

MicroSave Briefing Note # 101

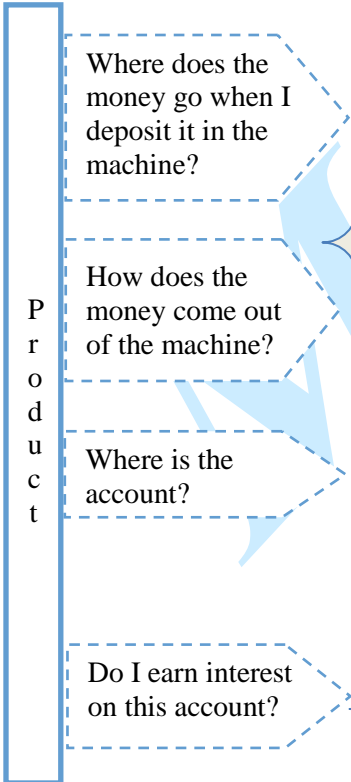
Mobile Money - Questions That Your Clients Will Ask You

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Introduction

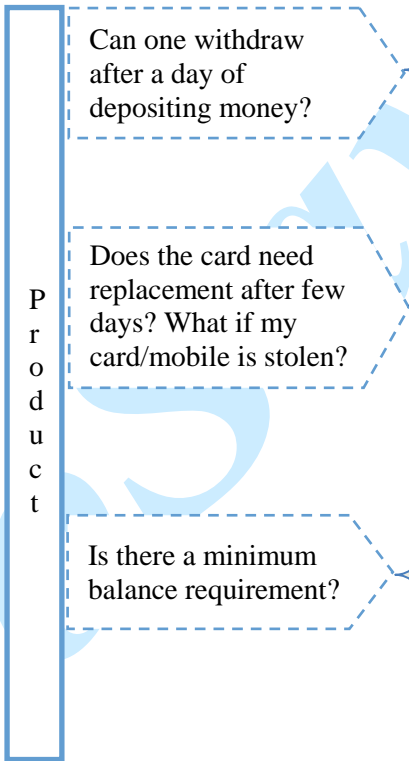
MicroSave is currently involved with a large number of mobile money deployments across Africa, Asia and Asia-pacific. As a part of its involvement, *MicroSave* team regularly interacts with numerous customers and agents. A deep understanding of customers and their needs helps *MicroSave* to validate and support recommendations to its clients on both strategic and operational issues.

This note is a summary of some of the key questions that usually surface during customer interactions regarding the use of e- or m-banking platforms. The key objective of the note is to serve as a reference for institutions engaged in e/m-banking for their marketing plan design and promotion strategies. The questions are categorised based on features of product design. These questions, simple but important, can help institutions fine-tune their product, processes and, most importantly, their communication strategy.



While these are obvious questions, a proper response is necessary; otherwise, there remains a doubt and ultimately this effects uptake and use. A document that clearly describes the features of products, and the processes involved will be an essential reference for employees, clients and promoters. Promotion can include using opinion leaders, a mix of direct marketing like street plays etc., and agent incentives, supplemented by above the line marketing to help build awareness and trust.

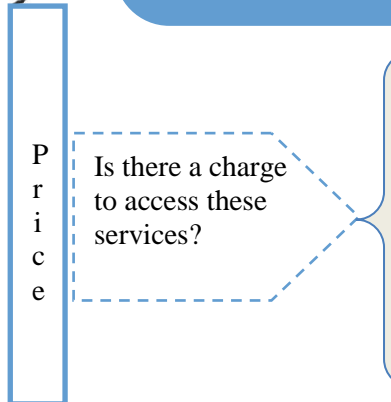
The inferred thought is important: Customers are asking, Is this account same as a bank account where people earn interest?



There will be concerns about the liquidity of the account and ability to withdraw at will in the same way as a typical bank account.

Customers are often concerned about damaging or losing the card (be it SIM, mag strip or smart)

Customers will compare this with the bank accounts they know. They will be asking: Does this offer the same benefits? What is added advantage of this kind of account?



Clients' understanding of the idea of electronic money is key, as physical appearance of cash being taken out or being deposited in a branch or ATM is the existing experience and/or mind-set. Developing trust in the idea of operating an account using local shopkeepers as agents, and without the bank branch infrastructure visible is a tough challenge to address.

Any short-coming in the clear and transparent communication of pricing may lead to a huge reputation loss and cause a slump in uptake and use. Agents should be trained to explain the reasons for charges.



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Where the machine will be installed – market, shop, open space?

Will I have to withdraw/ deposit money at the place where I opened the account?

Customers' current banking experience is limited to bank branches, defined physical structures. The concept of banking outside branch is new. The location of agent must be easy to reach, and the agent must offer a trustworthy, friendly, customer responsive and secure banking experience.



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How can I trust an agent?

What happens when agent runs away with the money?

How can I make sure agents' transactions are correct?

It is difficult to replace bank staff with next-door shopkeeper. A dominant factor is whether there is trust in the shopkeeper to perform banking transactions and especially savings ... and whether he/she is capable (well enough educated/trained) to do so. Customers also need to be confident in the security measures in place. Marketing and communications must address concerns on security and correct transactions.



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What happens to the savings if POS/mobile is lost or broken?

How will one access account if card is lost or broken; mobile PIN is forgotten

Are my fingerprints same as my siblings? Are they same as of twin?

Can one withdraw more than the balance in his accounts?

What happens to my money if I die?

The new technology and channel must address the concerns over card damage, or loss, and/or loss or breakage of the mobile or POS device etc. Customers want to be assured that it is indeed backed by a bank. The issue arises because with traditional savings systems in case passbook is lost, it can be updated again using bank records.

At the same time, the solution has to ensure that there are zero (or minimal) chances for the client to lose money.



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How do I know I have an account?

How can I recognise an agent?

How do I know my money has been credited to my account?

Credible evidence of the existence of the bank, the bank account, the agent and the transaction is essential. While this relates to trust, it forms the basis of future use of e- or m-banking as well. These set of questions are perhaps among the first five questions that arise. Facilities to check balances or receive mini statements help create trust.



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How can I get to know more about the product, processes?

Why should I open an account through this channel?

The product should be positioned as an easily accessible and yet secure, bank account or payment solution, using technological advances to offer unparalleled convenience.

The above, by no means, is an exhaustive list. The idea is to provide those involved in product design and communication related to e- and m-banking solutions with a starting point. Institutions should also consider developing a FAQ (for customers and employees as well) note to answer such questions clearly. This can be used:

1. During staff and agent training;
2. To help develop the communication strategy; and
3. As part of the marketing/ promotional material.