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

MEDA and UGAFODE

March 3rd, 2016
Accra, Ghana
"Improving Customer Engagement by Meeting Them Where They Are"

UGAFODE Microfinance Limited (MDI)
Current Savings Challenges: Keeping a Competitive Edge

• How do we encourage clients?
• What are our key strengths?
• What are our customers’ key complaints?
• How can we keep our customers satisfied?
• How can we cross sell more?
• How can we maximize a limited marketing budget?
• How can we keep our edge when competing banks also have mobile money services?
High Dormancy Rates Were Not Going Down

Customers by Level of Activity
Jan 2014 - June 2015

Number of Depositors

Active Depositors
Inactive Customers
Dormant Customers

Jan-14  Mar-14  May-14  Jul-14  Sep-14  Nov-14  Jan-15  Mar-15  May-15
Low Level of Activity in GroupSave Accounts

But only 41% of these are active
GroupSave Customer Challenges

- **Main customer complaint is distance**
  - 64% of GroupSave clients responding said they had only been visited once by branch staff
- **Desire or dissatisfaction with loans**
- **Need to target more mature groups**
  - Only 27 of 190 GroupSave customers have a balance greater than 100,000 UGX
  - Majority of VSLA groups targeted were in the 1st or 2nd loan cycles (58%)
Better Customer Engagement Strategy

- Increase account usage
- Increase Customer referrals
- Reduce dormancy
- Keep & Grow with customers
- Strengthen brand loyalty
- Target most likely customers
- Distinguish UGAFODE from competitors
Building Blocks for Customer Engagement

- BG Dept
- IT Dept
- MEDA

Initial Customer Research
- BG Dept
- Branch Managers
- Frontline staff
- MEDA
- Credit Dept

Define Existing & Potential Customer Segments
- BG Dept
- Credit Dept
- Branch Managers
- Frontline staff

Define Value Propositions for Customers & Products
- BG Dept
- Credit Dept
- Branch Managers
- IT Dept
- Ops Dept

Ongoing Customer Research
- BG Dept
- Credit Dept
- Branch Managers
- IT Dept
- Ops Dept
- Customer Service Champion

Develop Partnership Framework
- BG Dept
- CBOs
- CRS
- MEDA

Evaluation Plan
- BG Dept
- Ops Mgr
- Credit Dept
- Customer Service Champion
- MEDA
1. **Geographical scope;** Gain a better understanding of customer outreach and why it is important. *How far do we go to mobilise deposits? (customer profiling and product/market segmentation)*

- Not more than **50 kms radius**
- Create 3 segments i.e. Near, Far and Too far away to branch

2. **Customer interaction touch points;** *How many times do we stay in contact with the customer? (relationship management)*

- 7 touch points with customers at introduction, account opening, cross selling, and financial education

3. **Segmentation & product value proposition;** *Who are our most likely segments? What do we want to offer to specific segments? (product refinement and differentiation)*

- Product research, Review & Refinement
- Product pack for uniformity
- Benefit statement per product
- Product marketing
<table>
<thead>
<tr>
<th>Days</th>
<th>Focus</th>
<th>Visit</th>
<th>Messages Sent</th>
<th>Email</th>
<th>Mobile</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Welcome Kit</td>
<td>Preapproved Offer</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Welcome Kit</td>
<td>Preapproved Offer</td>
<td></td>
<td></td>
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<tr>
<td>Day 1</td>
<td>Welcome &amp; Activation</td>
<td>Welcome Kit</td>
<td>Preapproved Offer</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Welcome Kit</td>
<td>Preapproved Offer</td>
<td></td>
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</tr>
<tr>
<td>Day 2</td>
<td>Thank You</td>
<td></td>
<td></td>
<td>Welcome Email</td>
<td>Welcome Text</td>
</tr>
<tr>
<td>Day 5</td>
<td>Utilization</td>
<td></td>
<td></td>
<td>Alert Notification Sign-Up</td>
<td>Alert Notification Text</td>
</tr>
<tr>
<td>Days 7-30</td>
<td>Utilization &amp; Engagement</td>
<td></td>
<td></td>
<td>Engagement Email</td>
<td>Engagement Text</td>
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<tr>
<td>Days 30-60</td>
<td>Utilization &amp; Engagement</td>
<td></td>
<td></td>
<td>Day 30 Engagement Email</td>
<td>Engagement Text</td>
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<tr>
<td>Days 60-90</td>
<td>Engagement &amp; Cross-Sell</td>
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<td>Modeled Engagement Service Email</td>
<td>Engagement Text</td>
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<td>Days 90-180</td>
<td>Cross-Sell</td>
<td></td>
<td></td>
<td>Modeled Service Cross-Sell</td>
<td>Modeled Service Cross-Sell</td>
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A New Customer Interaction Framework

Can we create guidelines for what the customer experience should look like?

How can we provide the best service to all of our customers and maximize return on staff engagement?
## Customer Touch Points

<table>
<thead>
<tr>
<th>Touch</th>
<th>Process</th>
<th>Focus</th>
<th>Visit</th>
<th>Email</th>
<th>Mobile</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Attract and Identify</td>
<td>Welcome promotion &amp; Activation</td>
<td>Welcome Kit Pre-approved Offer</td>
<td>Email Capture</td>
<td>Mobile Capture</td>
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<tr>
<td>2, 3 &amp; 4</td>
<td>Activation</td>
<td>Activation and/or Follow up Q&amp;A</td>
<td>Welcome Email</td>
<td>Thank You SMS or a Welcome Text</td>
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<tr>
<td></td>
<td>Utilization</td>
<td>New Account Follow Uo Service Discussion</td>
<td>Alert Notification Sign-Up email</td>
<td>Alert Notification Text</td>
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<tr>
<td>5</td>
<td>Interact</td>
<td>Utilization &amp; Financial education</td>
<td>Engagement Letter Financial education kit</td>
<td>Engagement Email (Direct Deposit)</td>
<td>Branch Phone Check-In Engagement Text</td>
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<tr>
<td>6 &amp; 7</td>
<td>Support and Retain</td>
<td>Utilization &amp; Engagement</td>
<td>Day 30 Engagement Email Day 45 Utilization Email</td>
<td>Branch Engagement Call Engagement Text (Mobile Deposit)</td>
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<td></td>
<td>Engagement &amp; Cross-Sell</td>
<td>Call Center Relationship Expansion</td>
<td>Modeled Engagement Service Email</td>
<td>Engagement Text Rewards Offer Service Cross-Sell</td>
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Customer Segmentation & Value Proposition

Current Offer

- Easy Access
- Assurance
- Safety
- Interest
- Literacy
- Credit
- Linkage
- Savings

Basic Value Propositions
Challenges To Implementation

✓ How do we implement next steps - creating customer experience standards for each interaction?
✓ Can we find the budget to help facilitate this new strategy?
✓ How will we enforce that these standards are being met?
✓ Who will enforce it?
✓ How can we incentivize branches to comply?
✓ What happens if they don’t?
# Measuring Compliance and Success

<table>
<thead>
<tr>
<th>Policy/ Activity</th>
<th>Who will Monitor?</th>
<th>How often?</th>
<th>Consequences/Rewards for Non-Compliance?</th>
<th>What will success look like?</th>
<th>How we will measure it?</th>
<th>Who will measure it?</th>
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<tbody>
<tr>
<td>Customer Visits meet guidelines</td>
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<tr>
<td>Branches are staying within geographic parameters</td>
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<td>Agent engagement visits</td>
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<td>Agent engagement rankings</td>
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</table>
THANK YOU!!!
Mobile VAN for outreach

Women guard the box

Lessons

1 man : 10 women

Men sit on chairs and women down
THANK YOU