

**“LOOKING AHEAD: THE MASTERCARD FOUNDATION SYMPOSIUM
ON FINANCIAL INCLUSION, TURIN JULY 16-18”**

TRANSCRIPT OF WEB CHAT HELD JUNE 17, 2014

ROGER MORIER:

Hello everybody. This is Roger Morier. I'm a Senior Communications Manager at The MasterCard Foundation in Toronto. I see that we have a number of people here from different parts of the world who have joined this web chat about The MasterCard Foundation Symposium on Financial Inclusion 2014, so thank you all for being with us today. Good morning, good afternoon, good evening, where you are in different parts of the world.

Let me welcome you and tell you that with me in our office in Toronto is Ann Miles, who is the Director of Financial Inclusion at The MasterCard Foundation. Also joining me from Syracuse, New York is Robert Christen, who is the President and Founder of the Boulder Institute of Microfinance. I think that both Ann and Robert are well known to many of you who are listening to us now.

We're going to have a discussion with Ann and Robert about the Symposium, what we can look forward to, some of the highlights, some of the things that you can expect when you go there. As you see on the left hand side of your screen there's a chat room, so if you have comments or if you have questions or some thoughts about what you are hearing, then just type your questions or comments there.

We will see them and we will address them at some point. We'll either have a discussion and then get to the comments and questions, or if there is something particularly pertinent we might just stop things and address your comment or question then. So don't hesitate to type your thoughts in that little box in the chat room. You can hear us, we can't hear you, but we can certainly see everything that's going on when you're typing. I'll moderate the questions, and Ann and Robert will be here to address them and answer any questions or comments you might have.

So, why don't we start talking about the Symposium which is coming up in just over a month from now. Let me ask Ann, first of all, to start and situate this MasterCard Foundation Symposium on Financial Inclusion in relation to last year's version. How is this one building on last year's Ann?

ANN MILES:

Well, hello to everyone on this web chat. I'm really delighted to initiate our thinking and engage people as we're looking ahead over the next couple of weeks to the Symposium.

You know, last year we began to look at how financial services can be designed and delivered really with the clients in mind, or what we called "clients at the center". That was the overarching theme. What we learned from participants is that many providers were already putting

this into practice. I remember that we were a little surprised after the first kind of synthesis, the feedback from the audience, how many people were already thinking about this.

So, this year we are going to go deeper, especially in some of the workshop sessions, and really feature the work of several providers who are focusing on clients at the center. Some of which is still very much in an experimental stage and some of which has been more fully developed. So we'll have an opportunity to really learn about what's working, but may not be working so well, and what models, I think, show promise for replication and scale.

I think it's also going to be a little different from how we built it last year. We'll feature an interesting debate on what works better for clients: is it a high-touch approach or is it a low-touch approach? Then, on the final day, we're going to feature a thought-provoking discussion, moderated by Matthew Bishop, who is the U.S. bureau chief for The Economist, about why are we still needed. I think that's going to end us on a very thought-provoking discussion for the future.

Many of you who have worked in this space for a long time know that Matthew was actually on the Advisory Committee for the Year of Microcredit, so thinking back to 2005, which is nine years ago, hard to believe for many of us around the table. It was about really putting microfinance and microcredit front and center stage.

I'm very excited about where our conversation is moving for the Symposium this year.

ROGER MORIER:

Thanks Ann, that's a good overview. Do you want to say a couple of words about the audience? Who's actually going to be there in Turin, what kinds of people will be there?

ANN MILES:

We're going to have a range of participants. We'll have practitioners, I mean that these are people who are working at microfinance institutions, they're working at banks, they're working at savings institutions, they're working at micro-insurance companies, we'll have a few mobile network operators, and then we'll have a lot of technical assistance providers. And a few other donors attending the Symposium, so a pretty nice range of participants.

ROGER MORIER:

And from all parts of the world.

ANN MILES:

Yes, from all around the world.

ROGER MORIER:

Robert, I'd like to ask you about this Symposium. There are other international meetings that go on, obviously, about financial inclusion, and certainly development in general. But, I wonder how we should situate this Symposium in the galaxy of these other international meetings and conferences. What makes this one different, in your view?

ROBERT CHRISTEN:

Well, I think one of the things that is perhaps unique about this is the really single-minded focus on trying to help those organizations that are operating in highly competitive environments or who are really looking to move to the next level in providing financial services to the poor to kind of understand what are the new and evolving techniques and approaches for understanding much more deeply clients. We're really taking a good hard look at the broad range of family goals that clients are trying to meet, the way they organize their finances, and the way in which we might think about adding value through a much broader array of financial services than many organizations currently offer.

You know, getting into savings, getting into insurance, getting into credit, but also looking at fine-tuning those products, developing new delivery channels that dramatically change the cost structure, both for clients and for institutional providers. And really, in a sense, help the sector move on to, sort of, a new phase, beyond the really highly standardized credit products of the past into a much more nuanced, finely-tuned supply of financial services.

So we're bringing together, as Ann said, a lot of the leading financial service providers, microfinance institutions, telcos, insurance companies as she said, and bringing them together with organizations that have studied clients deeply and worked concretely with these classes of organizations to develop new products and services that also work with the providers, where there is a good business case to be made.

One of the things that sets us apart, I think, in the design of the conference is that we will always be trying to look at the new opportunities for understanding clients and building new products but also take the conversation all the way through to understanding the business case, what the business case is, what's a reasonable amount of money to invest for the kinds of outcomes that we hope for. I think it's a really practical and applied conference and, hopefully, we will be able to help folks understand the whole process, from understanding clients through to building products that make business sense.

ROGER MORIER:

It's a unique symposium this year, but also Robert, this year in particular, you at Boulder are celebrating something quite special as well.

ROBERT CHRISTEN:

Yes, thanks, it's the 20th anniversary of our signature Microfinance Training program that started in Boulder 20 years ago at the Economics Institute. We're pleased that we now have over five thousand alumni, many of whom I can see online now as faculty. We're quite pleased that we've reached this milestone that I'm not sure we ever thought we'd reach 20 years ago. I think it started out as a low-key affair and grew very quickly, and we couldn't be more pleased. So we will be celebrating that along with the Symposium.

ROGER MORIER:

Could we just address that a bit more, I know that you've touched on it and Robert's touched on it, but what are some of the key issues in the global community now that will be addressed at the Symposium? In your view, Ann, what are the main things that are facing the industry?

ANN MILES:

I think that there have been some really interesting developments, particularly in the part of the world where we work, which is focused on Sub-Saharan Africa, with mobile financial services. I think there's a lot of interesting debate about what the development of this way of delivering, to some extent, some financial services, what are the implications not only for the client but also implications for some of the more traditional models that we've looked at in microfinance. So, as I said earlier, we'll have a range of participants in the room that bring all these various perspectives around this particular area of development.

I've just come from a couple of smaller conferences where the big debate was will mobile really deliver the value, beyond payments, for clients? And, what will be the role for some of the more traditional firms and how will they adapt to this dynamic market environment? Should these actors work together or should they go it alone, what are the pros and cons of doing that?

I'm not saying that's the only emerging development that we all need to watch for but it's most definitely the one that's having a lot of impact on the market. Then I think that another area of importance is, really, how do we continue to refine and really capably address the needs of clients.

Separately, and it won't be addressed in this Symposium, and there are a lot of other people looking at this seriously, there will be other *fora* around responsible finance. So, importantly, when you're looking at the digitization of financial service, or not just the digitization but our traditional products and services, or traditional delivery channels, how do we think about responsible finance? That continues, and increasingly and, I think, that's a pretty big consideration.

ROGER MORIER:

How about the issue of scale – working on financial inclusion to scale. Will that be an important part of the discussions there?

ANN MILES:

Well, I think what Bob spoke to earlier is something that we're always thinking about, which is how do you think about any product and service that you're providing to clients, how do you do it sustainably and, importantly, at scale over time? Because if we really want to improve access to financial services, and effective use of financial services, how do we do that through models and approaches that are sustainable and have an opportunity to achieve scale? I think that still remains to be one of our biggest challenges.

ROGER MORIER:

Robert, in putting together the Symposium you have been having many discussions with the speakers and the panelists and the moderators who are going to be there around this theme of the client journey. Can you give us a sense of what you've been hearing from those people? Are there any common themes emerging? Are there any important issues that are coming out of your conversations with the speakers and the panelists?

ROBERT CHRISTEN:

I think there's a lot of excitement and a real sense that this is a necessary conversation right now, particularly for those of us who have been in this field for quite a long time. So many

organizations are working in competitive environments where, I think that we're really up against the wall in terms of trying to protect a market niche, or so many organizations are now owned by shareholders who have expectations about growth and returns and profit. So, you start to feel that a lot of organizations are getting into this situation where their market is not as easy as it used to be and they're looking around for how they can improve the value proposition for clients.

So, there's a lot of excitement and a real felt need to have this conversation, to start to really get into "what next?" It does strike a lot of us that what's next is that, now that we've built the institutions and built the platforms that do reach a lot of poor families, it's about how we serve poor families better. How do we make our product more useful to people and serve a broader range of family goals? So, there's a lot of excitement about that.

I think there's a real sense of trying to figure out how you drill down and translate a better understanding of the poor and their money use, in Stuart Rutherford's phrase "how people live their financial lives". How do you take data that you can obtain through studies and analysis or transactional data and turn that into useful insights that change products, that tweak products, that help to create new products for which there is a business case? Sort of how that transformation happens and how to understand data has been a common theme among all the presenters, a lot of the people we've been talking to. They say this is the single biggest challenge out in the field.

So, I think we'll all be grappling with that at the symposium, and that seems to be one of the things that is most interesting to everybody. How to help figure out how you usefully both generate data but mostly manage data to get to the next level.

Finally, there's a lot of interest on the part of participants and speakers alike in figuring out the balance between investing in understanding, you know, what does that cost, what are the techniques, how effective are they, and then the cost of implementing and what are the returns on the tweaks and the new products and new channels that you will develop to improve the final value proposition.

Those are the three things: a lot of excitement, a lot of focus on how to use data effectively, and then the balance in terms of gaining information and doing something useful with it. How much does that cost and what are the returns to it?

ROGER MORIER:

Thank you Robert ... let's carry on with Ann. Ann, from the audience point of view, if you were a person sitting in the audience, what do you see as the main benefits to you if you are to attend this Symposium, what should people look forward to in particular? I know that we touched on a couple of things already but ...

ANN MILES:

I think that what the Symposium does, and what we experienced last year, is that there's this great opportunity to learn, to share, as we have a lot of experience that will be sitting throughout that conference together, and also networking. So, tremendous networking capabilities.

What I would hope is that people walk away with one or two really good ideas that they may be able to put into practice back in their organization. I do think that because we've got the workshop sessions this year people can look forward to really diving deeply into a particular area of interest around clients at the center and, eventually, really join a community of practice and know that there are a lot of people in the room who share this desire and motivation to move forward around clients at the center.

I think also that there's an opportunity to learn about innovation, some interesting models that are being tried in our space, and finally looking for and finding people to connect with that will be helpful to their organization. Last comment, I just hope that people have fun, I hope they have a good time. Last year, we had a great time, there was a nice, a great warmth of spirit in the room and I hope that we can do the same this year.

ROGER MORIER:

Well, I'm sure we will. Let me ask you Robert: when the Symposium comes to a close, and you're one of the key organizers, when it comes to a close, how will you know that it's been a success? What will make you say "Wow, this is a really good and productive three days that we've just had, we've really done some good things". What will make you say that?

ROBERT CHRISTEN:

Well, I generally talk to people after the fact and will want to understand from them, when they look back at the symposium and their participation in it, did something useful come out of it? Did they meet someone? Did they make a connection with a service provider that they then hired to do some work with them? Have they made connections with others who are trying some of the same sorts of product development, and have become more familiar and more comfortable with trying some things?

Basically, we'll look back at this and consider it a success if there's been a bit of a community that starts to get built, a community of practice around this set of ideas, of people wanting to come back and have further discussion, and continuing sort of practically with some of the ideas and people and resources that they need. In our mind, it's all about what happens afterwards, you know, are people leaving motivated and connected, and wanting more.

ROGER MORIER:

OK, thank you. There are a couple of comments and questions here. There's one question from Louise who asked about the interactivity of the sessions themselves, there are a lot of speakers who are going to be there but will there be opportunities for the audience to take part, and audience participation. Ann, what's the answer to that?

ANN MILES:

Bob can help me out on this too, but we listened to everyone last year and that was a key participant feedback from last year. I think that what we've tried to do is to build into the agenda some time for Q & A in various sessions so that the audience does have a chance to provide feedback or ask questions. Secondly, we've got these breakout workshops where participants are going to have a chance to attend two workshops throughout the Symposium, I think, on day one and day two and really go deeply into a particular topic and engage with other participants as well as the presenters.

I'm pretty sure that there are some feedback sessions as we did last year, where people can use clickers to provide feedback.

ROBERT CHRISTEN:

There's also a final session which is completely with the audience, so it's a significant close that has a lot of audience and participant interaction.

ANN MILES:

Moving from intention to action.

ROGER MORIER

OK. If there are any other comments or questions that you'd like either Robert or Ann to address ... here is Stephen who is saying that last year the quality of the networking opportunities was way better than other conferences, so we're glad that you think that, Stephen, and hopefully it will be as good, if not better, this year as well. If there are any other comments or questions, you can type them now.

We've been working this for some time now, Robert. Actually, the planning began after last year's Symposium, there were a few lessons learned there and we're incorporating them this year, right?

ROBERT CHRISTEN:

That's correct. One of the things that was clear, and I think that Ann touched on it very early on in the conversation, was that people really want to get into the "how". How is what we're talking about different or better than the past? Oftentimes there's sort of a reaction on the part of people who've been around a while, you know, well, we've always been about clients. So I think people are anxious to figure out why or how this conference is talking about something different, newer, more important than the way that we've thought about clients in the past.

I think I would characterize it that we are recognizing the need to get out and be much more intentional about studying and understanding clients' financial lives, understanding that we don't operate in a vacuum, it's not as though people don't have financial services, and looking at what are the ways in which we could be armed with a much deeper understanding, or a much more sophisticated and nuanced understanding of the way people address the important goals in their lives. Are there many more ways that we can add value that we've thought before?

Because our narrative was fairly simplistic for so long, right? It was, sort of, invest in businesses, grow the assets, grow the business income, and increase the well-being of families. I think this conversation now is just so much broader, recognizes so many more dimensions to the way in which we might interact with folks. So, it is I think a more full and robust conversation.

Just to close on the note, one of the most exciting things, I think, about the present state of affairs is that we are being challenged to think about clients through the incursion into our sort of space by organizations or business like mobile phone operators that only think at scale. Their model doesn't work at a sub-scale level. So while we've always, in our community, been able to build our businesses step-by-step, we're being challenged by organizations whose whole mental frame for providing their services, retail or other, is at scale, day one, or the business doesn't

work. There's a really interesting challenge, tension, and that's a lot of what we're going to be talking about. The opportunity is there in that sort of mix.

ROGER MORIER:

Good, that's an important point about scale and other organizations challenging us in this sector.

There are a couple of comments here, one from Cheryl and one from Louise, both sort of addressing the same issue, and that is whether people who are not in the breakout sessions, for instance, whether they will be able to follow the sessions even if they cannot attend, and then similarly once the Symposium ends how are we going to carry on the conversation about what took place at the Symposium and also carry on that conversation in general through the course of the year in other follow-up webinars or live chats. I wonder, Ann, did you want to address the first issue?

ANN MILES:

Sure, I can. There will be 12 workshops, so we know that people will not be able to get to all 12. It's not the same, I know, as attending in person but each workshop will be documented and we'll have presentations that will be shared out and put on the Symposium website, just as we did last year for people to access and share. And I would hope that if you follow up with any of the presenters, or even other participants in the workshop, there would be an opportunity to learn from what happened in that workshop.

ROBERT CHRISTEN:

I think there'll probably be a lot more robust opportunity to continue post-conference. I think our hope this year is to be a little more active in social media, putting things from the Symposium up on the web, and figuring out ways to keep a community of practice engaged, whether it's through the Symposium website or continuing with other opportunities out there.

The workshops will be fairly self-contained in the sense that they are going to be interactive, with case materials, where there is a lot of interaction amongst the participants. So that won't be quite as successfully posted on the web in terms of being able to capture all that went on because it'll be much more about the classroom experience, it's more sort of a pedagogical, interactive, case-based set of exercises. So probably it won't be so easy to capture all that went on in workshops through the website later on, just because of the nature of them. But we hope that people will find them to be pretty important and insightful when they participate there. There are a lot of workshops that are around similar topics but from different perspectives, and that's one of the things that we hope people will recognize. There are different takes on some of the same sets of issues.

ROGER MORIER:

I think you make a good point that the conversation around the Symposium has already begun, we're doing this web chat now, it's going to be intensified obviously during the three days at the Symposium, but it doesn't end there, it continues on afterwards. Gerhard as well from CGAP is talking about the "Customers at the Center Workspace" which is going to be launched at the event in Turin, and afterwards it will enable a lot of sharing and contributions around this.

There's a question from Virginia about mentorship opportunities for small MFIs who might learn from the more established MFIs post-workshop. Ann, did you want to say something about that?

ANN MILES:

The only thing that I can encourage Virginia to do, wherever possible, is to use the networking opportunities. We'll try to do the best we can, seek some of us out, we'll try to help introduce you, facilitate introductions to some of the more established MFIs. Let us know when we're there how we can help to facilitate. We don't through the Symposium provide any mentorship opportunities, it's best addressed through the networking.

ROGER MORIER:

There's a final comment here from Ann asking how many participants will be there and can we get a list of them? There will be approximately 250-ish participants ...

ANN MILES:

A little more, closer to 300.

ROGER MORIER:

Closer to 300, and people who have registered have been asked if they wanted to have their name included in a directory of people, and if they indicate "yes", if you agree to have your name shared with other people, that directory will be made available.

OK, we said that we would do this for half an hour; we've been talking for about half an hour. I just wanted to ask Robert and Ann if they had any final comments. Robert, why don't we go to you first, any final thoughts about what you've seen from the people listening, or what you've been hearing for the last half hour?

ROBERT CHRISTEN:

Well, first of all, it's kind of fun. I don't think I've done one of these before.

We're really looking forward to the Symposium as an opportunity to concentrate the folks who care most and are working hardest on moving the field toward a deeper understanding of clients and incorporating that understanding into their work. Hoping that this is a place to get together and that there will be other opportunities, like Gerhard's pointing out, to do this virtually.

For us, this is a real opportunity to be together, to share that commitment, to share that sense of purpose, and sort of reinforce each other in so many ways that, at least, we in Boulder have found over the years are effective for transferring technology, learning new things, getting comfortable with the journey we're each on individually and with our own institutions. We see this as a great opportunity to help shape the direction we think the field needs to move in to remain vital to poor families and to be far more impactful than we have been to this point, which I think is great.

ROGER MORIER:

Thank you Robert. Ann, any final comments from you?

ANN MILES:

I would just echo what Bob has said. I think we're really excited about this next Symposium and where we've moved from last year. We've really tried to reflect in terms of how we put together the agenda and structured the two-and-a-half days. We've tried to accommodate and incorporate a lot of the feedback that we got from participants last year to make this more interactive.

We're very excited about the primary topic at hand and some of the new faces that will be coming and feature. That was in response to feedback that we got last year, it was to open this up a little bit and maybe include some people who are not traditionally in our space. We're really excited about that, and excited, too, about seeing a lot of colleagues and partners and people that we work with and respect a lot in this sector.

ROGER MORIER:

OK, thank you Ann.

Let me just close by saying thanks to Ann Miles here in Toronto, and Robert Christen who's in Syracuse, New York at the Boulder Institute of Microfinance.

We're looking forward to seeing you in Turin and seeing everybody who's been on this web chat with us, seeing you all in Turin in about a months' time.

For those of you who are listening, if you have any other comments or any other questions about this web chat or about the Symposium itself, you can send them via e-mail to info@mastercardfdnsymposium.org. In the meantime, as we're going towards Turin, preparing for the Symposium and getting ready, you can follow the preparations on Twitter. The hashtag, for those of you who are on Twitter, is #SoFI2014.

We also have our website – you've been sent the link through the registration process, but again it is www.mastercardfdnsymposium.org

Thank you for taking part. J'ai quelques mots pour le monsieur qui pose la question en français, est-ce qu'on peut faire la traduction, on est désolé mais on ne peut pas faire la traduction, on n'est pas en mesure de faire ce genre de chose pour l'instant mais on va réfléchir à la question.

Thank you all again for taking part. We look forward to seeing you in Turin next month. Thank you, and goodbye.