MEASURING WOMEN’S FINANCIAL INCLUSION

USING FII DATA TO TRACK PROGRESS AND DEVELOP INTERVENTIONS

Presented by Nadia van de Walle
Women’s Financial Inclusion Community of Practice Webinar
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WHAT IS FII AND WHAT DOES FII MEASURE?
FINANCIAL INCLUSION INSIGHTS – DEMAND SIDE DATA

The FII program puts the user front and center.

FII responds to the need identified by multiple stakeholders for timely demand-side data and practical insights into financial services and the potential for their expanded use among the poor. We aim to produce actionable, forward-looking insights based on rigorous data to support product and service development and delivery.

The FII team conducts regular survey and qualitative research in Bangladesh, India, Indonesia, Kenya, Nigeria, Pakistan, Tanzania and Uganda to:

- **Track access to and demand** for financial services, especially digital financial services (DFS);
- **Measure adoption and use** of DFS among key underserved groups (e.g. female, poor, rural);
- **Identify drivers and barriers** to further adoption;
- **Evaluate the customer experience** (e.g. client protection issues, trust, the performance of mobile money agents); and

The FII program is managed by InterMedia. Visit the FII Resource Center to learn more: www.finclusion.org.
The survey employs the Grameen Foundation’s Progress out of Poverty Index (PPI), as well as geographic, demographic and psychographic measures.
Access to a bank – Counts individuals who hold a full-service bank account registered in their name, or registered jointly in their and someone else’s name, or use a full-service bank account that belongs to someone else.

Access to mobile money or an NBFI – Counts individuals who have ever used a mobile money service or a full-service NBFI account.

Access & Trial – Counts individuals who have access to a bank account, or have ever used a mobile money service, or have ever used a full-service NBFI account

Active registered user – An individual who has an account registered in their name and has used it at least once in the past 90 days.

Advanced active registered user – An active registered user who has ever used at least one advanced financial service.

Advanced use – Non-basic activities such as saving, paying bills, investing, or insurance.

Airtime – Minutes of talk time available on a mobile phone. Airtime top-up (adding minutes) is a basic mobile money activity, but is considered an advanced bank or NBFI activity.

Basic use – Cash-in (deposit) or cash-out (withdraw), transfer money to another individual, or conduct account maintenance.

Below the poverty line – In this particular study, adults living on less than $2.50 per day, as classified by the Grameen Foundation’s Progress out of Poverty Index.

95% confidence interval – The range of values within which the observed value of a statistic will be found in 95 out of 100 repeat measurements.

Cooperative – Typically, a business or other professional organization that is owned and run jointly by its members, who share profits or benefits. Cooperatives may release some of the profits/funds as loans to its members.

Credit-only nonbank financial institutions – Financial institutions that only disburse loans to their customers and are therefore not considered full service. 

Customer journey – A series of progressive stages through which individuals become more active users of more sophisticated financial services.

Digital financial inclusion – Counts individuals who have an account in their name with a full-service financial institution that offers digital services (e.g., online account access, debit/ATM card, credit card, electronic cash transfers).

Financial literacy - Basic knowledge of four fundamental concepts in financial decision-making (interest rates, interest compounding, inflation, and risk diversification) as measured by the Standard and Poor’s Rating Service’s Global Financial Literacy Survey.

Full-service financial institutions – Financial institutions that offer loans to their customers and at least one of the following additional services: savings, money transfers, insurance, or investments.

Mobile money (MM) – A service in which a mobile phone is used to access financial services.

Nonbank financial institution (NBFI) – A financial organization that is not formally licensed as a bank or a mobile money provider, but whose activities are regulated, at least to some extent, by the central bank within the country. Such financial institutions include microfinance institutions (MFI), cooperatives, Post Office (Savings) Banks and savings and credit cooperatives (SACCOs), etc..

Progress out of Poverty Index (PPI) – A measurement tool wherein a set of country-specific survey questions are used to compute the likelihood that an individual’s income is below a specific threshold.

Progress out of Poverty Index (PPI) – A measurement tool wherein a set of country-specific survey questions are used to compute the likelihood that an individual’s income is below a specific threshold.

Microfinance institution (MFI) – An organization that offers financial services to low income populations. Almost all give loans to their members, and many offer insurance, deposit and other services.

Registered user – Counts individuals who have a financial account registered in their name or registered jointly in their and someone else’s name.

Savings and credit cooperative (SACCO) – A self-help group owned and managed by its members. Its main purpose is to build up funds through regular contributions by each member, with the aim of providing affordable credit and collective investments.

Unregistered/over-the-counter (OTC) user – An individual who has used a financial service through someone else’s account, including a mobile money agent’s account or the account of a family member or a neighbor.

Urban/rural – Urban and rural persons are defined according to their residence in urban or rural areas as prescribed by the national bureau of statistics.

Value-added services - These are non-core financial services that go beyond the standard services provided by financial institutions.
Financially included individuals are those who have an account in their name with a full-service financial institution. As a result, we measure financial inclusion as the percentage of adults (15+ years old) who report having at least one account in their name with an institution that offers a full suite of financial services, and comes under some form of government regulation.
RESEARCH AND REPORTS FROM FII

• Check out www.finclusion.org/reports or www.finclusion.org/blogs

FII INTRODUCTION
USING FII DATA
<table>
<thead>
<tr>
<th>Who uses FII data?</th>
<th>How does FII track user needs?</th>
<th>Can users provide feedback on the instrument?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• BMGF</td>
<td>• a database that documents requests for data and through web page analytics.</td>
<td>• Yes!</td>
</tr>
<tr>
<td>• Gates partners</td>
<td>• It is very useful to hear from you on WHAT, WHY, and HOW you are using the data so that we can better serve you!</td>
<td>• Feedback to the instrument is collected every year during a stakeholders consultation and revisions phase – core and national levels.</td>
</tr>
<tr>
<td>• researchers</td>
<td></td>
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<tr>
<td>• NGOs</td>
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<tr>
<td>• Donors, multilaterals</td>
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<tr>
<td>• Regulators, policymakers</td>
<td></td>
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<tr>
<td>• financial service providers</td>
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</table>
HOW CAN I ACCESS FII DATA?

1. Contact FII at finclusion@intermedia.org to request the full data set
   - All years, all countries
   - All variables
   - Codebooks, questionnaires, data in excel and SPSS

2. Visit the Data Fiinder at http://finclusion.org/data_fiinder/ to run basic queries
   - All years, all countries
   - Some variables
   - User friendly

FII AS A PUBLIC GOOD

All data is free!
### HOW ARE OTHERS USING THE FII DATA?

<table>
<thead>
<tr>
<th>Challenge</th>
<th>FII Analysis question(s)</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women’s uptake of mobile money is lower than that of men in India. A provider partners with a donor to figure out how to identify and address barriers to women’s uptake.</td>
<td>What is the gender gap in mobile money access, awareness, phone ownership, KYC requirements, and technological skills? What are women’s payment needs and the financial shocks they experience?</td>
<td>Analysis and findings help design DFS products that better meet women’s needs, support more effective promotion campaigns, and inspire programs targeting barriers.</td>
</tr>
<tr>
<td>The supply side reports fast growing financial inclusion but a social impact investor is wondering about realities on the ground and the need for green field investments, particularly for a female market segment?</td>
<td>How many financial service accounts are shared? What is women’s use of OTC and informal institutions? How many accounts are dormant?</td>
<td>Data provides investor with more nuanced understanding of market demand and market capacity. Investor invests.</td>
</tr>
<tr>
<td>Low literacy among target beneficiaries appears to be posing challenge for a women’s health services campaign</td>
<td>What is women’s literacy? What is it for different age groups? What is women’s financial numeracy?</td>
<td>Better understanding of literacy levels leads to improved program design</td>
</tr>
<tr>
<td>A researcher is interested in demonstrating the impact of financial inclusion on Ugandan women’s lives</td>
<td>What are the links between financial health and the level of financial inclusion for women?</td>
<td>Researcher runs mixed methods study. publishes findings.</td>
</tr>
</tbody>
</table>
GENDER ANALYSIS AND THE FII DATA
WHAT CAN FII TELL YOU ABOUT WOMEN?

**Financial Behaviors**
- Customer Journey –of Banks, NBFIs, Mobile Money users (including OTC, account dormancy, user experience)
- Saving, borrowing, insurance, investment
- Use of Informal financial institutions and cash

**Empowerment**
- Intra-household decision making and autonomy (incl. variation in asset control, bargaining and influence)
  - Agency, empowerment, asset accumulation, economic security

**Financial Health**
- Economic profile (including income, land ownership, and employment)
- Earnings/savings retention
- Experience with shocks, resilience, abilities to plan and save

**Barriers**
- Education
- Digital and financial literacy, numeracy
- KYC – ID ownership, phone ownership, SIM card ownership
- Proximity to financial services
- Awareness of products and services
- Mobile phone use and proficiency, network strength
APPLYING THE CUSTOMER JOURNEY TO WOMEN

- **Preconditions**: Skills and resources necessary to progress
- **Access & trial**: Use of a registered account (includes OTC transactions via MM agents)
- **Registration**: Registration of a full-service financial account
- **Active use**: Use within the previous 90 days
- **Advanced active use**: Saving, borrowing, bill payment, receiving wages, etc.

This is where we count financial inclusion.

measuring the intensity of financial engagement along a continuum. How connected is progress along this continuum to poverty, resilience, and economic shocks?
WOMEN’S ECONOMIC EMPOWERMENT

Economic empowerment means women are enabled to achieve economic success and have agency over financial decision-making.

Per literature, empowerment includes agency and ability to:

- avoid/negotiate negative consequences
- enter the labor market
- control one’s time allocations
- earn an income
- acquire asserts
- hold savings
- experience increased autonomy/power in household bargaining

How is financial inclusion related to empowerment? Some examples:

- Productivity loss incurred as a result of time required to access and use various financial products and services
- FI that increases women’s access to capital or allow to purchase labor saving devices to free up time for other activities, including productive activities
- Participation in labor market = initial step towards financial inclusion (receive wages paid into an account)
Disaggregated data on financial behaviors by gender

2013

2017

Added a gender module measuring:
- Empowerment
- household decision making - final decisions
- earnings/savings retention
- Measuring resources available

Expanded the gender module to better measure:
- Influence and autonomy - updated language & examples, variation in asset control
- “intra-household” - beyond spouse (e.g. co-wives, in-laws)
- Probe on decision making - bargaining process

With feedback from 2018 + ...????
EMPOWERMENT INDICATORS

Looking at agency, empowerment, asset accumulation, economic security

- GN1. In your best estimate, about how much of your household’s income do you provide each month?
- GN2.1. About how involved or uninvolved are you typically in deciding how to spend your household’s income?
- GN2.2. About how involved or uninvolved are you typically in deciding how your household’s income is spent on basic needs like food and clothing?
- GN2.3. About how involved or uninvolved are you typically in deciding how your household’s income is spent on other things beyond basic needs?
- GN3.1. If you were to speak your mind on a decision regarding how to spend your household’s income, about how much influence do you think you would have on the final decision?
- GN3.2. If your spouses or in-laws were to speak their mind on a decision regarding how to spend your household’s income, about how much influence do you think your parents or in-laws would have on the final decision?
- GN4. If you happened to disagree with a decision about how your household’s income is spent, how likely would you be to voice disagreement?
- GN5. If you said you disagree with a decision on how the income in your household is spent, please tell me, do you think there would be a change in how this income is spent? Please use a scale of 1 to 5 where 1 means ‘very unlikely to change’.
- GN6. To what extent do you typically agree or disagree with the final decisions about how your household’s income is usually spent?
- GN7.1. To what extent do you agree or disagree with the following statements regarding the money you personally earn or receive? You make the final decision on how your money is spent or saved.
- GN7.2. To what extent do you agree or disagree with the following statements regarding the money you personally earn or receive? Family members make final decisions about how your money is spent or saved.
- GN7.3. To what extent do you agree or disagree with the following statements regarding the money you personally earn or receive? I am concerned about family members interfering with how I use my money.
- GN9.1. How involved are you in deciding what kind of financial services you use?
- GN9.2. How involved are your family members (e.g., your spouse, parents/in-laws or older siblings) in deciding what kind of financial services you use.
- GN10. To what extent do you agree with the following statement related to financial service providers? I am concerned that financial service providers may share my personal information with others without my consent.
AREAS OF INTEREST TO EXPLORE

• Impact on time use
• Cross-country comparisons
• Age
• Labor market outcomes
• Follow up with mixed methods studies – follow up quantitative analysis with more probing qualitative or draw on behavioral economics and experimental approaches
• Negative impacts of DFI
• Exploring meso factors
• Connecting financial inclusion to poverty, resilience, and economic shocks

Check out:
International Center for Women’s October 2017
Gender and digital financial inclusion: What do we know and what do we need to know?
INSIGHTS – KENYA EXAMPLE
The gap between the percentage of men and women who have registered financial accounts has grown over the last five years. Interestingly, the gap between rural men and women and among low-income populations is smaller. Furthermore, the gap in the percentage of men and women in Kenya who are active users of DFS has grown as well.

Source: InterMedia Kenya FII Tracker surveys Wave 1 (N=3,000, 15+), September-October 2013; Wave 2 (N=2,995, 15+), September 2014; Wave 3 (N=2,994, 15+), September 2015; Wave 4 (N=3,000, 15+), August 2016; Wave 5 (N=3,129, 15+), June-July 2017.
GENDER AND HOUSEHOLD INFLUENCE

In Kenya in 2017, women and men perceive themselves as having different levels of influence and bargaining power when it comes to intra-household decision making. Interestingly, this ranges by spending categories.

2017: Gender Gap in Perceptions of Household Influence
(Shown: Male-female percentage point difference)

Hold most/almost all influence in final decisions about income spending

Contribute to most/almost all of household income per month

Somewhat/highly involved in deciding how household income is spent on basic needs

Spouse has most/almost all influence on final decisions about income spending

<table>
<thead>
<tr>
<th>Perception</th>
<th>Gender Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hold most/almost all influence in final decisions about income spending</td>
<td>6</td>
</tr>
<tr>
<td>Contribute to most/almost all of household income per month</td>
<td>17</td>
</tr>
<tr>
<td>Somewhat/highly involved in deciding how household income is spent on basic needs</td>
<td>-6</td>
</tr>
<tr>
<td>Spouse has most/almost all influence on final decisions about income spending</td>
<td>-9</td>
</tr>
</tbody>
</table>

48% of men reported they contributed to a majority of the household income, versus only about 31.5% of women.

Source: InterMedia Kenya FII Tracker surveys Wave 1 (N=3,000, 15+), September-October 2013; Wave 2 (N=2,995, 15+), September 2014; Wave 3 (N=2,994, 15+), September 2015; Wave 4 (N=3,000, 15+), August 2016; Wave 5 (N=3,129, 15+), June-July 2017.
FINANCIAL INCLUSION AND WOMEN’S EMPOWERMENT

• Does financial inclusion impact Kenyan women’s levels of intra-household bargaining power and influence over household financial decision-making?

  – We analyzed 5 empowerment variables collected during the 2017 annual FII survey for a gender effect. These variables reflect household decision making with a focus on different spending categories, levels of influence, bargaining power, and autonomy.

  – We saw the strongest gender effect for the variable - GN9.1. How involved are you in deciding what kind of financial services you use? Men are 24% more likely to say they are highly involved than women.

    • But when we introduce financial inclusion the gender effect becomes insignificant. Financial inclusion thus eliminates the effect of gender on the ability to choose which financial services to use.

  – There was no significant effect of gender on the empowerment variables related to the influence of other family members.

  – Financial inclusion however increased the odds of empowerment across all of the indicators. In Kenya, financial inclusion is a much stronger determinant of autonomous decision-making than gender.

• Analysis is ongoing

Source: InterMedia Kenya FII Tracker surveys Wave 1 (N=3,000, 15+), September-October 2013; Wave 2 (N=2,995, 15+), September 2014; Wave 3 (N=2,994, 15+), September 2015; Wave 4 (N=3,000, 15+), August 2016; Wave 5 (N=3,129, 15+), June-July 2017.
FII ACCESS DEMO
FULL DATA SET ACCESS RIDHI

If your research needs go beyond the data tool’s function, please contact InterMedia.
Once you submit a request, it takes us about 3 working days to send the requested datasets.
Data Fiinder

1. Select a country, category and metric.
2. Click on the plus symbol to view results below.
3. (Optional) Select a second category and metric to cross-tabulate with your original selection.
4. Make additional demographic and year selections to the right of the graph. (Note: some options are not available when they will not yield significant results, or would produce erroneous graphs).
5. To clear, click on the “X” next to your selections to start over.

* Data related to Benin and Senegal are not directly comparable on all metrics.

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>CATEGORY</th>
<th>METRIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Countries</td>
<td>Demographics</td>
<td>Age Group</td>
</tr>
</tbody>
</table>

If your research needs go beyond the data tool’s function, please contact InterMedia.
What percentage of people in Bangladesh own a mobile phone? How has this figure changed since 2013?

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>CATEGORY</th>
<th>METRIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangladesh</td>
<td>Mobile Phones</td>
<td>Own Phone</td>
</tr>
</tbody>
</table>
Hmm. What about women?
View by Demographic

Gender

Bangladesh
Mobile Phones - Own Phone

<table>
<thead>
<tr>
<th>Gender</th>
<th>Own Phone</th>
<th>No Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>48%</td>
<td>52%</td>
</tr>
<tr>
<td>Male</td>
<td>21%</td>
<td>79%</td>
</tr>
</tbody>
</table>

Total number of cases: 6000
Are women in Pakistan using banks?

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>CATEGORY</th>
<th>METRIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pakistan</td>
<td>Bank</td>
<td>Use</td>
</tr>
</tbody>
</table>
Pakistan

Bank - Use

- **Female**: 5% User, 95% Non-User
- **Male**: 10% User, 90% Non-User

Total number of cases: 6000
Q&A
We want to hear from you!

What do you wish you had data on?

For more information please contact:

Nadia van de Walle, Senior Research Manager vandewallen@InterMedia.org