

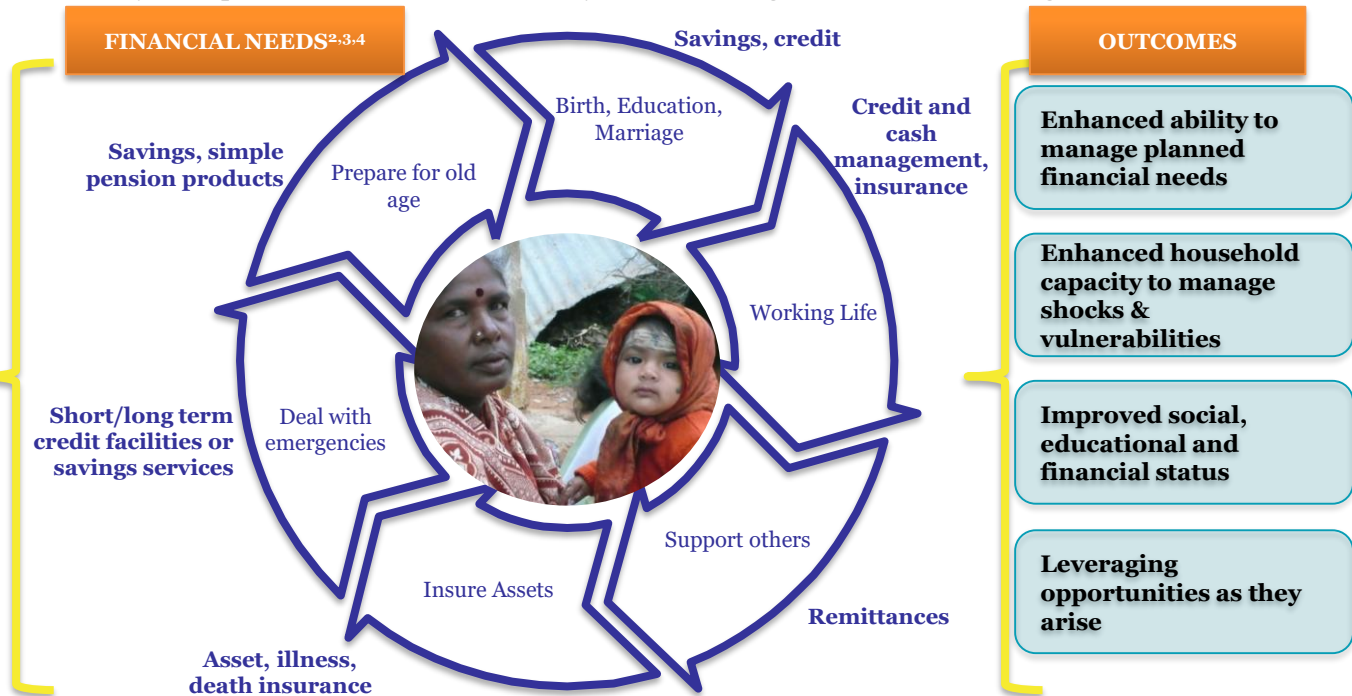
FinTech: Where Are We Headed?

November 2016

Financial Inclusion: What Is Needed?

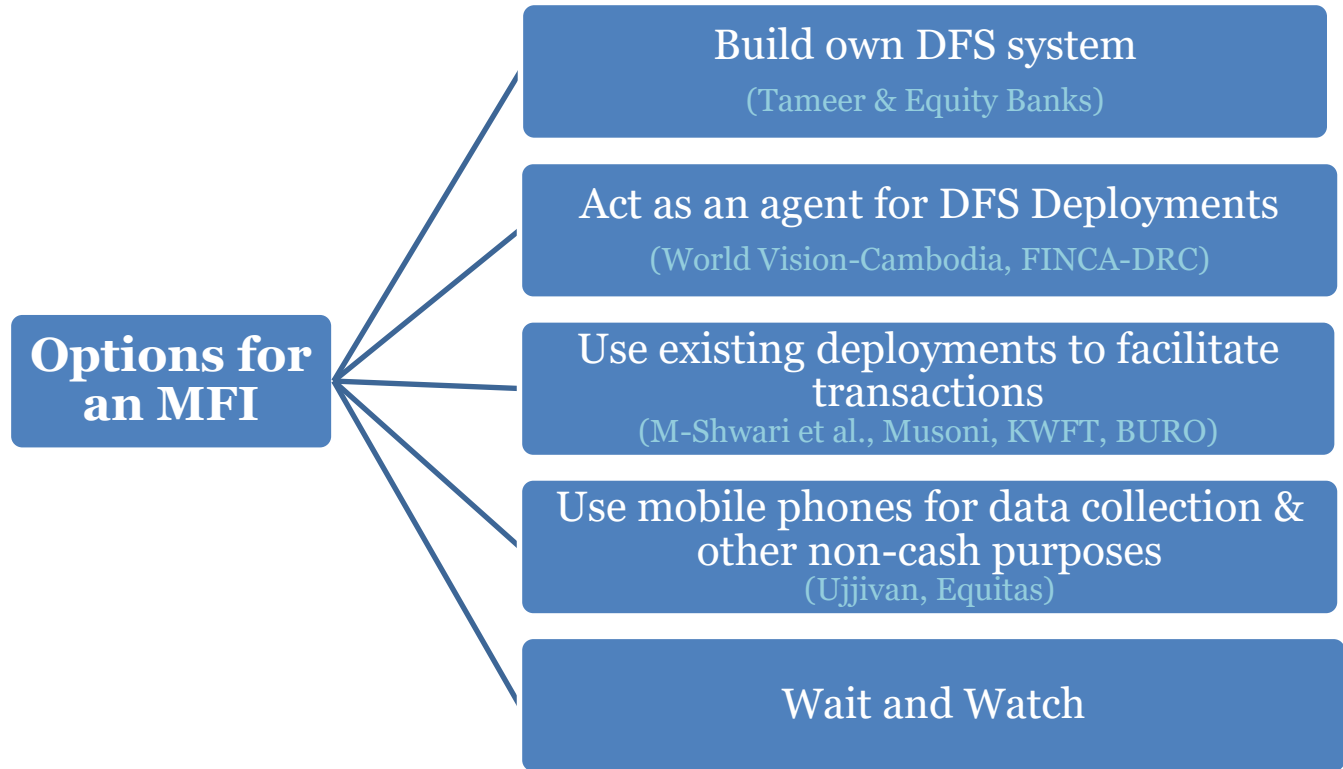
Beyond Credit (and Payments)

Only one-quarter of households have any form of savings with formal banking institutions.¹



Over the years, many studies^{2, 5} have unequivocally established that the “unbanked” need and use a range of financial services (not just credit) and are willing to pay the “right” fee for these services.

5 Ways in Which MFIs Can Respond & Engage with DFS



Some MFIs have also developed unique combinations of these models in order to meet market specific requirements

The Next Disruption: Smart Phones

Service Provider Changes:

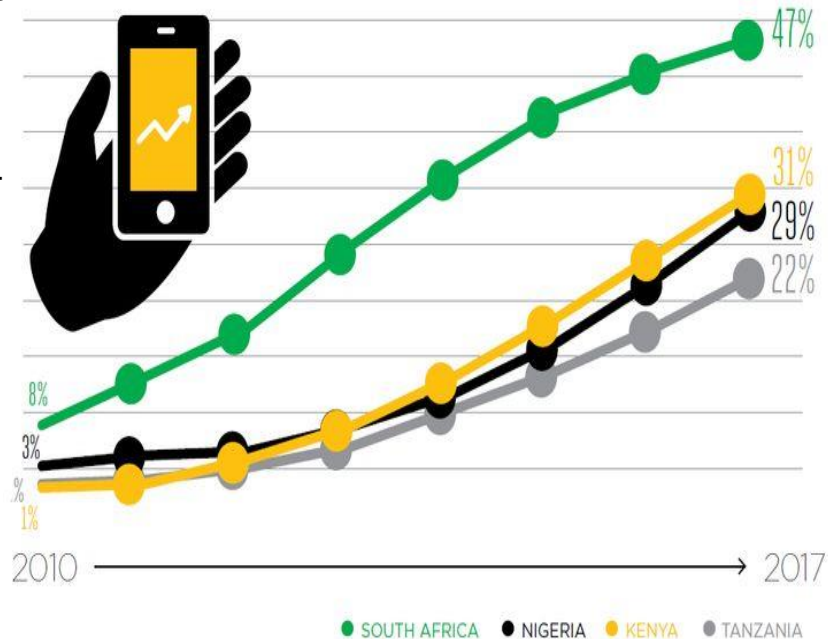
1. OTT services
2. Greater flexibility to distribute service logic between the handset (apps) and the network (servers)
3. More customer data capture - > enhanced customer value & stickiness

Customer-Facing Changes:

1. The graphical user interface
2. Attachment of peripheral devices
3. The lower cost/hassle: data relative to SMS or USSD

SMARTPHONE PENETRATION

SELECTED COUNTRIES SSA



Source: Strategy Analytics

The End Game ... “Cash-lite”

PUSH

Making clients have more e-money than cash

PULL

Enabling cashless businesses & supply chains



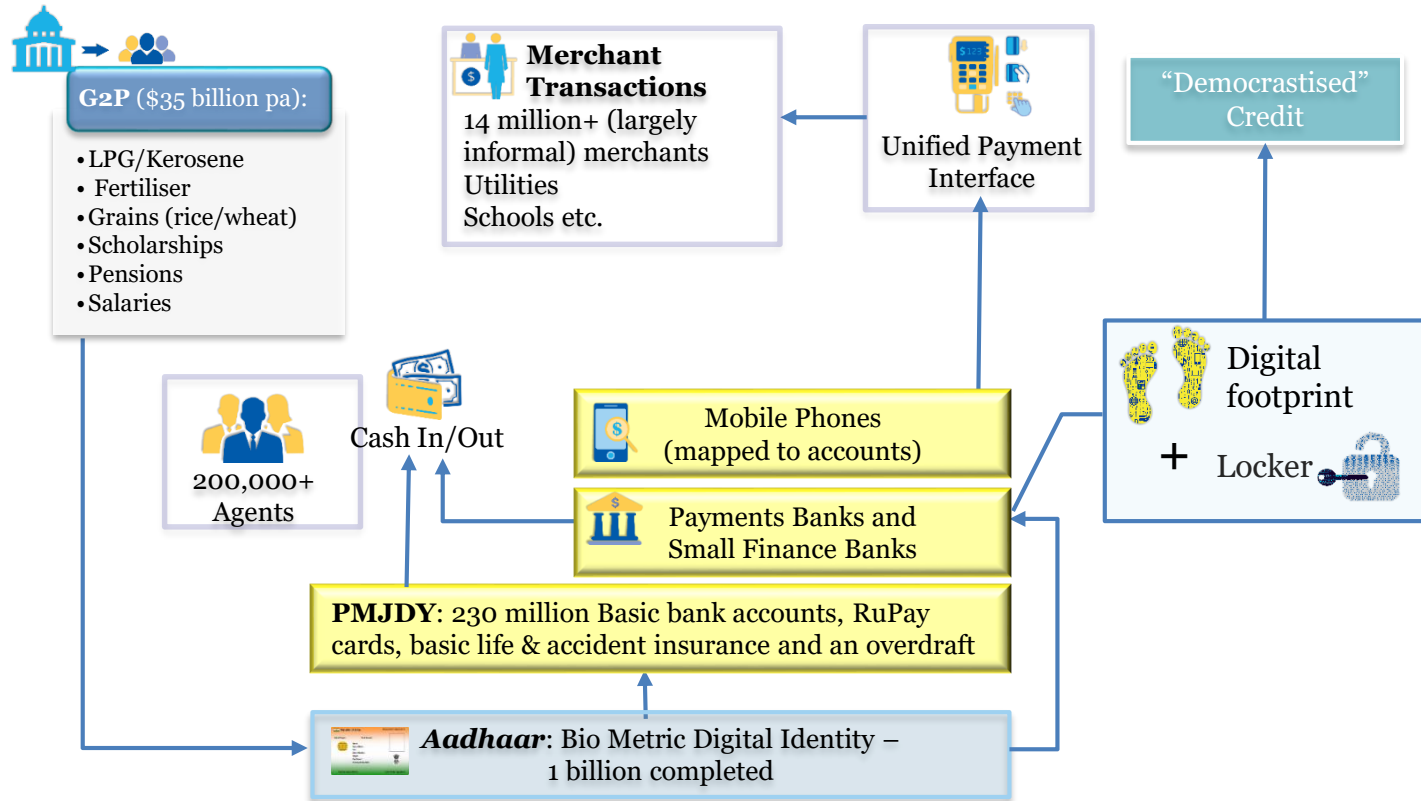
- Salaries
- Intra-family/
friends
remittances
- Intra-business
payments
- Loans
- International
remittances
- Government
transfers

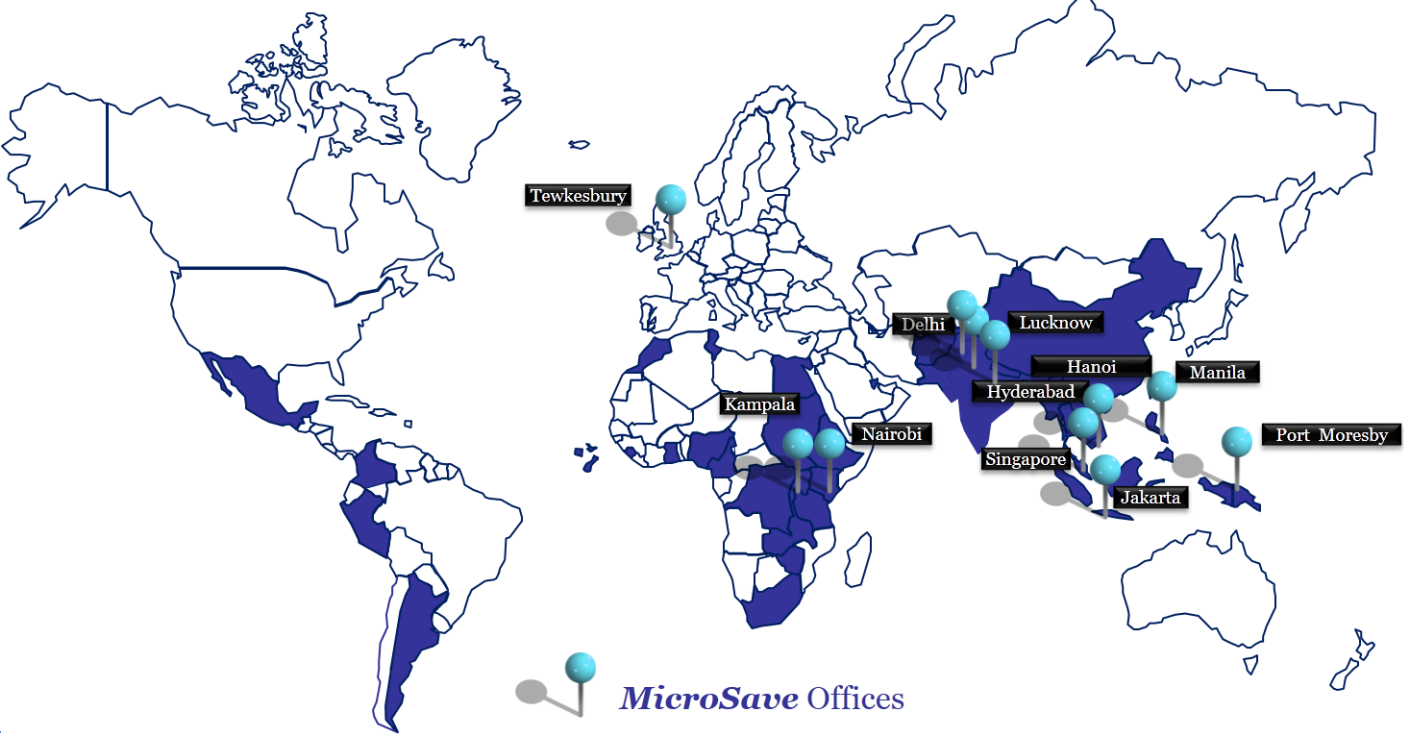


- Utilities/Rent
- Ticketing
- Education
- Financial services:
Savings
Loan repayments
Insurance etc.

1. APIs and web-interfaces to support an e-money eco-system – making e-money more cost effective for Gov't and business (fraud reduction, inventory/financial management, marketing information etc.) ... so that they (not the clients) will pay for the service.
2. Digital footprints to facilitate service provision.

India's Digital EcoSystem Set To Realise This





MicroSave Offices

India Head Office:
 Lucknow
 Tel: +91-522-2335734
New Delhi Office:
 Tel: +91-11-41055537/38
Hyderabad Office:
 Tel: +91-40-23516140

Kenya Office
 Shelter Afrique House,
 Mamlaka Road,
 P.O. Box 76436, Yaya
 00508, Nairobi,
 Kenya.
 Tel: +254-20-2724801/2724806
 Fax: +254-20-2720133

Uganda Office
 Ntinda Ministers
 Village
 Plot 27, Valley
 Drive
 P.O. Box 29111
 Kampala, Uganda.
 Phone +256-393
 202342 Mobile:
 +256-706 842368

UK Office
 The Folly, Watledge
 Close,
 Tewkesbury,
 Gloucestershire
 GL20 5RJ, UK
 Tel. +44 1684-273729
 Mobile +44 796-307
 7479

Philippines Office
 Unit 2408, The Trade
 and Financial Tower,
 7th Avenue Corner,
 32nd Street, Bonifacio
 Global City, Taguig
 City 1634, Metro
 Manila, Philippines.
 Tel: +(632) 477-5740

Indonesia Office
 ANZ Tower 23rd
 Floor, JI. Jend.
 Sudirman Kav. 33A,
 Jakarta Pusat 10210,
 Indonesia.
 Tel: +62 21 2954
 6828/29 fax: +62 21
 2954 6889

PNG Office
 Corner of Musgrave
 Street and Champion
 Parade,
 Port Moresby, Papua
 New Guinea.
 TeleFax No.: +675
 321 8823/321 8854

Singapore Office
 3, Shenton Way,
 #13-06, Shenton
 House, Singapore
 (068805)
 Tel: +65 673 47955

[MicroSave Corporate brochure.](#) Contact us at Info@MicroSave.net [Digital Financial Services brochure.](#)