The data for this report is drawn from a Customer Satisfaction, Competitive Landscape and Brand Health survey conducted by FINCA DRC between January and September 2020.

Surveyors interviewed 2,831 respondents including 1,010 women, split between FINCA customers and respondents randomly selected within a 5km radius of FINCA branches.

This report is produced by FINCA Canada, thanks to the generous support of Canadian donors and the Government of Canada. It was prepared by Scott Graham, Anahit Tevosyan and Nathan Mayende, of FINCA International’s Research and Data Science Team in partnership with the staff of FINCA DRC.
Awareness of Financial Products & Services

Women have less information on financial products compared to men.

The customer journey starts with knowing what’s available on the market. Women are more likely than men to struggle with low levels of awareness, as shown in the inability to name more than one or two basic products.

**LIMITED PRODUCT AWARENESS**
i.e., unable to name more than two products from each category (loans, savings, mobile banking and insurance)

Demographic factors strongly influence women’s product knowledge…
but these same factors have less of an impact on men.

**Limited Product Awareness**
by EDUCATION LEVEL

The level of education matters much more for women than for men when it comes to product awareness.

- **Primary or less**
  - Women: 57%
  - Men: 26%
- **Secondary**
  - Women: 35%
  - Men: 35%
- **Post/higher secondary**
  - Women: 20%
  - Men: 16%
- **College or university**
  - Women: 16%
  - Men: 11%

Most women with less than secondary education could recall only one or two basic financial products. At every educational level, women are more likely to have this problem than men.

Limitations in product awareness vary a lot for women according to their educational level. For men, product awareness is more consistent from Secondary school onwards.

**Limited Product Awareness**
by LOCATION

For women, lower product awareness is also a function of location, with higher concentrations in rural areas. The urban/rural divide is not an important factor for men.
Across every age group, women are more likely than men to have limited awareness of financial products. However, women’s awareness varies considerably by age, while men are roughly the same in every age group.

Limited product knowledge is much more common among younger and older women.

For men, the incidence of limited awareness is nearly constant across age groups.

Customers of MFIs and credit cooperatives are twice as likely to have limited product awareness than banks, regardless of their gender. In both types of institution, however, women are about twice as likely to have this disadvantage compared to men.
Product Knowledge and Effective Choices

How do limited knowledge and other factors impede a woman’s ability to find the right financial product?

**FIRST,** we observe that considerably more women than men struggle to find the product that they need. A third of female respondents reported this problem.

34% 21%

% reporting difficulties in finding the right product

**KEY FACTORS FOR EFFECTIVE CHOICES, WOMEN RESPONDENTS**

**THEN,** we use machine learning classification models to identify the factors that are decisive in helping women find the right financial products. The model identified three variables:

- Product Knowledge
- Education
- Employment Type

Among women with limited awareness, lower levels of education further expand the gap between those who find the right financial products with difficulty and those who do so with ease.

**FINDING THE RIGHT PRODUCT**

**MACHINE LEARNING INSIGHTS**

Automatic interaction detection algorithms show that limited product awareness is the first major factor that determines whether it is easy or difficult for a woman to find the right product.

Among women with limited awareness, lower levels of education further expand the gap between those who find the right financial products with difficulty and those who do so with ease.

Looking deeper within those whose decision making is shaped by low levels of awareness and education, employment type is also a defining factor, with nearly 100% of those who are self-employed reporting difficulties.
Needs and Choice Drivers

Top 5 Needs by Gender

Broadly speaking, men and women have a similar list of priorities in choosing a financial institution, with one notable exception: men put ATMs at top, while women are most driven by the agent network.

**OPEN-ENDED RESPONSES EXPLAIN WHY**

**WOMEN PREFER AGENCY BANKING**

- **Proximity and convenience**
  Agency banking is more widespread and available in local communities.

- **Flexibility in working hours and days**
  Agents' businesses are open longer hours, usually during weekends, and sometimes serve clients even upon individual requests after business hours. Women say they need this flexibility.

- **Trust and safety**
  Although they are generally less trustful of agents than men, women feel more secure depositing when the agent is a trusted community figure.

**MEN PREFER ATMS**

- **Prestige**
  Men find it prestigious to have multiple cards and to use ATMs.

- **Confidentiality**
  Men are more concerned about confidentiality. Local agents can spread information about their visits, amounts they deposit/withdraw, etc.

- **Avoiding liquidity and connectivity issues**
  Men are more sensitive to liquidity issues at agents, and they also usually withdraw larger amounts. They are also less tolerant of frequent connectivity disruptions.
Needs and Choice Drivers

Which Characteristics Predict A Woman’s Preferences?

We asked respondents to name the factors that drive their choice of financial service provider, such as the availability of ATMs and agents, branch footprint, customer care, pricing, etc. Our ML model determined that age is the single biggest influence on a woman's choice drivers, while no single characteristic had a similar impact on men.

**THE POWERFUL INFLUENCE OF AGE**

<table>
<thead>
<tr>
<th>Feature</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>40%</td>
</tr>
<tr>
<td>Products &amp; services awareness</td>
<td>23%</td>
</tr>
<tr>
<td>Location</td>
<td>23%</td>
</tr>
<tr>
<td>Education levels</td>
<td>14%</td>
</tr>
</tbody>
</table>

Percentages show the feature importance of the variables in a perceptron classification model. Other observed profiling variables such as employment type, economic sector, type of financial provider, had zero or negligible importance in classifying women's preferences.

**Below 25 Years Old: DELIVERY CHANNELS**

The youngest women prioritize a variety of delivery channels and convenient access to agents and branches.

1. More ATMs
2. More agents
3. Branches hours
4. Branch network
5. Quick processes

**25 to 54 Years Old: AGENTS AND CUSTOMER CARE**

Women at the peak of family responsibility and productivity are focused on access via agents, but they also value other service qualities.

1. More agents
2. Customer care
3. Low/no hidden fees and deductions
4. Quick processes
5. More ATMs

**55+ Years Old: SIMPLE TERMS**

Older women value a range of service qualities, but simplicity rises to the top of their priorities.

1. Simple terms
2. More agents
3. Customer care
4. Low/no hidden fees and deductions
5. Branch network
Identifying Pain Points

Empowered consumers are able to voice and resolve the pain points that they experience. The likelihood and type of complaints vary by the customer’s general product awareness and the financial institution they work with.

Pain Points Noticed by PRODUCT & BRAND AWARENESS

Customers with better knowledge of products and brands are more likely to identify a pain point.

Women with limited product knowledge are slightly less likely to voice a complaint than men. The gender difference disappears when product knowledge improves.

Pain Points Noticed by FREQUENTLY USED INSTITUTION

Customers of MFIs and cooperatives are less likely to notice and report a complaint.

The Nature of Complaints by FREQUENTLY USED INSTITUTION

Women who use MFIs and cooperatives mostly complain about loan collection practices, labeling them as harsh.

Male customers are more likely to complain about the service quality, both in MFIs and in banks.

Women who use banks complain a lot about fees and deductions, which they sometimes suspect are hidden.
Voicing and Resolving Complaints

Customers usually voice their complaints on the spot, not through formal channels, such as a hotline. But only a tiny minority feel their issue was resolved to their satisfaction.

Men and women have the same incidence of pain points and complaints, and they use the same channels to resolve them, usually without success.

PAIN POINTS EXPERIENCED: 36%

COMPLAINTS VOICED:
- Informally, right at spot with staff/agents: 25%
- Formally, via complaint resolution channels: 9%

COMPLAINTS RESOLVED:
- 3% of 40% voiced to customers’ satisfaction
- 5% of 30% voiced

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