

Breakout Session 1: Development and Management of Agent Networks

NBS Malawi

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Your Caring Bank



Technological Solutions for Improved Services: Developing and Managing Agent Networks



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Introduction to NBS Bank Pafupi: What is it ?

- NBS Bank chose the word “**Pafupi**”, which means “close to you,” because our objective is to be closer to the customer, offering greater accessibility and convenience to our clients.
- **Bank Pafupi aims to:**
 - Reach more people, rural and urban “Financial inclusion”.
 - Increase its number of customer
 - Increase customer satisfaction(More touch points)
 - Enhance NBS Bank’s brand as the “Caring Bank” by taking the bank to the people.
- “**Bank Pafupi**” is NBS Bank’s agent banking network, which delivers services to clients through shops, using technology to offer secure, real-time transactions:
 - Eazy Mobile (simple mobile phone led transactions)
 - Point Of Sale (POS) devices (card based transactions)





What does Bank Pafupi offer?

Bank Pafupi offers a full range of services to meet NBS customers' needs nationwide:

Clients can make:

- **Deposits**
- **Withdrawals**

**BANK
PAFUPI**

Non-NBS customers
can make **deposits**
into NBS bank
accounts

Clients can obtain:

- **Mini-statements**
- **Balance inquiries**



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How it works?-Technological solutions used

- The Bank Pafupi agents are provided with either a POS or mobile phone or both
- Both devices are connected to the core banking system for real time transactions
- They open and fund a float account for managing deposits “cash in”
- The POS is for the card based transactions while the phone is for the mobile phone based transactions (Eazy Mobile)
- For a deposit, the system debits the agent’s float account with the amount and credit the client’s account
- For a withdrawal, the system credits the agent’s float account with the amount and debits the client’s account





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Advantages:

- **Proximity and Convenience:**
 - The clients can deposit and withdraw money in shops near where they live
 - The client is used to purchasing items at agent's shop
 - Reduces transportation costs and time for clients
 - Increased footprint for the bank
- **Security:**
 - Bank Pafupi transactions are backed by technology
 - Clients obtain receipts per transaction (system generated/ SMS)
 - Real-time transactions
- **Simple to Use:**
 - Agent on hand to answer questions and assist with Bank Pafupi transactions
 - No forms or signature needed: Bank Pafupi transactions are completed using a PIN/Password
 - The arrangement has demystified the bank to the local person thereby enhancing financial inclusion





Successes and Challenges

Successes	Challenges
Enhanced availability and visibility across the country	Low literacy levels negatively affecting market uptake in some areas
More organizations coming up to use Bank Pafupi a payment or cash collection point	There need to invest more in financial education to bring the much needed confidence to the masses
Marketing campaigns significantly raising the awareness levels about the offer	Connectivity challenges affecting transactions
The offer is a package of product and channel that tackles the economic realities of the target market.	Requires significant level of investment although the return is long term.
The offer has reached out to the remotes areas where ordinarily it would not have been feasible to have a formal banking service	Liquidity challenges on the part of the agents. Agents focusing more on their core business and investing little in agency banking



Agents recruitment and management

- NBS bank has a dedicated team under Alternate Delivery Channels
- The team is responsible for recruitment and monitoring of Bank Pafupi Agents
- NBS currently has a network of 220 agents expecting to close 2016 at 400 healthy agents cumulative
- Gradually shifting to a hub and spoke agency banking model where Service Centers will start managing the agents.



Bank Pafupi Promotion



- NBS Bank provides branding materials to the Bank Pafupi agents
- Very key are the Road and Wall signage for visibility of the agents
- NBS has also embarked on a more aggressive marketing activities.
- Focus is on both BTL and ATL to raise awareness and induce demand



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