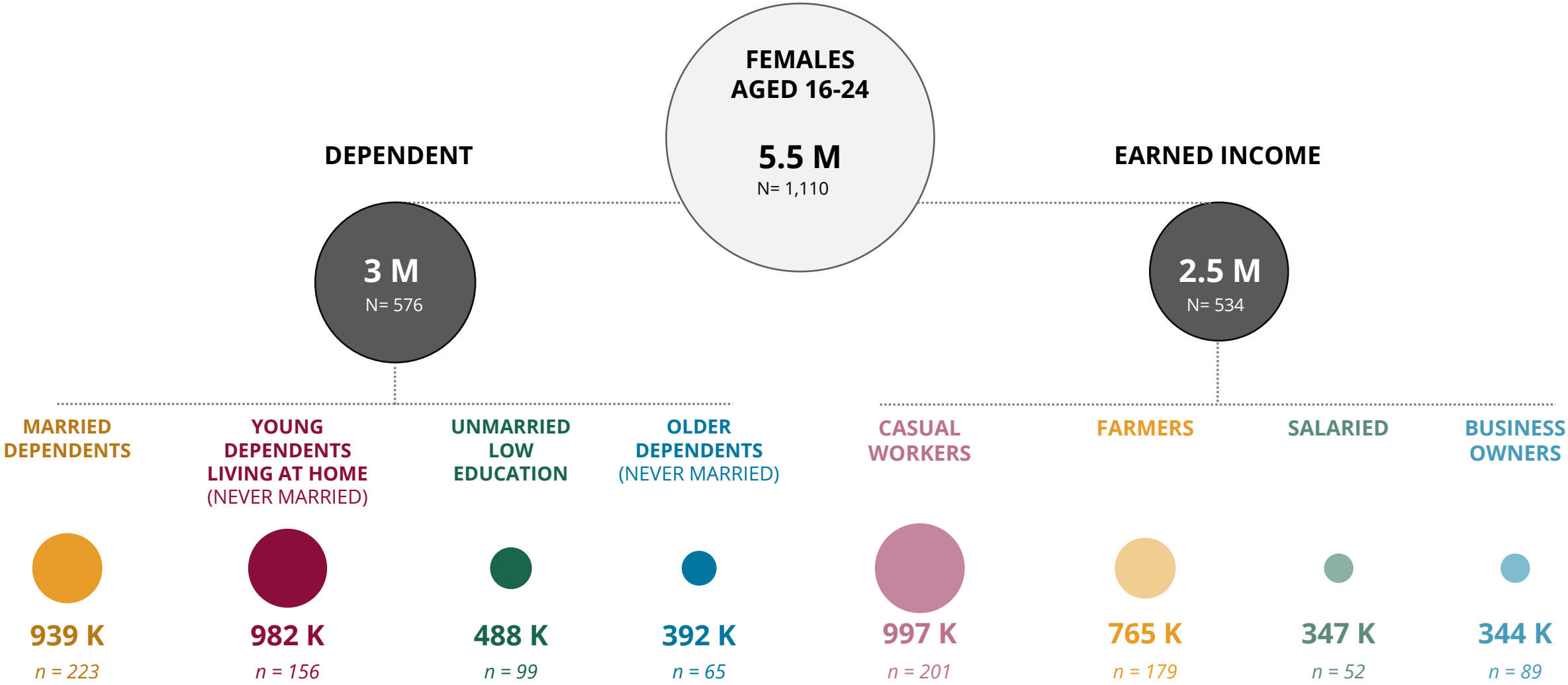
Eight segments of young women have been identified



Source: FinScope Tanzania 2023
Note: *Other dependent youth not falling into one of the above segments includes 213 000 females 16 - 24 (n = 33), and 'Other income' earners comprises 35 000 females 16 – 24 (n = 13)

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Within the working / employed segments, there is a lot of diversity

CASUAL WORKERS

May include*....

Rural casual farm workers

Urban part-time / season hospitality staff

*Data on sector employed in not available in FinScope

SALARIED WORKERS

Include....

Formal private sector / Government employees

Salaried domestic workers

...and other regular wage earners working in informal businesses

BUSINESS OWNERS

Include....

Traders (rural / urban)

Service providers (rural / urban)

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The population of unserved / formally excluded young females fall predominantly across five segments, mostly dependents

ACCESS STRAND Females 16 - 24	Married dependents	Young dependents living at home (never married)	Unmarried dependent, low education	Older Dependents (never married)	Casual workers	Farmers	Salaried	Business owners
SEGMENT SIZE	938,522	981,575	488,463	391,677	996,661	764,913	346,945	343,744
Banked	9%	12%	0%	41%	14%	9%	52%	12%
Other formal non-banked	47%	42%	39%	51%	56%	51%	38%	71%
Formally excluded	43% *406 000*	46% *454 000*	61% *297 000*	8%	30% *300 000*	40% *308 000*	10%	17%

Source: Finscope Tanzania 2023
Note: Financial access strand: Banked includes commercial banks and Postbank, Non-bank formal includes insurance, SACCOs, MFIs, remittance companies, mobile money and CMGs, Formally excluded included 'Informal only' (shops/supply chain credit and money lenders) and 'Excluded' (friends/family and saving at home/in-kind)

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Formal financial inclusion is driven by mobile money usage, but a sizeable proportion across all segments do not use mobile money in their own names

Financial services uptake – transactional (Females 16 – 24)		Married dependents	Young dependents living at home (never married)	Unmarried dependent, low education	Older Dependents (never married)	Casual workers	Farmers	Salaried	Business owners
SEGMENT SIZE		938,522	981,575	488,463	391,677	996,661	764,913	346,945	343,744
BANK	Use bank account	2%	6%	0%	36%	6%	6%	27%	6%
	Use bank account **in own name**	2%	6%	0%	35%	6%	6%	27%	6%
MOBILE MONEY	Use mobile money account	43%	31%	28%	85%	49%	43%	78%	75%
	Use mobile money account **in own name**	22%	13%	13%	62%	28%	26%	42%	42%

Source: Finscope Tanzania 2023

*Note: **Bank account** includes variable serv1_1 "please tell me which of the following do you sometimes use" and variable serv2_1 "use it in your name only" or "use it in your name and someone else's name jointly". **Mobile money** includes variables mob2 and mob6 "you are currently using mobile money" and "you are registered to use mobile money".

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There is high reliance on informal savings and credit in many segments

Financial services uptake – savings & credit (Females 16 – 24)		Married dependents	Young dependents living at home (never married)	Unmarried dependent, low education	Older Dependents (never married)	Casual workers	Farmers	Salaried	Business owners
SEGMENT SIZE		938,522	981,575	488,463	391,677	996,661	764,913	346,945	343,744
SAVINGS	Have formal savings	7%	14%	5%	27%	15%	18%	23%	45%
	Have group savings	1%	0%	0%	0%	8%	7%	9%	11%
	Save in a secret hiding place	38%	22%	10%	13%	25%	33%	22%	32%
	Savings given to someone else for safekeeping	3%	2%	6%	4%	3%	8%	7%	2%
CREDIT	Have formal credit	1%	0%	0%	4%	1%	3%	4%	4%
	Have group credit	0%	0%	0%	0%	7%	5%	7%	7%
	Borrowed from friends / family (to repay)	22%	10%	4%	31%	19%	21%	31%	32%

Source: Finscope Tanzania 2023

*Note: Based on variable F4_1 "please tell me how you saved/kept money you put away in past 12 months". **Formal savings** include those who save through a Bank, MFI, SACCO, Postbank, dedicated savings wallet on mobile phone or their normal mobile money balance. **Group savings** include those who save through a savings group, another community group or church. **Save in a secret hiding place** include those who save by keeping cash at home/in a secret hiding place. **Savings given to someone else to keep** include those who give money to a household/family member to keep safe, give to someone else for safekeeping or give savings to an employer. **Formal credit** include those who borrowed from a bank, MFI, SACCO, Govt scheme, mobile money service, or pension fund. **Group credit** include those who either use Savings group or religious organization / other community-based organization. **Borrowed from friends and family** include those who 'borrowed from friends/family that you had to pay back'

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What are segment specific characteristics?

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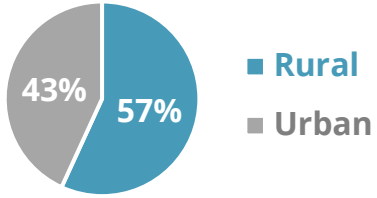
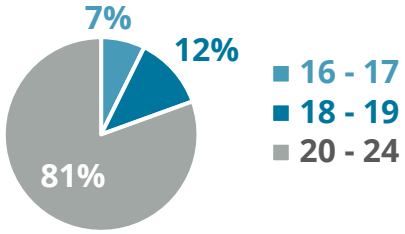
BUSINESS OWNERS

344,000 FEMALES AGED 16 - 24

GEOGRAPHY

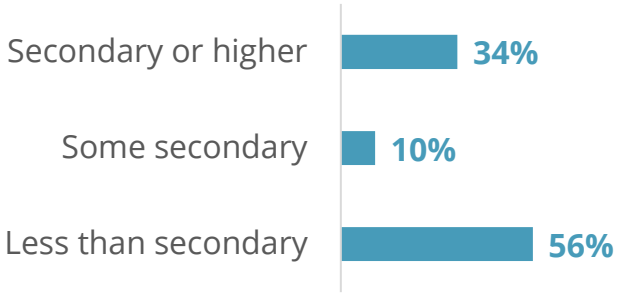


AGE GROUP

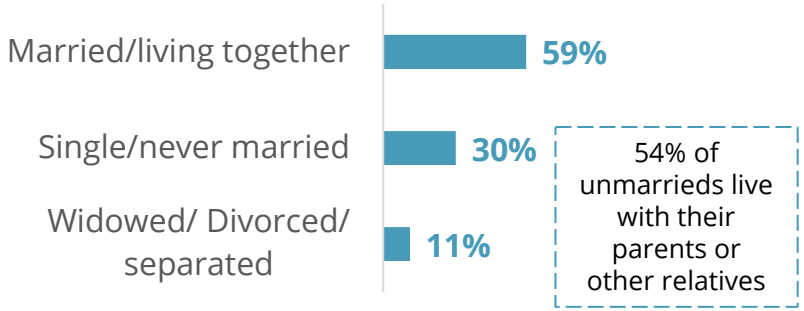


BUSINESS TYPE

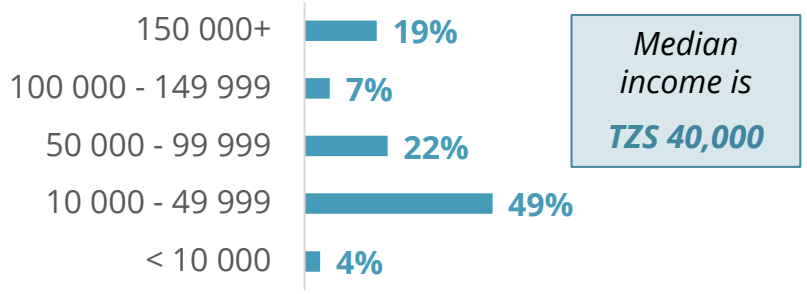
HIGHEST LEVEL OF EDUCATION



MARITAL STATUS



PERSONAL MONTHLY INCOME



40% HAVE A NATIONAL ID CARD/ NUMBER

55% HAVE A VOTER'S ID

76% OWN A MOBILE PHONE

23% OWN A SMARTPHONE

82% OWN A SIM CARD

39% OWN A SIM CARD REGISTERED IN THEIR NAME

Source: FinScope Tanzania 2023

Note: **Personal monthly income** across all sources of income is derived by dividing any reported annual amounts by 12 plus any reported monthly amounts. **Living with parents or other relatives** based on respondents reported relationship to household head. **Unmarrieds** includes single/never married, widowed / divorced / separated

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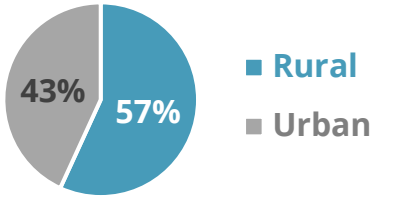
BUSINESS OWNERS

344,000 FEMALES AGED 16 - 24

% FORMALLY INCLUDED 83%

GEOGRAPHY



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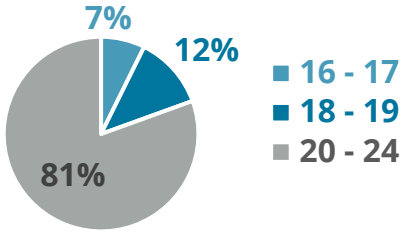
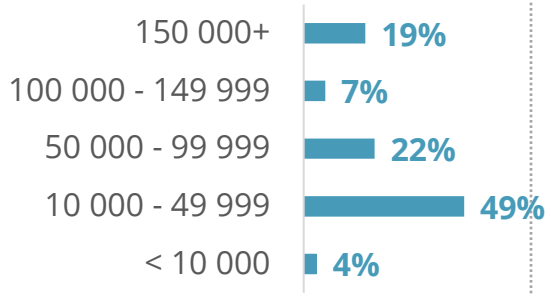


PERSONAL MONTHLY INCOME



*Median income is: **TZS 40,000***

TRANSFER OF VALUE

A MINORITY OF BUSINESS OWNERS ARE MAKING REGULAR DIGITAL PAYMENTS, AND ALL THEIR INCOME IS RECEIVED IN CASH

- 43% made any digital payment for goods or services in past 12 months, but only 8% did this on a daily or weekly basis
- 50% received remittances (99% via an account)
- All say the main way they receive their income is via cash

LIQUIDITY

BUSINESS OWNERS ARE THE MOST LIQUIDITY CONSTRAINED SEGMENT

- **49%** say they **'often'** or **'sometimes'** struggle to pay for their regular expenses
- A further **46%** say they 'always' struggle to pay for regular expenses (likely an indicator of poverty)

RESILIENCE

BUSINESS OWNERS FACE HIGH LEVELS OF UNFORESEEN EXPENSES SHOCKS

- 43% have experienced a large, unforeseen shock in the past 12 months
- The main shocks were unforeseen medical and death/funeral expenses
- 55% could come up with emergency funds (TZS 100 000 in 7 days) if needed

GOALS

MANY BUSINESS OWNERS WANT TO INVEST IN PROPERTY OR LAND*

- 31% say land is the main thing they would like to buy in the future, a further 29% say a house

Source: FinScope 2023
Note: *Survey question: "Can you think about something you want to buy that you cannot afford right now but you would like to buy if you have the money?"

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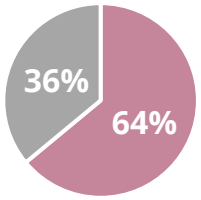
CASUAL WORKERS

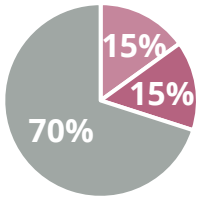
997,000 FEMALES AGED 16 - 24

GEOGRAPHY



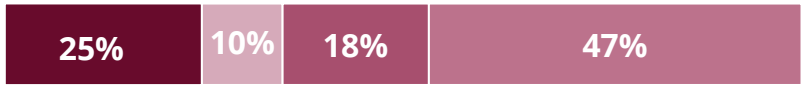
- Rural
- Urban

AGE GROUP



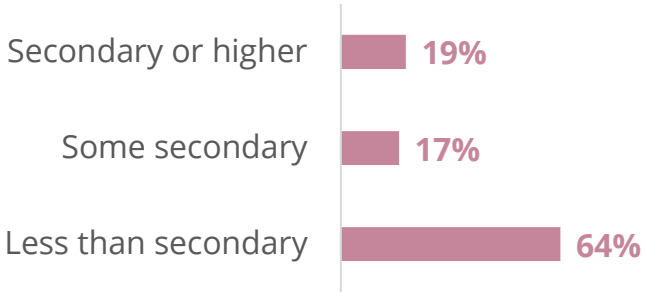
- 16 - 17
- 18 - 19
- 20 - 24

FREQUENCY OF RECEIVING MAIN INCOME

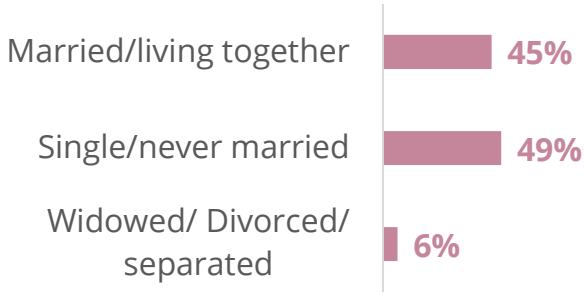


Daily | Weekly | Monthly | Annually/Seasonally /Occasionally

HIGHEST LEVEL OF EDUCATION

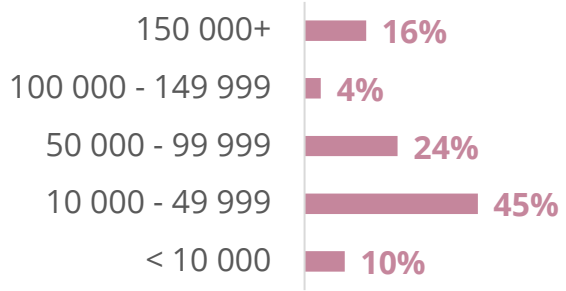


MARITAL STATUS



71% of unmarrieds live with their parents or other relatives

PERSONAL MONTHLY INCOME



Median income is ***TZS 30,000***

23% HAVE A NATIONAL ID CARD/ NUMBER

36% HAVE A VOTER'S ID

59% OWN A MOBILE PHONE

9% OWN A SMARTPHONE

62% OWN A SIM CARD

20% OWN A SIM CARD REGISTERED IN THEIR NAME

Source: FinScope Tanzania 2023

Note: *Personal monthly income across all sources of income is derived by dividing any reported annual amounts by 12 plus any reported monthly amounts. **Living with parents or other relatives** based on respondents reported relationship to household head. **Unmarrieds** includes single/never married, widowed / divorced / separated

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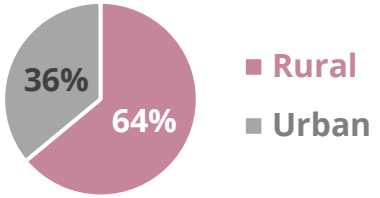
CASUAL WORKERS

997,000 FEMALES AGED 16 - 24

% FORMALLY INCLUDED 70%

GEOGRAPHY



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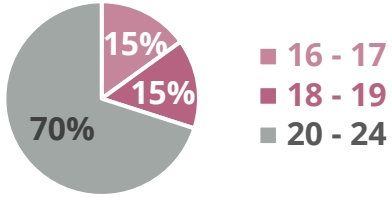
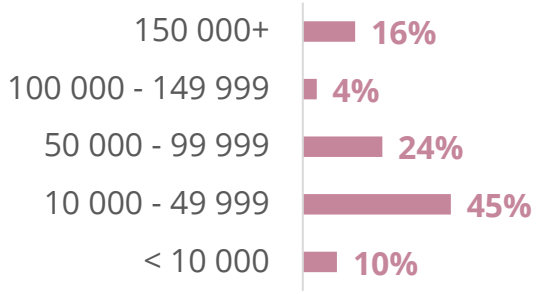


PERSONAL MONTHLY INCOME



*Median income is: **TZS 30,000***

Source: FinScope 2023

Note: *Survey question: "Can you think about something you want to buy that you cannot afford right now but you would like to buy if you have the money?"

TRANSFER OF VALUE

A MINORITY OF CASUAL WORKERS ARE MAKING REGULAR DIGITAL PAYMENTS, AND ALMOST ALL THEIR INCOME IS RECEIVED IN CASH

- 30% made any digital payment for goods or services in past 12 months, but only 5% did this on a daily or weekly basis
- 38% received remittances (97% via an account)
- Main way they receive their income is via cash (99%)

LIQUIDITY

CASUAL WORKERS ARE HIGHLY LIQUIDITY CONSTRAINED, LIKELY DUE TO IRREGULAR INCOME FLOWS

- **58%** say they **'often'** or **'sometimes'** struggle to pay for their regular expenses
- A further **34%** say they '**always**' struggle to pay for regular expenses (likely an indicator of poverty)

RESILIENCE

MOST CASUAL WORKERS WOULD NOT BE ABLE TO COME UP WITH EMERGENCY FUNDS

- 35% have experienced a large, unforeseen shock in the past 12 months, primarily related to harvest / crop failure / loss of livestock and medical expenses
- Only **39%** say they **could** come up with emergency funds (TZS 100 000 in 7 days) if needed

GOALS

CASUAL WORKERS HAVE SEVERAL ASPIRATIONS*

- **51%** say a **house or land** is the main thing they want to invest in, in the future
- 16% say business, and 15% say livestock

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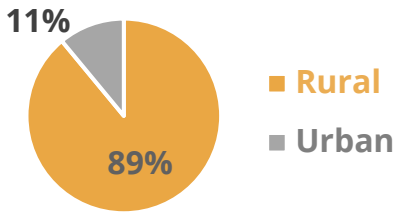
FARMERS

765,000 FEMALES AGED 16 - 24

GEOGRAPHY



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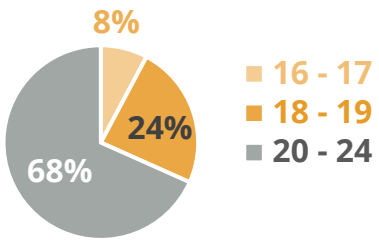

TYPE OF FARMING ACTIVITY

Selling/trading crops/produce	90%
Selling/trading livestock	5%
Selling/trading livestock products	4%
Selling fish/aquaculture	1%

HIGHEST LEVEL OF EDUCATION

Secondary or higher	14%
Some secondary	5%
Less than secondary	81%

MARITAL STATUS

Married/living together	64%
Single/never married	31%
Widowed/ Divorced/ separated	4%

70% of unmarrieds live with their parents or other relatives

PERSONAL MONTHLY INCOME

150 000+	15%
100 000 - 149 999	9%
50 000 - 99 999	24%
10 000 - 49 999	38%
< 10 000	14%

Median income is ***TZS 40,000***

24% HAVE A NATIONAL ID CARD/ NUMBER

58% HAVE A VOTER'S ID

49% OWN A MOBILE PHONE

9% OWN A SMARTPHONE

53% OWN A SIM CARD

24% OWN A SIM CARD REGISTERED IN THEIR NAME

Source: FinScope Tanzania 2023

Note: *Personal monthly income across all sources of income is derived by dividing any reported annual amounts by 12 plus any reported monthly amounts. **Living with parents or other relatives** based on respondents reported relationship to household head. **Unmarrieds** includes single/never married, widowed / divorced / separated

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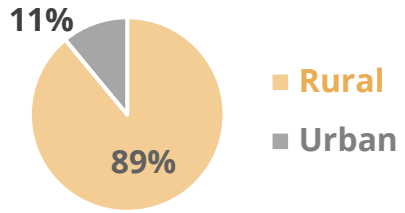
FARMERS

765,000 FEMALES AGED 16 - 24

% FORMALLY INCLUDED 60%

GEOGRAPHY



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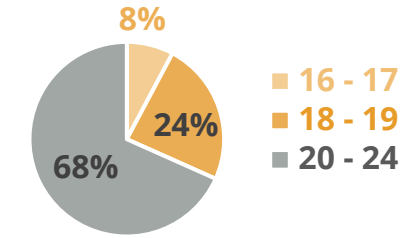
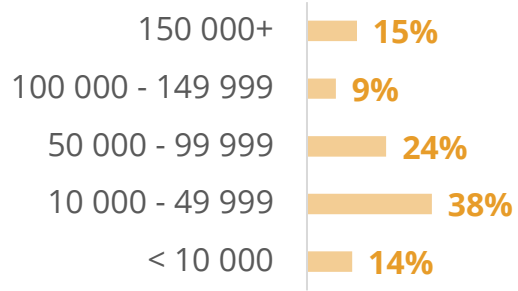


PERSONAL MONTHLY INCOME



*Median income is: **TZS 40,000***

TRANSFER OF VALUE

A MINORITY OF FARMERS ARE MAKING REGULAR DIGITAL PAYMENTS, AND ALMOST ALL THEIR INCOME IS RECEIVED IN CASH

- 27% made any digital payment for goods or services in past 12 months, but only 7% did this on a daily or weekly basis
- 28% received remittances (99% via an account)
- Main way they receive their income is via cash (98%)

LIQUIDITY

FARMERS FACE HIGH LEVELS OF LIQUIDITY DISTRESS

- **59%** say they **'often'** or **'sometimes'** struggle to pay for their regular expenses
- A further **33%** say they 'always' struggle to pay for regular expenses (likely an indicator of poverty)

RESILIENCE

FARMERS ARE THE MOST LIKELY TO EXPERIENCE LARGE, UNFORESEEN SHOCKS

- 46% have experienced a large, unforeseen shock in the past 12 months, mostly harvest/crop failure or loss of livestock (30%)
- Just over half (51%) say they could come up with emergency funds (TZS 100 000 in 7 days) if needed

GOALS

MANY FARMERS ASPIRE TO EXPAND THEIR FARMING ACTIVITIES BY PURCHASING MORE LAND OR LIVESTOCK*

- **24%** say land is the main thing they would like to invest in, in the future
- A further **20%** say **livestock** or **farming equipment**

Source: FinScope 2023

Note: *Survey question: "Can you think about something you want to buy that you cannot afford right now but you would like to buy if you have the money?"

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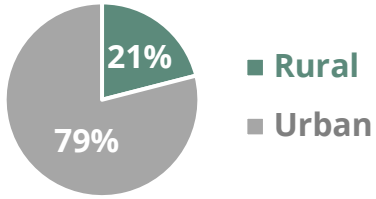
SALARIED

347,000 FEMALES AGED 16 - 24

GEOGRAPHY



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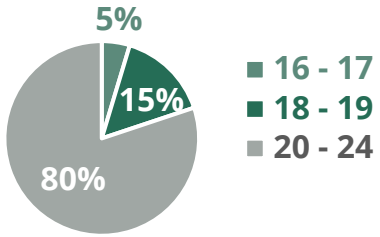
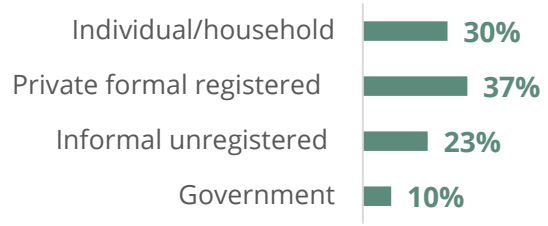
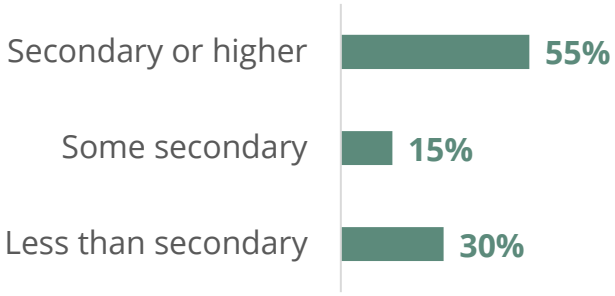


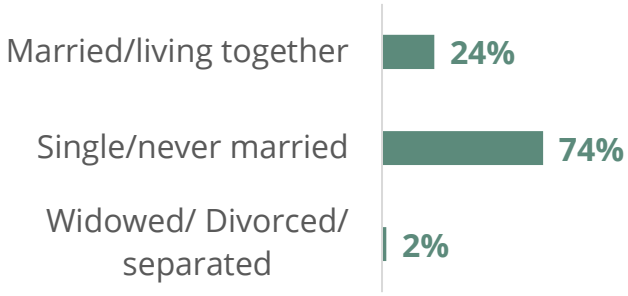
EMPLOYER



HIGHEST LEVEL OF EDUCATION

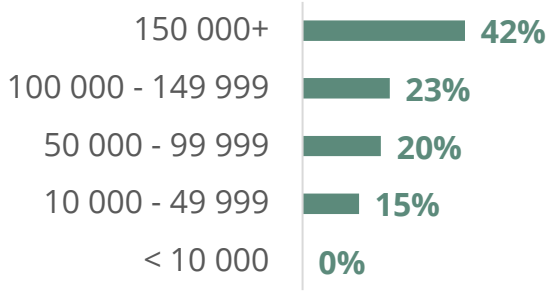


MARITAL STATUS



46% of unmarrieds live with their parents or other relatives

PERSONAL MONTHLY INCOME



Median income is ***TZS 100,000***

33% HAVE A NATIONAL ID CARD/ NUMBER

46% HAVE A VOTER'S ID

94% OWN A MOBILE PHONE

47% OWN A SMARTPHONE

92% OWN A SIM CARD

45% OWN A SIM CARD REGISTERED IN THEIR NAME

Source: FinScope Tanzania 2023

Note: *Personal monthly income across all sources of income is derived by dividing any reported annual amounts by 12 plus any reported monthly amounts. **Living with parents or other relatives** based on respondents reported relationship to household head. **Unmarrieds** includes single/never married, widowed / divorced / separated

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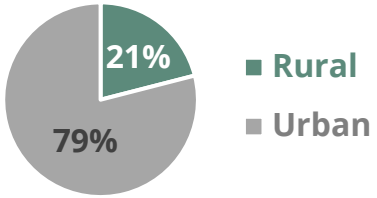
SALARIED

347,000 FEMALES AGED 16 - 24

% FORMALLY INCLUDED 90%

GEOGRAPHY



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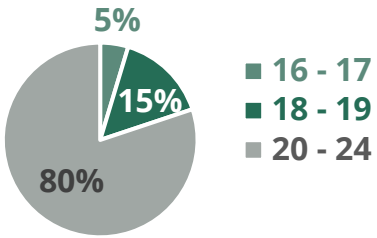
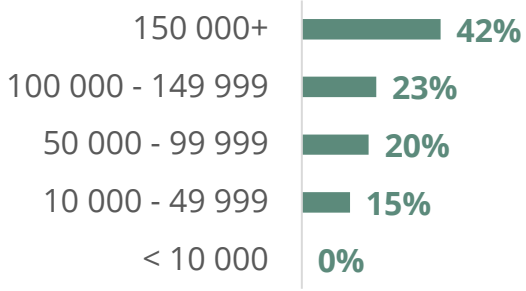


PERSONAL MONTHLY INCOME



*Median income is: **TZS 100,000***

TRANSFER OF VALUE

THE MOST LIKELY SEGMENT TO MAKE REGULAR DIGITAL PAYMENTS, THOUGH STILL A MINORITY DO THIS

- 61% made any digital payment for goods or services in past 12 months; 16% did this on a daily or weekly basis
- 47% received remittances (100% via an account)
- 27% say that the main way they receive their income is via an account

LIQUIDITY

HIGH LIQUIDITY DISTRESS GIVEN RELATIVELY HIGH, STABLE INCOME

- **47%** say they **'often'** or **'sometimes'** struggle to pay for their regular expenses
- **48%** say they 'always' struggle to pay for regular expenses (likely an indicator of poverty)

RESILIENCE

THE LEAST LIKELY SEGMENT TO EXPERIENCE LARGE, UNFORESEEN SHOCKS, AND MOST HAVE ACCESS TO EMERGENCY FUNDS IF NEEDED

- 28% experienced a large, unforeseen shock in the past 12 months
- 62% say they could come up with emergency funds (TZS 100 000) in 7 days if needed

GOALS

MANY SALARIED WORKERS WANT TO INVEST IN HOUSING, OTHERS WANT TO START THEIR OWN BUSINESSES*

- **45%** say a house is the main thing they want to invest in, in the future
- **22%** say business

Source: FinScope 2023
Note: *Survey question: "Can you think about something you want to buy that you cannot afford right now but you would like to buy if you have the money?"

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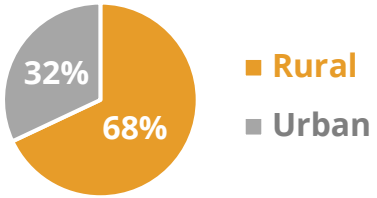
MARRIED DEPENDENTS

939,000 FEMALES AGED 16 - 24

GEOGRAPHY



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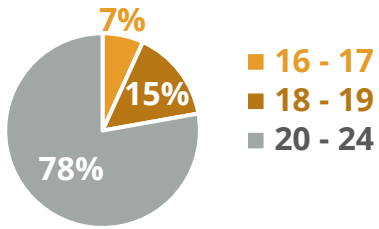
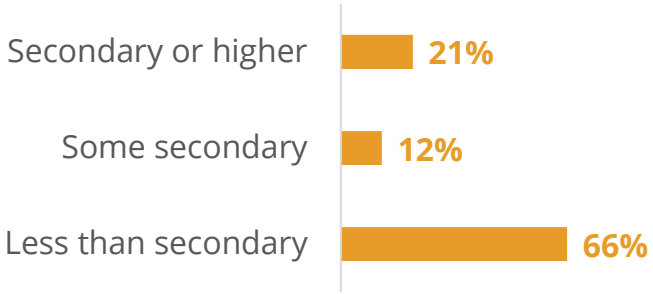
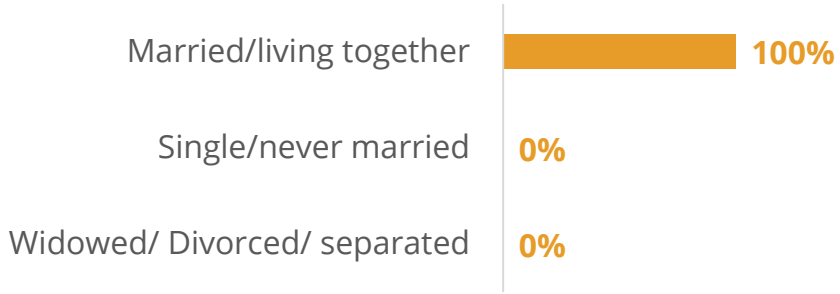


SOURCE OF FUNDS

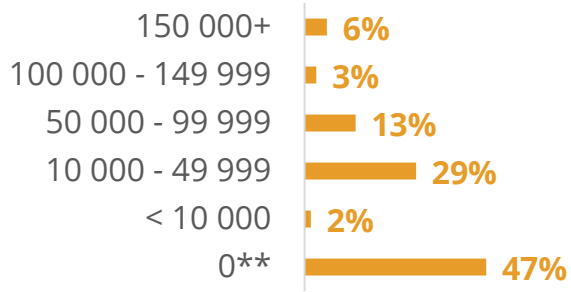
HIGHEST LEVEL OF EDUCATION



MARITAL STATUS



PERSONAL MONTHLY INCOME*



16% HAVE A NATIONAL ID CARD/ NUMBER

38% HAVE A VOTER'S ID

49% OWN A MOBILE PHONE

16% OWN A SMARTPHONE

51% OWN A SIM CARD

13% OWN A SIM CARD REGISTERED IN THEIR NAME

Source: FinScope Tanzania 2023

Note: *Personal monthly income across all sources of income is derived by dividing any reported annual amounts by 12 plus any reported monthly amounts

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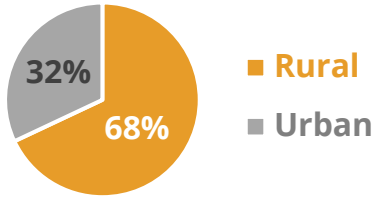
MARRIED DEPENDENTS

939,000 FEMALES AGED 16 - 24

% FORMALLY INCLUDED 57%

GEOGRAPHY



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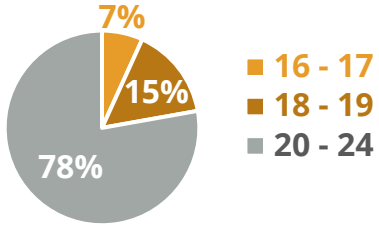
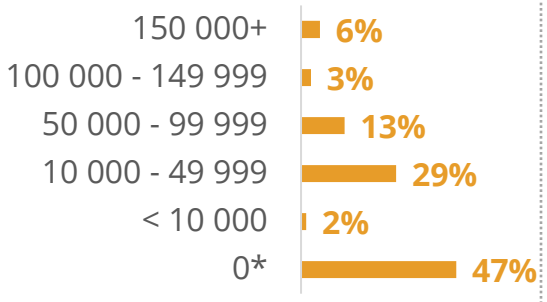


PERSONAL MONTHLY INCOME



Median income is: TZS 36,667

Source: FinScope Tanzania 2023

Notes: *Indicates all dependents who say they don't have an income, someone pays for all of their expenses. **Survey question: "Can you think about something you want to buy that you cannot afford right now but you would like to buy if you have the money?"

TRANSFER OF VALUE

OVER A THIRD RECEIVE REMITTANCES, PREDOMINANTLY THROUGH AN ACCOUNT

- 19% made any digital payment for goods or services in past 12 months, but only 4% did this on a daily or weekly basis
- 35% received remittances (92% via an account)
- 47% of this segment do not have any personal income, all of their expenses are covered by someone else

LIQUIDITY

FACE HIGH LEVELS OF LIQUIDITY DISTRESS

- **50%** say they **'often'** or **'sometimes'** struggle to pay for their regular expenses
- **27%** say they 'always' struggle to pay for regular expenses (more likely an indicator of poverty)

RESILIENCE

MOST WOULD NOT BE ABLE TO COME UP WITH EMERGENCY FUNDS IN SUDDEN NEED

- 21% have experienced a large, unforeseen expense in the past 12 months, mostly unforeseen medical expenses (15%)
- 44% say they could come up with emergency funds (TZS 100 000) in 7 days if needed

GOALS

ALMOST A QUARTER OF THIS SEGMENT ASPIRE TO INVEST IN THEIR OWN BUSINESS**

- **24%** say business is the main thing they want to invest in, in the future
- A further 22% say housing, and 18% say land/farm

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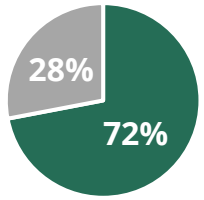
UNMARRIED DEPENDENT LOW EDUCATION

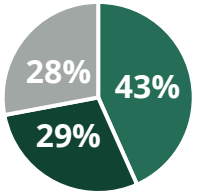
488,000 FEMALES AGED 16 - 24

GEOGRAPHY



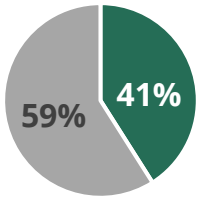
- Rural
- Urban

AGE GROUP



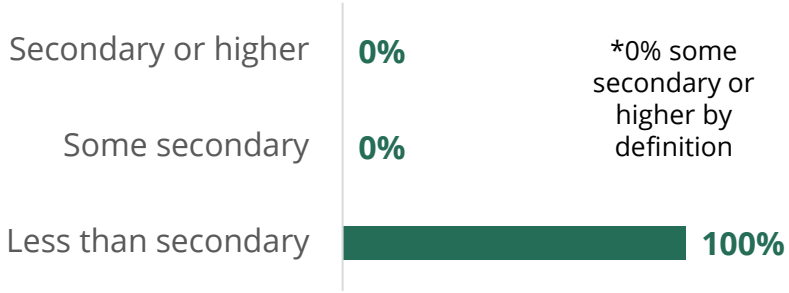
- 16 - 17
- 18 - 19
- 20 - 24

SOURCE OF FUNDS

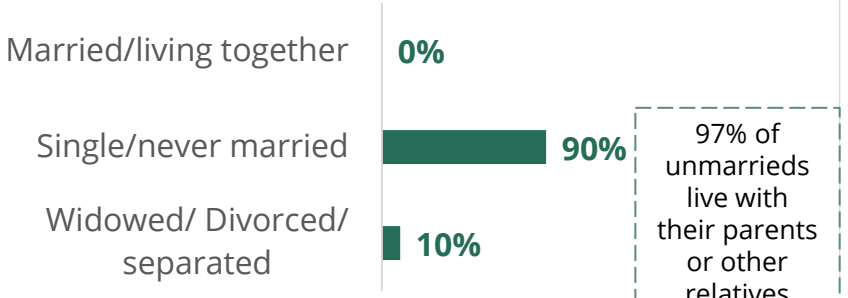


- Rely on someone else to give / send money
- Don't get money - someone else pays my expenses

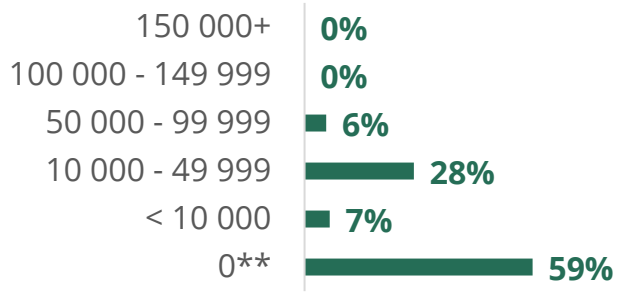
HIGHEST LEVEL OF EDUCATION



MARITAL STATUS



PERSONAL MONTHLY INCOME



2% HAVE A NATIONAL ID CARD/ NUMBER

10% HAVE A VOTER'S ID

48% OWN A MOBILE PHONE

7% OWN A SMARTPHONE

49% OWN A SIM CARD

7% OWN A SIM CARD REGISTERED IN THEIR NAME

Source: FinScope Tanzania 2023

Note: *Personal monthly income across all sources of income is derived by dividing any reported annual amounts by 12 plus any reported monthly amounts. **Living with parents or other relatives** based on respondents reported relationship to household head. **Unmarrieds** includes single/never married, widowed / divorced / separated

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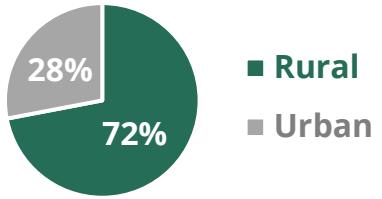
UNMARRIED DEPENDENT LOW EDUCATION

488,000 FEMALES AGED 16 - 24

% FORMALLY INCLUDED 39%

GEOGRAPHY



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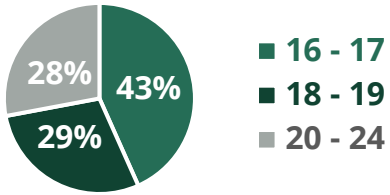
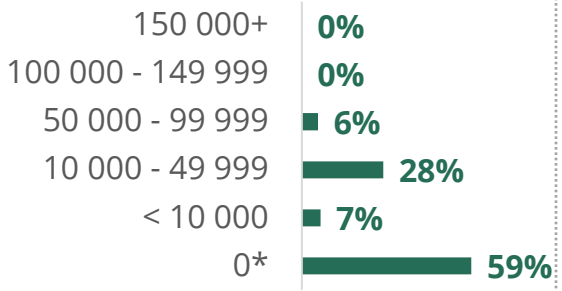


PERSONAL MONTHLY INCOME



*Median income is: **TZS 10,000***

TRANSFER OF VALUE

LEAST LIKELY SEGMENT TO RECEIVE REMITTANCES, AND LOWEST USAGE OF DIGITAL PAYMENTS

- 19% made any digital payment for goods or services in past 12 months, but only 1% did this on a daily or weekly basis
- 20% received remittances (95% via an account)
- 59% do not have a personal income source, all of their expenses are covered by someone else

LIQUIDITY

SEGMENT IS EVENLY SPLIT BETWEEN THOSE WHO FACE LIQUIDITY DISTRESS AND THOSE WHO DO NOT

- **44%** say they **'rarely'** or **'never'** struggle to pay for their regular expenses
- **29%** say they 'often' or 'sometimes' struggle to pay for regular expenses, while 16% say they 'always' struggle

RESILIENCE

MOST IN THIS SEGMENT ARE PERSONALLY SHELTERED FROM LARGE EXPENSE SHOCKS BUT FEW COULD COME UP WITH EMERGENCY FUNDS IF NEEDED

- 8% have experienced a large, unforeseen expense in the past 12 months
- 21% could come up with emergency funds (TZS 100 000) in 7 days if needed

GOALS

MANY IN THIS SEGMENT HAVE NOT THOUGHT ABOUT FUTURE INVESTMENT GOALS. THOSE THAT DO, VARY IN THEIR GOALS**

- **23%** say they have not thought about a future investment goal
- 31% say house or land/farm is the main thing they want to invest in, while 15% say business, 10% say education, and 12% say large household appliances

Source: FinScope Tanzania 2023

Notes: *Indicates all dependents who say they don't have an income, someone pays for all of their expenses. **Survey question: "Can you think about something you want to buy that you cannot afford right now but you would like to buy if you have the money?"

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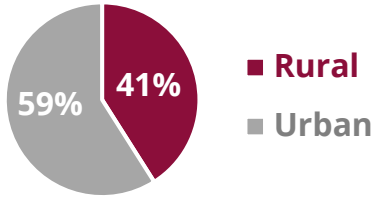
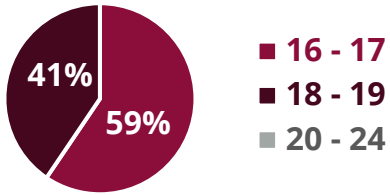
YOUNG DEPENDENTS LIVING AT HOME

982,000 FEMALES AGED 16 - 19

GEOGRAPHY

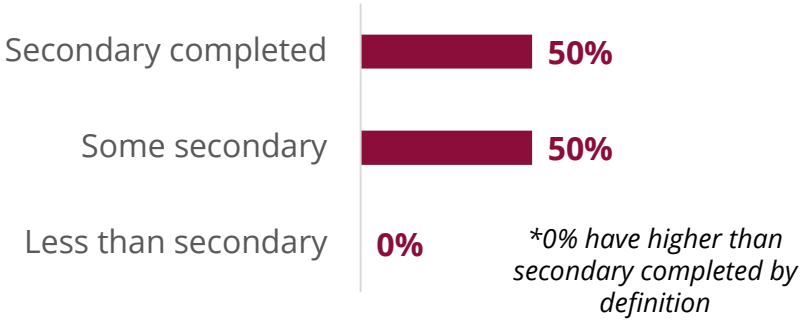


AGE GROUP

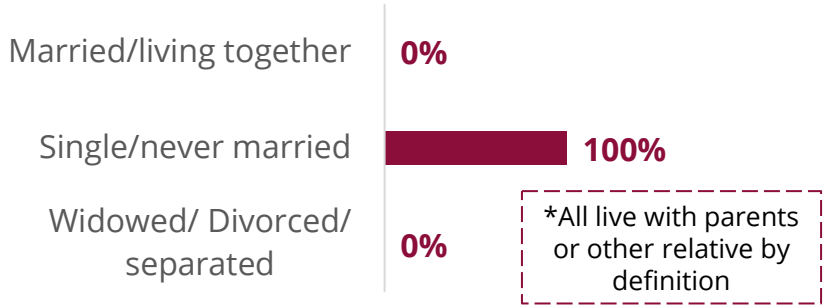


SOURCE OF FUNDS

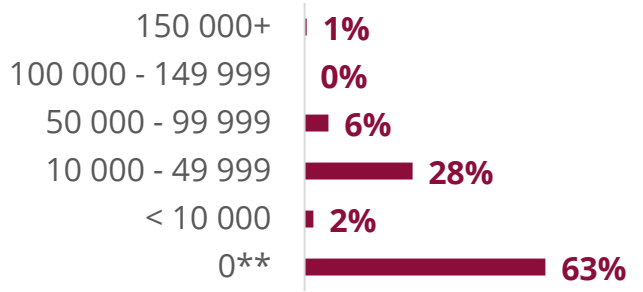
HIGHEST LEVEL OF EDUCATION



MARITAL STATUS



PERSONAL MONTHLY INCOME



2% HAVE A NATIONAL ID CARD/ NUMBER

0% HAVE A VOTER'S ID

40% OWN A MOBILE PHONE

12% OWN A SMARTPHONE

39% OWN A SIM CARD

2% OWN A SIM CARD REGISTERED IN THEIR NAME

Source: FinScope Tanzania 2023

Note: *Personal monthly income across all sources of income is derived by dividing any reported annual amounts by 12 plus any reported monthly amounts

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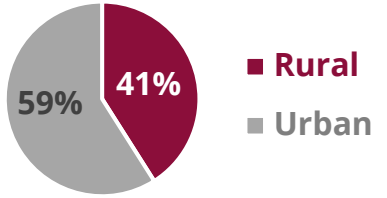
YOUNG DEPENDENTS LIVING AT HOME

982,000 FEMALES AGED 16 - 19

% FORMALLY INCLUDED **54%**

GEOGRAPHY



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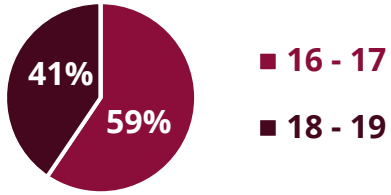
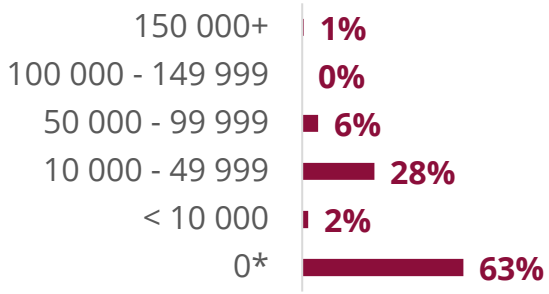


0% are age 20-24 by definition

PERSONAL MONTHLY INCOME



*Median income is: **TZS 15,000***

Source: FinScope Tanzania 2023

Notes: *Indicates all dependents who say they don't have an income, someone pays for all of their expenses. **Survey question: "Can you think about something you want to buy that you cannot afford right now but you would like to buy if you have the money?"

TRANSFER OF VALUE

JUST UNDER A THIRD RECEIVE REMITTANCES, MOSTLY VIA AN ACCOUNT

- 28% made any digital payment for goods or services in past 12 months; 9% did this on a daily or weekly basis
- 31% received remittances (88% via an account)
- 63% do not have any personal income, all of their expenses are covered by someone else

LIQUIDITY

GIVEN THEIR LIFESTAGE, THE MAJORITY DO NOT FACE PERSONAL LIQUIDITY CONSTRAINTS

- **70%** say they **'rarely'** or **'never'** struggle to pay for their regular expenses

RESILIENCE

LIKWISE, MOST IN THIS SEGMENT ARE PERSONALLY SHELTERED FROM LARGE EXPENSE SHOCKS

- 7% have experienced a large, unforeseen expense in the past 12 months
- 26% could come up with emergency funds (TZS 100 000) in 7 days if needed

GOALS

INVESTING IN FURTHER EDUCATION IS THE MAIN PRIORITY FOR THIS SEGMENT, BUT MANY HAVE ALSO NOT THOUGHT ABOUT FUTURE GOALS**

- **28%** say education is the main thing they want to invest in, in the future
- **19%** say they have not thought about it

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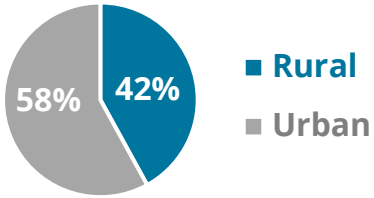
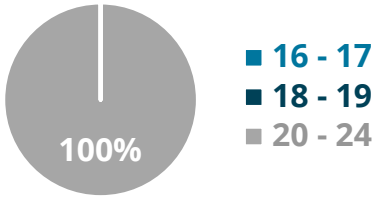
OLDER DEPENDENTS

392,000 FEMALES AGED 20- 24

GEOGRAPHY

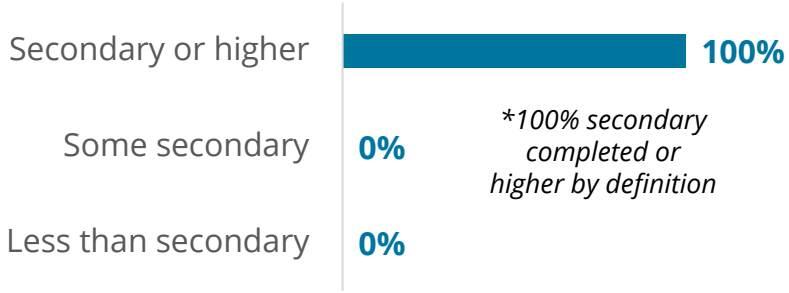


AGE GROUP

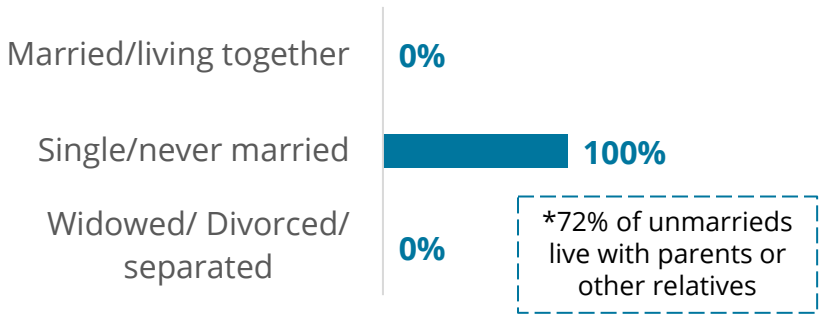


SOURCE OF FUNDS

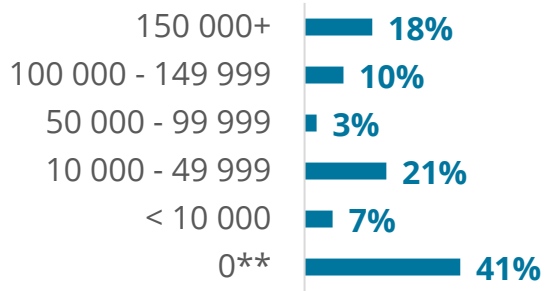
HIGHEST LEVEL OF EDUCATION



MARITAL STATUS



PERSONAL MONTHLY INCOME



52% HAVE A NATIONAL ID CARD/ NUMBER

58% HAVE A VOTER'S ID

87% OWN A MOBILE PHONE

57% OWN A SMARTPHONE

86% OWN A SIM CARD

48% OWN A SIM CARD REGISTERED IN THEIR NAME

Source: FinScope Tanzania 2023

Note: *Personal monthly income across all sources of income is derived by dividing any reported annual amounts by 12 plus any reported monthly amounts. **Living with parents or other relatives** based on respondents reported relationship to household head. **Unmarrieds** includes single/never married, widowed / divorced / separated

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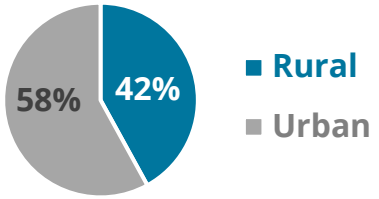
OLDER DEPENDENTS

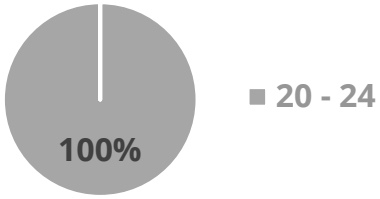
392,000 FEMALES AGED 20 - 24

% FORMALLY INCLUDED 92%

GEOGRAPHY

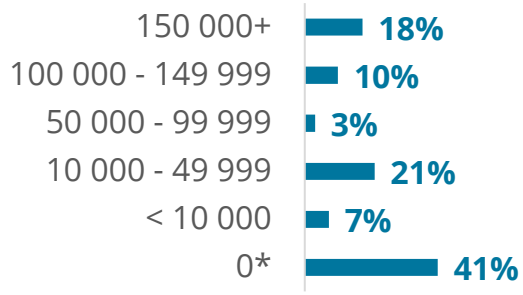


AGE GROUP



0% are age 16-19 by definition

PERSONAL MONTHLY INCOME



*Median income is: **TZS 50,000***

TRANSFER OF VALUE

OVER THREE QUARTERS RECEIVE REMITTANCES, AND JUST OVER A THIRD RECEIVE MONEY FROM OTHERS VIA AN ACCOUNT

- 53% made any digital payment for goods or services in past 12 months; 15% did this on a daily or weekly basis
- 76% received remittances (95% via an account)
- 41% do not receive any money, all of their expenses are covered by someone else

LIQUIDITY

A SIZEABLE PROPORTION OF THIS SEGMENT DO NOT FACE LIQUIDITY CONTRAINTS

- **43%** say they **'rarely'** or **'never'** struggle to pay for their regular expenses
- **39%** say they 'often' or 'sometimes**'** struggle to pay

RESILIENCE

MOST COULD ACCESS EMERGENCY FUNDS IF NEEDED, MOST LIKELY THROUGH THEIR FAMILIES

- 28% have experienced a large, unforeseen expense in the past 12 months
- 58% say they would be able to come up with emergency funds (TZS 100 000) in 7 days if needed

GOALS

MANY IN THIS SEGMENT WANT TO INVEST IN BUSINESS**

- **44%** say business is the main thing they want to invest in, in the future
- 16% say a house or land/farm respectively
- 10% say education

Source: FinScope Tanzania 2023

Notes: *Indicates all dependents who say they don't have an income, someone pays for all of their expenses. **Survey question: "Can you think about something you want to buy that you cannot afford right now but you would like to buy if you have the money?"

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What do young women in Tanzania want from financial services?

CLICK TO RETURN TO CONTENTS PAGE

More detailed insights from the qualitative research are available upon request: cgap@worldbank.org

CGAP

Phyu Aye Pwint, 2017 CGAP Photo Contest

Qualitative research with 24 young women

✓ 9 Formally included
✓ 0 Excluded

BUSINESS OWNERS - 9 respondents

AGE:

- Between 18 and 34*

LOCATION:

- 6 urban
- 3 rural

AIM PROGRAM:

- 6 completed the AIM program

EDUCATION:

- 7 completed primary, 2 completed lower secondary

MARITAL STATUS:

- 2 married
- 6 single
- 1 divorced

CHILDREN:

- 7 with children (2 are married)
- 2 without children

*one respondent was 34 years old

✓ 5 Formally included
✓ 0 Excluded

FARMERS - 5 respondents

AGE:

- Between 19 and 25*

LOCATION:

- 3 urban
- 2 rural

AIM PROGRAM:

- 2 completed the AIM program

EDUCATION:

- 1 completed primary, 4 completed lower secondary

MARITAL STATUS:

- 1 married
- 4 single

CHILDREN:

- 3 with children (1 is married)
- 2 without children

*one respondent was 25 years old

✓ 8 Formally included
✓ 2 Excluded

DEPENDENTS - 10 respondents

AGE:

- Between 18 and 22

LOCATION:

- 3 urban
- 7 rural

AIM PROGRAM:

- 4 completed the AIM program

EDUCATION:

- 8 out of school - 4 completed primary, 2 started but did not complete lower secondary, 2 completed lower secondary
- 2 currently in school (lower secondary)

MARITAL STATUS:

- All single

CHILDREN:

- 5 with children (0 are married)
- 5 without children

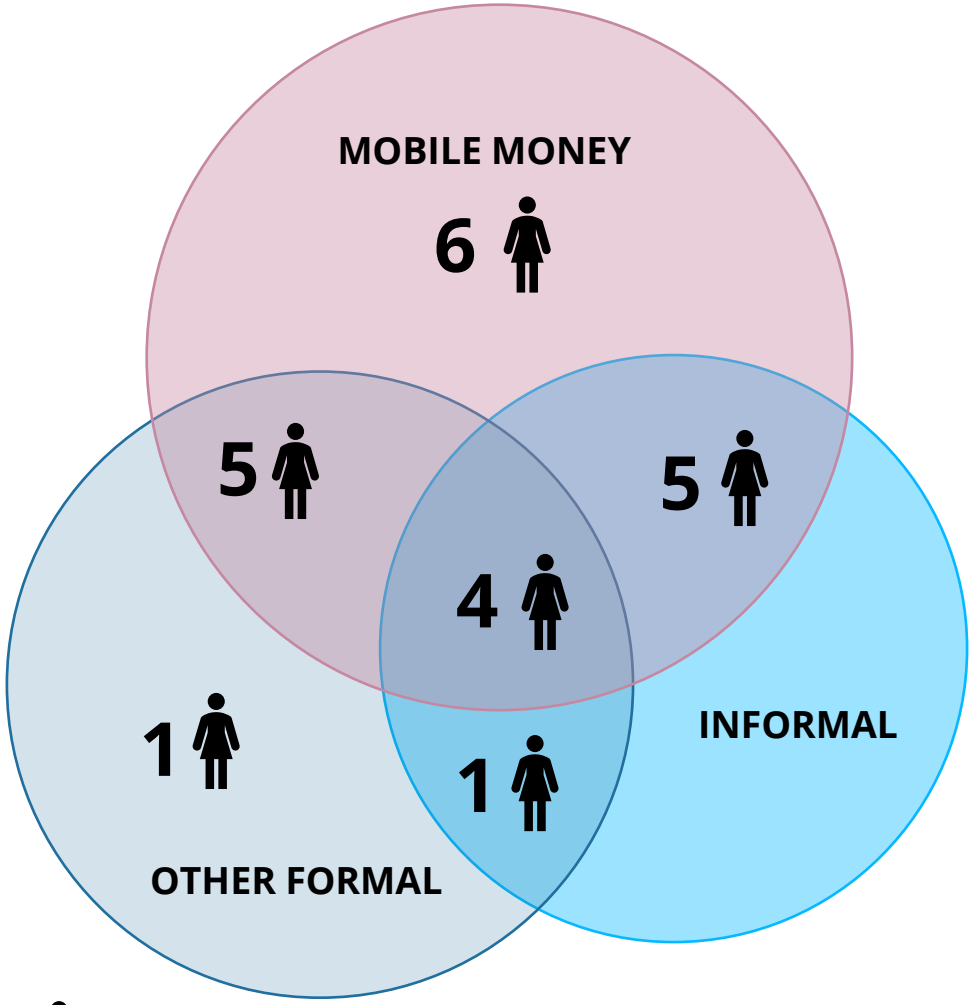
Note: Photographs used are illustrative and do not reflect the actual women interviewed

No one product seems able to satisfy all their needs

Among 24 young women chosen for in-depth interviews in Morogoro and Ifakara…

- Almost all had mobile money
  - Out of these 20 respondents, 13 had accounts in someone else's name
  - Additionally, relatively few were using their accounts to transact (most were using them to save)
- 2/3 of those with mobile money were also using another formal or informal product
- No respondents were using only informal products

Distribution of respondents by type of financial products used



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Based on our research, young women's **goals and aspirations** are focused around three key areas

TO START OR EXPAND A BUSINESS

- Enable self-sufficiency
- Earn an additional income (for farmers)

> I hope to become **a big business owner**. I started with a vegetable shack, but later I want to have enough money to rent a bigger shop, not just selling rice. – *age 23, business owner*

> **I aim to start a business** in selling baobab fruit. I am learning slowly and want to have my own place, where I can sell baobab both wholesale and retail. – *age 24, farmer*

TO BUY LAND OR BUILD A HOUSE

- Reduce concerns about paying rent
- Provide a safe place for their children
- Build an asset to leave to them after they pass
- Desire to become independent

> **A house is important to me because it's where I'll leave my children**, rather than having them struggle. Rented houses come with many challenges. – *age 34, business owner*

> **I want to build a house because we are currently renting**. I want to build a house to live with my family. – *age 24, farmer*

TO STUDY FURTHER

- Gain skills to pursue career goals
- Become successful

> **It has been my dream since I was in school. I wish to continue my education** and study hotel management, to get employed, and also to start my own hotel, employ others, and pay them. – *age 19, business owner*

> **I want to learn tailoring to start a clothing business. Returning to school for tailoring** [training] and buying a sewing machine… – *age 19, dependent*

Key risks and concerns included managing health, business, and rising cost of living

MANAGING HEALTH RISKS

- For themselves
- For their families (children, parents and siblings)

> You know, as a mother… **my children depend on me. If I fall sick and my businesses stop, how will my children live?** My biggest worry is how I will achieve my goals even if I get sick. – *age 34, business owner*

> Health is the first priority because even if you have the ability to perform all tasks, you won't be able to do them if you're unwell. For example, **my mother is sick and cannot work**.– *age 19, farmer*

BUSINESS / FARMING RISKS

- High upfront financial investment
- High risks, no guaranteed return

> **My concern is with the farm.** I have spent a lot of money and I'm worried whether I will get a return or not… – *age 20, farmer*

> Maybe paying rent at the end of the month. In general, it's **business–related challenges, like the months of rent and having customers**. – *age 23, business owner*

RISING COSTS OF LIVING AND MONEY SHORTAGES

- Stress around rent, school fees and household expenses

> Life challenges are hard, especially managing the household. **My younger siblings also need certain things for school**. It becomes challenging, including clothing for church. **Rent is also tight**. – *age 18, business owner*

> Difficult life conditions make me worried. **I keep thinking about what I can do to avoid poverty**. I wish to be successful so I can help my parents. – *age 21, dependent*

Traditional **gender roles and norms** affect young women's opportunities, responsibilities and habits

LIVELIHOOD OPPORTUNITIES

- Boys are given more opportunities to succeed from a young age (more supported in education and career)
- Society tends to view women negatively when they engage in certain types of work, while the same work is seen as normal or acceptable for men

CARE RESPONSIBILITIES

- Early pregnancy leading to pause their education or careers, shifting their focus to child-rearing responsibilities
- Social pressure to stay at home or marry early which can limit women's career options
- Left to take care of younger siblings after loss of parent(s)

SPENDING HABITS

- Young women experience social pressure to maintain appearances, which affects personal spending on clothes, hair and other non–essential items

> Girls face many challenges; they struggle and endure to solve their problems…and cultural practices. **Fathers don't educate their daughters because they believe that the girl will eventually leave and get married**, which they see as a loss for the parent. – *age 24, farmer*

> The search for work is different for men and women. **A woman has to start a business, but a man can be told to wash a car or build a house; he can do any job, unlike a woman**. A woman will be told to push a cart and will look at herself and think it's too hard…women feel they look good and don't want to get dirty. – *age 24, business owner*

> I didn't finish secondary school..**I got pregnant, so I couldn't continue with school**. My dream was to become a teacher. I can't be a teacher anymore. …**They don't allow you to go back to school after getting pregnant**. – *age 18, dependent*

> I studied up to Form Four, then my father left…the time when my parents separated and then my mother passed away. I couldn't continue. **I was left just taking care of my younger siblings**. – *age 18, business owner*

> **Once they [men] reach the age of 18, they start to fend for themselves**. However, many young women get married while still young, and their dreams end there. The problem at home is that they [parents] want a woman to just stay at home. – *age 20, farmer*

> There's often a focus on appearance, as women may be expected to present themselves well, which might lead to personal expenditures that detract from their business capital. **A woman might invest in looking good rather than reinvesting in the business**. – *age 22, dependent*

 Source: Qualitative research, 24 interviews

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Young women face various (real or perceived) **barriers** that inhibit uptake and usage of financial products

INAPPROPRIATE PRODUCTS

- High fees and premiums
- Short and inflexible repayment schedule

ACCESSIBILITY

- Lack of National ID (NIDA)
- Lack of mobile phones *(only for two dependents)*
- Limited access to physical bank branches or agents in rural / underserved urban areas

FEARS AND CONCERNS

- Perception of need for constant "feeding" of accounts
- Fraud / safety concerns
- Fear of repossession and stigma in case of default
- Perception that products are not 'for people like me'

LACK OF FINANCIAL CAPABILITY

- Limited knowledge and experience of financial products and services

> **Taking loans from banks is a very long process**. There are many requirements, and you need to have an established business with good income. Bank loans have **high interest rates**, and you repay monthly, unlike other loans that may be repaid weekly. Also, **banks are far away**; other loans like those from ASA are closer and they meet every Friday. – *age 25, farmer*

> No, **I don't have it [bank account], but I am trying to get a bank card**. The **challenge of obtaining the NIDA** is that every time I go, I am told I made a mistake and need to return another day. – *age 24, business owner*

> The bank requires a cash flow…to open an account [it costs] maybe fifteen thousand [and] daily deposits…**if you don't deposit regularly, they deduct money from your account every month**. – *age 24, business owner*

> [I don't put money on the phone] **They steal on the phone**…There are fraudsters stealing people's money on the phone – *age 19, dependent*

> No, I don't like it [credit]; **I'm afraid. I don't want them to seize my belongings**… I've witnessed people being repossessed. – *age 19, dependent*

> Banks are indeed a good option, but **I'm not familiar with them**. They are also a place where you can borrow money. **I also haven't managed to save money in a bank because I lack experience with it.** – *age 19, farmer*

External triggers were often important in spurring take-up

EXTERNAL

- Social influence and intermediaries
- Marketing / advertising of FSPs
- Third party mandates (e.g. employer requirements)

INTERNAL

- Need to generate an income
- Desire to reduce costs (on rent, hospital costs)
- Unexpected emergency/opportunity
- Perceived alignment between financial product and recognised financial needs or goals (safety, illiquidity, convenience, flexibility, safety net function)

> I use it [M–Pesa] a lot because I have Vodacom insurance. **They called me and explained it to me, so I joined.** – *age 24, business owner*

> **The [Mzumbe college cleaning] company said it was necessary to open an NMB account** because they don't give cash directly.– *age 24, farmer*

> **I was encouraged by my aunt to join the KIKOBA** to save money and use it for something meaningful when it accumulated.... it is very beneficial because we support each other in times of need and joy. – *age 24, farmer*

> **It was my mother who advised me to keep money on my phone,** even if it's a small amount, to prevent unnecessary spending. – *age 19, farmer*

> **I have also borrowed from online [mobile money] networks. This was for my business**. The last day I borrowed online, I had ordered stock, and my money was short. I repaid it. You can pay in installments or pay all at once depending on the time they give you. – *age 22, dependent*

> **I use it for communication and money transactions; I use Tigo Pesa**. I use this to send and receive income from people like my sister. – *age 18, business owner*

What perceptions and experiences do young women in Tanzania have with financial services?

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CGAP

Phyu Aye Pwint, 2017 CGAP Photo Contest

PERCEPTIONS OF BANKS – Young women who are <u>banked</u>

5 respondents have a bank account

According to FinScope, 9% of young women in Tanzania have a bank account*

- Some viewed banks in a positive light, specifically as a safe place to save or store money compared to keeping it at home or in a mobile money wallet
- Additionally, banks are perceived to help prevent impulsive spending by making it harder to access money quickly. One women said she never even checks her balance or withdraws, she just makes sure to save every month.
- Two of the women explained that in previous jobs they were paid into their bank accounts by their employers but withdrew all the funds immediately to get cash. The rest they would transfer into their mobile money wallets
- In some cases, their account is registered in a family member's or spouse's name because they did not a National ID (NIDA)

<u>KEY TRIGGERS:</u>

- Employers requiring their employees to open a bank account for salary deposits
- Income is too large to be kept at home, and they need a safe place to keep their money
- Encouraged by family members
- Encouraged by AIM programme organised through BRAC

> It's better to deposit it [in a bank], because with mobile money, someone might guess your PIN and steal your money. **It's better to open a bank account for better security**. Mobile money security is lower. These days, banks are accessible even when you're far away; you can transfer money to your bank account. – *age 34, business owner , BRAC, urban, completed primary, divorced, 3 children*

> When I started the business **because I couldn't keep money at home, I was saving to grow my business**…the bank allows you to set a maximum amount you can withdraw after a certain period, like three months or a year. There you can save to the amount you want, then you can withdraw. And also, the security. The bank is safer. Even the chargers are reasonable. – *age 22, dependent, urban, completed lower secondary school, single, no children*

> Yes**, I had one [work bank account]. I'd withdraw it [salary] all in cash**. Some I used directly, and the rest I'd deposit into mobile money. – *age 34, business owner , BRAC, urban, completed primary, divorced, 3 children*

> **The [Mzumbe college cleaning] company said it was necessary to open an NMB account because they don't give cash directly**. I used the ATM to withdraw and then transferred the remaining amount to my phone. I withdrew the rest through a bank agent. – *age 24, farmer, rural, completed lower secondary , single , 1 child*

> It [bank account] is **in my husband's name**. I didn't have the necessary documents, so he opened it for me. – *age 24, farmer, rural, completed lower secondary , single , 1 child*

> **Influence from my parents. Mainly my mother. she taught me how to use the bank.** The conversation was like, I used to keep money at home, under the bed, so my mother convinced me to open an account because she said one lose money. She also said emergencies always arise. – *age 22, dependent, urban, completed lower secondary school, single, no children*

> **They [BRAC] explained the importance of opening a bank account**, emphasizing that a bank is a safer place to keep your money compared to keeping it at home, where it could be stolen or something else could happen. – *age 21, dependent, BRAC, rural, completed primary school, single, no children*

Source: Qualitative research, 24 interviews | *Finscope Tanzania 2023 (women aged 16–24): Bank account includes variable serv1_1 "please tell me which of the following do you sometimes use" and variable serv2_1 "use it in your name only" or "use it in your name and someone else's name jointly".

PERCEPTIONS OF BANKS – Young women who are <u>not</u> banked

According to FinScope , 21% of young women have a National Identification (NIDA) card or number in their name*

- A bank account is an aspirational product for a lot of young women. Most women understood the benefits of having a bank account and were not opposed to opening one themselves
- The major barrier holding them back is the perception that banks require large deposits, and are for those with higher, more reliable income flows. Other women expressed hesitation in using banks due to unfamiliarity or lack of experience.
- The difficulty in obtaining necessary documents like birth certificates or national IDs (NIDA) hinders women's ability access to open a bank account in their own name
- The process of obtaining a national ID is often frustrating and time–consuming

<u>KEY BARRIERS:</u>

- Self-exclusion: Perception that income is too low to open an account
- Lack of knowledge and experience
- Lack of National ID (NIDA)

> **I mean that once I get a job, I'll open a bank account to save my money.** I believe a bank is a safe place to store money, and it will help me save little by little to achieve my goals, rather than holding the money in my hand. – *age 18, dependent, rural, incomplete lower secondary school, single, 1 child*

> **I don't save money in the bank because my income is still small, but when my capital grows, I will save my money in the bank because it's safer.** – *age 24, farmer, rural, completed lower secondary , single , 1 child*

> **I plan to open a bank account later when my poultry business grows bigger**. **A bank has many advantages because the money is kept in a safe place**. Also, sometimes there are network issues with mobile money, so you can't withdraw your money on time, unlike with a bank where you can easily access your money whenever you need it. – *age 25, farmer, BRAC ,completed lower secondary , single , 1 child*

> **I prefer using a bank, but my income is very low right now.** Yes, if I get enough income, I will save in a bank. – *age 24, farmer, rural, completed lower secondary , single , 1 child*

> Banks are indeed a good option, but I'm not familiar with them. They are also a place where you can borrow money. **I also haven't managed to save money in a bank because I lack experience with it.** – *age 19, farmer, urban, completed primary , single , no children*

> No, **I don't have it, but I am trying to get a bank card**. The **challenge of obtaining the NIDA** is that every time I go, I am told I made a mistake and need to return another day. – *age 24, business owner, urban, completed primary , married, 2 children*

Source: Qualitative research, 24 interviews

*Finscope Tanzania 2023 (women aged 16–24): NIDA ownership based on variable c27 "Which of the following documents do you currently have in your name?"

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PERCEPTIONS OF MOBILE MONEY - Young women with mobile money

20 respondents have mobile money

7 respondents have accounts in their own names

According to FinScope, 48% of young women have a mobile money wallet registered in their name*

21% of young women have a National Identification (NIDA) card or number in their name*

- Mobile money is mainly used for savings as it is viewed as more secure than keeping cash at home where it might get lost or stolen
- In addition, by keeping money on their phones, women can avoid unplanned spending and further safeguard their savings. One women said that she never checks her account balance, she just makes sure to save on her phone every month.
- Only three women were using mobile money accounts to make and receive payments
- Thirteen young women's mobile money wallets were registered in someone else's name, as they do not have a National ID card or number

KEY TRIGGERS:

- Saving to start or further support a business
- Needing to keep money in a safe and secure place
- Wanting to prevent careless spending
- Ability to open an account voluntarily without involving external entity like a bank

KEY BARRIER:

- Lack of a National ID (NIDA)

> On my phone…Tigo Pesa, Airtel and Vodacom… **it was my mother who advised me to keep money on my phone, even if it's a small amount, to prevent unnecessary spending**. – *age 19, farmer, urban, completed primary, single, no children*

> We were investing through mobile money, like Tigo Pesa at that time…the next day, after selling, I would do the calculations. **The remaining amount, the profit, wasn't used; I would save it**. That's how we managed to buy equipment for the men's salon.. we bought timber, roofing sheets, and machines. – *age 34, business owner, BRAC, urban, completed primary, divorced, 3 children*

> **I use it for communication and money transactions; I use Tigo Pesa**. I use this to send and receive income from people like my sister. – *age 18, business owner, BRAC , rural, completed lower secondary, single, no children*

> I save it on my phone (Airtel line). Given the circumstances, **I can access it quickly in case of an emergency, unlike other places**. – *age 19, dependent, rural completed primary school, single, 1 child*

> **I felt that if I kept the money at home, it wouldn't be safe; it could get lost or stolen.** – *age 24, farmer, rural, completed lower secondary, single , 1 child*

> **Initially, I kept it at home, but I ended up spending it without a plan. Later, I started saving the money on my phone using Airtel Money but it's not registered under my name because I don't have a national ID (NIDA) or a birth certificate….** If you keep it at home, you tend to spend it without a plan. Whenever something is being sold, it's easy to take the money and buy it, so I found myself using the money carelessly. That's why I started saving it on my phone, as it's harder to withdraw, and I have to go to an agent to access it. – *age 24, business owner, urban, completed primary, married, 2 children*

> **I can't keep it at home because my child might ask for something and I would buy it.** Also, keeping it on my phone helps me avoid the inconvenience of going to an agent to withdraw it. **I keep it on a line that I don't use, and I hide it away**. – *age 24, business owner, urban, completed primary , married, 2 children*

> Every time I make a profit, I put 3,000 shillings in my phone…I don't know [how much is in the account], **I don't calculate it, I just save it** – *age 24, business owner, urban, completed primary , married, 2 children*

Source: Qualitative research, 24 interviews | *Finscope Tanzania 2023 (women aged 16–24): Mobile money includes variables mob2 and mob6 "you are currently using mobile money" and "you are registered to use mobile money" or "you are not registered but you use mobile money through someone else (family/friends) |NIDA ownership based on variable c27 "Which of the following documents do you currently have in your name?"

PERCEPTIONS OF MOBILE MONEY - Young women <u>without</u> mobile money

4 respondents do not have mobile money

- There were only four young women that did not have mobile money accounts amongst those interviewed
- Two of these women were only 18 years old and were still students. Therefore, they did not even have their own mobile phones yet in order to register for mobile money. They also opted not to use it under someone else's name
- For the other two women that were not using mobile money, it came down to preference. They both have bank accounts and prefer to keep their money in the bank instead

KEY BARRIER:

- Still a student and do not have a mobile phone

> "They said that if you keep money on a phone, you might use it when you face any problem, **so it's better to save it in a bank where it's more secure**. – *age 21, dependent, BRAC, rural, completed primary school, single, no children*

> "On the phone, **you might want to use the money for airtime or other things**, that's why [I prefer using the bank]. – *age 23, business owner, BRAC , rural, completed lower secondary, married, 1 child*

Source: Qualitative research, 24 interviews | *Finscope Tanzania 2023 (women aged 16–24): Mobile money includes variables mob2 and mob6 "you are currently using mobile money" and "you are registered to use mobile money" or "you are not registered but you use mobile money through someone else (family/friends) |NIDA ownership based on variable c27 "Which of the following documents do you currently have in your name?"

EXPERIENCES OF INFORMAL SAVINGS – Young women who use savings groups

10 respondents are in a savings and credit group (KIKOBA/VICOBA)

- Just under half of the young women were part of a savings group.
- They valued their savings groups as they encourage disciplined saving with specific goals, preventing impulsive or unplanned spending
- In addition, members feel like their money grows as they earn interest on their funds
- The group also offers assistance in times of emergency which is helpful as it does not require repayment

KEY TRIGGERS:

- Encouraged by family members or friends
- Encouraged by AIM programme organised through BRAC
- Need to save
- Assists in achieving business goals or growing a stable business

> I use VICOBA. **I hear a lot about VICOBA from others…What attracted me is**, if my money is two hundred thousand, I can get two hundred and a half or three hundred thousand, **the money grows**. If I get that money, I will buy a piece of land. – *age 24, business owner, BRAC, urban, single, completed primary, 1 child*

> **I was encouraged by my aunt to join the KIKOBA** to save money and use it for something meaningful when it accumulated…. it is very beneficial because we support each other in times of need and joy. – *age 24, farmer, rural, completed lower secondary, single, 1 child*

> **I thank God for the opportunity to learn about BRAC.** That's how we got advice on forming a savings group for women. That's how we also started our group. – *age 20, farmer, BRAC, urban, completed lower secondary, single, 1 child*

> My VICOBA members help me. They have a community fund. A relative of mine passed away. When I told them, **they gave me money from the community fund, which doesn't need to be repaid.** – *age 24, business owner, BRAC, urban, completed primary, single, 1 child*

> It's better to keep the money there [at the savings group]; **if you save personally, you might use it for something else out of greed. But with the savings group, you can't just take it out without reason** – *age 34, business owner, BRAC, urban, completed primary, divorced, 3 children*

Source: Qualitative research, 24 interviews

*Finscope Tanzania 2023 (women aged 16–24): Formal credit is based on variable g_5_1 and includes borrowing from bank, MFI, SACCO, Government scheme, mobile money and pension fund. Informal credit includes borrowing from employer, family/friends that you had to pay back, money lender and community based organisations

PERCEPTIONS OF INFORMAL SAVINGS – Young women who do not use savings groups

- Those young women that were not part of savings and credit groups (KIKOBA/VICOBA) preferred to keep their savings in a mobile money account or a bank account and therefore did not feel the need to join a group
- Amongst those women, many of them commented on the credit aspect of these groups rather than just using them for savings to explain why they were not part of them.
- The women that were not part of these groups were mainly those who did not like credit at all and tended to avoid it completely whether it was from a savings group or a formal institution
- It was not something specific to savings groups that they mentioned that they did not like but rather concerns around borrowing more generally
- One woman had the perception that she could only join a group once her income was stable. This was interesting as she had a bank account and mobile money account already

> **I don't have a reliable income, so I haven't joined [a KIKOBA] yet, but I will join**. – *age 24, business owner, BRAC , rural, completed lower secondary, single, no children*

> I see that sometimes people lose their property because they can't repay the loans, so I'm afraid…**I feel I'm not yet stable, the business hasn't grown, I don't want to take money and then fail to repay**. – *age 23, business owner, urban, single, completed primary, 1 child*

> **No, I don't want a loan**. I also fear borrowing because **I am afraid of being humiliated**. Because You get money, and it all goes towards repayments. – *age 21, dependent, BRAC, rural, completed primary school, single, no children*

> I'm afraid of loans, but **I believe that once my business is established, I would want to take loans**. Even before the business fully grows, I will have the ability to run the business and generate money that I know I can use to repay the loan while still making a profit. – *age 22, dependent, urban, completed lower secondary school, single, no children*

> There's a side where it's beneficial because it can get you to where you want to be, but **the interest can be a challenge if the business doesn't go as planned. It becomes difficult to repay**. – *age 18, dependent, rural, incomplete lower secondary school, single, 1 child*

KEY BARRIERS:

- Lack of a reliable and stable income
- No need for a loan and choose to save in other ways
- Fear of borrowing repossession when defaulting
- Fear of judgement if fail to repay

Source: Qualitative research, 24 interviews

*Finscope Tanzania 2023 (women aged 16–24): Formal credit is based on variable g_5_1 and includes borrowing from bank, MFI, SACCO, Government scheme, mobile money and pension fund. Informal credit includes borrowing from employer, family/friends that you had to pay back, money lender and community based organisations

EXPERIENCES OF FORMAL CREDIT – Young women who have borrowed

11 respondents have borrowed or taken a loan, 7 have taken formal credit

According to FinScope, 2% of young women have used formal credit, **20%** have used informal credit, and **3%** have borrowed from savings groups in the past 12 months*

- Microfinance loans ("Kausha Damu") were used by some women who borrowed to start a business or grow their business, repaying in small daily amounts. One women found the daily repayment onerous, preferring weekly or monthly repayment cycles
- One woman borrowed from an online lender to cover her unexpected business expenses, appreciating the flexible repayment options offered
- BRAC loans were not common; only one woman mentioned that she took a BRAC loan a few years ago to buy land and build a house
- Some women also borrowed from their savings and credit groups which they perceived to be a lot less risky and stressful with more flexible repayment terms

KEY TRIGGERS:

- Family member suggested taking a loan to start a business or growing an existing business
- A need for funds - unexpected business expenses, household items, buy land and build a house
- Encouraged by AIM programme organised through BRAC

> **I once went to borrow from a place called "Kausha Damu."** [microfinance loan]…. I took that money mainly to start my business. I felt that I didn't have the capital to buy things.. then my sister said, now you have no business, you have a small child, what should we do? Let's go somewhere, so **my sister directed me**. She explained that there we take money and then do business and then pay back their money little by little. She explained that you take one hundred thousand, you pay four thousand every day. They have tough conditions, like if you lack money they fine you. – *age 24, business owner, BRAC, urban, completed primary, single, 1 child*

> **I took the [BRAC] loan about four years ago**. Back then, I took the loan with my husband… even though I'm no longer with him, we used the first loan to buy a plot of land when land was still cheap. I encouraged him because he was afraid of loans. He said the terms were too strict, and you could easily fail. We took the loan three times, and he eventually built on the land. Then we separated, and **I finished repaying the loan without any issues**...he was a builder, so he was contributing as well. – *age 34, business owner, BRAC, urban, completed primary, divorced, 3 children*

> **I have also borrowed from online [mobile money] networks . This was for my business**. The last day I borrowed online, I had ordered stock, and my money was short. I repaid it, it was about 60 000. It was sudden; the calculations I had made, and when I got there, it turned out I needed more… their service is good. You can pay in installments or pay all at once depending on the time they give you. The time for repayments depends on the amount. – *age 22, dependent, urban, completed lower secondary school, single, no children*

> I borrowed from **Kausha Damu** [Microfinance loan], and I repay it daily…. I had my own land, and I was paying a little at a time. The owner wanted all the money at once, so **I had to borrow from Kausha Damu to settle the debt**…I was supposed to repay 4,000 shillings daily, which was difficult for me because the business sometimes made only a small profit…**if you are late, there's a fine of 2,000 shillings**. I was running a business, so I was able to repay it on time. The condition is that you must have valuable items. If you fail to repay, they sell your items to cover the debt. – *age 24, business owner, urban, completed primary , married, 2 children*

Source: Qualitative research, 24 interviews

*Finscope Tanzania 2023 (women aged 16–24): Formal credit is based on variable g_5_1 and includes borrowing from bank, MFI, SACCO, Government scheme, mobile money and pension fund. Informal credit includes borrowing from employer, family/friends that you had to pay back, money lender and community based organisations

EXPERIENCES OF INFORMAL CREDIT – Young women who have borrowed

10 respondents are in a savings and credit group (KIKOBA/VICOBA), 6 have borrowed from their group

According to FinScope, 2% of young women have used formal credit, **20%** have used informal credit, and **3%** have borrowed from savings groups in the past 12 months*

- Savings groups provide loans to members and there is a perception that VICOBA loans are better than loans from other institutions because of the flexible repayment terms they offer
- A number of the young women also mentioned the social aspect with members supporting one another in times of need

KEY TRIGGERS:

- Encouraged by family members or friends
- Encouraged by AIM programme organised through BRAC
- Need to borrow
- Safety net
- VICOBA loans offer more flexible repayment terms
- Assists in achieving business goals or growing a stable business

> **I borrow things**. Household items., kitchen items; I borrowed a cooking pot and a hotpot, paying in small instalments.. it take me most the time **2 months to pay it off but I take the items immediately**. – *age 24, business owner, BRAC, urban, single, completed primary, 1 child*

> I borrowed from a savings group. **BRAC themselves opened this KIKOBA for us**. They provided a box, a ledger, a book, and other materials. We are 15. We are all the same age, we are of similar age group – *age 20, farmer, BRAC, urban, completed lower secondary, single, 1 child*

> The VICOBA [loan] is better, because in the VICOBA, **we have twelve months to repay, unlike before** [MFI loan]. According to my debt, I reduce it every week, and after a month, I will have completed it**.** – *age 24, business owner, BRAC, urban, single, completed primary, 1 child*

> Sometimes from the KIKOBA, it helps. I don't take money every week when I go there. The KIKOBA is for mutual assistance. **For example, if you're in trouble and need help, they assist you.** – *age 23, business owner, BRAC, rural, completed lower secondary, married, 1 child*

> When you go to the group, you tell them what you need, and they give it to you, and **you repay after three months, gradually**. – *age 34, business owner, BRAC, urban, completed primary, divorced, 3 children*

> Sometimes from the KIKOBA, it helps. I don't take money every week when I go there. The KIKOBA is for mutual assistance. **For example, if you're in trouble and need help, they assist you.** – *age 23, business owner, BRAC, rural, completed lower secondary, married, 1 child*

> It was a mutual KIKOBA where we contributed to help each other out in times of need or one has a celebration is given money… **it is very beneficial because we support each other** in times of need and joy… In the KIKOBA, **if you have an emergency, they help you out**. – *age 24, farmer, rural, completed lower secondary, single, 1 child*

> I borrowed 100,000 [from my KIKOBA]. **My grandmother was very ill, and the money was used to pay for hospital treatment/tests**. I borrowed with repayment [interest] of 15,000. – *age 19, dependent, BRAC, rural, completed primary school, single, 1 child*

Source: Qualitative research, 24 interviews

*Finscope Tanzania 2023 (women aged 16–24): Formal credit is based on variable g_5_1 and includes borrowing from bank, MFI, SACCO, Government scheme, mobile money and pension fund. Informal credit includes borrowing from employer, family/friends that you had to pay back, money lender and community based organisations

PERCEPTIONS OF CREDIT- Young women who <u>have not borrowed</u>

9 respondents mentioned they are afraid of taking credit

- Just under half of the young women are reluctant to use any kind of credit as their incomes are unstable making it difficult to meet loan repayments
- Some voiced concerns around losing their property if they fail to repay loans – this has happened to people they know
- When looking at taking loans from banks specifically, some women voiced concerns and fears around losing their property or assets if they fail to repay
- There is also a belief that banks are only for big businesses or high–income earners. Bank loans are not for small amounts or personal use
- Additionally, there is the perception that bank loans involve lengthy processes and have strict requirements. Banks are often far away making them difficult to access

<u>KEY BARRIERS:</u>

- Fear of repossession when defaulting
- Lack of a reliable and stable income
- Perception that income is too low to take a loan from a bank
- Lengthy process with many requirements
- High interest rates and short repayment terms
- Banks are located far away

Source: Qualitative research, 24 interviews

> **I personally think loans are very good, but you need to have a business that brings in money all the time**. Because in some companies [banks], if you make a mistake, they will take all your things. – *age 24, business owner, BRAC, urban, single, completed primary, 1 child*

> **Banks have conditions that require you to have collateral, like a house or a business**. For example, I just moved here in February, and if I were to borrow from a bank, **they might come to claim my house**…Many people borrow, fail to repay, and have their property seized. They flee their towns. I'd rather stay poor than risk losing my property. – *age 20, farmer, BRAC, urban, completed lower secondary, single, 1 child*

> **I haven't borrowed from them [the bank] because my income is still small**, and I'm afraid of losing my assets if I fail to repay the loan. – *age 24, farmer, rural, completed lower secondary, single, 1 child*

> **Taking loans from banks is a very long process**. There are many requirements, and you need to have an established business with good income. Bank loans have **high interest rates**, and you repay monthly, unlike other loans that may be repaid weekly. Also, **banks are far away**; other loans like those from microfinance are closer and they meet every Friday. – *age 25,farmer, BRAC, completed lower secondary, single, 1 child*

> **People fear borrowing because you always have worries**, for example, Kausha Damu bring debts and worries. You buy your things at a high cost, and then you face foreclosure; it's very painful. – *age 21, dependent, BRAC, rural, completed primary school, single, no children*

> **I don't have a reliable income**…I have never taken out a loan. Taking out a loan mean you have to be sure you can repay it – *age 24, business owner, BRAC, rural, completed lower secondary, single, no children*

> No, I don't like it [credit]; **I'm afraid**. **I don't want them to seize my belongings**… I've witnessed people being repossessed. – *age 19, dependent, rural completed primary school, single, 1 child*

> Loans should be taken when you already have a business. **You take them to continue and improve**, but they are not ideal for starting a new business.– *age 24, business owner, BRAC, urban, completed primary, single, 1 child*

PERCEPTIONS OF INSURANCE – Young women <u>with</u> insurance

4 respondents have insurance

According to FinScope, 7%* of young women have insurance cover, this is largely driven by the **70%** who have coverage from the National Health Insurance Fund**

- Most of the young women knew about health insurance and the benefits of having it, although very few of them were covered
- Those young women who were insured find having insurance beneficial while others are discouraged by its limited benefits

KEY TRIGGERS:

- One respondent was contacted directly by service provider (eg: Vodacom) and encouraged to take up the product

> **I use it [M–Pesa] a lot because I have Vodacom insurance.** They called me and explained it to me, so I joined. I joined two months ago. A friend of mine has also joined. Since I'm sick and my child is eight years old, I pay 4000. – *age 24, business owner, BRAC, urban, single, completed primary, 1 child*

> **We have a government insurance of 30,000 shillings per year**; we use that. **Hospital costs are high, so I inquired at the hospital and they told me the benefits of insurance**, like not having to wait in line and getting priority**.** – *age 24, business owner, BRAC, urban, single, completed primary, 1 child*

> **I have health insurance**. NHIF. **This is paid for by my parents**. – *age 22, dependent, urban, completed lower secondary school, single, no children*

> **Yes [I have health insurance]**...but if your child doesn't get sick, it's discouraging. Also, **they don't provide proper guidance**. When you go to the hospital, you only get malaria tests; other tests are not provided, and they tell you to buy medication from the pharmacy. **I found it not useful or beneficial for me.** – *age 24, business owner, BRAC, urban, single, completed primary, 1 child*

Source: Qualitative research, 24 interviews | *Finscope Tanzania 2023 (women aged 16–24): Insurance includes variable ins2 "do you have insurance cover?" and ins3_1 "please tell me which of the following insurance you have?" | **https://www.udsm.ac.tz/web/index.php/directorates/dss/nhif–benefits–packages: NHIF's benefits package covers: Registration and Consultation fees, Outpatient Services, Medicines, Diagnostic Tests, Inpatient Services, Surgical Services, Physiotherapy and Rehabilitative Services, Optical Services, Dental Services, Retirees services, Medical & Orthopedic appliances.

PERCEPTIONS OF INSURANCE - Young women <u>without</u> insurance

- Although most of the young women did not have insurance, they had heard about health insurance and knew a bit about it
- Young women understood that insurance helps individuals receive timely treatment at hospitals, especially in emergencies or when funds are low
- Those with insurance are perceived to received quicker and prioritised treatment thus avoiding long wait times at hospitals
- Information about insurance mainly came from hospitals, the radio, or family members

KEY BARRIERS:

- Cannot afford it
- Have not made an effort to get it
- Not being a government employee

> **I learned at the hospital that those with insurance are treated first**; those without insurance are neglected. – *age 19, dependent, BRAC, rural, completed primary school, single, 1 child*

> I have thought about it, but **I haven't had the money yet**. – *age 23, business owner, BRAC, rural, completed lower secondary, married, 1 child*

> **I heard on the radio that having insurance makes it easy to get treated if you fall ill suddenly.** It helps a lot because illness comes without warning, and if you have insurance, you get treated quickly even if you don't have money. – *age 21, dependent, BRAC, rural, completed primary school, single, no children*

> Health insurance. **I heard about it at the hospital**; my grandmother was sick for a long time, and the hospital said if she had health insurance, it would have helped reduce costs. – *age 19, dependent, BRAC ,rural ,completed primary school, single, 1 child*

> I heard about it from my sister. **She said that if you have insurance, it's easier to get treated on time.** – *age 18, dependent, rural, incomplete lower secondary school, single, 1 child*

> **Getting sick; I'm worried about what I'd do if I don't have insurance**…Many times, when I go to the hospital and don't have money, it becomes a challenge. It's better to have insurance; it provides free treatment. – *age 19, dependent, rural completed primary school, single, 1 child*

> **Health insurance is also important. It reduces many costs; if you don't have money on hand, it helps**. I am not employed by the government, so it's more difficult [to get insurance]. Unlike government employees who get health insurance directly from work. – *age 19, dependent, rural completed primary school, single, 1 child*

Source: Qualitative research, 24 interviews | *Finscope Tanzania 2023 (women aged 16–24): Insurance includes variable ins2 "do you have insurance cover?" and ins3_1 "please tell me which of the following insurance you have?" | **https://www.udsm.ac.tz/web/index.php/directorates/dss/nhif–benefits–packages: NHIF's benefits package covers: Registration and Consultation fees, Outpatient Services, Medicines, Diagnostic Tests, Inpatient Services, Surgical Services, Physiotherapy and Rehabilitative Services, Optical Services, Dental Services, Retirees services, Medical & Orthopedic appliances.

Selected respondent profiles

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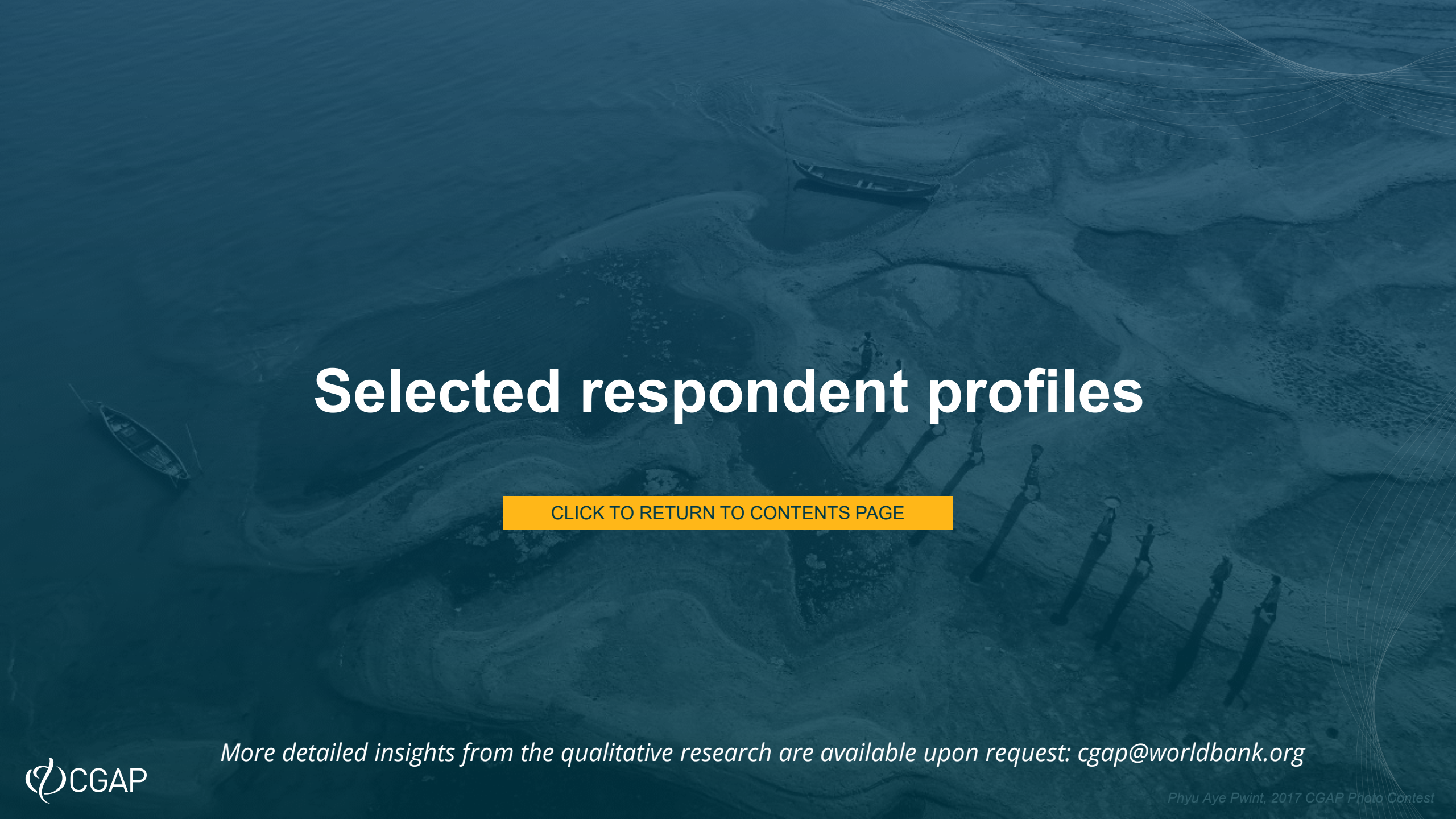
More detailed insights from the qualitative research are available upon request: cgap@worldbank.org

CGAP

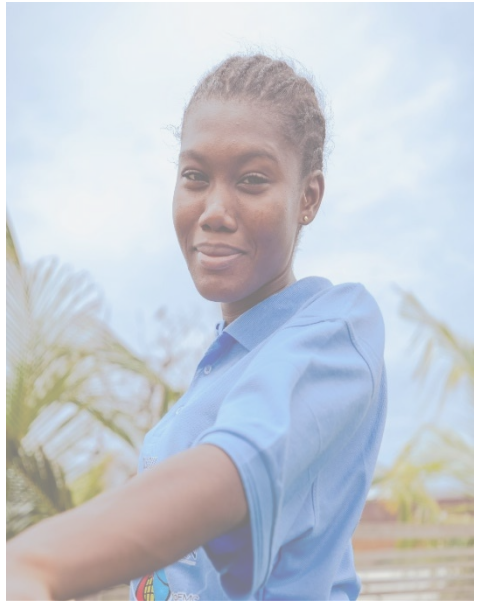


Phyu Aye Pwint, 2017 CGAP Photo Contest

ZAYA

BUSINESS OWNER

24 years old | Completed primary | Charcoal seller | Married, 2 children | Urban



Zaya is a resilient entrepreneur, having experimented with 2 other businesses before landing on her current activity, and is **now saving ~TSh. 3000/week** to open a shop. Even though she receives payments in cash, **she deposits them into her phone** in order to shelter her savings from spending pressures (she leaves the SIM at home). **She would like to open a bank account, but doesn't think her income is high enough**. While she is saving steadily, she does not know her balance or how long it will take to reach her goal

Zaya does not want to take a loan to open her shop, even though she has taken 2 loans in the past. **Her 1st loan, to finance a business,** was from a friend and **she is able to pay it off bit by bit**. She took her 2nd loan from a microfinance institution when she needed **immediate funds** to pay for some **land**, but disliked the **daily repayment and punitive fees,** and is **afraid of repossession**. So now she **prefers to save to reach her goal**.

> ***"The [land] owner wanted all the money at once, so I had to borrow from Kausha Damu to settle the debt…I was supposed to repay daily, which was difficult for me because the business sometimes made only a small profit…if you are late, there's a fine of 2,000 shillings.***

> ***"Banks have many conditions. They want you to have a guarantor, and you need to own a house to get a loan; if you fail, they sell the house….I prefer to save and reach my goal myself. I am afraid of being repossessed.***

CGAP GMAURICH INSIGHTS 71point4

Note: Names and photographs used are fictional to keep confidentiality of respondent

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PATRICIA

DEPENDENT

20	Completed Form 2	Currently at home	Single, no children	Rural
years old				

At 15, Patricia had dreams of being a ward executive officer; however, she failed her NECTA exam. She then aspired to become an electrician like her brother, but **her mother is ill and cannot pay the training fees**. Assistance from BRAC helped her to open a business, but she could not reinvest the profits as **she had to pay to be treated for stomach ulcers** at the hospital.

> ***"Mother wanted to take me to school, but she told me she can't… When my mother is ill, I lose peace.***

Patricia prioritized insurance very highly in her life – before parents, education, or a house. However, she does not have it.

> ***"[Insurance] helps me when I go to the hospital for treatment…I see that friends who get sick and go to the hospital are treated for free. I grew up with people saying that health insurance always helps… When we were at school, people from insurance companies came and started explaining to us the benefits and importance of having insurance. But also, our colleagues whose parents had already purchased insurance continued to tell us the importance of having insurance.***

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Note: Names and photographs used are fictional to keep confidentiality of respondent

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JENNY

FARMER

25 years old

Completed lower secondary

Poultry farmer

Single, 1 child

Urban

Jenny opened a **mobile money account to save her earnings** from her poultry business. She does not receive payments from customers in this way since they all pay her by cash.

The account is registered under her child's father's name because she does not have a National ID.

> ***Initially, I kept it at home, but I ended up spending it without a plan… I found myself using the money carelessly.***

Later, I started saving the money on my phone using Airtel mobile money, but it's not registered under my name because I don't have a national ID (NIDA) or a birth certificate.

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HELEN

BUSINESS OWNER

24 years old

Completed primary

Tablecloth seller

Single, 1 child

Urban

Helen is a savvy business owner. She has a **good idea of her business operations** and keeps close track of her earnings, **recording everything in a book**. She sometimes sells to customers on credit which she keeps track of.

> ***"I write it down. When I sell for cash, I write it here as cash. Then when they finish, I tick it off. Here [points to page in book] it's for clearing credit; I tell them they will add more money."***

A while ago, Helen opened a NMB bank account and deposited money into it. However, she does not currently use it and **does not know if it is still active or how much is in the account.**

> ***"I opened it [a bank account], but I haven't used it. I just deposited 10,000 [shillings] and haven't checked it since. [I haven't used it because] I don't know where it is....it seems it's been closed."***

Note: Names and photographs used are fictional to keep confidentiality of respondent

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Appendix

details on methodology

CGAP

Phyu Aye Pwint, 2017 CGAP Photo Contest

Overview of the study

PROBLEM STATEMENT

- Young women (15–24) are among the most socially and economically excluded of all demographic segments
- This social and economic exclusion is reflected in lower rates of financial inclusion with young women aged 15–24 behind their male counterparts on key variables such as account ownership, saving, digital payments and mobile money use
- Once these are set, these gendered financial inclusion patterns last a lifetime. Addressing obstacles to access and usage during youth, before those obstacles become entrenched, is critical to achieving gender equity goals in financial inclusion
- Two decades of rigorous research and program–level experimentation have shown that financial inclusion interventions, especially in combination with non–financial service supports, have the potential to improve key well–being outcomes for young women

OBJECTIVE

- In line with this, the objectives of this project are to develop an understanding of young women in the age group 15–24
- The research will explore the underlying determinants of financial inclusion and try to identify mechanisms through which exclusion can be overcome
- The latter objective will be realised through an ideation process that seeks to identify low fidelity solutions that meet the needs of priority sub–segments in this market

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FINSCOPE YOUTH SEGMENT DEFINITIONS:

DEPENDENT SEGMENTS

Main source of income is 'rely on someone else to give/send money' or 'don't get money/ someone else pays my expenses'

	MARRIED DEPENDENTS	YOUNG DEPENDENTS LIVING AT HOME (NEVER MARRIED)	OLDER DEPENDENTS (NEVER MARRIED)	UNMARRIED LOW EDUCATION
Marital status	• Married • Living together	• Single never married	• Single never married	• Single never married • Divorced/ Widowed
Age	• 16 - 24	• 16 – 19	• 20 - 24	• 16 - 24
Highest level of education		• Some secondary • Completed secondary	• Completed secondary • Some tertiary • Completed tertiary	• No formal education / some primary / primary completed / post primary technical training
Relationship to HH head		• Child or other relative		

EARNED INCOME SEGMENTS

	FARMERS	CASUAL WORKERS	SALARIED	BUSINESS OWNERS
Main source of income	• Make own money from trading / selling anything you produce / grow / raise / make / collect with the intention of selling • Main things sold include 'crops/produce I grow', 'fish you catch yourself', 'livestock' or 'products I get from livestock'	• Piece work / casual labour / occasional jobs	• Salaries / wages from regular job'	• Make own money from trading / selling anything you produce / grow / raise / make / collect with the intention of selling' • Classified as Traders – agricultural products or Traders – non-agricultural products in FinScope • Or 'Make own money from providing a service'

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Overview of research and recruitment approach

Research overview

- Conduct 90 minute in–person interviews with:
- ✓ a sample of BRAC's young female participants
- ✓ a sample of non–BRAC participants recruited through snowball sampling
- The main objective of the interviews is to better understand these young women's financial lives including how they make money, how they handle their money, what financial products and services they use, what financial needs they have, and how their needs are currently being met.
- The interviews also aim to understand how they make decisions about which financial products and services they use and who influences these decisions.
- The interviews also explore their future aspirations and how financial services can support these ambitions.
- **24 interviews in total (12 BRAC participants)**

BRAC participant sampling

- Partnered with BRAC Tanzania to identify a subset of respondents
- Selected region: Morogoro (urban and rural)
- All participants are females between the ages of 18 – 24
- All participants should have completed the AIM programme
- Total of 12 BRAC participants across three segments based on main source of livelihood (income):
    1. **Business owners:** traders or service providers
    2. **Farmers:** make money from trading / selling produce they grow / cultivate
    3. **Dependents:** individuals who do not have an income generating activity (IGA) (they may be unemployed or doing unpaid work), or if they have an IGA, they do not generate enough income for them to consider it as their main source (they are still reliant on others for financial support).
- For business owners and farmers, we interviewed a mix of those who are currently BRAC MFI clients and those who are not.

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