



Digital Financial Services

Consulting

Research & Innovation

Strategy

Implementation

Evaluation & Review

Training



MicroSave
Market-led solutions for financial services

MicroSave is a globally recognised research and consulting firm committed to promoting financial access and responsible finance amongst low-and middle-income populations. *MicroSave* leads and supports the provision of high-quality, affordable, market-led financial services. Our work in “Digital Financial Services” (DFS) includes providing technical assistance to service providers for delivery of banking / financial services through electronic and mobile channels including agent-based services. We work with financial institutions, agent network managers/ aggregators, technology service providers and mobile network operators to develop business strategies, customise products, optimise operational efficiencies and re-engineer processes.

MicroSave's Impact Areas

Business Strategy	Product Development	Process Re-engineering and Risk Management	Agent Network Development and Management	Research and Dissemination	Training and Workshops
<ul style="list-style-type: none"> • Design business models, along with roadmaps for implementation. • Identify market segments and develop business strategies. • Facilitate strategic relationships between key players in markets. • Optimise marketing and communications. 	<ul style="list-style-type: none"> • Innovate and develop products based on market research, to reflect needs and aspirations of target population. • Identify the right value proposition for different user segments. • Plan, implement and monitor structured pilot-tests to optimise learning; and roll-outs to optimise the potential for long-term, sustainable success. 	<ul style="list-style-type: none"> • Develop process maps, streamline workflows and customer interface and identify risk. • Design and deploy corporate risk management systems. • Optimise and re-engineer processes to lower costs, increase operational efficiency, and minimise risks. • Develop fraud management, client protection and client education/ marketing programmes. 	<ul style="list-style-type: none"> • Improve user experience and help build and manage sustainable agent networks. • Costing and pricing for all participants in the delivery value chain. • Develop appropriate liquidity management systems. • Optimise monitoring and marketing of financial products. • Conduct agent network assessment surveys. • Conduct customer and channel satisfaction measurement and management surveys. 	<ul style="list-style-type: none"> • Develop in-depth country level reports to assess the financial inclusion landscape and potential for digital financial services. • Bring impressive improvements in the customer experience by working with clients to develop a strong value proposition for customers, channel partners, and companies. • Provide some of the most respected field-focused reports on operational challenges and opportunities of rolling out DFS solutions. 	<ul style="list-style-type: none"> • Develop comprehensive and customised agent training modules for agent network managers, super agents/aggregators and front-line agents. • Manage the Institute for Digital Financial Services, which offers a range of experiential learning courses. • Convene CXO “Dialogues” - peer-to-peer exchanges to discuss the real challenges of operationalising digital financial services.

Why work with us?

MicroSave works closely with clients to solve strategic and operational challenges, ensuring that the end user's perspective is embedded in the products and processes.

Starting in 2004, MicroSave was one of the first technical assistance providers for digital financial services.

MicroSave served on the Steering Committee for M-PESA in Kenya. *MicroSave's* work on the committee involved advising and supporting the product development and product testing process. *MicroSave* then helped with the initial beta-testing; the design and the detailed evaluation of the pilot-test; and the review of the product education/ marketing materials that helped drive the uptake of the product.

MicroSave's website (www.MicroSave.net) hosts a range of short and long publications, research papers, policy briefs, presentations and videos on the topic.

Agent Based Banking in Kenya

MicroSave is supporting Equity Bank, Kenya to develop, test and rollout five new products using mobile phones and point of sale devices. *MicroSave* is closely involved in the bank's efforts to develop an agent-based banking system. To this end we are working with Equity Bank to:

- Develop, test and refine new products through market research
- Analyse the existing product mix and prepare some products for sales and service through the agent channel
- Conduct strategy and competition analysis
- Develop a disruptive pricing and commission strategy
- Optimise the agent management system
- Prepare and deliver agent training modules
- Map and optimise processes to reduce risks for the agent network
- Launch customer and channel satisfaction measurement and management system
- Create a marketing and communications strategy
- Develop and test a retail channel strategy .

Equity Bank's m-banking initiative will extend digital financial services to 10 million savings account holders ... within 2½ years agents are already managing nearly 2.5 million transactions a month.

Our Clients and Partners Include



Support to Agent Network Managers in India

MicroSave is providing on-going consulting services to a large number of established Agent Network Managers in India, such as Eko, a leading mobile banking service provider and Oxigen, a leading service distribution and virtual payment network provider. Our ANM clients include MNOs and MFIs that are working with India's largest banks to expand access to financial services.

Specific engagements have been to:

- Optimise agent management systems
- Refine the core product offering
- Collect feedback from agent network and customers
- Develop and standardise processes and conduct risk analysis
- Prepare and deliver training materials, and
- Develop and assess marketing plans, and communication and branding strategies.



Agent Network Accelerator Project (ANA) Asia and Africa



The biggest barrier preventing poor people from accessing digital financial services is the cost and complexity of building and managing a sustainable cash-in/cash-out (CICO) agent network across a broad geography. A related challenge is that there is no systematic data assessing the design and performance of agent networks around the world. This makes it difficult to identify the factors responsible for the success or failure of a particular agent network and how these factors vary by deployment type (e.g. bank-led vs. telecom-led) and country context (e.g. regulatory regime, population density, branch penetration). ANA will increase global understanding of how to build and manage successful CICO networks in poor communities.

The ANA project will analyse more than 25 agent networks in Uganda, Tanzania, Kenya, Nigeria, India, Indonesia, Bangladesh and Pakistan, twice, over a period of 4 years.

MicroSave's Institute for Digital Finance in Kenya manages the dissemination of the results from the agent assessments, and:

- Offers a variety of short term courses involving visits to the field to facilitate experiential and practical learning
- Facilitates exchange of ideas through CXO Dialogues.

Market Scoping and Regulatory Review: Worldwide



MicroSave is working with various donor agencies, central banks, intermediaries, commercial banks and non-bank financial institutions in many of these countries, notably India, Nepal, Bangladesh, Malawi, Papua New Guinea, Solomon Islands, Laos PDR, South Africa and Colombia among others.

The scope of work ranges from review of regulations to marketing scoping, market segmentation, financial modelling, and estimation of cash flow in the different remittance corridors in the country.

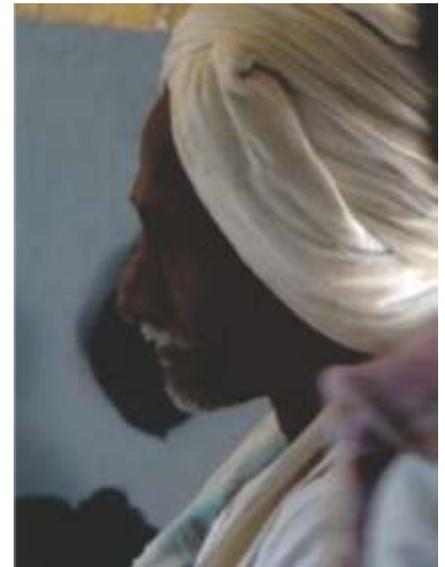
While reviewing regulations *MicroSave* goes beyond making recommendations based on desk research. *MicroSave's* approach includes the views and suggestions of all stakeholders such as banks, financial institutions, intermediaries, governments ministries and departments, but most importantly the customers' perspective, for who all efforts are being made by the stakeholders.

Conditional Cash Transfers and G2P Payments

MicroSave has been deeply involved at both strategic and operational levels in some of the largest G2P transfer schemes in the world. In recent years we have worked closely with Government departments, banks and other agencies on government benefit transfers and conditional cash transfers in India, Indonesia, Kenya, and Malawi, supporting the service providers and channel members establish risk and error free, efficient operations.

We have:

- Developed processes to increase efficiency and improve user experience for payments to frontline health workers in India
- Assessed the channel options for G2P benefit transfers to remote northern Kenya
- Reviewed the value chain and payments system for farmers in Uttar Pradesh, India
- Reviewed payment systems and evaluated alternative payment mechanisms for conditional cash transfers in Indonesia and
- Are currently working on a five year project supporting the hugely ambitious *Aadhaar* G2P direct benefit transfer programme in India.



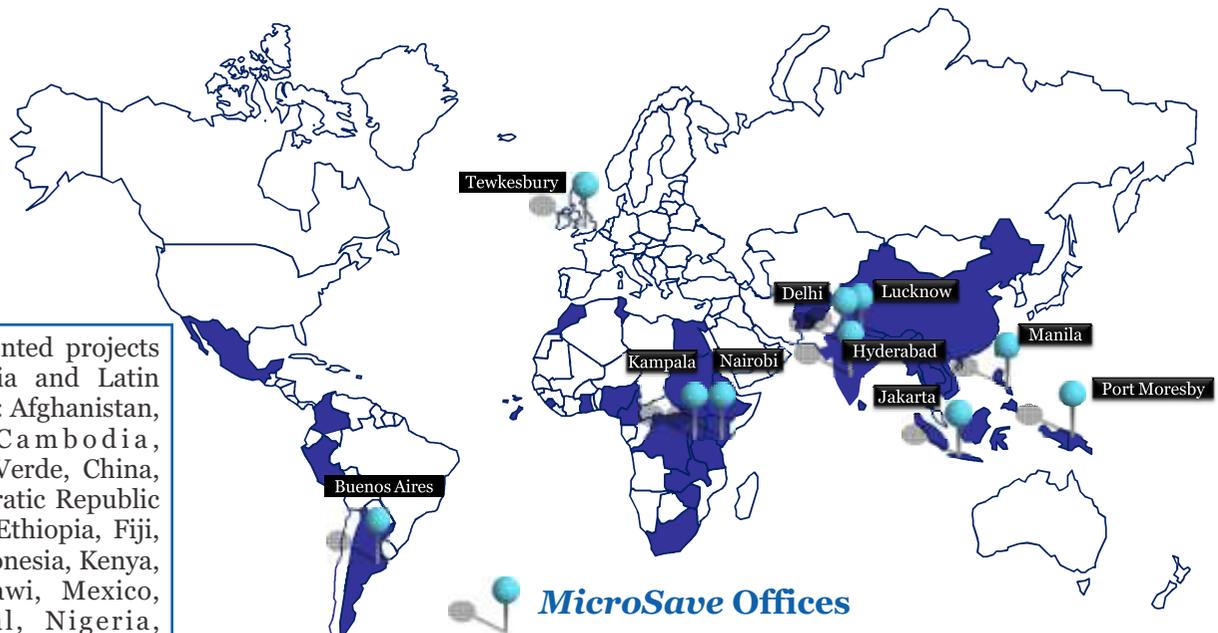
About *MicroSave*

MicroSave is a premium research and consultancy organisation that offers practical, market-led solutions to financial institutions and corporations focussed on bringing value to the base of the pyramid. *MicroSave*'s expertise has evolved from over 15 years of on-the-ground experience in Africa, Asia and Latin America. Our staff members comprise bankers, digital finance specialists, microfinance specialists, SME specialists, accountants, social scientists, management consultants, livelihood experts, and rural development specialists.

MicroSave offers services across five areas:

- Digital Financial Services for Financial Inclusion
- Microfinance and Banking
- Small and Medium Enterprise
- Private Sector Development
- Responsible Finance

We have implemented projects across Africa, Asia and Latin America including: Afghanistan, Bangladesh, Cambodia, Cameroon, Cape Verde, China, Colombia, Democratic Republic of Congo, Egypt, Ethiopia, Fiji, Ghana, India, Indonesia, Kenya, Laos PDR, Malawi, Mexico, Morocco, Nepal, Nigeria, Papua New Guinea, Peru, the Philippines, Rwanda, Sierra Leone, Solomon Islands, South Africa, Sri Lanka, Sudan, Tanzania, Thailand, Tunisia, Vietnam, Uganda, Zambia and Zimbabwe.



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