

Example analytics 3 – using a larger dataset to allow richer insights

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Financial connectedness	Already actively banked Active with other FFIs but not banked Formally active but only via mobile money Only uses informal outside immediate home context Only operates in cash or at home
Digital connectedness	Access internet via computer or smartphone Has own phone but no internet Own SIM, various levels of access to others' phones No phone or meaningful access to one
Family connectedness	Running household (head/spouse) Young adults in parents' household Older dependent in someone else's household

» **FinScope 2015 can be used to create hierarchies of financial and digital connectedness and see how these work together for different types of potential customer**



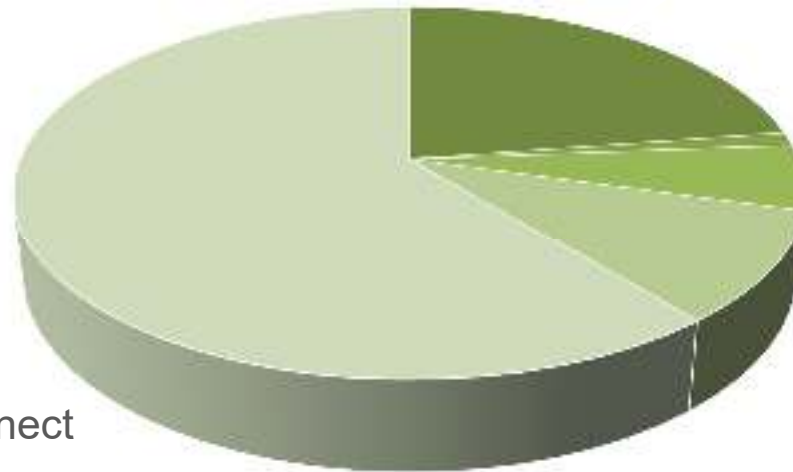
Example analytics 3 – *continued*

larger datasets allow richer insights

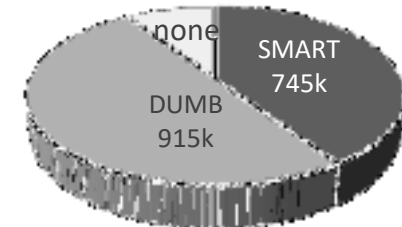
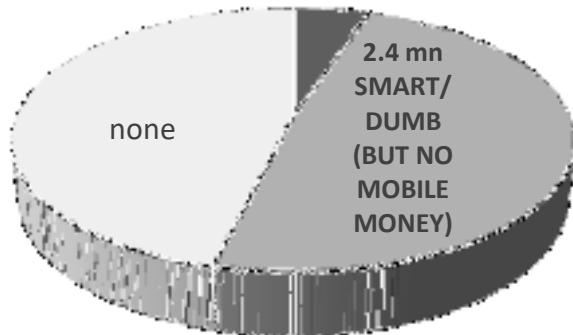
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Adult population (16+ / 8.1 million in 2015)

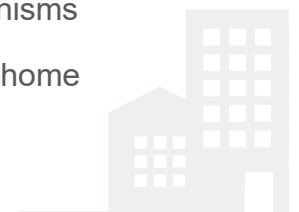
1.8 million actively
banked by digi-
connectedness



4.9 million pure-cash
types by their digi-connect



- FI-1 Actively banked
- FI-2 Active other FFI not actively banked
- FI-3 Some formal activity but only via mobile money
- FI-4 Only active outside the home via informal mechanisms
- FI-5 Operating just in cash and not financially outside home

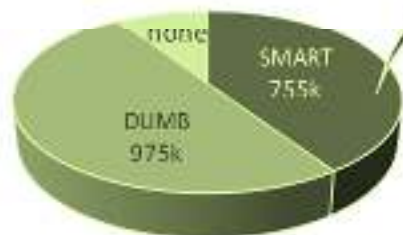


Example analytics 3 – *continued*

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1.9 mn in 2015
underinsured users
of banks/MFIs



Now ≈ 2.5 mn
with much more
than half on MM

Now over
1.5 mn

0.5 mn who in 2015
were only formally
included via M-M



» Same sort of digi-markers as
for banks / one quarter use MM

Disproportionately prevalent
(67%) among top two wealth
quintiles but still only one in
eight insured

But one in three have heard of
insurance and about one in
eight have any form of cover



Almost by definition at least
basic digi-connectivity

Far fewer smart phones but
proportion almost certainly rising

No real gender/rural bias and
much less top-end income bias

But only one in five know of
insurance and low single
percentage usage

Example analytics 3 – *summary*

Challenge addressed:

- identifying markets of a size and potential monetary value that FSPs had not previously seen;
- by showing new routes to market for previously excluded segments;
- helping FSPs anticipate potential reactions to product offer as they enter new markets.

Approach:

- take a freely available data set and go through the questionnaire to specify new variables;
- find someone with the skillsets to code for special variables and prepare cross-tabulations;
- once established for the whole population run same analysis for sub-segments (social, regional, etc.)
- consider out-sourcing to a local service provider used to handling such datasets/queries.

Limitations:

- complexity of questionnaire – it is a skillset in its own right to be able to see what insights they might yield;
- even with large samples (+/- 10k is not uncommon), one still has to be careful to not overplay the statistical significance of results provided so over-complex segmentation should be avoided.



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