AGENT NETWORK ACCELERATOR

"Perhaps the biggest barrier preventing poor people from accessing digital financial services is the cost and complexity of building and managing a sustainable cash-in/cash-out agent network across a broad geography."

BILL & MELINDA GATES *foundation*

MicroSave
Market-led solutions for financial services

Overview: **Agent Network Accelerator**

The Challenge

⭐ Lack of detailed operational insights and systematic data on management, design and performance of agent networks around the world

⭐ Difficulty in identifying factors of success or failure of particular agent network an how factors vary by:

- Deployment type (MNO-led vs Bank-led)
- Country Context (e.g regulatory regime, population density, branch penetration)

⭐ Digital Finance roll-outs try to apply general best practices recommendations based on anecdotal (rather than systematic) data

Liquidity Management
Data Analytics
Product Pricing
Fraud
Branding
Regulation
Risk
Marketing

Overview: **Agent Network Accelerator**

The Response

Two-pronged strategy to increase global understanding of how to build and manage sustainable CICO networks in poor communities

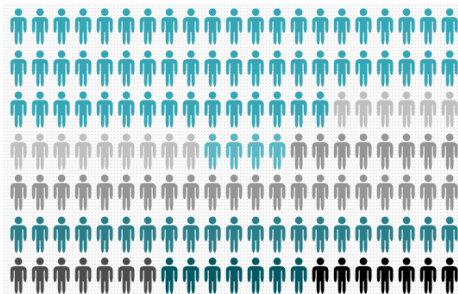Countries of focus: Kenya | Uganda | Tanzania | Nigeria | India | Pakistan | Bangladesh | Indonesia

AGENT NETWORK ACCELERATOR

Pillar 1:

Agent Network Assessments

Pillar 2:

The Helix Institute of Digital Finance

Pillar 1: **Assessment of Agent Networks**

Systematic qualitative and quantitative research of agent networks

● **8** COUNTRIES (Kenya, Uganda, Tanzania, Nigeria, India, Bangladesh, Pakistan, Indonesia)

▲ **4** YEARS

★ **50** DEPLOYMENTS

● **20,000** AGENT INTERVIEWS

Addressing the core questions

- What are the **factors** responsible **for the success (or failure)** of a particular agent network?

- What are the **key metrics deployments should track** to evaluate the health of their agent network?

- What are **appropriate quantitative benchmarks** against each of these metrics and **how do these benchmarks vary across deployment type** (bank-led or mobile-led) and country context?

- **How** is the health and reach of individual agent networks evolving over time (particularly in the 8 focus countries)?

- What are the **most successful** (and innovative) **technologies for building and managing** a viable **agent network** and how can these be embedded in other deployments?

- **How have revenues and costs evolved** for agents in mobile money eco-systems?

- **Is it essential to start with payment solutions** and if so, what is the optimal time to migrate to more complex (savings / credit / insurance) product offerings?

Pillar 2: **The *Helix* Institute of Digital Finance**

Enhance ability of agent network managers to build & manage large, sustainable agent networks in poor & rural communities

The Challenge

- Most banks, MNOs, agent network managers and other e/m-banking providers, across the world, do not have sufficient information or knowledge on the successful best practices.

- Those who do have the knowledge and information are often unable to internalize these within their organizations for want of practical tools and guidance.

The Solution

HELIX INSTITUTE OF DIGITAL FINANCE

- ✓ World-class training courses
- ✓ Cutting-edge operational insights
- ✓ Elite networking community

AGENT NETWORK ACCELERATOR COURSE : (ANA) At a Glance

10 ANA courses over 4 years to develop capacities of senior/mid-level managers by:

- Providing them exposure to successful deployments and best practices in Kenya/Tanzania
- Training from leading experts on agent network development
- Practical tools, templates and techniques to enhance the management of their agent networks and helping participants develop action plans for execution upon their return home; and
- Providing follow-up, on-site mentoring support (for carefully selected high potential networks) to help make their agent networks viable

Agent Assessments: Overview of Process

Phase I: Desk Research, Design of Research Plan, Questionnaires, and Interview Guides :
In-depth desk research to understand status & nature of agent networks in focus countries. Work with individual ANM & other stakeholders to develop questionnaires. Questionnaires &assessment methodology tested on small sample & refined.

Phase 2: First Round Data Collection, Workshop, and Report-writing:
Finalized questionnaires administered. Data collected during this phase will inform first agent assessment report for each deployment with recommendations on how they can improve their quality & reach of agent network. On completion of analysis in each country, country workshops will be run to discuss key findings.

Phase 3: Refine the Questionnaires and Data Collection Methodologies Based on Stakeholders' Comments:
Team will refine questionnaires and data collection instruments to reflect feedback during workshop

Phase 4: Second Round Data Collection, Day Analysis, Workshop, and Report-writing:
Revised questionnaires administered. 12-16 months after 1st round to generate insight into how agent network has evolved Second report analysing factors developed. Agent assessment reports & country workshops run to discuss findings.

Phase 5: Synthesis, Analysis and Report-writing:
After 2 rounds of assessment have been completed for a number of deployments, we will analyze the findings to check if the hypothesis stands supported or not. We will then prepare a range of synthesis documents which will
1) Assess the state of play of agent networks in a given country and their evolution over time
2) Compare/contrast different approaches to agent network management
3) Offer detailed technical guidance on select topics We will hire a specialized data analyst to perform sophisticated regression analysis on these datasets in order to extract deeper insights

# Agent Assessment: Objectives & Advisory Committee

Help agent network managers identify their network's strengths & weaknesses and enable them to benchmark performance against comparable networks

Inform the curriculum of *The Helix Institute of Digital Finance* and provide a foundation to track the evolution of agent networks after participants attend

Enable donors & policy makers to track the evolution of agent networks over time, allowing them to better target interventions to address remaining gaps/deficiencies
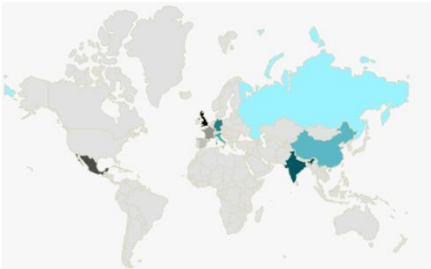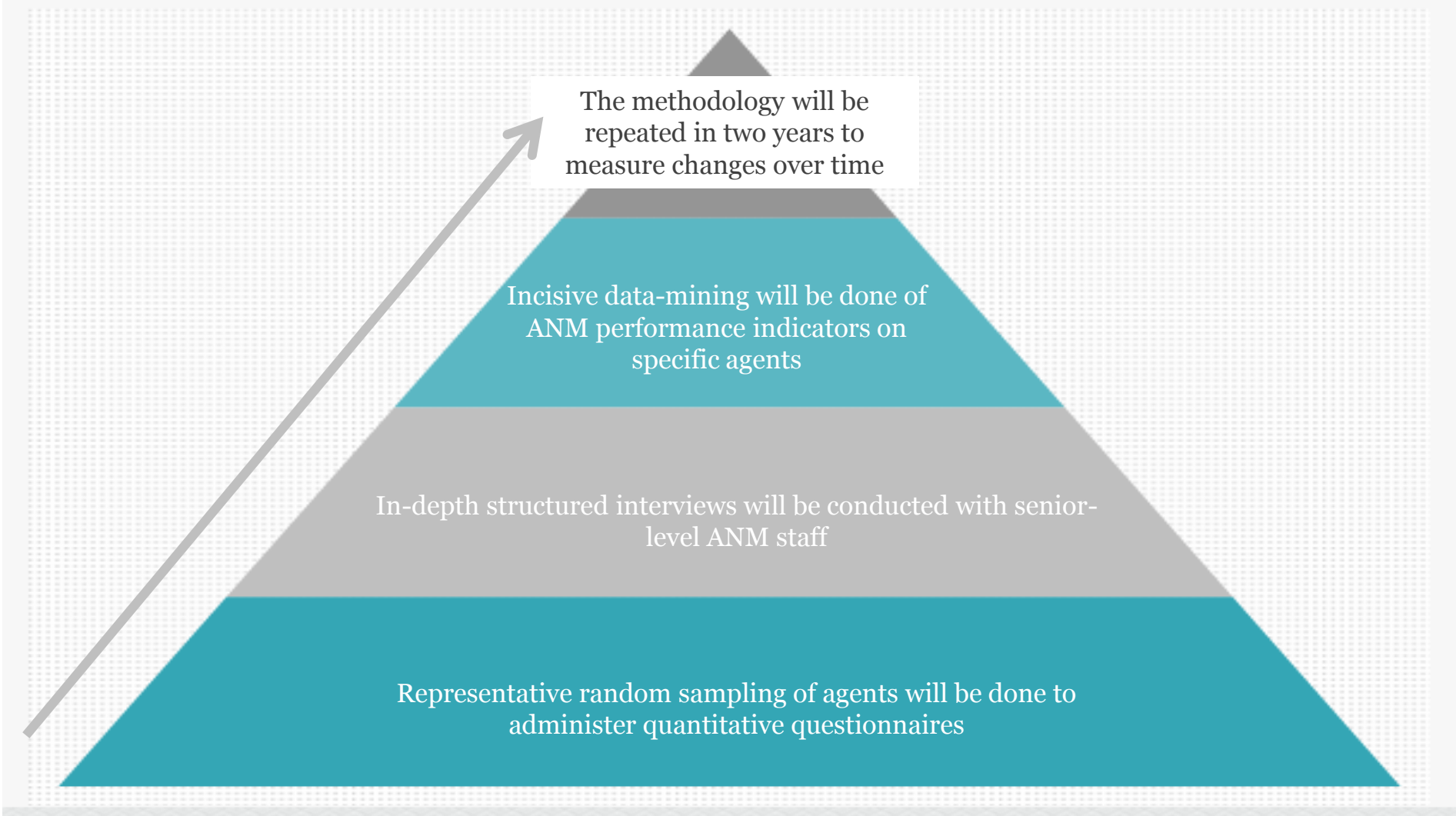
Generate a rich, cross-country comparable dataset across several agent networks, stimulating research into the deployment and country level indicators that predict the success of agent networks

Research Advisory Committee: A Research Advisory Committee (RAC) has been constituted to inform the development of the research methodology, common survey questionnaires, sampling methodologies, data collection practices to ensure cross-country comparability and database design/maintenance. The RAC comprises leading researchers and academics who are experts in quantitative and qualitative data collection and/or the design of agent networks.

The Research: Methodology

The methodology will be repeated in two years to measure changes over time

Incisive data-mining will be done of ANM performance indicators on specific agents

In-depth structured interviews will be conducted with senior-level ANM staff

Representative random sampling of agents will be done to administer quantitative questionnaires

The Research: Data Compilation & Analysis

Comprehensive curricula dedicated to disseminating practical knowledge about designing successful agent networks

HELIX INSTITUTE OF DIGITAL FINANCE

Series of country profiles & multi-country level trend reports anonymising &,synthesizing data

Confidential, detailed agent network assessments for participating ANMs

In-depth qualitative insight into decisions & strategies driving development of networks

Creation of a global dashboard of quantitative metrics for measuring agent network development

Regression analysis & statistical hypothesis testing of key factors in network development

The Helix Institute of Digital Finance

" To increase the ability of agent network managers to build and manage sustainable agent networks in poor and rural communities."

Hosted originally in Kenya /Tanzania (and possibly at a later stage India when credible agent networks are developed)

Participants will:

- Undergo training that combines classroom training with extensive field visits (in Kenya /Tanzania);
- Hear from experts at the cutting edge of leading agent networks – including M-PESA and Equity Bank
- Receive practical tools and templates to facilitate the management of agent networks;
- Develop detailed plans to strengthen and expand their agent networks; and
- Engage in peer-to-peer learning around how to build sustainable agent networks.

The best performing participants will be eligible for free technical assistance from *MicroSave* to help implement their plans developed at The *Helix* training.

Objectives

- ✓ Develop capacities of carefully chosen agent network managers from selected geographies;
- ✓ Develop plans for strengthening and expanding agent networks in those geographies;
- ✓ Provide limited on-site mentoring and support for the highest potential agent networks;
- ✓ Track and assess the rollout of the highest potential agent networks through an agent assessment system; and thus
- ✓ Provide invaluable detailed time series data on the development of agent networks in key countries as well as additional case study materials for the Institute itself.
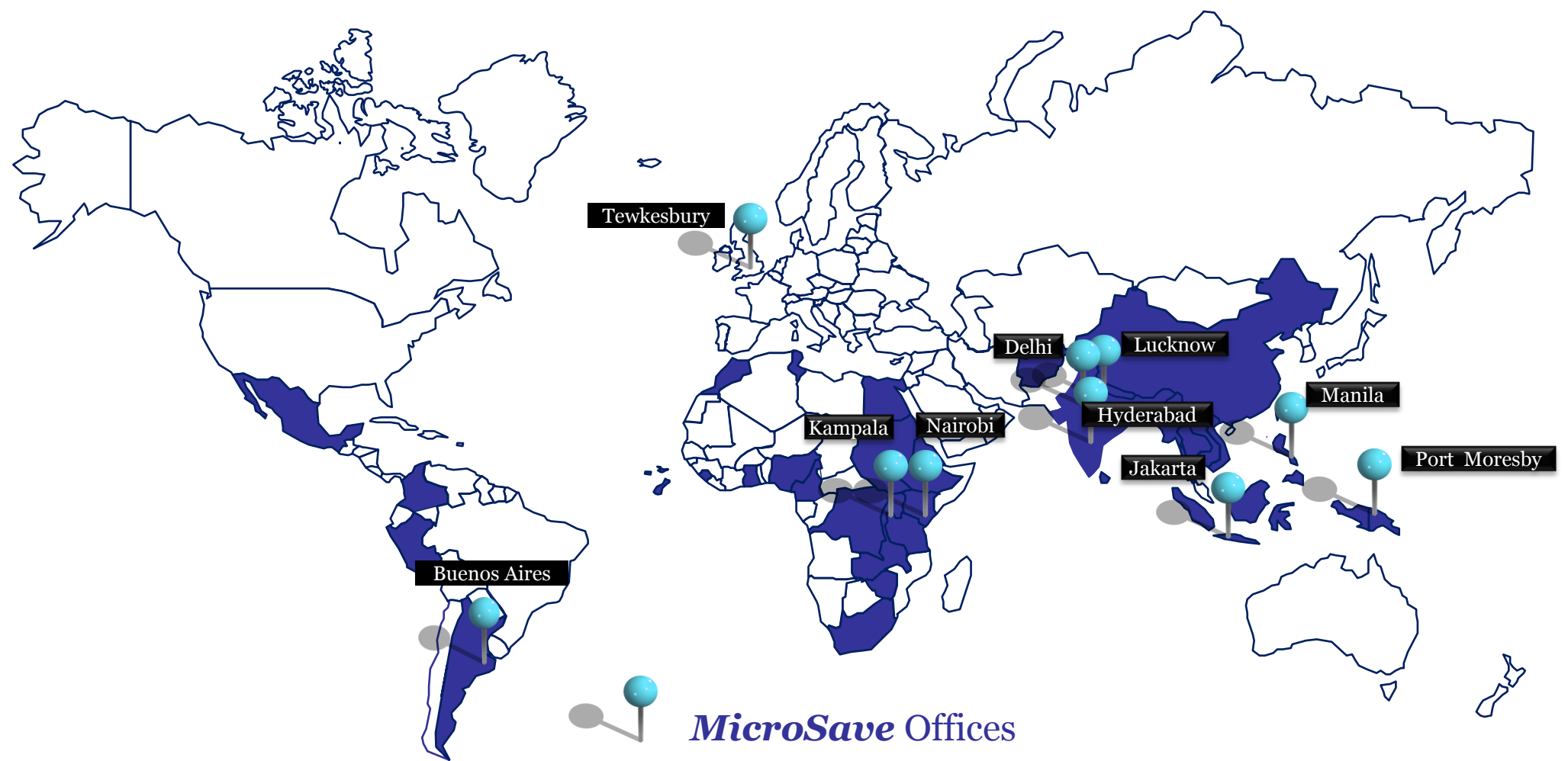
Market-led solutions for financial services

AGENT NETWORK ACCELERATOR Training Course
18th-22nd November, Nairobi Kenya

Courses in Development

- **Behavioural Insights for Product Delivery**
- **Digital Finance 101**
- **Risk and Fraud Management**
- **Driving Uptake & Usage: Marketing & Communications**
- **Data Analytics**
- **DFS for MFIs**

www.helix-institute.com

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