Financial Literacy Tools for Women Entrepreneurs & Migrants
Expanding Adoption of Mobile Banking Services

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Introduction to the Study

- A study conducted in Dharavi, Mumbai with
  - 100 business owners
  - 20 suppliers
  - 115 clients
  - 2 bank managers
  - 25 banking agents

- Understanding movement of cash transactions & scope for mobile banking among small-scale enterprises
Key Findings

• Cash transaction is culturally accepted despite access to banking services

• Two main reasons
  – Savings on taxes
  – Lack of awareness & trust in the financial products

• Need for “context-specific” financial literacy modules for two groups
  – Migrants
  – Women entrepreneurs
Migrant Laborers

- Remit money using informal money agents

- Have limited understanding about mobile banking (e.g. remittances, Tatkal Agents)

- Issues with **cash on hand** - deal with inter-personal theft & unnecessary spending

- See value in using Tatkal agents to remit money

- Can request employers to directly transfer salaries to their bank accounts
Women Entrepreneurs

• 25 women entrepreneurs

• All had savings accounts - access was within 1 KM of residence

• One in three women conducted bank transactions; accompanied by male members

• Used higher-risk and unregulated savings services

• Two in three faced household disputes due to inter-personal theft, often resulting in domestic violence
Saving Strategies
Evaluating Financial Literacy Trainings with Migrants

• 120 migrant workers; 3 visits within a month
• 34% aware of mobile banking
• 87% visited Banking Agents after training sessions
Weekly Expenditure & Savings Post Training

<table>
<thead>
<tr>
<th>Weekly Activity</th>
<th>1st Week</th>
<th>2nd Week</th>
<th>3rd Week</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>337</td>
<td>293</td>
<td>305</td>
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<tr>
<td>Necessary Expenses</td>
<td>153</td>
<td>156</td>
<td>180</td>
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<tr>
<td>Temptation Expenses</td>
<td>134</td>
<td>103</td>
<td>99</td>
</tr>
<tr>
<td>Savings</td>
<td>50</td>
<td>34</td>
<td>26</td>
</tr>
</tbody>
</table>
Designing the Financial Literacy Trainings for Women
Context-based Financial Literacy Trainings

- Generic information did not spur savings in banks

- Generic modules do not teach:
  - Cash-only vs. cashless
  - Long-term savings capabilities
  - Improved decision-making process

- Generic modules do not address underlying behavioral biases impacting financial decisions
Interactive Story-Telling Approach Using Comic Books

• Easy-to-understand visual & numerical illustrations

• Local context, local language, and relatable physical locations

• Two relatable characters
  – Radha: Financial adversities respondents face
  – Saraswati: Approachable solutions that reduce savings inertia over a long-term
Real Life Stories

My children may understand, but my husband and I always fight about money. My husband uses my savings on gambling and for buying alcohol & cigarettes.

I hide money in clothes, in food cans or talcum powder cans. This is very stressful. If he finds the money he takes it. Once the rat ate all the money I hid in a rice can.

One day Rudha was on her way to save with the neighbourhood chit fund.

Oh no! There has been a theft in our chit fund leader’s house. NR 20,000 saved this month has been lost.

We will try to catch the thief, but we cannot guarantee your money will be recovered.
Education Modules

- Story 1: Importance of saving
- Story 2: Prepare the budget
- Story 3: Issues with cash on hand
- Story 4: Risk of saving with informal institutions
- Story 5: Engagement in Self Help Groups
- Story 6: Power of compound interest
- Story 7: Opening of bank accounts
- Story 8: Banking services
Next Steps

• Evaluate financial literacy modules with women: Four visits within 4 months time

• Share comic books with practitioners – non-profits, financial service providers. Migrant comic books acknowledged by service providers such as EKO

• Make training videos available on YouTube

• Publish comic books in different languages
Financial Literacy! Teach It!