



Connected Women

CASE STUDY

AIRTEL UGANDA:
A MOBILE MONEY SOLUTION FOR SAVINGS GROUPS

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Author: Priya Bhandari
M&E design, methodology, and technical lead: Alexandra Tyers
Acknowledgements: Shireen Santosham and Claire Sibthorpe

Introduction

Most Ugandans save money at home, but cite savings groups as the second most popular way to save. According to the 2013 FinScope survey on Uganda's financial sector, nearly two out of three adults are members of savings groups.¹ A typical savings group consists of 15–30 local community members, the majority of whom are women, who meet regularly to pool their savings and access credit, hence filling some of the gaps left by the absence of financial institutions. Grameen Foundation conducted extensive research on savings groups in Uganda and estimates they collectively save about USD 70 million per year. Given the prevalence of these groups in rural Uganda and the magnitude of their savings, Airtel Uganda saw an opportunity to launch a mobile money solution tailored to their needs, and to test whether this product would drive uptake of mobile money in underserved areas.

Executive summary

In 2013, GSMA Connected Women awarded Airtel Uganda an Innovation Fund grant to design and launch a mobile wallet for savings groups. Airtel Uganda partnered with Grameen Foundation, whose consumer insights research revealed that members of savings groups are looking for increased security, convenience, transparency, and access to credit. Together they developed a new mobile money product to address these needs: Airtel Weza. Airtel Uganda launched Weza in Eastern Uganda in August 2014 to help savings groups reduce their reliance on cash and introduce them to the benefits of mobile money. Airtel Weza has the following features:

- **Group accounts:** A group wallet to safely store group funds as mobile money.
- **Record management (mini-statements):** Mobile reports that summarise transactions within a defined period.
- **Mobile banking:** In the coming months, savings groups will be able to link their Weza wallets with bank accounts at participating financial institutions, which will give them access to interest-bearing savings and credit products. Credit will be tied to a group's saving history, and loans can be disbursed and repaid from the group wallet.

Although it is too early to draw conclusions about Weza, initial assessments conducted in December 2014 indicate end users like Airtel Weza's value proposition and clearly see the potential benefits of mobile money, although uptake has been hampered by operational issues.

These early findings suggest Airtel Weza is having a positive social impact. Weza responds to the current needs and pain points of savings groups, and every savings group surveyed saw a compelling value proposition. In interviews with a small sample of savings groups using Weza, members reported feeling greater security and transparency, which had been lacking in their savings practices before. They all stated that Weza had added value to their lives, and the vast majority saw it as an improvement to the savings methods used by their groups in the past. The women in these

¹ Economic Policy Research Centre (November 2013), [Uganda 2013 FinScope III Survey: Key Findings](#).

groups explained that the increased security Weza offers had given them more confidence that their money would be safe and that they were beginning to save more.

Although Airtel Weza has commercial potential, it is not yet possible to assess this given the low uptake of the service to date. These metrics should be re-evaluated in the coming months once operational issues have been resolved and Weza has been adopted by more savings groups. The product was designed based on the hypothesis that increasing Airtel's presence in rural areas and creating a unique value proposition for these communities may produce indirect commercial benefits, such as positive brand impact and higher ARPU amongst this customer segment. This hypothesis will also need to be tested at a later stage when uptake is higher and savings groups have been using Weza for at least six months.

It is important to remember that this offering targets the rural poor—a customer segment requiring much more support than urban middle-class mobile phone users, which are Airtel's traditional customers. To reach scale, Airtel will need to bolster its training and outreach efforts to ensure users feel comfortable using Weza to store their savings. The engagement and cooperation of local implementing partners will be essential to these efforts. Also, any rural value proposition must be combined with an effort to extend the agent network and network coverage into these areas—issues that Airtel Uganda is aware of and working to resolve.

"Since our money is not kept in the village, I feel privileged and know that my savings can and will improve my life in the future."

Female, 31, Treasurer, Kamuli Active Group

Country context

UGANDA: POPULATION

(WORLD BANK)

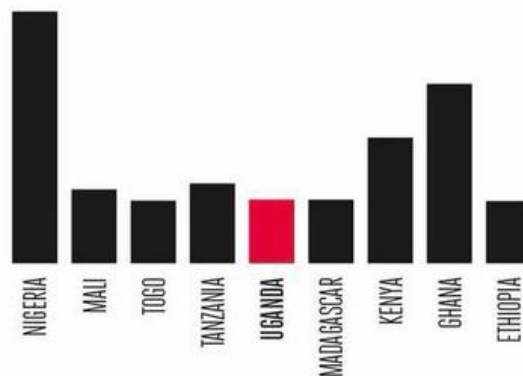


The last 30 years, and Museveni's rule since 1986, have seen Uganda rebound from civil war and economic turmoil to become a relatively peaceful and stable country. The World Bank classifies Uganda as a least developed country, and it has a low GDP per capita compared to its neighbours: USD 1,413.² An extremely high proportion of the population lives in rural areas where services and infrastructure are often lacking, which in part explains the country's relatively low unique subscriber mobile penetration rate (28%). Agriculture is the most important sector of the economy, employing over 80% of the workforce.

UGANDA: GDP PER CAPITA



REGIONAL COMPARISON OF GDP PER CAPITA



² World Bank Databank (2013), GDP per capita, PPP (current international \$)

The mobile market in Uganda

Since Airtel acquired Warid Uganda in May 2013, the mobile market has been dominated by MTN and Airtel Uganda. This is evident from a visit to Kampala, where a visitor is struck by the preponderance of MTN yellow and Airtel red. As the graph above shows, ARPU has been declining over the past decade and subscriber growth rates have also been dropping as Uganda's urban, higher income customer segment has become increasingly saturated. Unique subscriber penetration is just 28%, but the average subscriber has 1.81 SIMs.

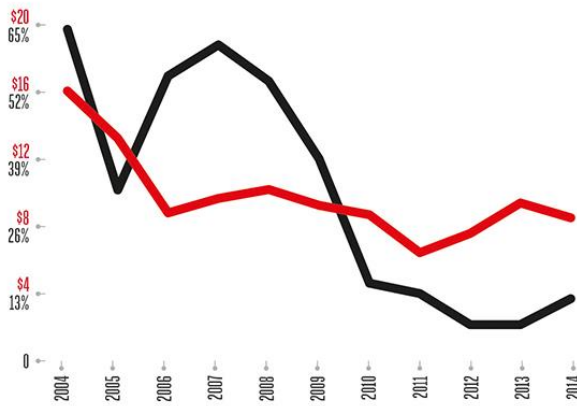
MOBILE MARKET IN UGANDA

(GSMA INTELLIGENCE)

MOBILE PENETRATION

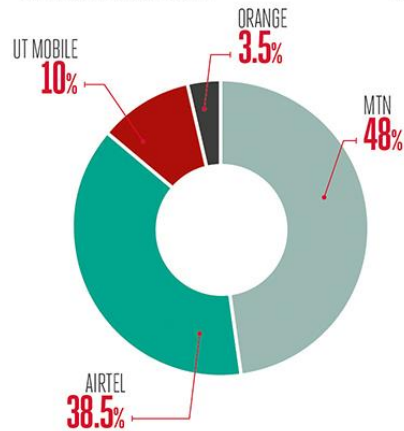


ARPU & SUBSCRIBER GROWTH RATE - 10-YEAR HISTORY



OPERATOR MARKET SHARE

2014



Women in Uganda

WOMEN IN UGANDA

(WORLD BANK)

FEMALE LABOUR FORCE PARTICIPATION RATES



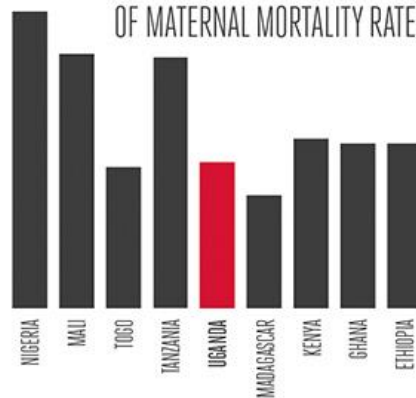
LITERACY RATES (OVER 15)



MATERNAL MORTALITY RATES (UN POPULATION FUND)



REGIONAL COMPARISON OF MATERNAL MORTALITY RATES



The Global Gender Gap Index,³ which tracks gender disparities by country, ranked Uganda 46th out of 136 in 2013, scoring higher than Kenya (78th) and Tanzania (66th). Interestingly, France was ranked just above Uganda at 45th place. As Figure 1 shows, Uganda was ranked in the top third of 25 Sub-Saharan African countries.

³ The Global Gender Gap Index (not to be confused with the gender gap in mobile access and use) was introduced by the World Economic Forum in 2006. The Index is a framework for capturing the magnitude and scope of gender-based disparities in a country and tracking its progress. The Index benchmarks national gender gaps according to economic, political, education and health criteria, and provides country rankings that allow for effective comparisons across regions and income groups, and over time.

Figure 1: Gender Gap Index: Sub-Saharan Africa

SUB-SAHARAN AFRICA		
Country	Overall score	Overall rank
Lesotho	0.7530	16
South Africa	0.7510	17
Burundi	0.7397	22
Mozambique	0.7349	26
Malawi	0.7139	39
Cape Verde	0.7122	41
Namibia	0.7094	44
Uganda	0.7086	46
Madagascar	0.7016	56
Tanzania	0.6928	66
Senegal	0.6923	67
Ghana	0.6811	76
Kenya	0.6803	78
Botswana	0.6752	85
Angola*	0.6659	92
Mauritius	0.6599	98
Cameroon	0.6560	100
Burkina Faso	0.6513	103
Nigeria	0.6469	106
Zambia	0.6312	113
Ethiopia	0.6198	118
Benin	0.5885	126
Mali	0.5872	128
Côte d'Ivoire	0.5814	131
Chad	0.5588	134

This relatively high score is due in part to the strong rate of female labour force participation: 77% for women aged 15–64, compared to 80% for men.

Female literacy is also relatively high: 65% for women over 15, compared to 83% for men. It is encouraging that the literacy rate for women aged 15–24 is 86%, compared to 90% for men, which indicates the literacy gender gap has narrowed for the younger generation.

Mobile adoption for women in Uganda: Key barriers and challenges

A 2013 Financial Inclusion Insights study found that men in Uganda were 21% more likely to own a mobile phone than women and 21% more likely to own a SIM.⁴ It also found the rural-urban gap was 25%, with 83% of urban Ugandans owning a mobile compared to 58% of rural residents. While investigating this gender gap in the consumer research phase, Grameen Foundation found that one of the main barriers to mobile adoption for Ugandan women was the upfront cost of the handset. This is not surprising given that women's incomes are substantially lower than men's in

⁴ [FII Survey of Uganda, conducted September-December 2013; sample size=3,000](#)

Uganda—Research ICT Africa estimates women’s average income to be \$102 compared to \$144 for men.⁵ Grameen Foundation also found that women are less likely than men to travel to areas where handset vendors are available, such as the nearest town. This is because their employment is more likely to be in the vicinity of their village, and anecdotal evidence suggests that low-income women are juggling multiple priorities and have less time to travel outside where they live and work. Also, as is the case in many countries in East Africa, mobile phones are sometimes believed to facilitate extra-marital affairs—anecdotes from the research suggest that some women who own a mobile keep it a secret from their husbands.

Overview of service

Introduction to savings groups

When the poor do not have access to formal financial institutions and services, they often rely on informal ways of saving, obtaining credit, and managing financial risks.⁶ In community-based savings groups, which have existed in various forms for centuries, members deposit a certain amount on a regular basis, usually weekly or monthly, and pay out the pooled savings either at regular intervals during the cycle or at the end of the cycle. Across Sub-Saharan Africa, 34% of those who had saved in the last 12 months report doing so only via a community-based savings group.⁷ Airtel Uganda aimed to transfer these savings habits onto mobile, and to test whether this shift would drive uptake and usage of its mobile money services.

“Airtel Money’s objective is to increase brand awareness amongst rural populations and ensure that Airtel Money is top of mind. Currently, withdrawing of money sent by urban relatives is the most common service used by women—we want to demonstrate the full range of benefits that Airtel Money can offer them.”

Nuhu Kanyike, Director of Airtel Money, Airtel Uganda

⁵ USD, PPP, Research ICT Africa (2012), [“Lifting the veil on ICT gender indicators in Africa”](#).

⁶ CARE International (February 2013), [“Connecting the World’s Poorest People to the Global Economy: New Models for Linking Informal Savings Groups to Formal Financial Services”](#).

⁷ Asli Demirgüç-Kunt and Leora Klapper (June 2012), [“Financial Inclusion in Africa: An Overview”](#), World Bank.

The role of NGOs in savings groups

NGOs such as CARE, Plan International, and Catholic Relief Services (CRS) have been instrumental in the expansion of savings groups across Africa. Each organisation has a different methodology, but in general they employ community-based trainers or village agents who perform the following tasks:

- **Set-up:** Introduce the concept of savings groups and help communities to organise themselves, for example, by assisting with the process of electing leaders.
- **Training:** Provide ongoing training in savings methodology, record keeping, and meeting formats.
- **Ongoing support:** Visit groups regularly to answer queries or resolve issues.
- **Monitoring and evaluation:** Collect data, review the group's performance, and audit activities.

Types of savings groups

Despite significant regional variations in names and methodologies, community-based savings groups can be classified into two main types:

- 1) **Rotating Savings and Credit Associations (RoSCAs):** Members generally contribute the same amount, and each member takes the entire sum of collected cash once during the cycle.
- 2) **Accumulating Savings and Credit Associations (ASCAs):** Members build savings over time, contributing different amounts within a set period, sometimes lending to fellow members or non-members. At an agreed point, usually within a year, the funds are redistributed to members.

Village Savings & Loans Associations (VSLAs)

VSLAs are more formal versions of ASCAs, in which members make small savings contributions and there is no external capital requirement. Developed by CARE in Niger in 1991, the model has since spread across Africa and CARE's VLSA membership now exceeds 3.1 million.

Some features of the VSLA model include:

- Election of a management committee
- Comprehensive record keeping in a paper ledger
- Cash storage in a box with three padlocks and three key holders.

How do savings groups benefit women?

Rural women who do not have access to financial services have limited options when it comes to saving and investing their money. They often hide cash at home or invest in an asset, such as an animal, which is vulnerable to disease, theft, or fluctuating market prices. Joining a savings group can change the financial lives of women and their families by expanding their financial choices and creating new social and economic opportunities.

First, by having access to credit, many women engage in income-generating activities for the first time and use loans to invest in small businesses, farming and livestock, which in turn promotes food security. Others use the loans to meet household obligations, such as medical expenses and school fees, or to pay for family events like weddings or funerals. Second, women in savings groups report a greater sense of empowerment since they are able to purchase assets in their own names and develop leadership skills.

The market opportunity in Uganda

Approximately 60,000 NGO-supported savings groups with 1.2 million members are currently active in Uganda.⁸ Sixty-five percent of these groups follow CARE's VSLA structure, which means they have 15 to 30 members and conduct weekly meetings where they can:

- **Save:** Members contribute different amounts, usually between 75 cents and \$1.80 per week.
- **Borrow:** Members can borrow from the group's fund at lower rates than they could as individuals.
- **Repay loans:** Loans are repaid with interest, which increases the value of the group's fund.
- **Access emergency funds:** A separate fund is set up to help members in an emergency.

Each VSLA cycle lasts for one year. At the end of the cycle, the cash is divided amongst the members based on their contributions. Grameen Foundation estimates \$70 million is saved every year by savings groups in Uganda.⁹

A typical savings group in Uganda

- 65% of Uganda's savings groups are VSLAs facilitated by CARE
- A typical group has 15 to 30 members who are generally:



Female: 70% of members are women



Low-income: average income of \$2 to \$3 per day



Rural: 84% of Uganda's population is rural

What do savings groups need?

Grameen Foundation conducted in-depth research on savings groups in Uganda to develop a mobile money product that would meet their unique needs. This included focus group discussions and individual interviews with members of savings groups. Local NGOs with established and trained savings groups, including CARE and Plan, were also interviewed to gain insight into designing products for this market segment. The research revealed members of savings groups have four major needs: security, convenience, transparency, and access to more credit. These needs are outlined in more detail in Figure 2 below.

⁸ [The Savings Groups Information Exchange](#)

⁹ Estimate is based on 1.2 million members, each saving an average of \$1.25 per week, multiplied by 48 weeks (accounting for breaks for holidays, etc.)

Figure 2: The major needs of savings groups, identified by Grameen Foundation



These findings reflect the conclusions of GSMA Connected Women's in-depth report, [Unlocking the Potential: Women and Mobile Financial Services in Emerging Markets](#):¹⁰ that when it comes to mobile financial tools and services, women look for convenience, reliability, security, and privacy.

Designing Airtel Weza

Once the most pressing needs of savings groups had been identified, Airtel Uganda and Grameen Foundation worked together to design a product that would:

- Maintain the cohesive nature and positive social dynamics of savings groups;
- Be accessible to people with little experience with mobile and other formal financial services; and
- Offer clear value to a low-income, price-sensitive segment of the market.

Grameen Foundation used a human-centred approach to design the product, which incorporated user testing at multiple stages of the process.

¹⁰ GSMA Connected Women (2013), ["Unlocking the Potential: Women and Mobile Financial Services in Emerging Markets"](#).

What did we learn from the user testing?

“The Human-Centred Design process allowed us to take the straightforward idea of group mobile money accounts and implement it so that this particular group of users would trust it and find it easy to use. For example, during user testing we discovered that the command “*withdraw money*” sounded like one group member could just go and take money out by themselves. We tested various names and found that the groups preferred “*request for money*”. So, we were able to refine the menu items not only to increase comprehension, but also to create a menu that reflected what the groups wanted it to convey. It’s not that they didn’t understand what “*withdraw money*” meant once we explained it to them, it’s that they wanted their menu to convey their rules. By using language they were comfortable with, we not only increased comprehension, but also ensured that the groups would trust it and own it.”

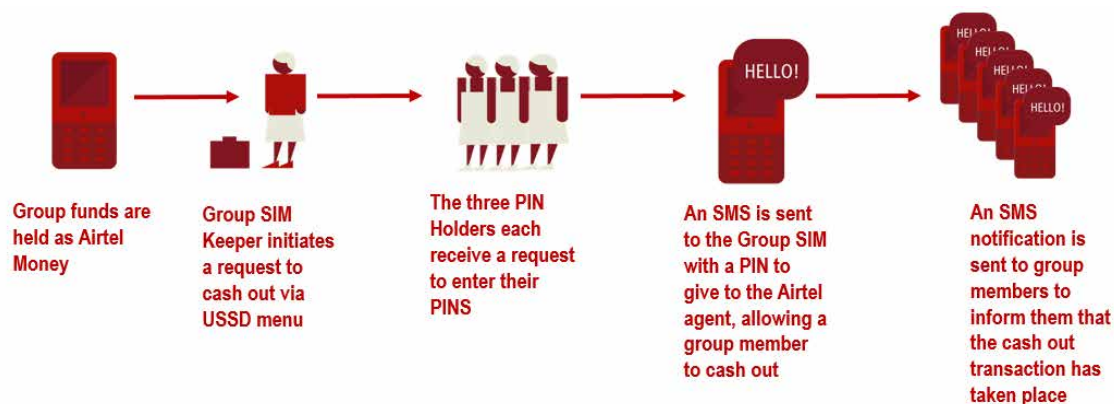
Tanya Rabourn, Grameen Foundation Designer



The Airtel Money platform was used to develop a group mobile wallet that stored the collective savings of the group. In savings groups, the treasurer keeps the cash box, which is secured by three padlocks, and three appointed members each have a padlock key. All four must be present for the cash box to be opened at a meeting. The mobile wallet replicates this practice. Each savings group has an Airtel SIM that houses the group e-wallet. One person is responsible for safeguarding the group SIM (“SIM Keeper”) and there are three additional PIN holders. These three individuals are notified when the SIM Keeper initiates a transaction and all three must approve it. They each receive a text message with an identification number indicating they need to enter their unique, confidential PIN before any balance is transferred (see Figure 3).

Savings groups visit Airtel agents after their meetings to convert their cash savings into Airtel money. When transactions involving the Weza SIM have taken place, group members receive an SMS notification on their personal Airtel SIM, making the process transparent.

Figure 3: Cash-out procedure using Airtel Weza



In the coming months, savings groups with accounts at participating banks will be able to link their group wallet to their bank account. Funds stored as Airtel Money on their group mobile wallet will be able to be transferred to their group bank account and vice versa. The transactions will only be processed once the three nominated PIN holders have each entered their unique PIN number, and when the transaction is completed an SMS notification will be sent to other group members. Figure 4 summarises how the product meets the four major needs identified in the research phase.

Figure 4: How Airtel Weza meets the needs of Uganda's savings groups

Need of the savings group	How the need is addressed
Security	Group funds are stored on Airtel Money instead of a cash box, which has a higher risk of theft.
Convenience	Groups with accounts at participating banks will be able to use their mobile wallet to transfer funds from their Airtel Money account to the bank and vice versa. They will only have to travel to an Airtel agent, which is generally closer than a bank.
Transparency	Groups are able to check balances easily using their mobile phones, and members receive SMS notifications of group wallet transactions.
Access to more credit	Linking the bank to the group wallet may encourage groups to either open a bank account or use it more frequently. This will allow them to start building a credit history with the bank, perhaps improving their eligibility for future loans.

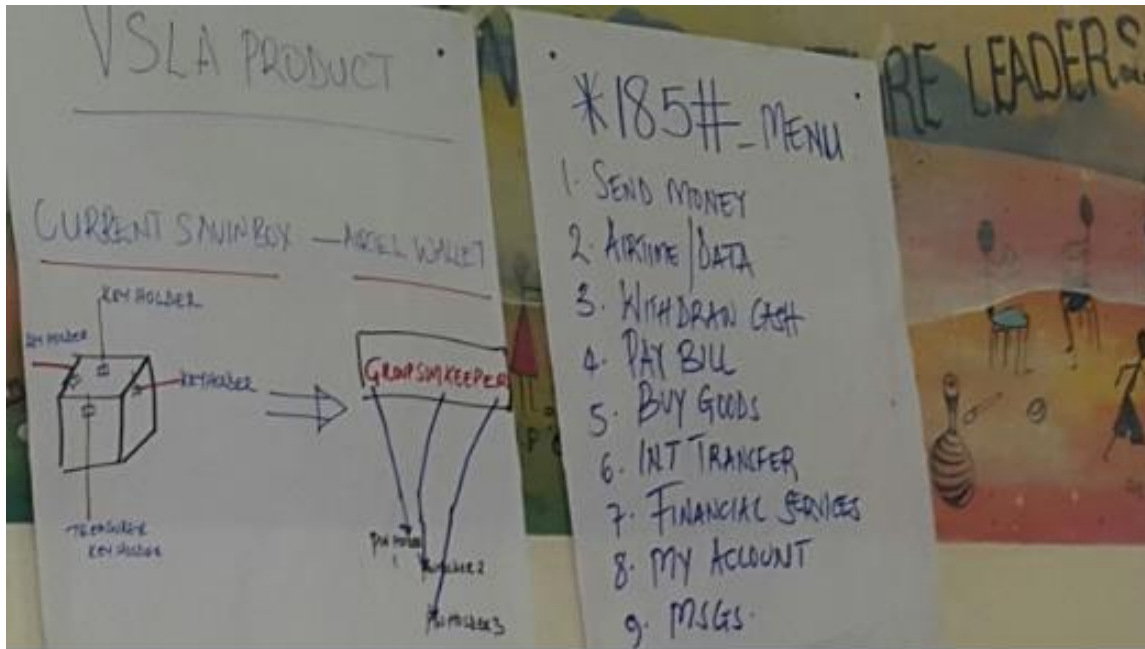
Launching the service

Overview of the process

Airtel Weza was officially launched in August 2013 as a joint effort with Airtel Uganda, Grameen Foundation, and Plan International—an organisation supporting about 3,000 savings groups in Uganda. Since Airtel Weza was a new

product for a new target market, it was decided it would be rolled out in phases. It was first introduced to groups supported by Plan, which has a strong presence in Kamuli and Tororo in Eastern Uganda. Airtel and Grameen then engaged Plan and its local implementing partner, Community Vision, to raise awareness of Airtel Weza amongst savings groups in these regions and train them how to use it. Airtel organised initial training sessions in Kamuli and Tororo for Community Vision's community-based trainers (see Figure 5).

Figure 5: Training on Airtel Weza for local community-based trainers



In Phase 1, representatives from the Airtel Uganda, Plan International, and Community Vision partnership visited 200 of Plan's savings groups (about 6,000 members) to introduce the product and explain how it works. Airtel also gave community-based trainers incentives to collect the necessary registration and KYC documentation from savings groups that wanted to register for Airtel Weza.

"I had a field visit to Kamuli last week with a visitor from our international headquarters who was here to see the work done by the savings groups ...all three VSLAs visited were subscribed to the e- wallet...All three groups highlighted the level of transparency brought about by the e-wallet and particularly the treasurers of the groups indicated that they can now sleep with a peace of mind. For me it was impressive to get such feedback given that the launch was only done a couple of months ago.

Microfinance and Business Development Specialist, Plan Uganda

To market the product, Airtel Uganda produced posters and flyers promoting the benefits of Weza (see Figure 6) and distributed them to savings groups in the target regions. Airtel Weza was also publicised on a radio talkshow in Kamuli, where the product was launched. However, no other above-the-line marketing, such as TV or radio advertisements have taken place to date.

Figure 6: Airtel Weza poster



Early results

To gather user feedback on Airtel Weza and gauge its initial commercial and social impact, Grameen Foundation conducted a post-launch study in the Kamuli and Tororo districts of Eastern Uganda—the rural areas where the product was launched. The study was conducted in December 2014 by interviewing 84 members of Village Savings and Loans Associations and collecting commercial data from Airtel Uganda. Data was also collected from members of VSLA groups who had made at least one transaction on their group wallet, those who had been activated for Weza but had not made a transaction, and those who had not registered for Weza. The sample size of active female users was small—only 20 of the 84 respondents were both female *and* belonged to savings groups using Airtel Weza—so the findings are only indicative.

However, early results indicate female users of Airtel Weza like the product. They say it has made their savings more secure and improved transparency within the savings group—both of which were needs identified in Grameen’s research. Of the 20 female users belonging to groups actively using Weza, all 20 said it added value to their lives, and 18 of the 20 said it was an improvement on the savings groups’ previous practices. The theme of safety came up repeatedly in the interviews, with comments such as, *“I am always content and assured my money is kept safe, hence this has added value to my life”*, and *“There are reduced chances of money being stolen so I am sure money/savings are safe.”*

There is so far little evidence of Airtel Weza’s commercial impact due to the low absolute number of savings groups with registered Airtel Weza mobile wallets and the low percentage of active usage amongst those groups. The reasons for these low numbers are outlined in the *Key challenges and barriers* section. The commercial benefits need to be assessed once uptake and active usage numbers are higher and more groups begin using Weza for deposits and withdrawals.

“Now, we as members are so confident knowing our money is safe. There are no worries about the treasurer and her friends stealing it.”

Female savings group member, active Weza user

Commercial impact

Airtel Weza’s direct revenues are generated by fees charged for group wallet transactions. Revenues are still low due to limited uptake and the short amount of time savings groups have been using the new product. The fee structure is based on Airtel Money’s retail fee structure that customers are already familiar with: deposits onto the group wallet are

free, but a fee is charged for withdrawals. Some groups have deposited their collective funds onto the group wallet, but very few have yet to reach the stage in their cycle where they withdraw funds.

Grameen's early work on the business case for Weza showed a profitable product for Airtel that would generate direct mobile money fees from withdrawals, fees earned from transferring funds from the wallet to the bank (once the bank option is activated), and indirect ARPU uptake as Weza customers increase use of their personal Airtel SIMs for voice, SMS, or Airtel Money. A full assessment of the commercial impact must include all these elements, preferably over a full year cycle.

Social impact

The 20 female respondents who belonged to savings groups using Weza were asked to what extent they agreed with the following statement: *"Using Airtel Weza adds value to my life"*. All 20 respondents either agreed or strongly agreed with the statement. When asked why, two common themes emerged: an increased ability to save and a lower risk of theft. Comments included: *"This has increased my saving habits in a way that I can manage myself and my children better than before"*, *"I have managed to pay school fees for my child"*, and *"I have managed to buy things of my own through savings"*. In terms of the greater sense of safety Airtel Weza provides, respondents said: *"I am always content and assured my money is kept safe, hence this product has added value to my life"*, *"Reduced chances of money being stolen so I am sure money/savings are safe"*, *"I know my money is safe and every time I want it I can get it and do what I want"*.

"Since our money is not kept in the village, I feel privileged and know that my savings can and will improve my life in the future."

Female, 31, Treasurer, Kamuli Active Group

The same 20 female respondents were also asked how Airtel Weza compared to the previous practices of their savings groups. Eighteen of the 20 women surveyed indicated Airtel Weza was "much better" or "better" than the savings methods the group had used before. When asked to explain, most of the respondents again mentioned safety and decreased risk as the major reasons why they preferred Weza.

The team did not anticipate the impact greater transparency in the mobile system would have on savings groups. Many group members said they now felt up-to-date with what was happening with the group's savings because Airtel sends an SMS confirmation after every mobile deposit. Some groups always deposit the cash collected at group meetings onto the group's mobile money account; they invite an Airtel money agent to attend the meeting and, once the deposit

is made, the members who have signed up to receive the messages read them out loud for all group members to hear. Some groups actually read the old messages stored on their phones as part of the meeting agenda. As one member stated, *“There is transparency in the group through Airtel mobile money.”* At one meeting, the research team observed that reading the SMS balance had become an established part of the savings group’s formal meeting process.

Some respondents mentioned other benefits of Weza. *“I am even going to register and learn how to use mobile money because of Weza. I have seen the value of mobile money”, “This has changed our thinking and minds as women that we can also save and have some money with us”, and “Airtel Weza has built confidence in our group members and more trust.”*

Key challenges and barriers

- **Registration and on-boarding of savings groups:** These processes have been far more time-consuming than the team anticipated. To register for Weza, a savings group needs to have at least three members who have an Airtel SIM and are registered for Airtel Money, but this is uncommon in rural areas. KYC (know-your-customer) documentation must also be collected and delivered, in paper form, to Airtel’s head office in Kampala.
- **Know-your-customer (KYC) requirements:** This is often a challenge for mobile money deployments in emerging markets since people in rural areas may not have the identity documents required to open a mobile money account. Airtel Uganda and Grameen created a bespoke KYC package for savings groups that complies with the relevant regulations, but uses documentation that NGO-supported groups should already have, such as a certificate of registration and a constitution. Identification such as a voter’s card and a passport photo are required for group leaders (i.e. the Group SIM Keeper and the three PIN Holders). Fulfilling KYC requirements is proving to be a barrier to the uptake of Weza, as SIM Keepers and PIN Holders often have to travel significant distances to get their photos taken, and group constitutions are often not readily available. Airtel is experimenting with different ways to resolve this issue, such as providing cameras to community-based trainers so they can take photos of the SIM Keepers and PIN Holders during their regular visits.
- **Price sensitivity to transaction costs:** The target population is very price-sensitive and some are already familiar with mobile money and what it costs to use it. Airtel Uganda therefore instituted a fee structure similar to Airtel Money’s existing fee structure for group mobile wallet transactions: deposits are free, but transfers and withdrawals incur a charge. Airtel Uganda and Grameen Foundation ensure that when savings groups are trained to use Airtel Weza, they are encouraged to compare the transaction fees to the cost of travelling to the bank and to consider the increased security the mobile money solution offers. The benefits of security and convenience are also highlighted in the wider marketing campaign.
- **Customer education:** Although Grameen Foundation conducted repeated user testing to ensure Airtel Weza was as simple to use as possible, members of savings groups still require extensive training and several demonstrations to become familiar with it and feel confident enough to use it themselves, particularly since some

group members have limited experience using mobile money. When savings group members were asked what their group needed to start using Weza, most answered “training” and said this was the main barrier to usage. It was found that many of those who self-identified as Airtel Money users had never actually activated their individual mobile wallets. Although local NGO partners such as Plan and Community Vision have been engaged to provide training through their network of community trainers, they also need thorough training. The extent of this need had not been anticipated.

- **Raising awareness amongst Airtel agents:** Some savings groups have reported their local Airtel agents are unaware of the Weza product and are therefore unable to perform transactions. Airtel head office needs to rectify this by providing all agents in its target areas with clear training materials on Weza. On a more positive note, early anecdotal evidence suggests that some Airtel agents are seeing an opportunity to serve savings groups:

“[During a meeting we attended] a mobile money agent was summoned towards the end of the meeting. Apparently this particular mobile money agent attended training that Airtel had advertised for groups in the area and she sensed an opportunity. She now visits three groups when summoned to accept their deposits. This particular group pays her transport (one way) and in turn she has more cash to offer her regular mobile money customers. This young woman was really impressively entrepreneurial and proactive.”

Tanya Rabourn, Grameen Foundation Designer

Recommendations for operators

- **Think creatively about partnerships.** Find organisations in the market that are already working with local women. Those with established grassroots networks and expertise in serving rural populations may be able to provide consumer insights, access to the target population, expertise in designing products for low-income women, and assistance with performance monitoring and evaluation. If suitable partner organisations are engaged to drive awareness and uptake of Airtel Weza, remember that their staff will need to be trained first. This is especially true for a product like Weza, which is fairly complex and has many steps.
- **Think about the support the organisation will need when entering the rural market.** For example, are support staff in the call centre ready and equipped to deal with an increase in enquiries? Have regional sales teams been engaged to serve as a local resource in rural areas? Is the success of the rural strategy reflected in their KPIs?

- **Build on established behaviours.** The product designed by Airtel Uganda and Grameen Foundation took well-established savings practices and translated them onto mobile platforms to address customers' key pain points and reduce their reliance on cash. Airtel Uganda is therefore providing financial services to customers who are already familiar with the concept of saving and loans. This is a far better place to start than with customers who are new to these practices.
- **Ensure the product addresses pain points / unmet needs.** Grameen's consumer insights research allowed it to identify the most pressing challenges of savings groups, such as a lack of transparency in existing saving practices, and then work with Airtel Uganda to design a product that met these needs. This should help to drive uptake of Airtel Weza and make it commercially sustainable over the long term.
- **Incorporate user testing into the design process.** Grameen Foundation ensured user testing was conducted with savings groups in rural areas on multiple occasions. First, to test the concept and initial product flow using "paper prototyping" to keep software development costs down; second, when the first mobile prototype was available to see how users engaged and interacted with the product; and finally, at the end stage after initial user feedback had been incorporated. At each stage, potential users were asked about their willingness to pay for the solution and whether they envisaged uptake by their savings group. Other elements, such as the name of the new product, were tested with members of savings groups to confirm it communicated the right message.

Airtel Uganda team members were active participants during user testing and observed the value of it themselves. Stephen Waiswa, who is leading the Airtel Weza project at Airtel Uganda, explained:

"I have experienced first-hand the importance of user / prototype testing with the target population, especially when developing products and services for previously underserved, under-privileged rural customer segments. It's evident that financial services have not yet reached the majority of the rural population; this product helps Airtel Money to develop a better understanding of this segment so that we can deliver more mobile money services which are tailored to their needs."

Stephen Waiswa, Airtel Money Business Development Manager, Airtel Uganda

Conclusions

Eighty-four percent of the Ugandan population live in rural areas and Airtel Uganda is aware that mobile money penetration is far lower there, especially amongst women. Airtel wanted to demonstrate the benefits of mobile money to rural women by designing an appealing value proposition. The resulting offering, Airtel Weza, is innovative and addresses the needs of the end consumer. However, this new customer segment is clearly challenging to reach, and uptake to date has been hampered by operational issues.

With an estimated 100 million people across Sub-Saharan Africa using community-based savings mechanisms,¹¹ savings groups could provide operators with an interesting entry point into rural areas. However, as Airtel's experience has shown, rural customers require extensive education and training, as they tend to have lower literacy rates and are less familiar with financial products than their urban counterparts. The lessons of Airtel Weza are clear: an effective customer education campaign in a rural area can be both time-consuming and expensive, and a different approach will be needed to drive uptake and usage, perhaps using the local networks of NGOs and other community-based organisations.

¹¹ Asli Demirgüç-Kunt and Leora Klapper (June 2012), "[Financial Inclusion in Africa: An Overview](#)", World Bank.

About the GSMA

The GSMA represents the interests of mobile operators worldwide, uniting nearly 800 operators with more than 250 companies in the broader mobile ecosystem, including handset and device makers, software companies, equipment providers and Internet companies, as well as organisations in adjacent industry sectors. The GSMA also produces industry-leading events such as Mobile World Congress, Mobile World Congress Shanghai, and the Mobile 360 Series conferences.

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Mobile for Development brings together our mobile operator members, the wider mobile industry, and the development community to drive commercial mobile services for underserved people in emerging markets. We identify opportunities for social and economic impact and stimulate the development of scalable, life-enhancing mobile services.

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About the GSMA Connected Women Programme

GSMA Connected Women works with partners to deliver socio-economic benefits to women and the broader mobile ecosystem through greater inclusion of women across the industry. The programme is focused on increasing women's access to and use of mobile phones and life-enhancing mobile services in developing markets, as well as closing the digital skills gender gap, attracting and retaining female talent, and encouraging female leadership in technology on a global basis.

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