
Savings: A Gateway to Financial Inclusion



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of partnering with institutions to ensure they are able to introduce products that fit the needs of women. Credit Suisse has been at the forefront of microfinance over the last decade: from the 2003 co-founding of responsAbility Social Investments AG to the 2008 launch of the Microfinance Capacity Building Initiative (MCBI), a grant-funded initiative to support the development of the human and institutional capacity of the sector, Credit Suisse has continually demonstrated its commitment to developing innovative solutions that link the top with the base of the income pyramid and promote financial inclusion. The MCBI enables MFIs to develop the people, processes and products they need in order to meet their social and financial goals. It contributes to the quality training of thousands of staff at MFIs through its best-in-class partners and also fosters research, innovation and constructive dialogue to spread best practices in the industry.

WOMEN'S WORLD BANKING is the global non-profit devoted to giving more low-income women access to the financial tools and resources essential to their security and prosperity. For more than 35 years we have worked with financial institutions to show them the benefit of investing in women as clients, and as leaders. We equip these institutions to meet women's needs through authoritative market research, leadership training, sustainable financial products and consumer education.

Safe Places to Save

For poor women, access to a safe place to save and build assets is as important as access to loans. If we are to make progress in reaching the more than 1 billion unbanked women, it will be through casting a wider financial services net than to entrepreneurs alone, to serve low-wage earners, day-laborers, farmers and homemakers. The case for expanding savings is compelling—women have access to the formal economy (often for the first time) while financial institutions have access to a new market opportunity.

Although the microfinance industry continues to grow, many low-income women are not being served because of the industry's historical focus on credit. For some this is because they are not interested in borrowing, while others do not qualify because they work for wages or in marginal or irregular activities.

Women's World Banking knows from its research that poor women are inherent savers. Women play an accepted and expected role in the household as money managers, juggling day to day needs while making sure that school fees are paid and health emergencies are covered.

Although their incomes are often low and unpredictable, they manage to save on average 10 to 15 percent of their income. However, they are forced to save informally in unreliable ways: at home in a drawer, by buying excess stock for their businesses or in neighborhood savings clubs.

For financial institutions, targeting women is a good long-term strategy for growing their client base. Properly designed and marketed, a savings program can go well beyond traditional microentrepreneurs and attract low-income salaried workers and other clients who are not interested or would not qualify for microcredit, but would benefit from a savings account. Offering savings also provides an inexpensive source of local currency funding for institutions.

For institutions that were developed and grew as credit-centric enterprises, the move to offering savings can prove challenging. Asking for a client's trust with hard-earned savings is an inherently different proposition than offering a business loan. The key, as is often the case, is in listening to women—understanding how they are currently saving, what they want from a savings account, and offering a service that improves on their existing options while ensuring that the solution is financially viable for the institution.

Research to Better Serve Women

Women's World Banking has been helping financial institutions develop savings products since 2004. In some cases this included assisting the institution in making the transition from a non-profit or cooperative to a regulated financial institution in order to offer this full suite of services.

Women's World Banking's success over the past 35 years is based on our ability to understand customer needs and develop appropriate, responsive solutions. Providing women with the means to create their own economic security has been at the heart of Women's World Banking's mission since the organization was established in 1979.

"We save today for a better future for our children tomorrow."

—WOMAN FOCUS GROUP PARTICIPANT, PAKISTAN

Women's World Banking works with a network of microfinance institutions and banks around the world that serve low-income women. Our member institutions are deeply invested in keeping women's issues at the forefront of their offerings, which sets them apart from many in the finance community. Women's World Banking's New York headquarters serves as a base for experts who help network members to research, develop, and implement new financial products that meet the needs of women.

Our most recent savings work includes a three-year project with four of our network members. At the outset of the project titled *Safe Places to Save*, Women's World Banking conducted targeted research and diagnostics in four markets (Colombia, Pakistan, Kenya, and the Dominican Republic) but our analysis of the impact of savings on women's lives dates back to 1999 when Women's World Banking began building a significant body of market research on savings. Four of our early studies¹ focused explicitly on the demand and feasibility for savings services. Data were also drawn from research into the drivers of customer satisfaction and loyalty carried out in multiple markets².

In addition, Women's World Banking has conducted in-depth research studies to better understand the ways in which women's roles within poor households affect the allocation of time and money and financial behaviors. Unique in the field of microfinance, these five studies³ yielded striking insights into the ways men and women see themselves, and each other, as economic actors, and what those perceptions mean for financial institutions seeking to provide savings.

¹ Bali, 2002; Dominican Republic, 2003; Benin, 2006; and Pakistan, 2007

² Much of Women's World Banking's early savings work is summarized in *Safe Places to Save: A Campaign for Increasing Access to Savings for Low-income Women*, a paper commissioned by the Bill & Melinda Gates Foundation in 2008, available at womensworldbanking.org.

³ Banco ADOPEM (Dominican Republic, 2002), Association AlAmara (Morocco, 2003); MI-BOSPO (Bosnia and Herzegovina, 2006); and Microfund for Women (Jordan, 2006), enda inter-arabe (Tunisia, 2008)

SAFE PLACES TO SAVE

Women's World Banking recently concluded a three-year program to expand savings services to low-income women in Latin America, South Asia, and Africa. As a result, nearly one million savings accounts were opened, the majority by women.

BANCO ADOPEM, DOMINICAN REPUBLIC

A deposit-taking institution since 2004, Banco ADOPEM was motivated to deepen its outreach to low-income savers and complete its cultural shift from credit-led to its new identity as a savings provider. It was determined to rebrand itself and enter the savings market in earnest.

KENYA WOMEN FINANCE TRUST DTM (KWFT)

A founding member of the Women's World Banking network, KWFT, with its highly loyal client base, visionary leadership, and sound governance was a natural partner. Kenya is also the home of M-Pesa, the most successful provider of mobile money services for low-income people. Together with M-Pesa, KWFT and Women's World Banking were committed to exploring low-cost, alternative delivery channels to overcome customers' barriers to savings uptake.

KASHF MICROFINANCE BANK, PAKISTAN

Pakistan has an enormous untapped market—just 15 percent of the total population has access to formal savings services. Women's World Banking research also found significant opportunity among Kashf Foundation's women borrowers, who are generally responsible for gathering the savings of their multi-family households.

BANCO WWB, COLOMBIA

Following 30 years of experience as a microfinance pioneer, Banco WWB Colombia (formerly Fundación WWB Colombia) was in the process of transforming to a bank in order to expand the range of services it offered to clients. Women's World Banking research found that fewer than 11 percent of Banco WWB Colombia's customers kept their savings in any formal financial institution despite a robust microfinance sector in Colombia. Banco WWB's high levels of customer loyalty, dedicated staff, socially minded investors, and newly issued banking license all positioned the institution to capture savings market share.

UNDERSTANDING WOMEN'S NEEDS

From this research it is clear that women's role as household money manager and saver is both accepted and expected. Even in places where her opportunities to work outside the home are limited, the woman is the financial planner of the household, pooling income from family members in order to meet goals. Women's greater involvement in the lives of their children also means that even when they are working to earn a better livelihood today, they are thinking about tomorrow. This makes them more likely than men to have a focus on the future and an instinct for thrift: two defining traits of the savings mentality. Their dreams for their children—good health and nutrition, education, and marriage—are motivators for women to save, along with their own security and independence.

Despite this ability and desire to save there are reasons that women are using informal, often insecure savings methods: the most obvious is lack of access to a bank or a perception that a bank is not for them. Like any other customer, poor women value convenience, low fees and customer service. Banks have to provide them a better option than their existing options, including community banks and neighborhood savings groups. Although saving at a bank is not top of mind for women, they are open to alternatives to the ways they save currently. To reach women, however, banks have to convince them that what the bank is offering is good for them. Women are risk-averse especially when it comes to their hard-earned savings.



Barriers to Saving

IRREGULAR INCOME, IRREGULAR SAVINGS

When income is unpredictable it becomes much harder to manage money, to plan and to set financial goals, and most importantly, to meet regular financial commitments. Regular financial commitments like paying rent, utilities or school fees create considerable financial pressure on a low-income family. In research with unbanked women in Colombia, Women's World Banking found that many are employed in temporary or part-time work, or piece together informal activities and odd jobs to make ends meet. They earn, save, and make significant financial contributions to their households, but their earnings are uncertain.

Closing this gap between women's needs and bank offerings requires that banks adapt products.

In the Dominican Republic, a quantitative survey conducted by International Center for Research on Women (ICRW) on behalf of Women's World Banking found that microenterprises were far less prevalent than expected. The majority of women respondents worked, yet only 15 percent were self-employed or worked in their own business or a family business. Two-thirds of women said their income was irregular or mixed, while only one-third had a regular income. Despite this, the majority were saving actively (61 percent). Finding a way to serve these women through well-designed savings programs could significantly increase access to financial services.

Women in this market segment tend to avoid taking on more financial commitments, including informal savings groups, a commitment savings account, or a microloan. Instead they prefer to save at home, in sealed piggy banks, in the wardrobe or under the mattress. In Colombia more than two-thirds of adults have a savings account at a bank and high quality microcredit is widely available. The women in our study work and live in urban areas well-served by financial institutions.

The real barriers for them are the irregularity of their incomes and affordability of savings accounts, as they are not eligible for nor interested in microenterprise credit and could not put together the minimum balances required by commercial banks to open a savings account. Savings services designed to accommodate these fluctuating funds make these clients a strong potential target market.

USING A BANK IS NOT CONVENIENT

During focus groups and interviews low-income women repeatedly say that the amounts they save are not worth bringing to a bank. They set aside what they can, as frequently as their unpredictable incomes allow, sometimes daily or weekly, but the cost of time and transportation outweigh any gain. Financial institutions discovered to their chagrin that distance is relative—their clients would travel considerable distances for a loan but, for the small amounts they save, it does not make sense to travel more than 10 to 15 minutes.

Women's existing informal options are convenient. For women already actively saving informally there must be enough benefit to convince them to change behavior. While it's easy to understand why informal tools remain the preferred savings solution, these alternatives come with risk. Cash stored at home poses a constant temptation to spend. It is also vulnerable to theft and to the outstretched hands of family and friends, which can be hard to refuse. Savings clubs pay out on a lottery system, which may or may not coincide with household needs, and the clubs sometimes break down, causing savers who have not received a payout to lose their investment. None of the informal alternatives pay interest on deposits; in fact, it is not uncommon for a depositor to pay a fee for the privilege of handing over her money for safekeeping. Women are aware of all of these risks, but have not been offered a better solution.

Women need a variety of savings mechanisms to meet their needs. They require flexibility to be able to save in small and irregular amounts, and quickly access their money for unexpected emergencies. Yet they are also looking for ways to make some of their savings more inaccessible to reduce temptation to spend or lend to family members and neighbors. They look for savings mechanisms that provide discipline to help them save larger amounts over time or that help them save for specific goals.

Research found that while awareness of banks was high and low-income clients perceived them to be secure, belief was widespread that high fees would quickly erode small savings . . . that saving at a bank would only be worthwhile for large amounts.

BANKS ARE NOT TOP OF MIND OR DO NOT MEET WOMEN'S NEEDS

Women are interested in alternatives for their savings, including the opportunity to save at a bank, but banks are not top of mind for them for several reasons. In countries with low rates of financial inclusion, such as Pakistan, low-income women lack information about banks and do not see them as accessible. However, in many other countries women are more familiar with banks and what they offer, but do not see them as a relevant option. In Kenya, women say that money in a bank is “dead” and prefer to invest in livestock or small business activities that give a better return than interest on a small savings balance.

In Colombia, they say that banks “eat” money, due to high and poorly understood fees that cut into savings balances over time. Closing this gap between women's needs and bank offerings requires that banks adapt products and processes but also ensure that women are receiving correct information about products and services.



Saving Strategies

Low-income women use a range of savings vehicles to mitigate risk and plan for the future

	TOOLS	HOW IT IS USED	ADVANTAGES	DISADVANTAGES
HOME SAVINGS (CASH)	<ul style="list-style-type: none"> • Box • Jar • Bag • Pillow • Wardrobe 	<ul style="list-style-type: none"> • Small amounts of cash hidden in case of emergency or for anticipated expenses 	<ul style="list-style-type: none"> • Liquidity • Convenience • Independence 	<ul style="list-style-type: none"> • Risk of theft • Easily reallocated/high temptation to spend
MOBILE	<ul style="list-style-type: none"> • Mobile wallet or mobile link to bank account 	<ul style="list-style-type: none"> • Sending and receiving money, airtime purchases and to pay bills • In some cases, small savings 	<ul style="list-style-type: none"> • Convenient • Secure 	<ul style="list-style-type: none"> • High cost • High temptation to spend • Some barriers for women (technology and confidentiality if a family shares a phone)
ASSETS	<ul style="list-style-type: none"> • Livestock or merchandise for small business/gold/business equipment 	<ul style="list-style-type: none"> • Additional income is invested in business 	<ul style="list-style-type: none"> • Easily accessible 	<ul style="list-style-type: none"> • Risk of theft or livestock illness • Illiquid
COMMUNITY SAVINGS GROUP (ROSCA)	<ul style="list-style-type: none"> • Monthly or weekly deposits to a group that pay out on a rotating schedule 	<ul style="list-style-type: none"> • Scheduled saving for a lump sum payout 	<ul style="list-style-type: none"> • Helps to save a lump sum • Can provide access to low-cost loans, including for emergencies • Convenient 	<ul style="list-style-type: none"> • Risk of loss due to poor stewardship • No confidentiality/payouts are public • No liquidity
MFI/BANK	<ul style="list-style-type: none"> • Transactional accounts or programmed savings accounts (for a specific goal) 	<ul style="list-style-type: none"> • Transactional savings, sometimes required to access a loan or receive a salary 	<ul style="list-style-type: none"> • Safe • May pay interest • Can control amount and frequency of deposit • Access to other services 	<ul style="list-style-type: none"> • May be inconvenient • Poorly designed accounts can be expensive • Minimum balance requirements • Can be intimidating

Holistic Solutions for Serving Women

For the four partner banks participating in the *Safe Places to Save* project, the first priority was to overcome these barriers and offer more services to their core client segment of women microentrepreneurs. They saw this as a way to increase customer retention and competitiveness in an increasingly crowded marketplace. However, it would also be an opportunity for them to reach new market segments, if the bank could give clients what they wanted.

INTRODUCING SAVINGS IN CREDIT PROVIDERS

Several of the institutions that participated in the *Safe Places to Save* project were entering the savings market for the first time and based the design of their initial product offering on research conducted by Women's World Banking. As they introduced savings products, their objective was to attract a broad range of customers with a basic product that meets customer needs and is sustainable for the bank. They focused on eliminating barriers, both perceived and real, and improving customer satisfaction, as well as offering a range of products with a complementary mix of transactional and longer-term savings products.

“When I save, for me it’s important that my money is safe and that it’s not complicated to do it.” —WOMAN FOCUS GROUP

PARTICIPANT, COLOMBIA

Banco WWB (Colombia) transformed from a non-profit microfinance provider, with 30 years of experience, in order to offer a wider range of products and services to its clients. Clients were enthusiastic about the opportunity to save at the new bank, but expressed concerns about what this shift to a for-profit status meant for them. They wondered whether the “Women’s Bank,” as it was often called, was going to become a bank like all the rest. The challenge was to differentiate Banco WWB from other banks, while still ensuring that their savings products would be sustainable.

Banks in Colombia could not have done a better job alienating low-income clients. Research found that while awareness of banks was high and low-income clients perceived them to be secure, belief was widespread that high fees would quickly erode small savings. Monthly maintenance fees, transaction fees, high minimum balance requirements, low returns and lack of transparency about charges meant that saving at a bank would only be worthwhile for large amounts.

The key insight was the market opportunity for a no-fee account, which would preserve the value of small savings over time, accompanied by high quality customer service and total transparency about pricing. Banco WWB introduced *YoAhorro* in 2011, initially for its existing borrowers and later expanded to other segments, and in one year had grown to more than 100,000 active accounts. The account is free and has a low minimum balance requirement. It enables customers to transact at branches using biometric equipment, which eliminates the requirement for a debit card and the monthly fee that is charged by most Colombian banks. To encourage savings growth and meet client demand, Banco WWB has also developed a programmed savings account to promote goal-based savings for education, housing or smaller personal goals, which is in pilot stage.

Offering a no-fee savings account was the right decision for clients but also good business for Banco WWB because it created an opportunity for cost-savings in the delivery of its microcredit product. Banco WWB promoted its attractive, no-fee accounts to its borrowers and significantly reduced its costs by disbursing loans directly to the accounts rather than in cash. The business case for the no-fee account as a savings strategy going forward depends on developing new channels such as mobile banking to further reduce costs, and on growing savings balances as a source of funding for on-lending.

MARKETING AND BRANDING TO CHANGE PERCEPTIONS

Women have different savings patterns and goals from men, and they also respond to different messages than men and consume other media. Consumer goods companies have long understood the value of targeting women, yet banks have been slow to identify women as a key banking segment or to tailor their services to them.

For women, security and trust in the institution is key to their decision to open and use a savings account. Institutions known as accessible, reliable lenders face the challenge of repositioning themselves to be seen as safe places to save. Among new clients, brand awareness is low. Trust is critical to capture savings, and the development of marketing capacity is a key success factor in a bank's ability to extend its brand to this new product.

A common element across the partner banks in *Safe Places to Save* was a gap in brand awareness between their core segments of microentrepreneurs and the new market segments they wanted to reach. For example, in Colombia a quantitative survey found that 30 percent of low-income salaried employees, versus 58 percent of microentrepreneurs, were aware of Banco WWB's brand.

Even where the target market already had a connection with the institution, the challenge remained to change customers' perceptions of the bank as a place to save. Banco ADOPEM had been licensed as a deposit-taking institution since 2004 but retained a strong identity as a credit-provider, both internally and externally. It took this challenge to heart and developed a national savings campaign under the slogan of "Savings Will Get You There." The campaign featured a series of television ads with inspiring stories about women who achieve their dreams by saving little by little. The stories focused on women who started a business or became independent through small personal sacrifices, by using materials at hand and staying focused on a goal. This narrative was grounded in the bank's history of service to microentrepreneurs, reflecting values of self-reliance, hard work and determination, while at the same time effectively reaching out to a wider population. It spoke both to women who were already microentrepreneurs and to those who dreamed of becoming independent. Banco ADOPEM's commitment to marketing also made it an ideal partner for Women's World Banking to pilot social communications in the form of a *telenovela* of the sort popular in Latin America, which included a plotline on the importance of savings. The *telenovela* and Women's World Banking's other work in social communications and financial education will be the subject of a separate forthcoming paper.

DEVELOPING INSTITUTIONAL CAPACITY TO PROMOTE MULTIPLE PRODUCTS

Investing in marketing is critical to promote the brand to new segments, to raise awareness of the new savings products and to stimulate regular use of accounts. In many cases, meeting this challenge means building from scratch or expanding a head-office marketing function. In the past, microfinance providers often relied more on front line staff to promote credit rather than on head-office marketing capacity. The decision to allocate scarce resources to building a new department can be difficult to justify especially if it is seen as supporting a new business line that is yet to be established, such as savings.

Banco ADOPEM grew its marketing team from one to eight employees who now manage a series of campaigns to support savings, including seasonal promotions, public relations and media tours, savings-focused financial education and trade fairs. It also includes an in-house call center that centralizes management and resolution of complaints. While many activities focus on savings, the marketing team has come to be seen as a key function and a force for growing the overall business.

Increased competition from mainstream commercial banks for ADOPEM's traditional core segments was a key factor behind ADOPEM's decision to make this investment. Market research indicated a growing gap between ADOPEM's self-image as a double-bottom line institution that cared deeply about customers' well-being and the perceptions of its customers who admired the broader service offering, ATMs and fast service of its competitor banks. The research also highlighted areas for improvement in ADOPEM's customer service.

Armed with this data, Banco ADOPEM's leadership launched "Passion for Service," an institution-wide customer care program led by the marketing team. The program was designed to differentiate ADOPEM through high-quality personalized service, to increase its competitiveness in the market and renew its emotional connection with customers. The program

defined customer service standards, provided staff training, and increased accountability among branch managers and staff. A key component was a friendly competition among branches with quarterly prizes for top-performing branches and dedicated resources to help low-performing branches improve. The competition is based on customer care metrics such as client retention, cross-selling, complaint resolution and feedback from mystery shopping. Most importantly, the message was clearly communicated that the project's goal was not to judge or to blame, but rather to help everyone succeed.

Customer care emerged as a key theme during the *Safe Places to Save* project as a tool for managing change, and a similar program was adopted at Kashf Microfinance Bank (KMB) in Pakistan. The program provided a framework for organizational change, updating job descriptions and shifting the focus of day-to-day work from handling transactions to focusing on customers. It became a vehicle for the hard work of communicating, training and motivating staff to do things differently. The focus of these programs was on improving competitiveness across the board, yet for both Banco ADOPEM and KMB they were a key to shifting from credit to managing a full range of products and services.



DEVELOPING NEW CHANNELS

Bringing financial services physically closer to women and making them more affordable makes a difference. New models such as agent and mobile banking can make a significant difference for women, due to their concerns about security (carrying cash can be dangerous), pressures on their time and in some places cultural restrictions on mobility. Women's World Banking is working with its network partners to ensure that any gains in technology include women.

Distance really makes a difference. I'd like to do something to save more, but sometimes I'd think: "go all that way for 300 pesos?" The distance, the cost, the heat, the traffic, I'd rather just stay home. For a loan payment it's different, you just have to go and pay.—WOMAN FOCUS GROUP PARTICIPANT, DOMINICAN REPUBLIC

Kenya has a well-deserved reputation as a hotbed of innovation in delivery channels and among microfinance providers Kenya Women's Finance Trust-DTM (KWFT) is a leader in this area. KWFT recognized the need to boost outreach especially in rural areas, and to offer new services to its customers at a reduced cost. During the *Safe Places to Save* project it added a range of channels that work together in an eco-system that provides services from the village to the city. Its customers can now transact at branches, at its own and Kenswitch-linked ATMs, and through agent and mobile banking.

KWFT Mobile Banking launched in 2012 and allows customers to conduct transactions on their phones including checking balances, transferring funds, buying airtime and paying utilities. Crucially, it is also integrated with the money transfer service M-Pesa giving customers access to more than 40,000 M-Pesa agents where they can deposit or withdraw from their KWFT accounts. As an early adopter of M-Pesa for loan payments, KWFT knew that its customers would value



the opportunity to deposit to their accounts through M-Pesa agents. At the same time, KWFT is developing an agent-banking model to convert its field offices to agents so that they can also manage cash transactions.

The majority of KWFT's customers are rural women, and its research identified the key gaps for this core segment. Many women did not have a phone or had a poor quality phone that was a hand-me-down from a husband, a brother or a son. Additionally, access to electricity to charge phones was challenging in off-the-grid rural areas. The bank bundled its mobile banking services with special offers for its members. It provided loans for good quality phones at a reduced rate through a corporate partnership and for solar lanterns that provided enough power to charge a phone. KWFT invested in training staff so they would get clients excited about mobile banking and demonstrate how it works during group meetings. Soon, clients were showing each other how to use the service.

The challenges were even greater in Pakistan, where women face serious mobility constraints. While men can travel in buses, women are expected to use the more secure but more costly motorized rickshaws. As women must also be accompanied, transportation costs are even higher as they must also pay the fare for a chaperone.

KMB tested a creative alternative in Pakistan for bringing the bank to the customer, by leveraging the network of its sister organization. Kashf Foundation, a non-profit microfinance provider, that has a network of offices in more accessible residential neighborhoods where women can move freely. Through the pilot project, more than 90 percent of accounts opened have been to women, and in all cases this was her first account in her own name. By contrast, women represent less than six percent of savings account-holders at the commercial KMB branches through normal channels. The pilot proved a successful model for making savings accessible to women. It also demonstrated, however, that paying for dedicated bank staff to operate a savings program through Kashf Foundation was a high-cost model. A feasibility study demonstrated that fully outsourcing to Kashf Foundation using an agent banking approach would cut costs and be more efficient, making the model sustainable.

CONCLUSIONS

For banks looking to build a base of savings customers, targeting women makes good business sense. The four banks in the *Safe Places to Save* project recruited nearly a million new clients, in aggregate. They are holding \$225 million in deposits as a source of local, stable and inexpensive funding, reducing their reliance on expensive lines of credit, which has a positive effect on risk management. In some developing economies diversified funding sources can be critical when foreign lenders leave a market. Small balance savings is a long-term strategy, as it takes time to scale for this business impact to be felt.

Offering a full range of services including savings also increases customer satisfaction and retention, reducing the negative impact of client churn on institutions' profitability and growth prospects particularly in competitive markets. Finally, an expanded customer base a good long-term strategy for growth-oriented institutions, and creates opportunities to sell other products such as insurance or pensions.

Through its savings projects, Women's World Banking and its partner banks effectively demonstrated that there is a business case for mobilizing savings from low-income women. There are tough questions that need to be addressed on where the trade-offs lie, and further work is needed to fully understand the scope for new delivery channels to enhance the sustainability of the savings. Small savings transactions are costly for banks to process, and shifting them from branches to other channels has potential to cut this cost by two-thirds. While not initially a focus of the project, Women's World Banking developed financial models for several partner banks to forecast potential losses, required investments and time to profitability. This model helped guide decision makers to ensure that the end result was profitable.

Introducing savings is transformational and requires a shift in the culture of the institution. While innovations in mobile banking are stealing the spotlight, the critical factor in building a savings program is institutional commitment. The time and focus required at all levels of the organization are great. Institutions must have a clear strategy, continuous communication from leadership, openness to process changes and ongoing training.

NEXT STEPS

Women's World Banking is currently partnering with commercial banks Diamond Bank in Nigeria and NBS Bank in Malawi, on savings solutions to reach unbanked and under-banked women in their markets.

Savings Product Introduction Roadmap

In all four pilot markets of the *Safe Places to Save* project, Women's World Banking's team worked to support the implementing partners through every project phase. Of great importance to Women's World Banking is helping its member institutions manage change. As a network of practitioner institutions, Women's World Banking believes that excellent customer service depends on strong institutions. Strong institutions, in turn, must commit to continuous innovation, constantly seeking to understand what their customers need and adapting their products and processes to meet those needs. Based on the *Safe Places to Save* experience, Women's World Banking mapped the change management milestones for each phase of a product introduction.

SAFE PLACES TO SAVE PROJECT

PRE-LAUNCH

PLANNING AND INSTITUTIONAL DIAGNOSTICS

- Development and implementation of product development process. It may be a new discipline for an organization to take the time to follow research, including extensive background market research, and develop a product on that basis
- Bring internal stakeholders together to identify key process requirements
- Set a pilot protocol before launch to set clear objectives for the pilot

METRICS

PRODUCT AND PROCESS DESIGN

- Industry and competitive analysis, market demand research, product design, marketing strategies, institutional alignment (staff training and incentives, policies and procedures)
- Develop a financial projection model

PILOT PHASE

PILOT TESTING

- Engage regularly with pilot sites to monitor progress
- Resolve any initial operational challenges, including revisions to operating policies if necessary
- Produce policy and administration manuals

ROLLOUT

IMPLEMENTATION

- Incorporate lessons learned from the pilot into any revisions to product/process/people for the roll out
- Stagger the roll out over a reasonable timeframe
- Scale up support and monitoring capability

POST-ROLLOUT

MONITORING AND EVALUATION

- Integrate product into normal services and business as usual
- Continual monitoring and incorporation of savings key performance indicators into usual management reporting

ONGOING

- Apply continual client and product feedback



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