



CED

**Christian Economic
Development Network**

***“Nudging”: Evidence-based innovations for
influencing savings behavior***

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Today's Speakers



Gift Mwase
*World Relief
Malawi*



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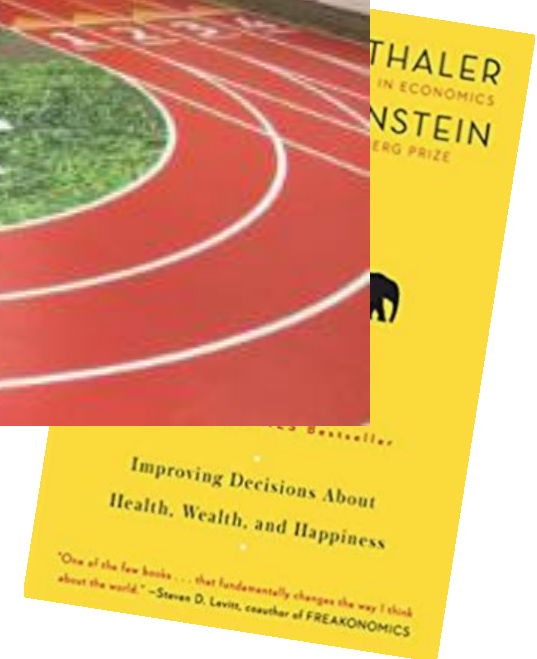
Patrick Kyei
*Opportunity
International
Ghana*



**Margaret
Namazzi**
*Opportunity
Bank Uganda*

What is nudging?

- Gentle
- Typical
- Not
- Some
- A ca





A Little Nudge, Bigger Change in Malawi's Savings for Life Program

Gift Mwase, Economic Development Coordinator,
World Relief Malawi



Savings for Life

Savings for Life (SFL) is World Relief's savings groups program

- 15-25 members self select and save their money together by buying shares
- Members lend amongst themselves the funds they have saved and repay with interest
- After 9-12 months they share out their money and profits

Savings for Life in Malawi

- SFL promotes community-managed savings groups that are integrated with Christian faith
 - Bible study
 - Use of the church in volunteer management (selection, monitoring and support)
- In Malawi, SFL started in 2013 and has 7,023 groups & 139,000 members

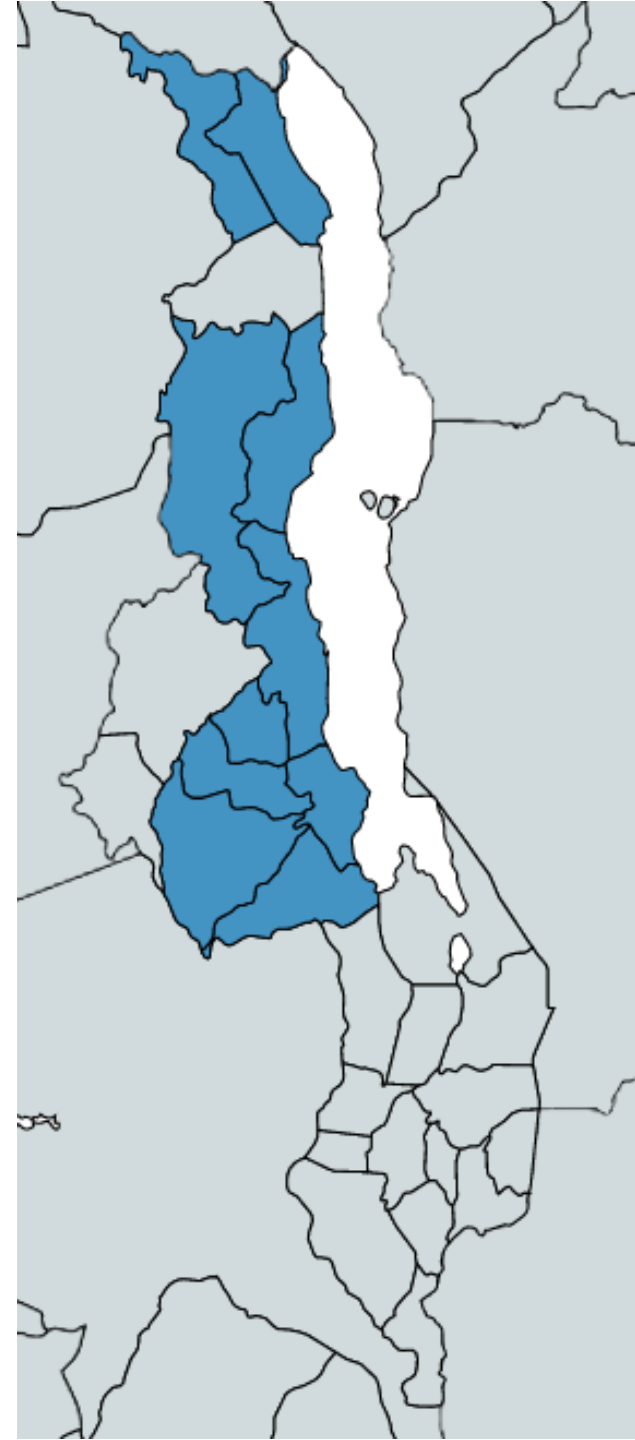


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Savings for Life in Malawi

Districts:

1. Chitipa
2. Karonga
3. Mzimba
4. Nkhatabay
5. Nkhotakota
6. Ntchisi
7. Salima
8. Dowa
9. Lilongwe
10. Dedza



Designing the nudges

- Goal: to improve the quality and inclusiveness of the SFL program in Malawi
- Gaps/Rationale:
 - High volunteer turnover
 - High cost of reaching more people
 - Not reaching the poorest in the communities



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Nudge 1: Inclusive Programming

- In many cases, the program reached a certain group of people and still left out many in the highest levels of poverty
- Members were those in poverty, but not the poorest
- From various studies we realized sometimes the way we share about the program may encourage some or limit others to participate
 - For instance, many poor people are afraid of taking a loan or doing a business



Nudge 2: Bless Your VA

- The program relies on volunteers to reach the most vulnerable people
- Turnover of volunteers has been significant, which affects the quality and sustainability of the work



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Nudge 3: Every Member Bring a Member

- Many members found the program beneficial, but few directly encouraged others to join the program
- This nudge wanted to encourage members to invite their friends to join this work



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Implementation of the Nudges

Nudge 1: Inclusive Programming

Two methods:

1. Inclusive Speaking workshops

- We found that there are some words we use often that may deny others access to the groups
- For instance, many poorest people are wary of taking loans and if the mobilization is focused on that, they shy away

2. Inclusive Video

- This captures ideal and inclusive groups:
 - A group of children
 - Elderly people
 - Men only
 - People with disabilities
- This video messaged that everyone can join the groups

Nudge 2: Bless Your VA

- We created a video that showed members talk of the benefits they get from the group
- In the discussion, one member states that they give their volunteer trainer (VA) some money at share out
- The video is 8 minutes long, but the nudge to bless the VA is only 30 seconds
- The video was shown to both group members and community members
- This nudge was implemented by SFL Technical Committees, part of the church structure we work with in the community
 - SFL Technical Committees oversee savings group work for the churches that work with World Relief in a given geographic location



Nudge 3: Every Member Bring a Member

- In this nudge, we created a short video where WR staff encouraged members to invite their friends to join their group or help them form own group
- Every member was asked to bring their friends so that they join the program
- This message was delivered via video to all groups
- The video was shown by church leaders and not the volunteer themselves



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Results: Inclusive Programming

- Increased male members in the groups
- An increase in number of children savings groups
- More community leaders joining the groups
- In one test area, the average age of a savings group member moved up by two years at baseline from 31 years to 33 years while the average age for all zones has moved down from 36 years to 33.
 - This was after just two months of implementing the nudges
 - These changes shows that the program is becoming more open to people of all ages



Results: Bless your VA

- Above 50% of the of the groups that saw the video supported their VA at share out
 - 86 groups saw the video
 - 44 groups blessed their VA with various items like money, soap, cloth wrappers, etc.
- Attendance to meetings for groups that saw the video increased (increased commitment)



Results: Every Member Bring a Member

- Members loved the video
- Increased number of people in the groups
- Increased number of new groups compared to the same period in the past years
- Each group that watched the video increased its membership by at least 2 people
 - 59 groups were reached with the video



Interactive Voice Response Messaging (IVR)

Opportunity International (OI)

Opportunity International Savings and Loans, Ghana (OISL)

Opportunity Bank of Uganda, Ltd (OBUL)

Mary Pat McVay (OI)

Abbie Condie (OI)

Patrick Kyei (OISL)

Margaret Namazzi (OBUL)



OPPORTUNITY
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Empowering people living in poverty to transform their lives.



Digital Financial Inclusion

High Tech, High Touch for High Impact.

Interactive Voice Recorded Messaging (IVR)

- IVR enables communication with customers through recorded audio messages delivered to the customer's mobile phone
- Messages can be recorded and sent in multiple languages
- Customers can respond to the messages by pressing numbers on their keypad. Examples include:
 - Language selection *"Press 1 for English, Press 2 for Twi..."*
 - Commitments: *"Will you commit to saving a little every week?"*
- Both 'push' and 'pull' messages
 - Push out messages on a schedule, with a call back option
 - A toll-free hotline for customers to call into and hear a pre-recorded message



OBUL Savings Message

“Dear customer, once again, thank you for banking with Opportunity Bank. I hope the following Bible verse will inspire you to save regularly.

Proverbs 21:20 says: ‘The wise store up choice food and olive oil, but fools gulp theirs down.’ Do you desire to have a good life for yourself and your children? If so, then save regularly—any amount you can!

Don’t forget our savings slogan: ‘Pay yourself first every time you get money.’ The only safe place to save your money is in an account with a bank like Opportunity Bank.”

How does IVR work?

OPPORTUNITY BANK



OPPORTUNITY
International

Before, During, After:
Opportunity conducts surveys and focus
group discussions with clients and staff.

1. Create new
messages...

2. Provide
message content
and segmented
client list



Viamo, the technical service provider,
recorded the messages,
delivered them to customers, and
provided customer response data.

5. Analyse call
engagement and
financial behaviour
(then repeat 1-5)

3. Push calls to
customers



4. Customer answers
and responds

Customers can also call a toll-free hotline
number to hear the message, other
messages and speak to the call centre



Opportunity's IVR Projects

2017-2019

Goals of IVR projects in Ghana and Uganda:

1. Test the effectiveness of IVR messages to **engage customers**, especially women clients and low-literate clients
2. Drive positive **savings** and **loan-related behaviors**
3. Increase **financial knowledge (client protection)**

Ghana

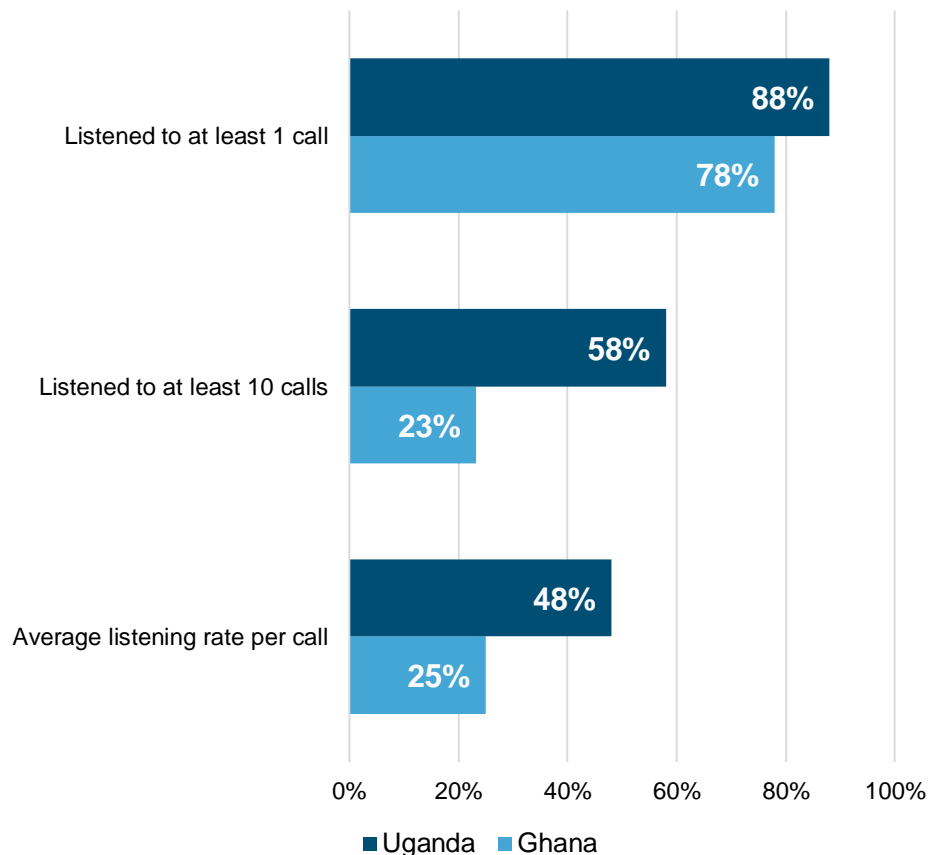
- **Positive savings behavior:** targeting low-balance, less active, and inactive savers
- **National:** targeting 46,700 urban/rural clients (60% women)
- 11 months, 23 weekly messages

Uganda

- **Positive savings and loans behavior:** targeting borrowers (in arrears & good standing) and low-balance, less active savers
- **5 Rural Branches:** targeting 8,000 rural clients (38% women)
- 8 months, 23 weekly messages

Result: High Engagement

Customer Listening Rates, Uganda (Rural) and Ghana (National)



- **Listened at least once:**
 - 88% Uganda (Rural)
 - 78% Ghana (National)
- **Became regular listeners:**
 - Over half, Uganda (58%)
 - Around one quarter, Ghana (23%)
- **Portion of customers reached with each call, on average:**
 - Uganda: Half, 48%
 - Ghana ; One Quarter, 25%

Result: Effective for engaging women

IVR

5%

GENDER GAP

Rates of call engagement were slightly lower (roughly five percentage points) for female clients compared to male clients.

IVR performed very well among women clients, especially compared to other methods of digital engagement.

Phone
Owner-
ship

16%

GENDER GAP

Mobile phone ownership in Ghana (2018)

Mobile
Money

17%

GENDER GAP

Mobile money usage in Ghana (2018)

OISL's
Mobile
Money

33%

GENDER GAP

Opportunity Ghana's Mobile Banking Service (2018)

Result: Positive Behavior Change

Ghana

- **17% of all clients exhibited positive behaviour**, 22% of clients with working phone numbers.
- **Positive correlation** between clients increasing savings balances and the number of calls clients listened to, especially for less active and inactive savers
- IVR listeners **increased their savings account balances** by twice as much as non-listeners.
- **One cedi (\$0.18 USD) in external IVR service costs generated GHS 2.7 (\$0.50 USD) in savings account balances.**

Uganda

- **25% of clients exhibited positive behaviour in terms of increased savings account balances** and bringing loans up to date.
- **Positive correlation** between clients increasing savings balances and the number of calls clients listened to, especially for low-balance savers without loans
- There was little difference in behaviour change between branches receiving IVR and comparison branches

Ghana

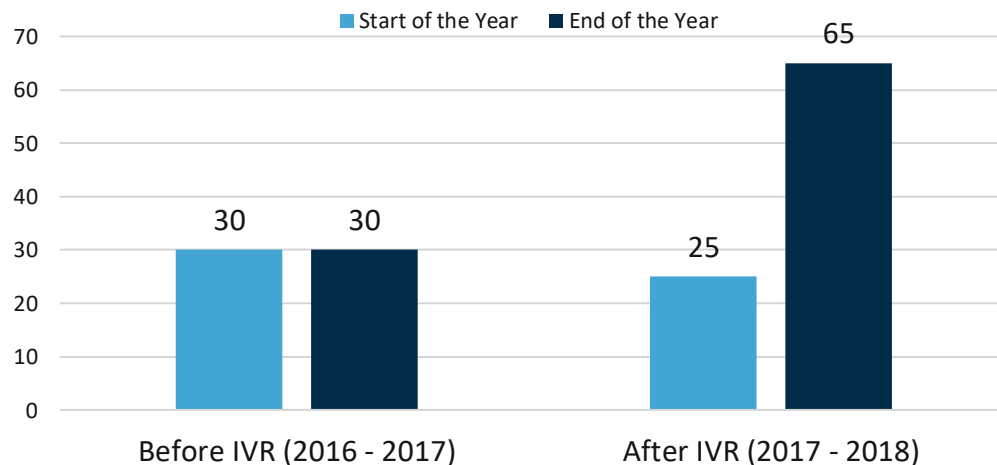
- Difference of GHS 39 in balance change
- IVR listeners increased balance by twice as much as non-listeners

But...

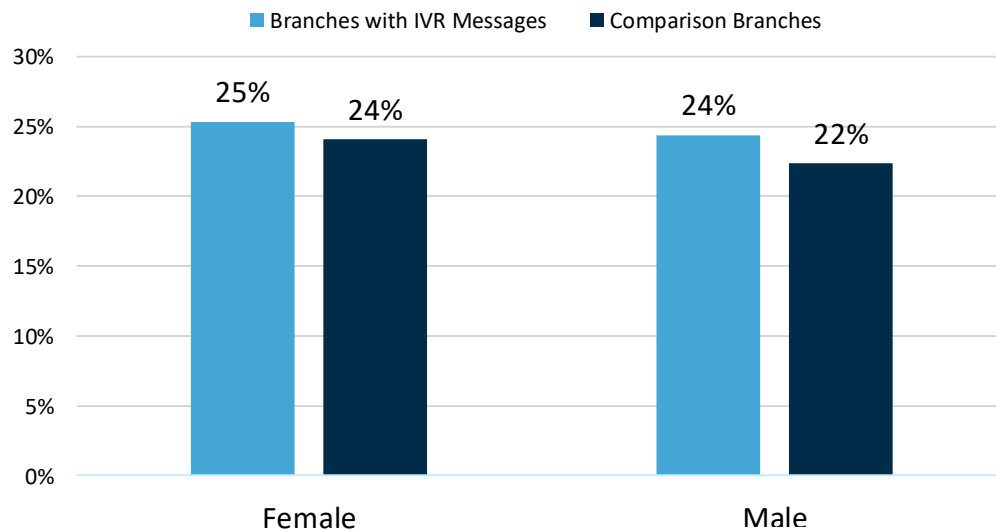
Uganda

Little difference branches testing IVR and other branches

Comparing Change in Savings Balances, Before and After IVR (GHS) - Ghana



Percent Positive Behaviour by Gender - Uganda



Result: Positive Client Feedback

Clients Felt...

Prompted

“The messages encouraged me to open up an account for one of my children.”

Informed and guided

“Messages are good to remind me and help me plan accordingly.”

Valued and cared for

“I have always loved my bank and whenever I receive the message I feel the bank cares about its clients.”

Relationally close to bank

“[After receiving the messages] our love for the bank increased.”

Energized

“We want the VRM and this motivates us to work extra hard.”

Impressed

“Opportunity does good because when am talking to my friends from other banks they don’t receive calls from their banks, so it is something good.”

A Guided Discussion

facilitated by Abbie Condie (Opportunity International), with



Patrick Kyei,
Head of Marketing
*Opportunity International
Savings and Loans, Ghana*



Margaret Namazzi,
Transformation Manager
Opportunity Bank, Uganda

Questions?

Please submit your questions using the Q&A function