



## AGENDA

### DAY 1: FRIDAY, JULY 19<sup>TH</sup>

10:00 – 12:30 PM	<b>Informal gatherings – Garden of Wonders.</b>	<i>At NH Lingotto.</i>
12:30 – 2:00 PM	<b>Luncheon Symposium Participants</b>	<i>At NH Lingotto.</i>
2:00 – 2:30 PM	<b>Welcome &amp; Introduction to the Symposium</b> <b>Reeta Roy</b> , President & CEO, The MasterCard Foundation <b>Robert Christen</b> , President, Boulder Institute of Microfinance	<i>Challenge to address: Our goal should be to provide families with all the financial services they would find useful that we can offer on a commercially viable basis.</i>
2:30 – 3:00 PM	<b>Keynote Speaker</b> <b>Kamal Quadir</b> , Founder of CellBazaar Inc. and CEO of bKash	
3:00 – 4:00 PM	<b>Session 1: Innovation in the design of formal financial services for greater inclusion</b> <b>Claudio Gonzalez-Vega</b> , Ohio State University <b>Tilman Ehrbeck</b> , CGAP	<i>How will innovation in the design and delivery of financial services for the poor drive financial inclusion? What are some examples of innovations we have achieved in this space, and where are more needed?</i>
4:00 – 4:30 PM	<b>Break</b>	
4:30 – 4:45 PM	<b>Audience Participation</b>	
4:45 – 5:30 PM	<b>Session 2: Financial Inclusion in a rapidly changing world</b> Moderator: <b>Samuel Munzele Maimbo</b> , World Bank Panelists: <b>Leora Klapper</b> , DEC World Bank (Findex); <b>Marten Leijon</b> , MIX	<i>What do we know about current coverage and where are the greatest opportunities to provide poor families with a full suite of formal financial services?</i>
5:30 – 6:30 PM	<b>Session 3: What do clients want from their formal financial services?</b> Moderator: <b>Alexia LaTortue</b> , CGAP Panelists: <b>Daryl Collins</b> , Bankable Frontiers; <b>Jenny Aker</b> , Fletcher School, Tufts University; <b>Nathanael Goldberg</b> , IPA	<i>What are the core characteristics that clients want from their formal financial services that we need to keep in mind when we think about the future?</i>
6:30 – 6:50 PM	<b>Closing Remarks Day One: Reflections on clients and the institutions we need to build to serve them well</b> <b>Marguerite Robinson</b>	
7:00 – 8:00 PM	<b>Welcome Cocktail</b>	



## DAY 2: SATURDAY, JULY 20<sup>TH</sup>

8:30 – 8:50 AM	<b>Opening Remarks Day Two: Putting clients first, a three dimensional approach</b> <b>Monique Cohen</b>	
8:50 – 9:50 AM	<b>Session 4: Different perspectives on reaching the poor household</b> Moderator: <b>Robert Christen</b> , Boulder Institute of Microfinance Presenters: <b>Dave Wallack</b> , IFMR Trust, KGFS Program; <b>Mary Ellen Iskenderian</b> , Women's World Banking; <b>Robert Annibale</b> , Citi Microfinance	<i>How can we overcome the challenges of high transactions costs for clients and providers alike; the low profitability of clients with small transactions; and the low use of many formal financial services once they are offered?</i>
9:50 – 10:00 AM	<b>Audience Participation</b>	
10:00 – 11:15 AM	<b>Session 5: Creating value for clients through micro-insurance</b> Presenter: <b>Michael McCord</b> , Micro-Insurance Center Commentators: <b>Barbara Magnoni</b> , EA Consultants; <b>Lorenzo Chan</b> , Pioneer Insurance Company; <b>Mariana Torres</b> , Banco Compartamos; <b>Rick Koven</b> , Consultant	<i>How can micro-insurance provide sufficient value to clients to encourage the growth of insurance as an important component in the portfolio of a poor household? What is the value-proposition for meeting the diversity within client needs?</i>
11:15 – 11:45 AM	<b>Break</b>	
11:45 – 12:00 PM	<b>Audience Participation</b>	
12:00 – 1:00 PM	<b>Session 6: Data-driven product design</b> Moderator: <b>Mark Wensley</b> , The MasterCard Foundation Panelists: <b>Olga Morawczynski</b> , Grameen Foundation; <b>Seema Desai</b> , GSMA	<i>Should we be thinking about segmenting clients when we set out to design the next generation of financial services for the poor? How would we go about this?</i>
1:00 – 2:00 PM	<b>Lunch</b>	
2:00 – 3:00 PM	<b>Session 7: Rolling-out client-centric products and demonstrating the business case for providers</b> Moderator: <b>Arjuna Costa</b> , Omidyar Network Presenter: <b>David Porteous</b> , Bankable Frontiers Commentators: <b>Andrew Wakahiu</b> , Equity Bank; <b>Stephen Peachey</b> , World Savings Banks Institute	<i>Can we meet the savings needs of poor clients, and how so? How has product design based on client data resulted in effectively meeting the financial needs of the poor, while demonstrating business viability for financial service providers?</i>
3:00 – 3:30 PM	<b>Break</b>	
3:30 – 5:00 PM	<b>Session 8: Audience-driven discussion of critical issues</b> Moderators: <b>Piyush Tantia</b> , IDEAS42; <b>Tilman Erhbeck</b> , CGAP Commentators: Selected speakers from different sessions	<i>The moderators will facilitate an audience-driven discussion on the core concepts of the Symposium and highlight the key issues that emerge.</i>
5:00 – 5:45 PM	<b>Session 9: What next? Moving from intention to action</b> Presenters: <b>Ann Miles</b> , The MasterCard Foundation; <b>Robert Christen</b> , Boulder Institute of Microfinance	<i>What are the next steps, and concrete outputs from the Symposium to advance full financial inclusion, putting clients at the center?</i>
5:45 – 7:45 PM	<b>Closing Reception</b>	

## WELCOME AND INTRODUCTION TO THE SYMPOSIUM

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In the opening of The MasterCard Foundation Symposium on Financial Inclusion, The MasterCard Foundation's President and CEO Reeta Roy and Boulder Institute of Microfinance's President Robert Christen will speak to the need for addressing the present challenge of providing families with a full range of financial services they would find useful that can be offered on a commercially viable basis.



**Reeta Roy** is a passionate advocate who works to ensure that the Foundation is focused on the people it serves, and she travels extensively in the communities where it is active. She has spoken before a wide array of fora including the UN General Assembly (for the International Year of Youth), the Clinton Global Initiative, the World Innovation Summit for Education, and the UNESCO Youth Forum. Prior to joining the Foundation, Reeta held a variety of leadership positions at Abbott and the Abbot Fund. Prior to joining the private sector, she worked at the United Nations.



**Robert Christen** is the President and founder of the Boulder Institute of Microfinance and currently holds the position of Professor of Practice in the Maxwell School of Citizenship and Public Affairs at Syracuse University in New York. He has held several positions including Director of Financial Services for the Poor at the Bill & Melinda Gates Foundation and Senior Advisor for CGAP at the World Bank. He has had a prolific career advancing the work of leading microfinance institutions in diverse regions of the world including Mexico, Brazil, Tanzania, Chile, China, and more.

### KEYNOTE SPEAKER: KAMAL QUADIR



**Kamal Quadir** will speak as a practitioner of technologies that address certain pain points in poor countries. One such application is CellBazaar, an electronic marketplace that solves market failure in the absence of reliable communication between buyers and sellers. Another is bKash which is dedicated to providing mobile financial services in Bangladesh and is focused on serving the low income population in particular to provide convenient, affordable and reliable ways to send and receive money and to make payments. Currently, Kamal is the CEO of bKash, a subsidiary of BRAC Bank.

He will share cases where regulators, non-governmental organizations, banks, network connectivity providers, investors, foundations and entrepreneurs come together to solve challenges where all parties' are tied with common objectives: *Understanding the users' needs and meeting them with sustainable business models*. The initiatives he has worked on are interventional tools for the poor to access state-of-the-art technologies to leapfrog into some form of inclusivity, be that financial access or electronic marketplace. He has a BA from Oberlin College and an MBA from the Sloan School of Management at MIT.

## SESSION 1: INNOVATION IN THE DESIGN OF FORMAL FINANCIAL SERVICES FOR GREATER INCLUSION

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If we are to dramatically expand the outreach of a full suite of financial services for the world's lower income households, we must innovate in the design products and delivery channels that better serve more clients, for more purposes, while making financial sense for providers. While microcredit has been one of the most important innovations in the history of banking we have only begun to figure out how to build client-centered, safe, affordable and easy-to-use savings, insurance and remittance products and services?

While banks have been and will likely remain primary providers of many financial services, the financial ecosystem continues to transform at an accelerated pace, driven by technology, new and non-traditional providers, regulatory changes and challenges. New business models are emerging, such as e-money, which will provide increased access at a potentially much lower cost. But will these new platforms remain in different silos or become integrated with traditional banking and payments system? What are the implications for existing providers? How can we promote the type of product and business model innovation that will be necessary in this Version 3.0 of Microfinance?



**Claudio Gonzalez Vega**, professor emeritus of The Ohio State University, is one of the world leaders in the field of finance and development. His research has focused on the role of informal and formal finance in reaching marginal clienteles and their impact on poverty, financial policies and the role of the state in financial markets, and the optimum design of prudential regulation and supervision. Claudio's work in Bolivia stretching for more than 2 decades has provided us with the most comprehensive analyses to date on the market based evolution of an inclusive financial system that has grown to represent a significant proportion of GNP. He is a member of the board of the BBVA Microfinance Foundation.



**Tilman Ehrbeck** is the CEO of the Consultative Group to Assist the Poor (CGAP), a policy and research center dedicated to advancing access to finance for the world's poor. His profound experience in advising governments, microfinance networks, foundations, and commercial players on a broad range of financial inclusion issues ranges from improving services and products that better meet client needs, to exploring new business models that significantly reduce operating costs, to enabling infrastructure and policy interventions. Tilman was previously a Partner at the global management consulting firm McKinsey & Company in the Banking and Healthcare Practices, staff economist at the International Monetary Fund (IMF) and holds a Ph.D in Economics from the European University Institute (EUI).

## SESSION 2: FINANCIAL INCLUSION IN A RAPIDLY CHANGING WORLD

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In our rapidly changing world, the global economy is experiencing significant challenges, from rising income inequality to rampant unemployment to uneven economic growth. Recent high-level commitments within the financial sector to dramatically increase financial inclusion is a recognition that greater access to formal financial services is critical to helping the world's poorest people cope with these economic crises and achieve their financial goals. More and more, we all agree that every member of society deserves the opportunity to save, send and receive money, and even obtain credit or an insurance policy.

This session will explore how financial services are being supplied to low-income families throughout the world, based on the best data we have been able to gather. It will answer questions such as:

- Who is getting access to microfinance services today?
- Where is coverage greatest, and who is being left out?
- Where are the greatest opportunities to increase financial inclusion?
- What are some assumptions that are being demystified by current data?



**Samuel Munzele Maimbo**, lead financial sector specialist in the Europe and Central Asia Department of the World Bank, is a co-author on the recent World Bank book, *Financing Africa: Through the Crisis and Beyond*, as well as a number of other relevant publications. Sam has worked in several regional divisions at the World Bank and brings a global perspective to the conversation about access to finance. His operational and research interests include expanding access to finance, long-term finance and financial sector stability. Previously, he was a senior bank inspector at the Bank of Zambia and an auditor at Price Waterhouse.



**Leora Klapper** is a key member of the team that runs the Global Findex project. She is a co-author of "Measuring Financial Inclusion: The Global Findex," which looks at the demand side of financial services. Global Findex created the first public database of indicators that consistently measure people's use of financial products across economies and over time. The database can be used to develop a more nuanced understanding of how people around the world save, borrow, make payments, and manage risk.



**Marten Leijon** is chief executive of the MIX Market, the premier database on the performance of the microfinance sector globally. The MIX reports on the outreach and performance of microfinance institutions that provide loans to 85 percent of the population. It has increasingly provided critical analysis of global and regional trends in the provision of financial services for the poor. Marten has many years of experience in leading advisory, information and research businesses, with a primary focus on financial services. As managing director of CEB's Financial Services practice, he was responsible for the development and growth of information products and executive networks in insurance, service delivery, and retirement services. Before that, he led client engagements in strategy, service operations and growth at McKinsey & Company's Financial Institutions Group.

## SESSION 3: WHAT DO CLIENTS WANT FROM THEIR FORMAL FINANCIAL SERVICES?

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Designing client-centered financial products and services requires a full and fair understanding of what clients want and need in order to effectively manage their financial lives. Providers must consider how poor families manage their financial portfolios, what they require to fulfill their daily needs, how they choose to mitigate and manage shocks and risk, and what they need to alleviate their financial burdens.

While many of those who support financial inclusion argue that formal services supervised by regulators are the best bet for the world's poor, it is critical to examine the current use of informal services, which are much more prevalent in the developing world. From the client's perspective, informal saving methods such as hiding money under a mattress, participating in saving groups, and utilizing collectors and family members, have distinct advantages—familiarity, clarity and usefulness.

This session will discuss various ways to learn about the financial lives of the poor and how that information can be used by financial service providers when developing client-centered products. Anthropological studies, field experiments, and randomized evaluations can help us understand what features clients value most, how to price and market new products and services, and what can be done to assist the poorest families to transition out of extreme poverty into sustainable livelihoods.



**Alexia LaTortue** is deputy CEO of the Consultative Group to Assist the Poor (CGAP), a global independent policy and research center dedicated to advancing financial access for the world's poor. She also leads the organization's expanding work on clients and products as it ventures to understand clients more deeply, make the business case for client-centricity and design more client-centered organizational delivery mechanisms. Alexia has 15 years of experience in access to finance and is a board member of the Microinsurance Network.



**Daryl Collins** leads the research efforts of Bankable Frontier Associates (BFA), with a specialization in the demand-side dynamics of development finance. She was the principal investigator of the Financial Diaries, 2003-2004 field study based at the University of Cape Town, South Africa, and is a co-author of the bestselling book, *Portfolios of the Poor*. Daryl began her career as an emerging market economist at a New York investment bank. She later joined the finance faculty of the University of Cape Town, where she began her research on the financial behavior of the poor.



**Jenny Aker**, Assistant Professor of Economics at the Fletcher School, Tufts University, will be reflecting on her work around the adoption of mobile money in Ghana and Niger; starting with thinking about the different components that affect mobile money adoption -- demand (i.e., do I know about the service, need the service for transfers or savings, understand and trust the service? All of which are determined by things such as literacy, social networks, mobile phone ownership, etc); supply (including the mobile phone and mobile money network and agent network); and product (i.e., is it easy to use, familiar, inexpensive as compared with other opportunities?).

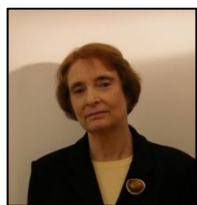


**Nathaneal Goldberg**, Senior Director, Policy at Innovations for Poverty Action (IPA) leads efforts to direct resources to proven development interventions and manages IPA's Ultra Poor Graduation initiative, a set of seven evaluations of programs designed to enable the poorest households to develop sustainable livelihoods and move out of extreme poverty. Previously he has served as chief of staff of the Microcredit Summit Campaign, and has Master in Public Affairs in International Development from Princeton University's Woodrow Wilson School.

## CLOSING REMARKS DAY 1: REFLECTIONS ON CLIENTS AND THE INSTITUTIONS WE NEED TO BUILD TO SERVE THEM WELL

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Marguerite Robinson will close the first afternoon of the symposium with thoughts on regulated institutions providing demand-driven commercial microfinance products and services to millions of low income clients, and others---profitably, consistently, and with a high level of customer care. Institutional leadership in understanding and meeting client demand; appropriate use of information technology; and the low margin, high volume approach will be discussed as main drivers of the emerging routes to global financial inclusion.



**Marguerite Robinson**, who has the unique distinction of sitting on the boards of both The MasterCard Foundation and the Boulder Institute of Microfinance from their inception, has made immense contributions to our understanding of poor, financially excluded households over her long and distinguished career. She was the first important anthropologist to focus on the financial lives of poor families and how we might offer them greater value through the formal rather than the informal sector. Her book, *The Microfinance Revolution*, is a classic “must-read” for anyone in or entering this sector.

Marguerite served as professor of anthropology and dean of the College of Arts and Sciences at Brandeis University before joining the Harvard Institute for International Development (1978-2000). Now an independent consultant and author, she has had extensive experience working in Asia and Africa, rural and tribal areas, and among the urban poor. She served for many years as an advisor to the Indonesian Minister of Finance and the Bank Rakyat Indonesia (BRI) on the development of BRI's Microbanking system, now the largest financially self-sufficient microfinance system in the world. She has served as an advisor to Equity Bank Limited, from its beginnings as a small building and loan society until its current status as a large, consistently profitable bank based in Kenya, with four wholly owned bank subsidiaries in other African countries, and the largest customer base in Africa.



## OPENING REMARKS DAY 2: PUTTING CLIENTS FIRST, A THREE DIMENSIONAL APPROACH

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Monique Cohen will start the day off with a presentation about how to put clients first. She will discuss how the industry must move from a one-dimensional approach to financial service provision to what she labels as a three-dimensional perspective. This approach allows us to look at the necessary product types for asset building rather than simply credit for working capital; how people's needs for these products change over the life cycle; and what works best for which delivery system.



**Monique Cohen**, President and founder of the nonprofit Microfinance Opportunities (MFO), is an expert on the poor's use of financial services and the development of consumer-focused financial solutions for low-income households. At MFO, she has pioneered the development of financial education for low-income households in developing countries. Previously, she designed and led a major microfinance impact assessment program (AIMS) at USAID. Most recently, Monique directed a program that conducted financial diaries with OIBM in Malawi and with M'Pesa clients in Kenya. She serves on the CGAP advisory group of its new program, "Clients at the Center," and on the Financial Capability Work Group directed by the Center for Financial Inclusion.

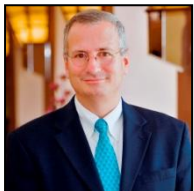
## SESSION 4: DIFFERENT PERSPECTIVES ON REACHING THE POOR HOUSEHOLD

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There are a number of challenges to effectively reach the poor household; building appropriate service delivery platforms to reduce high transactions costs for clients and providers alike, solving the problem of low profitability of clients with small transactions, and, understanding what makes our services sufficiently attractive that they will actually be used. This session will explore three different approaches to these core challenges: IFMR's KGFS model in providing households with a customized suite of products and services, taking a portfolio approach to client service and profitability; WWB's work with female clients to design services and improve operational procedures to increase the uptake and use of financial services by women; and Citibank's approach to leverage scale and build platforms to reach the underserved.



**Dave Wallack** is a co-founder and Trustee of IFMR Trust, a private trust in India with the mission of providing complete access to finance for every individual and every enterprise. Within the IFMR Trust group, he focuses on work in retail finance as the Chief Design Officer and an Executive Director of IFMR Rural Finance. IFMR Rural Finance is responsible for the design and licensing of the KGFS model of rural regional financial product and service distribution. Dave will explain the KGFS model of financial product and service distribution that offers each household a customized suite of financial products and services including appropriate insurances, investment products, group loans, enterprise loans, payment services, and remittance services and the framework that the KGFS system uses to understanding the customer's household.



**Robert Annibale**, Global Director of Citi Microfinance and Community Development, will join for a conversation about how a global bank such as Citibank thinks about retail clients and the development of new services. He leads Citi's global commercial relationships with microfinance and community institutions, to expand access to financial services, with particular focus on developing innovative platforms for scaling access to finance and savings. This conversation aims to shed insight on how a global commercial retail banking organization routinely focuses on the type of innovation that keeps and grows its market share and how to drive the type of innovation that is both useful to clients and that works for the provider. He currently represents Citi on the Boards of the MIX, the Center for Financial Services Innovation (CSFI), the US FDIC Chairman's Committee on Economic Empowerment, the Citi Foundation and the Executive Committee of CGAP.



**Mary Ellen Iskenderian**, President and CEO of Women's World Banking, will comment on how extensive market research has led Women's World Banking to conclude that only by studying the lives of women—how they earn their income, how they live, how they see themselves and their goals—can financial institutions design products that meet women's needs and therefore touch on the household's needs. Previously, Mary Ellen worked for 17 years at the International Finance Corporation, the private-sector arm of the World Bank. She is a permanent member of the Council on Foreign Relations, serves as an advisor to the Clinton Global Initiative and is a judge for the annual Financial Times Sustainable Banking Awards.

## SESSION 5: CREATING VALUE FOR CLIENTS THROUGH MICROINSURANCE

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Microinsurance is expanding significantly across the globe: 200 percent in Africa between 2008 and 2011 and 100 percent in Latin America between 2005 and 2011. It is being used by providers as a viable business product that gives low-income people risk management options. Yet a lot of microinsurance only covers a small part of the risk management needs of clients. Microfinance institutions, once seen as the ideal distribution channel for microinsurance, have largely proven disappointing, and uptake of policies by individuals remains a huge challenge.

The question remains: Is microinsurance a good deal for clients? Furthermore, is our lack of understanding of the value proposition represented by microinsurance holding back the development of this service? This session will explore how research to understand the value of microinsurance to low-income people as well as the business case for offering it can help providers improve their products and reach customers.



**Michael McCord** is President of the MicroInsurance Centre, a specialized consulting firm focusing on research, advocacy and designing microinsurance products and processes that meet the unique needs of low-income clients. He has led a multiyear research effort, the Microinsurance Learning and Knowledge (MILK) project, which is designed to answer questions of client value and the business case of microinsurance. Michael has written extensively on microinsurance, including the new "Microinsurance Product Development for Microfinance Providers." He is also a founding member and currently sits on the board of directors of the Microinsurance Network and the steering committee for the Munich Re Foundation/Microinsurance Network Annual Microinsurance Conference.



**Barbara Magnoni** is the Client Value Project Manager for the MicroInsurance Centre's MILK Project. She is currently managing the collection and analysis of lessons around understanding the value for clients. Additionally, she contributed to the design and managed the implementation of a series of "client math" studies worldwide (in countries including Colombia, the Philippines and Tanzania), which address the financial responses of clients during a financial shock, the total costs they face, and the financing tools available to them.



**Richard Koven** is the Business Case Project Manager for the MILK Project. Rick has 30 years of experience managing and consulting with insurance companies, health plans and self-funded programs.



**Lorenzo Chan** is the President and CEO of Pioneer Life in the Philippines, which strives to provide flexibility in product development and outstanding service to MFIs and their clients. He drove the concept of bite-sized or sachet insurance for the retail and mass market, including an insurance and savings card, an award-winning comic book for youth that teaches money smarts, and the development of microinsurance. At Pioneer, microinsurance started out with the objective of creating affordable, easy-to-enroll, and simple-to-claim products. Today, Pioneer's life company is partnered with numerous microfinance institutions, including several of the country's largest, as well as rural banks, and derives close to 10 percent of its premium volume and more than 1 million enrollments from microinsurance.



**Mariana Torres** has managed the microinsurance portfolio of Banco Compartamos for 10 years. She has developed and expanded their products—automatic and voluntary—to millions of low-income people in Mexico. Mariana has lead the development and implementation of a microinsurance brokerage firm, Aterna (a joint venture of Compartamos) to help expand quality microinsurance products beyond Compartamos.

## SESSION 6: DATA-DRIVEN PRODUCT DESIGN

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In our continuing efforts to reach more customers with improved products and services that meet their specific needs, household surveys and data analysis offer a way forward. Mobile money is one example of how companies are using their massive client base and access to a vast trove of data to gain deeper insights into customer behavior. Globally, of the 80 million registered mobile money clients, the 27 percent that actively use the service generate more than 182 million transactions which are mostly cash transfers.<sup>1</sup> In Kenya, mShwari is one example of a company that uses client transactional history. It recently grabbed attention when its credit-led savings product registered 1.6 million customers<sup>2</sup> in less than six months.

Along with this type of data gathering capability comes the possibility of segmenting clients and marketing specific products to these segments. This session will explore how segmentation is informed by client transactions and will offer an actionable starting point for seeking insights through qualitative analysis. Panelists will discuss how transactional history and market segmentation can improve the design of next-generation products and services as well as their uptake and usage.



**Mark Wensley** of The MasterCard Foundation manages a portfolio of financial inclusion projects that expand access to financial services with technology, strengthen industry standards and promote entrepreneurship. He has worked in the microfinance field for 10 years, focusing on scaling innovative and market-led approaches for financial inclusion. Previously, he was the global selection manager for Unitus, where he led the creation of new partnerships in India, Cambodia, the Philippines, Indonesia, Kenya and Tanzania to provide catalytic capital and advice to high-growth microfinance institutions.



**Seema Desai** is the Director of the Mobile Money for the Unbanked Programme (MMU) at the GSMA, which works to accelerate the growth of mobile money services to achieve greater financial inclusion. It does this by identifying and sharing benchmark data, operational best practices and commercially viable interoperability approaches, as well as cultivating enabling regulatory environments. Previously, Seema managed a large portion of the retail savings P&L for one of the UK's largest retail banks and was Manager at Accenture within their strategy consulting division focused on financial services.



**Olga Morawczynski** works with the Grameen Foundation's AppLab, which uses anthropological methods to gain insights for product design once customer segments have been revealed through the use of company data. They then test products among each segment to further develop the value proposition and to determine different usage needs across segments. Olga was awarded a Ph.D. scholarship by Microsoft Research and her paper on M-PESA was noted by the GSMA Development Fund Report as being in the "top 20" of the field.

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<sup>1</sup> GSMA - State of the Industry: Results from the 2012 Global Mobile Money Adoption Survey.

<sup>2</sup> <http://www.nation.co.ke/business/news/M-Shwari-deals-cross-Sh3bn/-/1006/1690122/-/k0331f/-/index.html>



## SESSION 7: ROLLING-OUT CLIENT CENTRIC SERVICES AND DEMONSTRATING THE BUSINESS CASE FOR PROVIDERS

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More institutions are undertaking research to understand their clients, and some are taking the additional step of using client feedback to transform their processes and become more client-centric. All too often, however, analytics are being used to assess creditworthiness for loan products rather than being applied to liability side products, such as transactional or savings accounts, to form a picture of the client. This type of analysis will be absolutely essential if we are to offer hundreds of millions of poor families access to safe places to save and an inexpensive way to receive money in times of need.

The session will focus on the GAFIS project, which has worked with five large commercial banks worldwide on savings product design over the past two and a half years, as well as the InFocus project, which has taken an in-depth look at the client profiles and associated business case relating to savings products for four banks of differing sizes in four distinct countries. It will pay particular attention to Equity Bank in Kenya, one of the five banks in the GAFIS project, which has utilized client research to regenerate focus on new products and channels with business case analysis.



**Arjuna Costa** is an investment partner with the Omidyar Network, where he manages a portfolio of investments related to product innovation and leads the firm's investments in emerging markets. He has a board/governance role in the Better Than Cash Alliance, Cignifi, GSMA's Mobile Money for the Unbanked program, Lenddo, MicroEnsure, Pagatech, RUMA and Zoono. Previously, Arjuna consulted with Bankable Frontier Associates for the Bill & Melinda Gates Foundation, was a member of the Africa and Middle East special situations investment practice at the Rohatyn Group, co-founded Africa International Financial Holdings LLC.



**David Porteous**, managing director of BFA (Bankable Frontier Associates), has been involved in development finance internationally for the past two decades, and specifically, managed the deep analytical projects "In Focus" and "GAFIS" that provide many of the insights for this session. A consulting firm based in Boston, BFA provides research, policy and strategy advice to financial regulators and policymakers, private financial providers, bilateral and multilateral donors, and private foundations around the world. It seeks to optimize return on its triple bottom lines of positive financial return, social impact on end-clients and building the knowledge base in the sector.



**Andrew Wakahiu** is the General Manager for Agency Banking and Merchant Acquiring at Equity Bank, where he champions the bank's network of over 8,000 agents recruited in Kenya, Rwanda and now Tanzania, as well as leads the execution of the various e-payment solutions Equity Bank has deployed. . With more than 7.8 million customers and deposits that have more than tripled in the past four years, Equity Bank is an outstanding example of an organization that successfully puts clients at the center, and has done so for many years. Previously, Andrew has served as team leader for the team that rolled out M-Pesa agent network for Safaricom.



**Stephen Peachey** is program technical adviser to a World Savings Banks Institute facility to help selected savings banks double the number of savings accounts in the hands of the poor. He has more than 30 years of experience in financial and private-sector development at both policy and individual institutional levels. Stephen has also worked on detailed product and channel costing models for more than 10 retail banks across the developed and developing world and on studies of branchless financial services in Africa, Asia and Latin America.

## SESSION 8: AUDIENCE-DRIVEN DISCUSSION OF CRITICAL ISSUES

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Why is putting clients at the center intrinsically important to greater and more efficient financial inclusion? How can providers achieve this in a viable way? Sessions one to seven cover the scope and depth of what it takes for more innovative design of client-centric products, services and delivery channels that make business sense. Our moderators will guide a discussion on the core concepts presented throughout the Symposium and highlight the key issues that have surfaced. They will moderate an exchange of commentary and questions between the audience and a selected group of speakers.



**Piyush Tantia** is Executive Director of ideas42, a social enterprise that uses Behavioral Economics to invent fresh solutions to tough social problems. Piyush works closely with leading academics from Harvard, MIT and Princeton to design and implement solutions in various areas including household finance, poverty and healthcare. Prior to joining ideas42, Piyush was a Partner at leading consulting firm Oliver Wyman.



**Tilman Ehrbeck** is the CEO of the Consultative Group to Assist the Poor (CGAP), a policy and research center dedicated to advancing access to finance for the world's poor. His profound experience in advising governments, microfinance networks, foundations, and commercial players on a broad range of financial inclusion issues ranges from improving services and products that better meet client needs, to exploring new business models that significantly reduce operating costs, to enabling infrastructure and policy interventions. Tilman was previously a Partner at the global management consulting firm McKinsey & Company in the Banking and Healthcare Practices, staff economist at the International Monetary Fund (IMF) and holds a Ph.D in Economics from the European University Institute (EUI).

## SESSION 9: WHAT NEXT? MOVING FROM INTENTION TO ACTION

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In closing The MasterCard Foundation Symposium on Financial Inclusion, Robert Christen and Ann Miles will provide insight into next steps, and concrete outputs from the Symposium, such as:

- Building connections among individual participants at the Symposium which are necessary to move the client centered agenda forward within individual service providers.
- Creating access to resources and experts who can guide conversations, gathering of evidence and product design.
- Establishing a virtual network, or “Linked In” community around this agenda.
- Disseminating a blog series of short briefs on the Symposium topics in succeeding weeks.
- Preparing for the series of annual Symposia on Financial Inclusion to deepen outreach and broaden the community dedicated to this agenda.



Tanzania, Chile, China, and more.

**Robert Christen** is the President and founder of the Boulder Institute of Microfinance and currently holds the position of Professor of Practice in the Maxwell School of Citizenship and Public Affairs at Syracuse University in New York. He has held several positions including Director of Financial Services for the Poor at the Bill & Melinda Gates Foundation and Senior Advisor for CGAP at the World Bank. He has had a prolific career advancing the work of leading microfinance institutions in diverse regions of the world including Mexico, Brazil,



corporate and private banking. She graduated with a B.A. in Economics and French Literature from Drew University.

**Ann Miles** is the Director of Financial Inclusion at The MasterCard Foundation. Before joining the Foundation, Ann was a Managing Director at BlueOrchard Finance, S.A., a for-profit asset management company based in Geneva, Switzerland which specializes in microfinance commercial debt and equity investments. She also worked for Women's World Banking (WWB), where she managed the Capital Markets team which helped WWB's network members' access funding in the local and international financial markets, and before that was also a Vice President at Citibank, where she worked in trade finance,

## KEY TAKEAWAYS

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The objective of the 2013 MasterCard Foundation Symposium on Financial Inclusion was to help key industry leaders discover new techniques for dramatically improving the customer value proposition of financial services for the world's poorest population. We wanted to not only contribute to the expansion of financial inclusion, but also discover and promote a strong business case for banking and microfinance organizations to integrate next-generation products into their operations so they can reach customers at the bottom of the pyramid.

The event brought together 376 participants from 78 countries. Participants were mostly from Sub Saharan Africa (41%), Western and Southern Europe (12%) and USA/Canada (19%). These participants were at the mid- to senior management level – 45% of participants held President, Vice-President, CEO, Board of Directors and Upper Management positions.

The composition of the Symposium was as follows: 50% MFIs, 37% support institutions, and 12% other institutions. A total of 146 MFIs were represented by 191 participants, 49% of the MFIs attending the Symposium can be classified as the largest three in their country of origin and more than 80% of MFIs are classified as the largest 10 of their country.

The Symposium successfully placed **clients at the center** and challenged the way MFIs currently think about the needs of the poor. Participants stated that they will go back and design products based on information about the needs of their clients. They plan to do this by gathering client input, conducting client segmentation analysis and reading more research papers.

It was also successful in exploring the **business case for innovation** based on understanding clients. One main effect on participants was in clarifying how innovations can be done and moving them to consider innovation as a higher ranking priority. Participants also increased their perception that from a business perspective, the greatest challenge to delivering well designed products is the cost of understanding clients' needs when designing new products.

The Symposium also contributed to the **creation of a global community** that puts MFIs in the driver's seat of the client-centered financial inclusion movement. The diversity of participants created a fertile environment for networking between MFIs and international industry leaders.