



Customer Centricity

Gather women-centric
insights to drive
innovative design



Women's World Banking



MetLife
Foundation



Serve Women Well

A strategic shift toward customer-centric solutions for serving different segments, especially women, is essential to succeeding in a rapidly changing market. Understanding women's needs and priorities allows financial service providers to design products that offer opportunity for women and growth for the institution.

Keys to Success

1 Understand the profiles of different segments of women clients.



2 Serve women as individual clients based on their unique needs.



3 Shift strategy throughout the institution towards customer-centric solutions.



4 Design products and marketing approaches to increase uptake and usage among women clients.





Case Study



Compartamos Banco *Mexico*

Compartamos' strong group lending product was profitable and sustainable in the Mexican market, but women clients grew out of the product. They realized that one size does *not* fit all in terms of credit for women.



Ujjivan Small Finance Bank *India*

India's Ujjivan Small Finance Bank (Ujjivan) faced a turning point in their credit offerings for women. Group loans comprised 90% of the loan portfolio in 2011. However, many women clients left when group loans no longer served their needs.

With support from MetLife Foundation, Ujjivan and Compartamos worked with Women's World Banking to tailor and promote individual loans for women.

How Compartamos Banco Transformed

Customer Segmentation

Compartamos' senior leaders recognized the need for distinct group and individual lending methodologies that serve unique market segments in Mexico, including:

- small-scale and itinerant businesses, such as those selling bread and fruits, which typically lack collateral and documentation, use smaller amounts of credit and are better suited for group loans; and
- more formal and organized businesses, such as beauty salons or small shops, which are more likely to have credit history documentation, are likely to need individual loans to grow their businesses.

Understand and Serve Different Client Profiles

Within these segments, Women's World Banking worked with Compartamos to conduct customer research in the Puebla region of Mexico. The project aimed to:

- segment their clients based on financial capacity;
- build economic profiles of the clients;
- determine the adequacy of current product offerings; and
- identify opportunities for product development.

The results of the study included finding an overlap between some segments of group and individual loan clients, presenting an opportunity to develop a mix of products and services to better serve these segments. A diverse set of products tailored to women's unique needs in this way will be more effective in retaining them as loyal and profitable clients.

Identify and Test Approaches to Serving Women

To determine how to best reach unique segments of individual lending clients in the women's market, Compartamos worked with Women's World Banking to conduct a pilot project in Monterrey. A critical component of the pilot was training staff to improve customer centricity, including:

- a credit assessment training for loan officers and assistant individual lending managers to better identify women's credit needs in different segments; and
- a sales training for loan officers and assistant individual lending managers focused on identifying potential markets within the branch area, and defining sales strategies and planning for promotional activities.

How Ujjivan Transformed

Qualitative Research to Define the Strategy

Women's World Banking and Ujjivan conducted qualitative research to segment clients based on four variables: net business income, total fixed assets, total liquid assets and days of inventory. Here are two segment examples:

- **Income Generator:** She runs a beauty salon, which generates nearly half of her family's income and contributes to household expenses. She is on her third loan to grow her business.
- **Established Microentrepreneur:** She owns and trades cows, which generates almost all of her family's income. Her business is well-established and she has the capacity to take on multiple financial products.

Ujjivan then used these profiles to define the strategy for serving their unique needs, including:

- developing a comprehensive profile for each segment to form a new portfolio of clients;
- testing prototypes and products tailored to each segment; and
- identifying implications for product design, marketing and channels.



Key Results

Compartamos

150% increase in loans per loan officer

Compartamos

172,000+ new and adjusted loans

Ujjivan

More than 2x increase in loan officers

from 300+ to 790+

Ujjivan

193,000+ new and adjusted loans

Take Action



Shift organizational strategy to serve different market segments.



Segment and define customers to better understand each segment's unique needs.



Conduct customer research to learn details of client needs, financial profiles, and expectations.



Build on models that are already working to expand the women client base and diversify products.



View women in the household as individual clients to understand how to develop a women-focused product model.



Serve low-income women profitably and sustainably

To learn more, visit womensworldbanking.org
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