

Breakout Session 3: Improving Customer Engagement by Meeting Customers Where They Are

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"Improving Customer Engagement by Meeting Clients Where They Are"



BUUSAA GONOFAA MFI
1 MARCH 2016
GHANA, ACCRA



Out line



- Overview of Financial sector of Ethiopia;
- BG's Background;
- Outreach growth;
- Voluntary saving mobilization;
- Challenges of saving mobilization;
- Where are big opportunities?
- Serving clients where they are;
- Benefit of serving clients where they are;



An overview the Ethiopian Financial sector



Pros

- Recent Initiative of National financial inclusion;
- Supportive regulation (MFI's allowed to mobilize saving from their inception);
- Huge potential market for expansion;

Cons

- Financial market is dominated by state banks & MFIs;
- The financial sector is restricted to domestic investors;
- State owned Telecom (limited MNO);
- DFS – at infant stage;

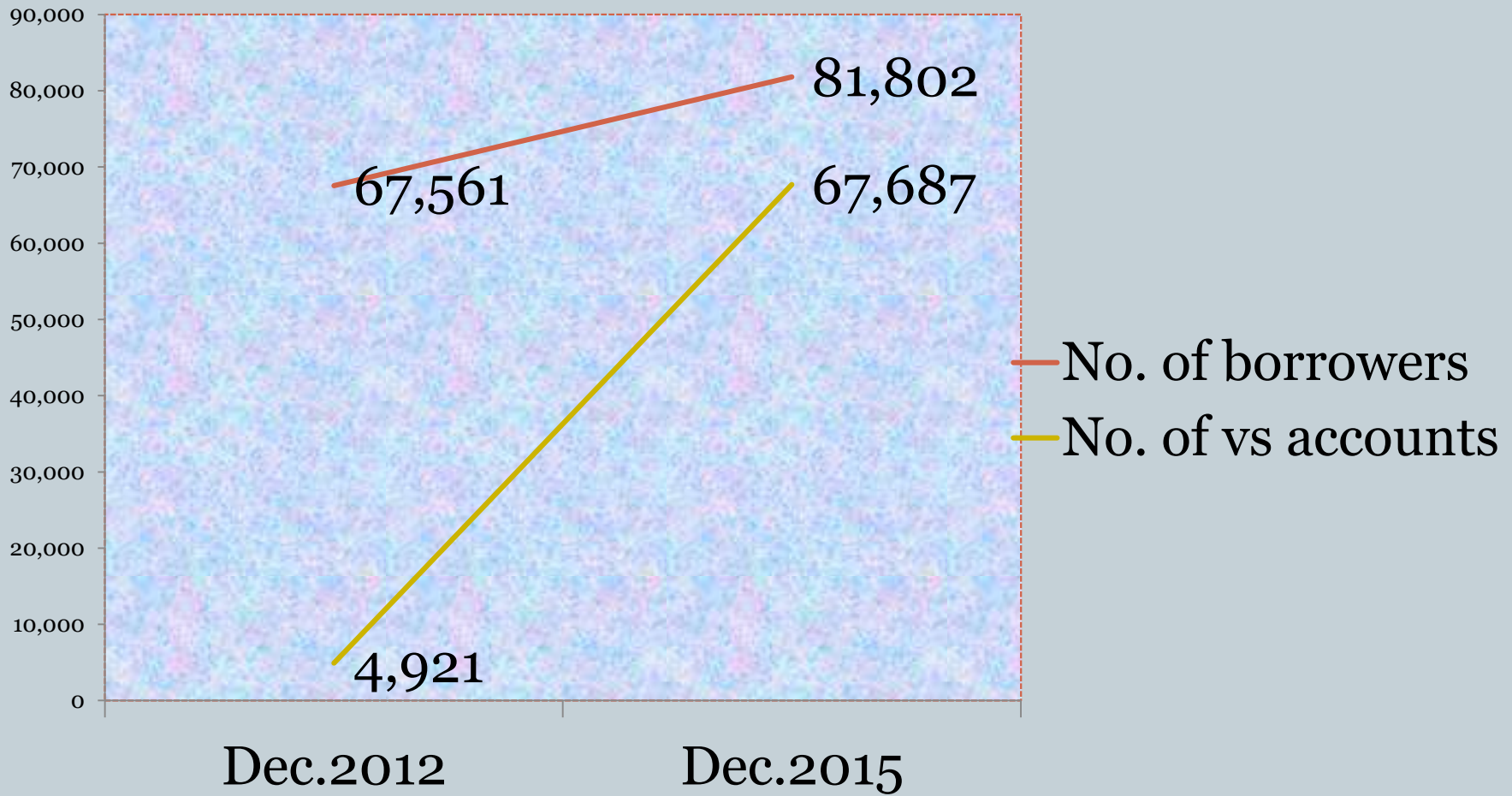
Background of Buusaa Gonofaa MFI



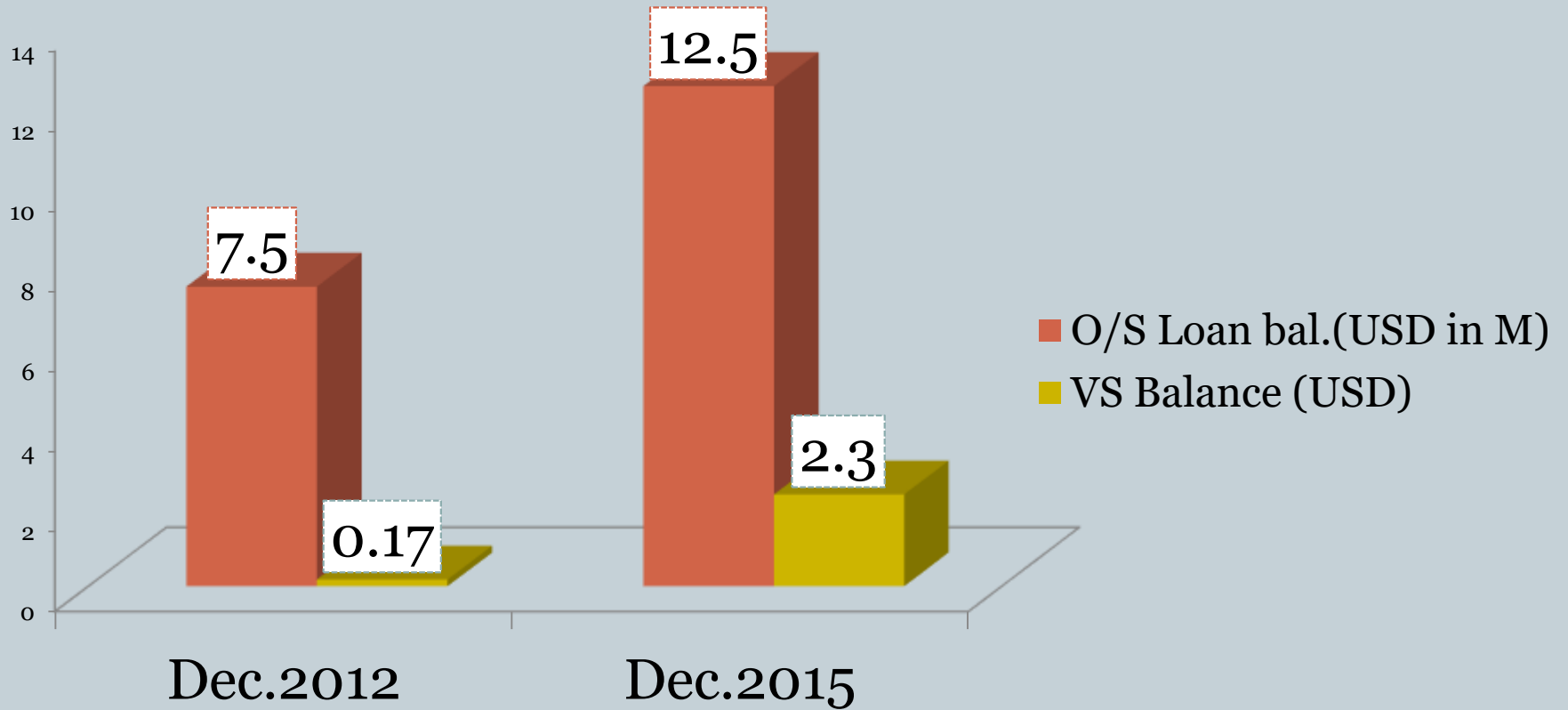
- Transformed from local NGO, HUNDEE;
- Established & Licensed by NBE in 1999;
- Mission- livelihood of the poor & sustainability;
- Market segment-low income, women, small holder
- Credit driven organization;
- Group lending methodology;



Last 3 years trend in Outreach



Portfolio growth



Why saving mobilization?



BG's saving initiative
(2013)

Social &
Commercial
objective

Assist poor to
build financial
asset

Stable & cheap
funding



Challenges of saving mobilization



External

- ◆ Market segmentation;
- ◆ Competition;



Internal.

- ◆ Credit culture;
- ◆ Dormant account;



Opportunity- focus on low market segment



Opportunity- serving clients where they are



Opportunity- Staff capability



Opportunity-Change Management (SFT)



Customer value – No opportunity cost



POS-Efficiency



New market-Shoe shiner savers



Key output of serving client where they are



- Fill intention-action gap;
- Promote goal based saving;
- No financial & opportunity cost for savers;
- Improve account usage;
- Reduce share of dormant accounts;



Summary



- Serving clients where they are improve account usage;
- Assist the poor to fulfill their ambitions;
- Reached more many excluded group of the community;
- Mobilize stable funding source;



END



- Questions?
- Thank you.





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THANK YOU