



FinScope Survey 2006

Demand for Financial Services and Barriers to Access

3 April 2007

Launch of FinScope findings





Presentation Programme

1. Welcome speech, Canadian High Commissioner
2. Key-note speech, Hon. Minister of Finance
3. Introduction to FinScope
4. Top-line Findings
5. Dissemination Strategy
6. Questions and Answers
7. Press Conference

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Introduction to FinScope

Ian Robinson
Technical Director
FSDT

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Why FinScope?

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Why FinScope?

- First national consumer perception survey:
 - Individuals' views of total money management
 - Formal and informal services
 - Attitudes and behaviours
- Credible, robust, scientific approach
- Comprehensive market landscape – rich to poor
- Proven multi-nation study within Africa



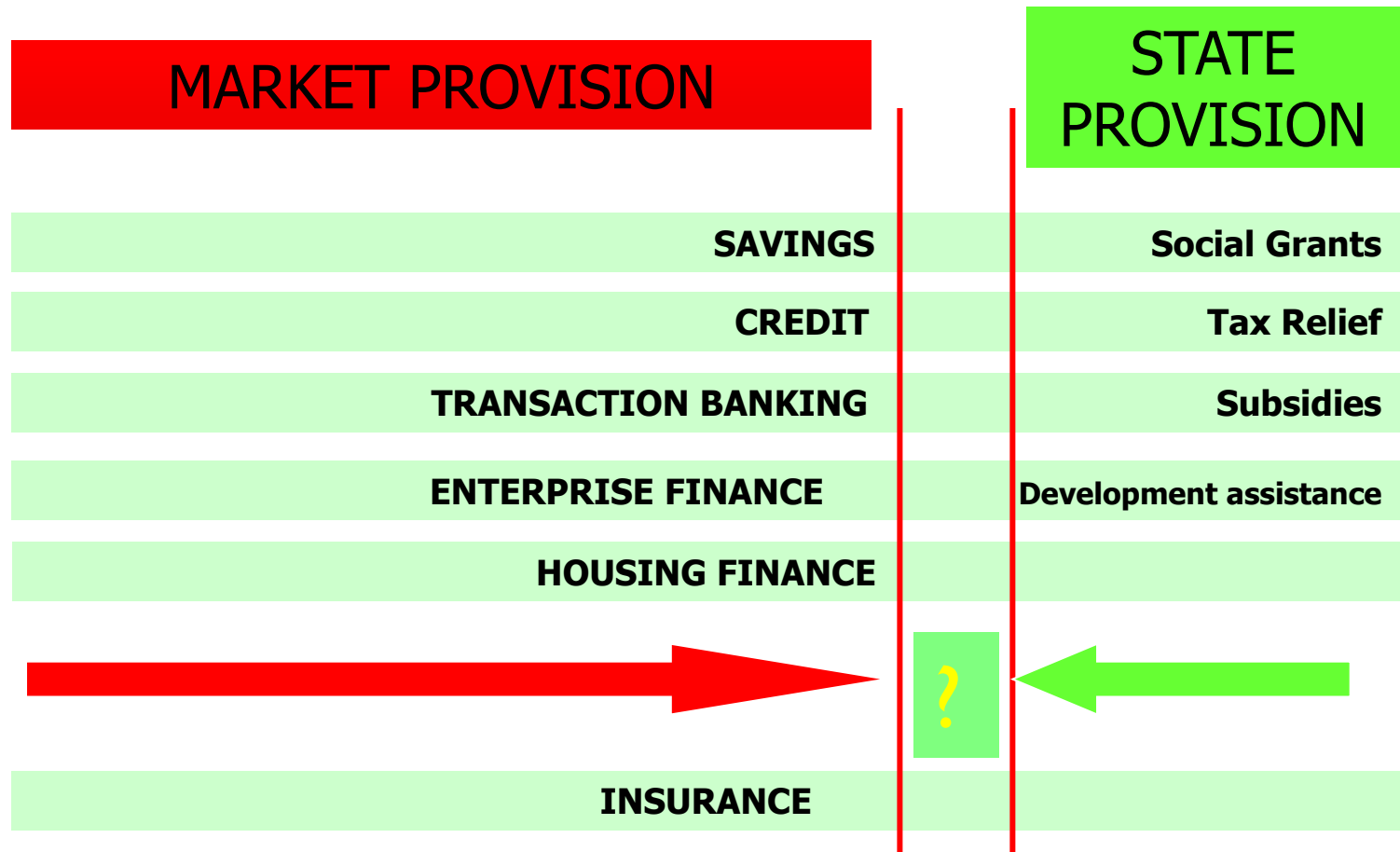
Why FinScope?

- Support for Government development initiatives
- Insights for commercial service providers (including MFPs), NGOs and development agencies to innovate services and products
- Allows planning and interventions focused on specific market strata and segments



Why FinScope ...?

Stratified market intervention



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Market drivers

- Demand
- Access
- Affordability
- Financial literacy
- Technology

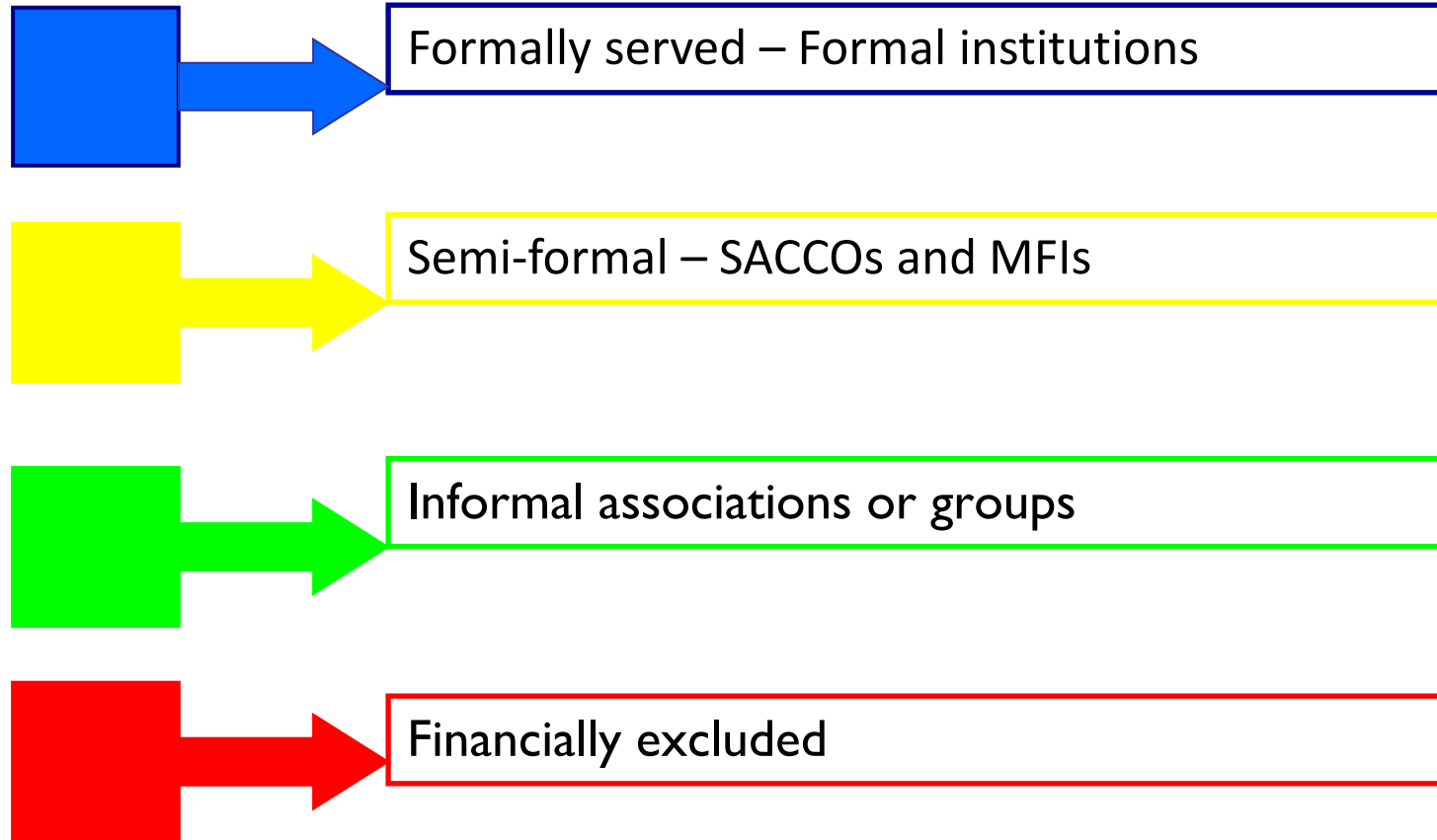


Population profile

- Total adult population 16 years & older = 21 million people
- 57% of adult population under 34 years of age
- The urban/rural split of this population group is 28% and 72%
- There are more women than men in both urban and rural areas



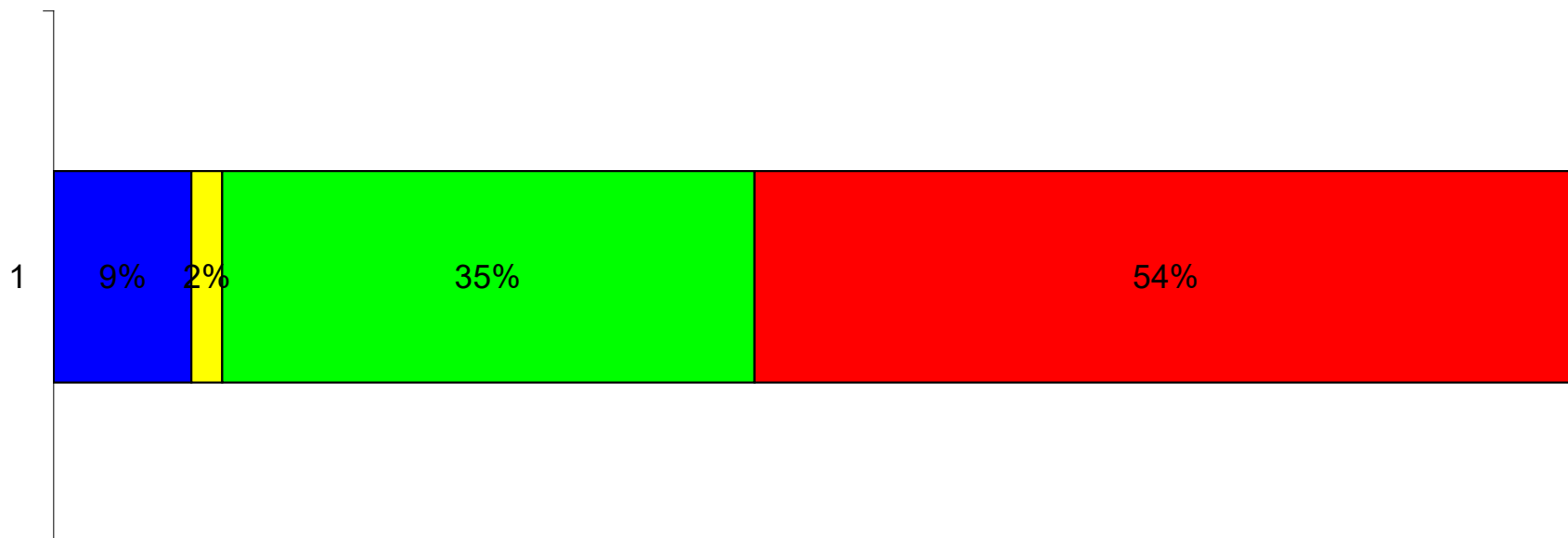
Service provider market composition





Access to financial services by categories

■ Formal - 9% ■ Semi-Formal - 2% ■ Informal - 35% ■ Excluded - 54%



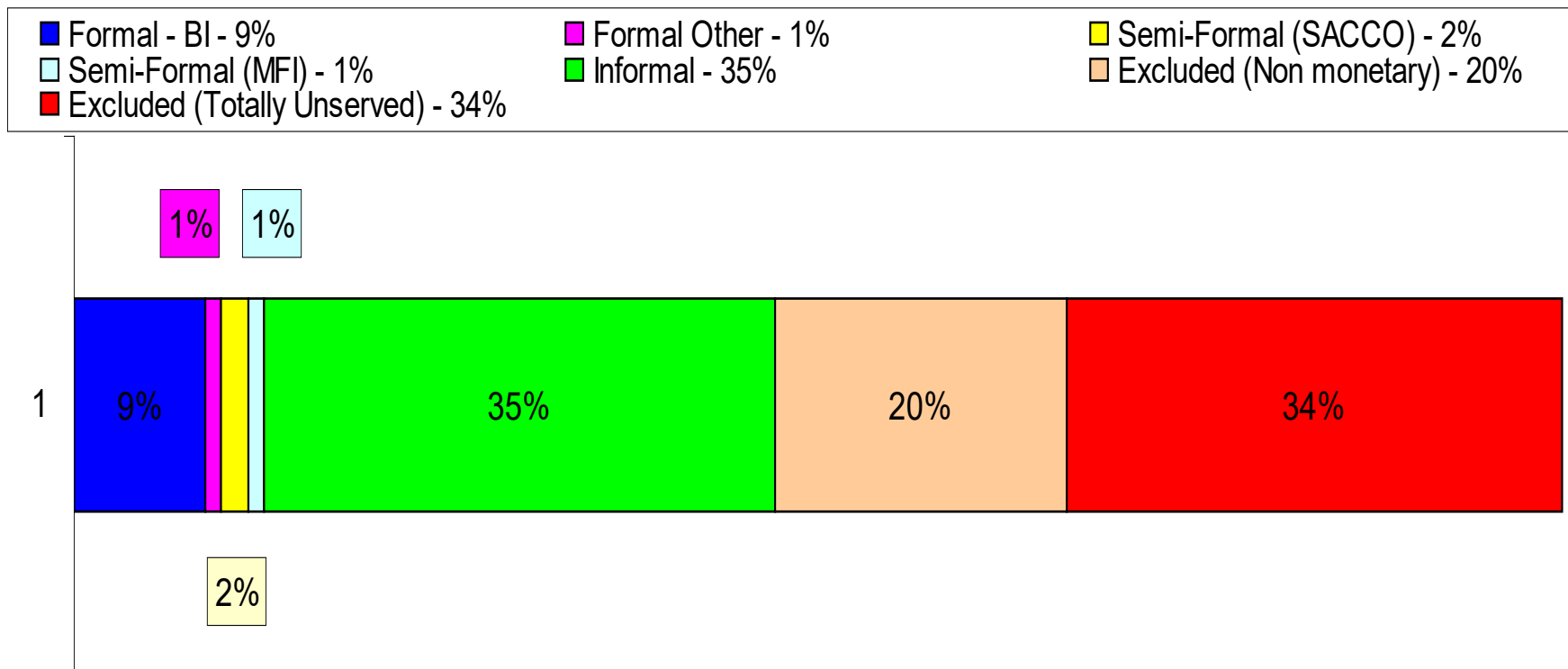
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Access to financial services by segmented categories



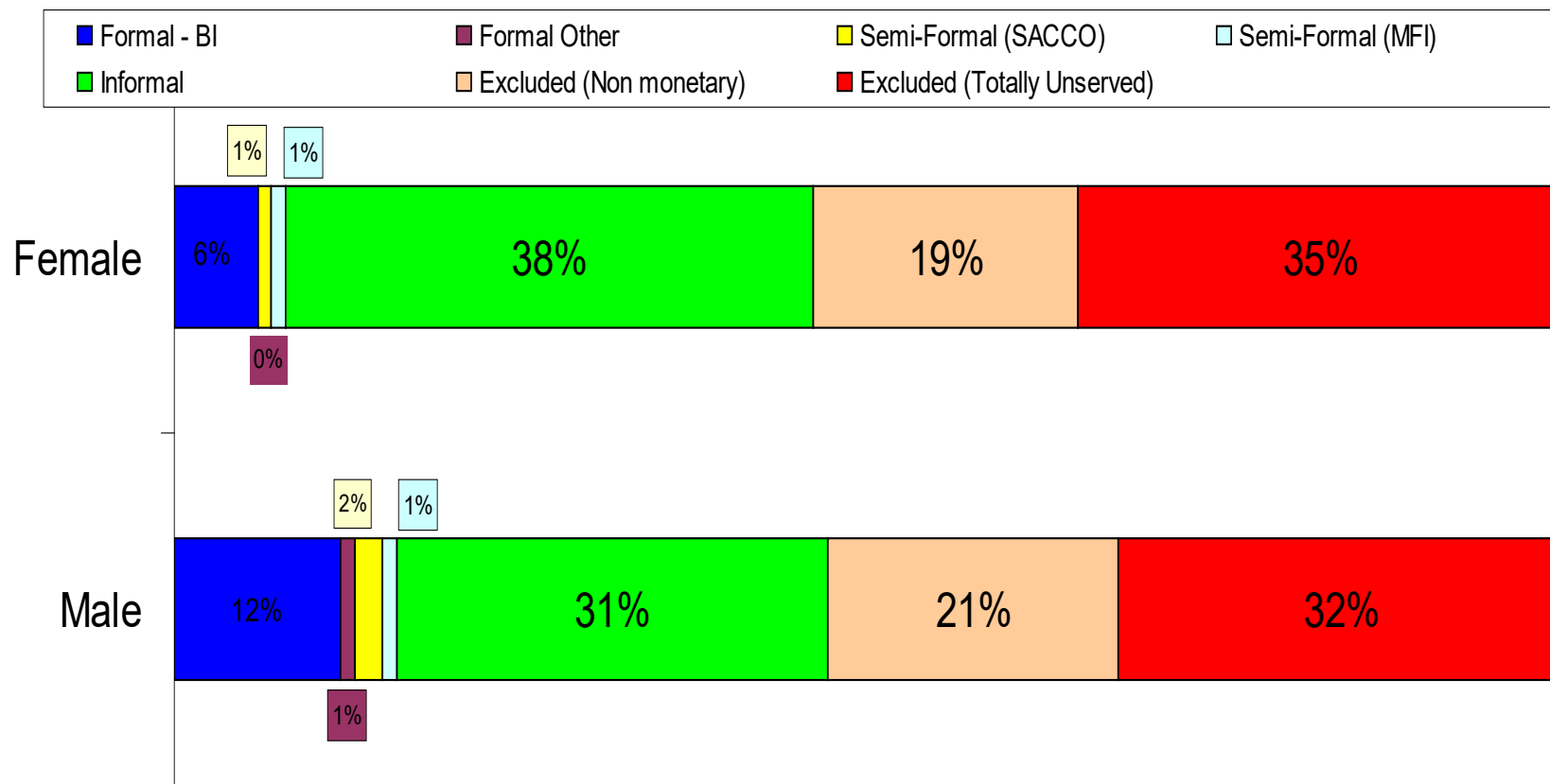
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Access to financial services by categories - Gender



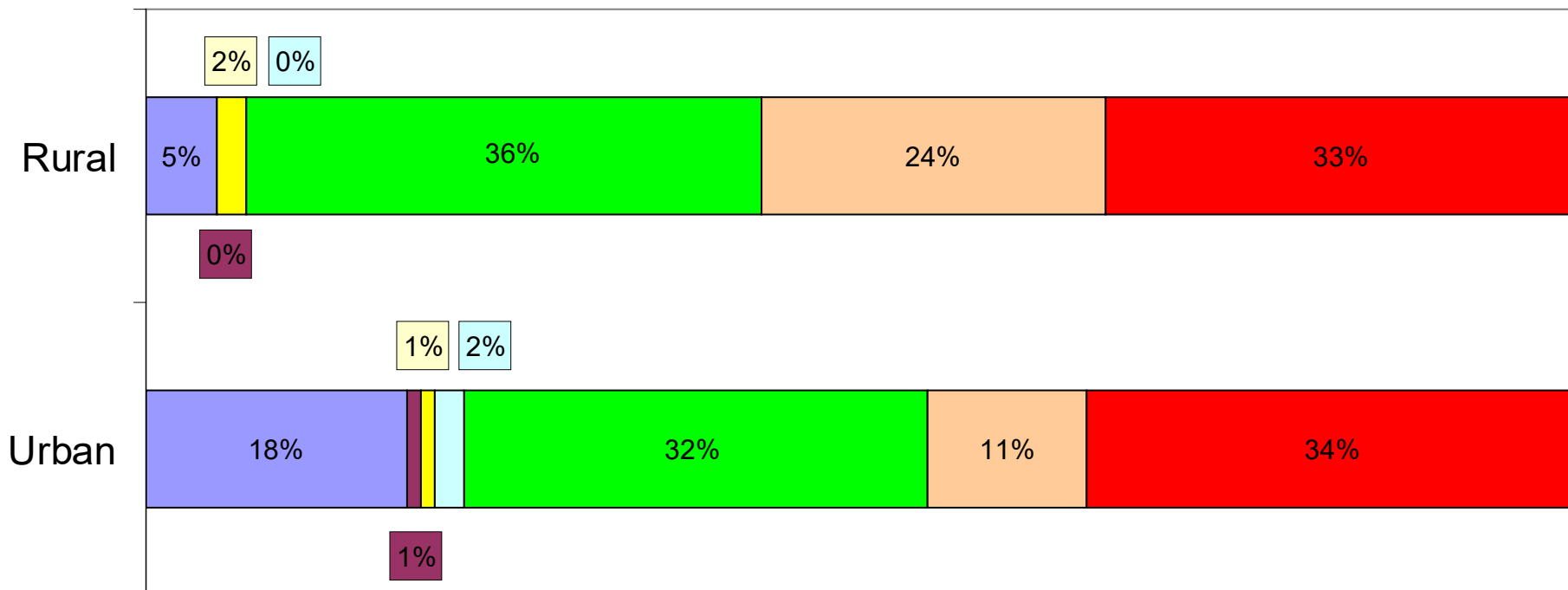
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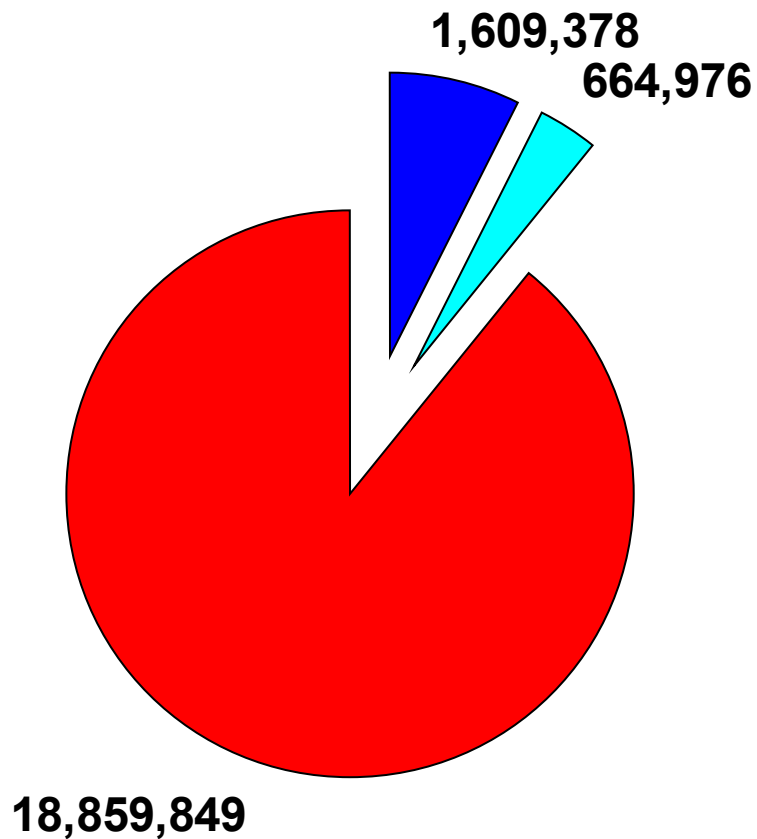
Access to financial services by categories – Urban/Rural





Banking profile

■ Currently Banked ■ Previously Banked ■ Never Banked



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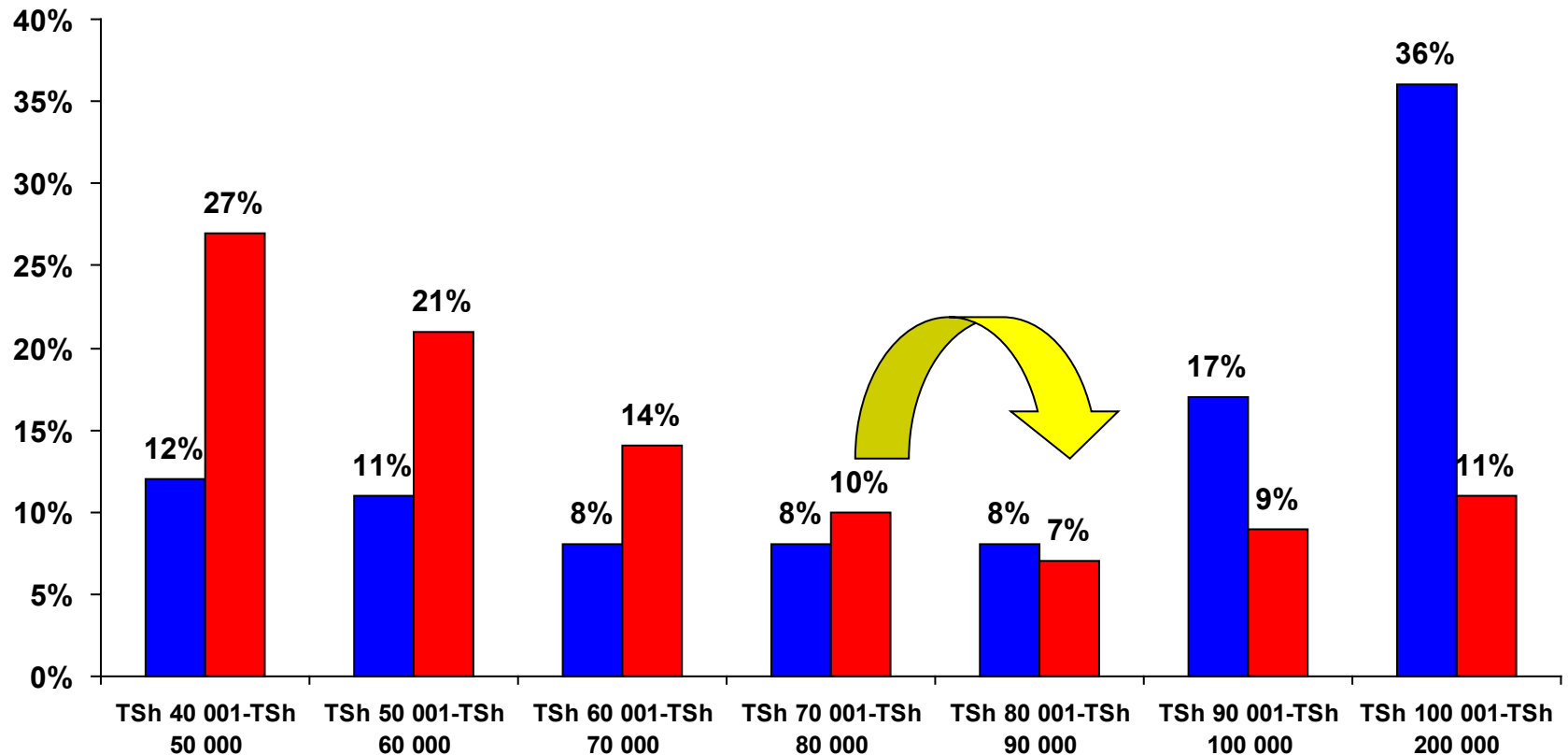
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Income by banking status “Transition Zone”

Banked Unbanked

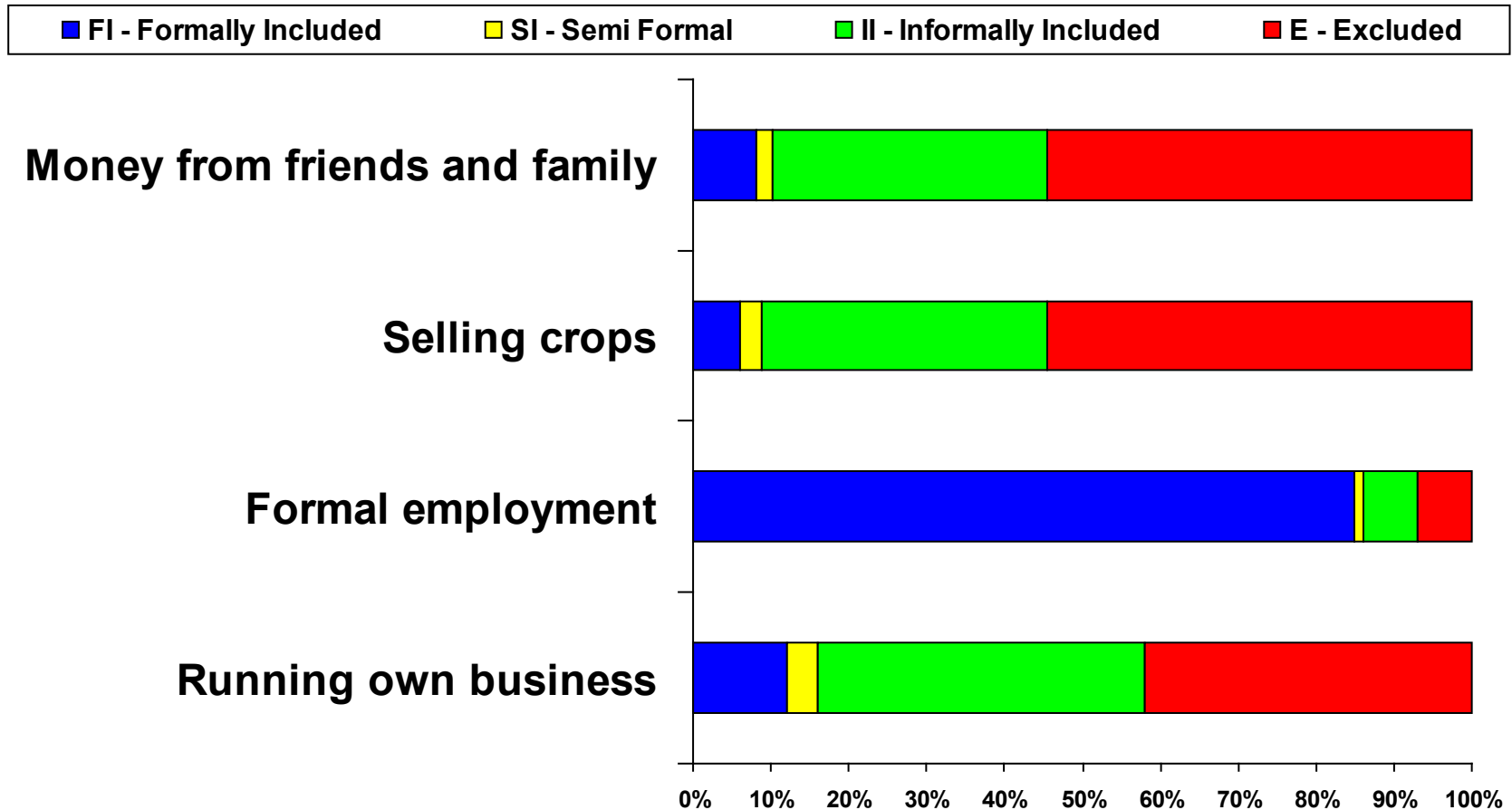


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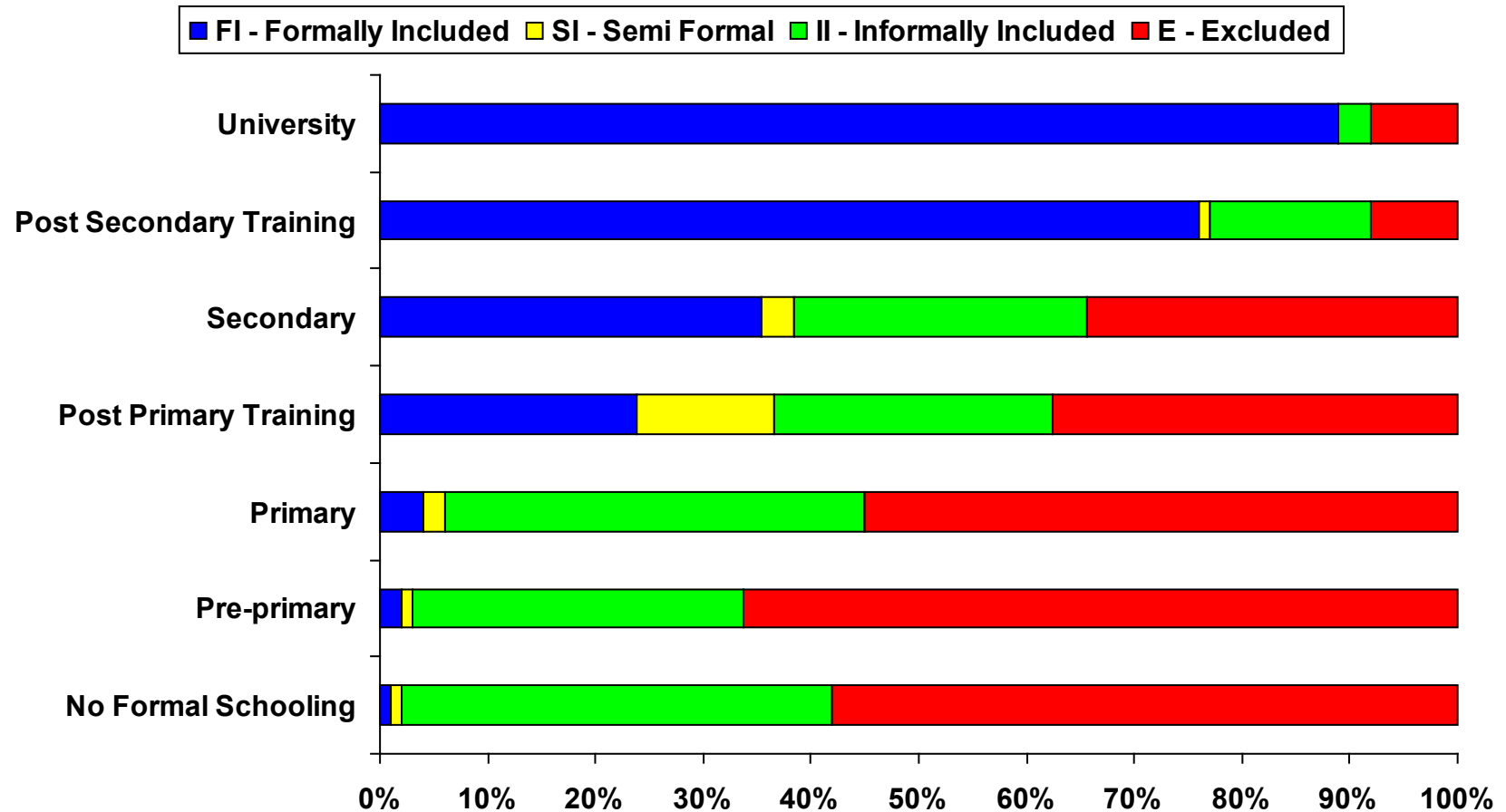


Income sources by market segment





Education profile



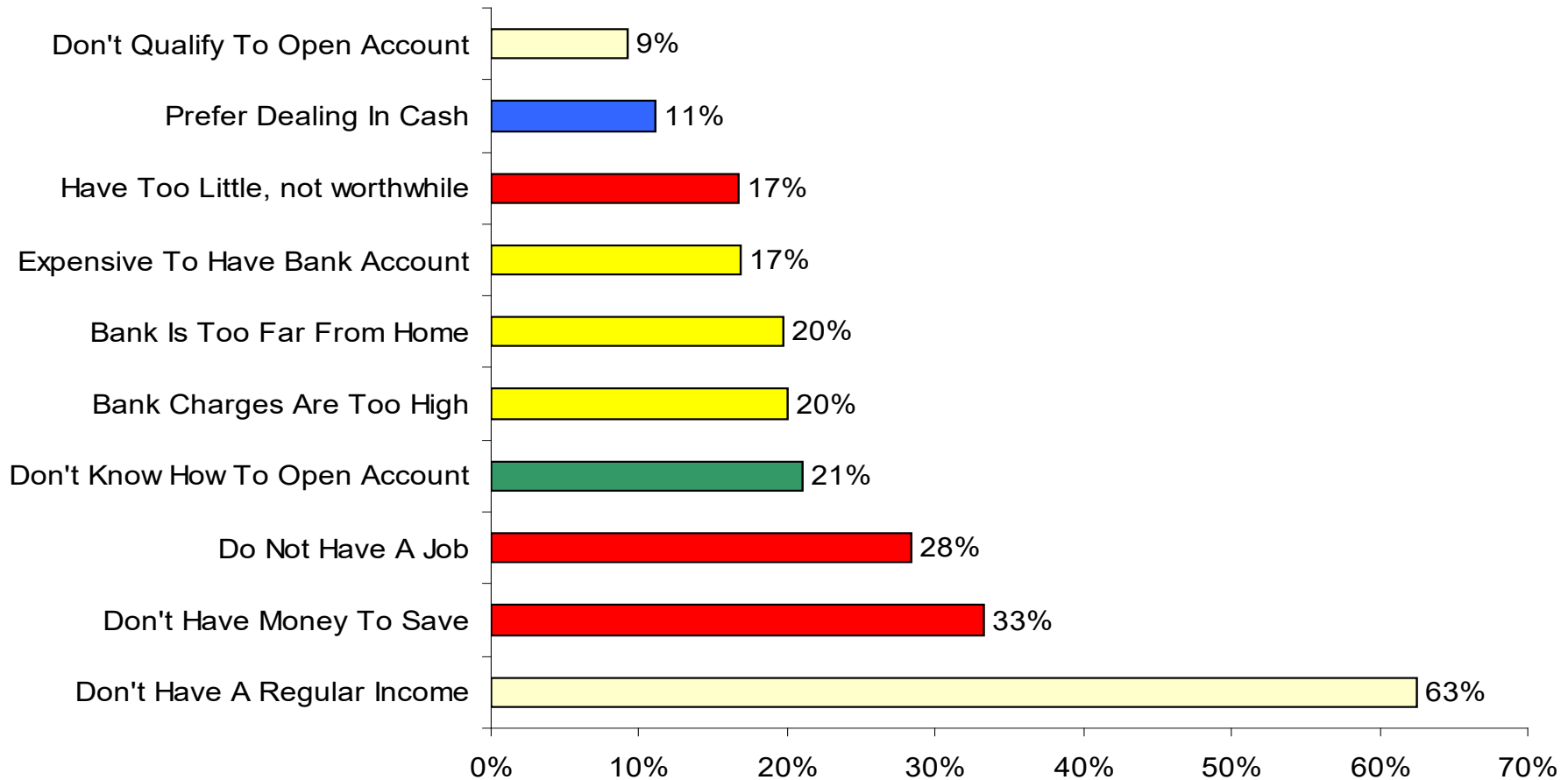
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Reasons for not using a bank account



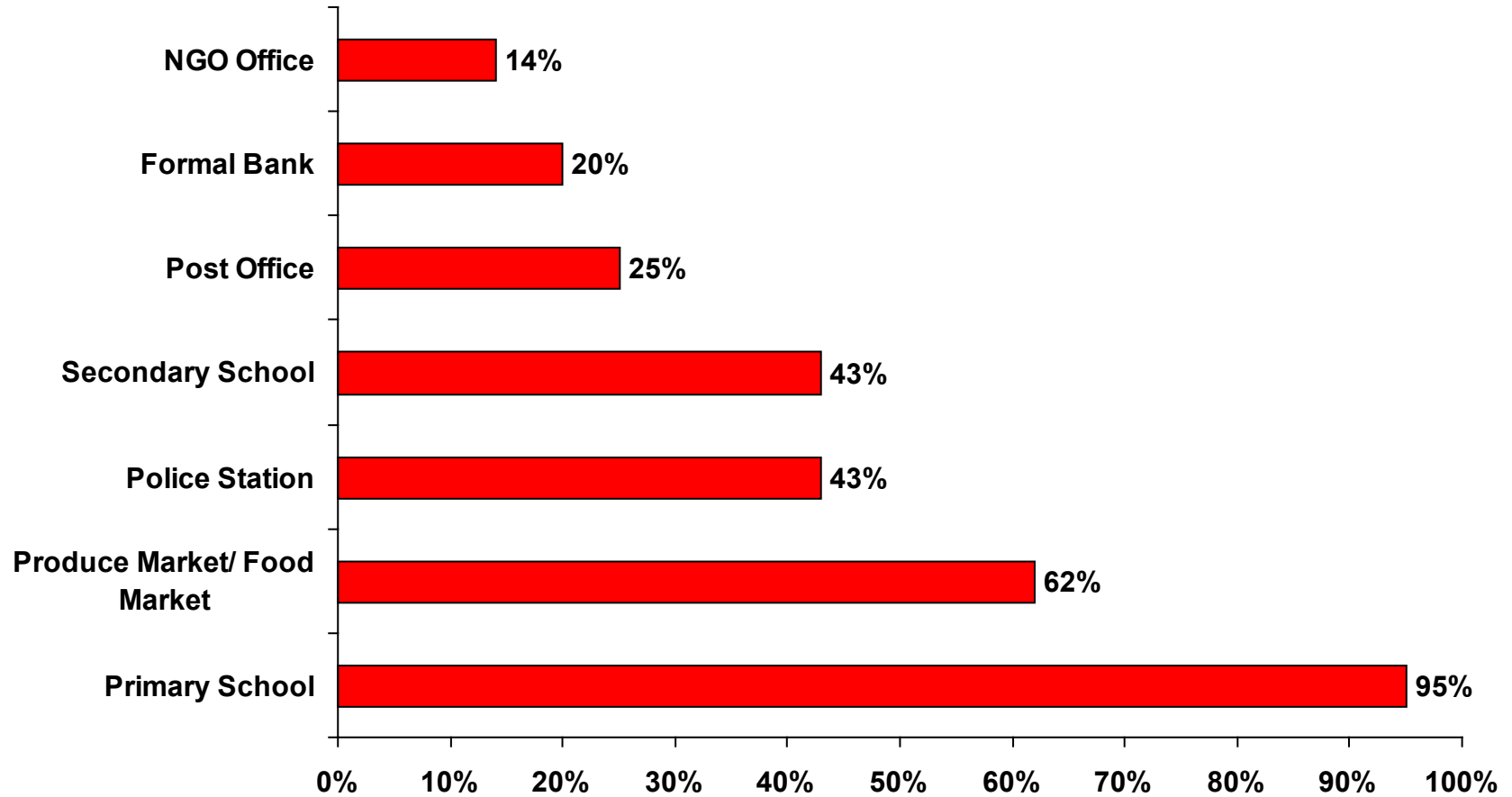
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Access to amenities



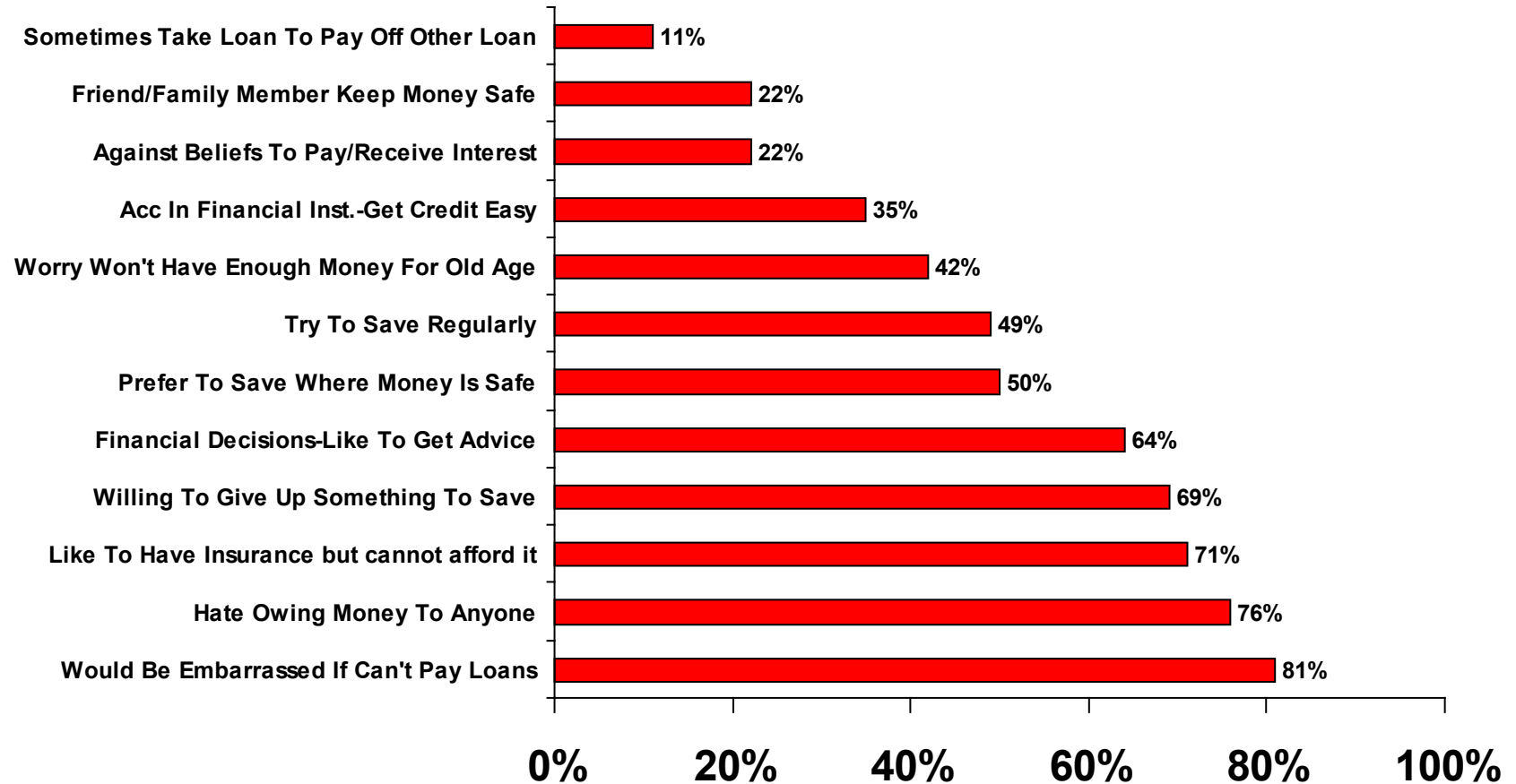
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Appetite and attitudes



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Summary – challenges and opportunities

- Capitalise on the window of opportunity
- The access strand sets out the scale of the challenges we all face
- Stratify the market interventions and support
- Employment and/ or income generation skills – especially for younger people
- Education - and financial literacy
- Female focus – gender disparity
- Service innovation and extending outreach and better tailored products



Key findings

John Muthee
The Steadman Group Tanzania

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Sequence of the presentation

- Survey methodology
- Survey validation
- People of Tanzania
- Access to financial services
- Barriers
- Credit and Loans
- Savings
- Non-monetary services
- Remittances
- Cell-phone and technology

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Survey methodology

Methodology	<ul style="list-style-type: none">• Qualitative research• Quantitative research
Sampling	<ul style="list-style-type: none">• National Master Sample Plan – national estimates• Listing & selection of respondents done by NBS• 16+
Sample achieved	<ul style="list-style-type: none">• 4,962• Results weighted to projected population
Reporting domain	<ul style="list-style-type: none">• Urban/rural and gender
Confidence level	<ul style="list-style-type: none">• 95%
Field dates	<ul style="list-style-type: none">• August – September 2007





Demographics

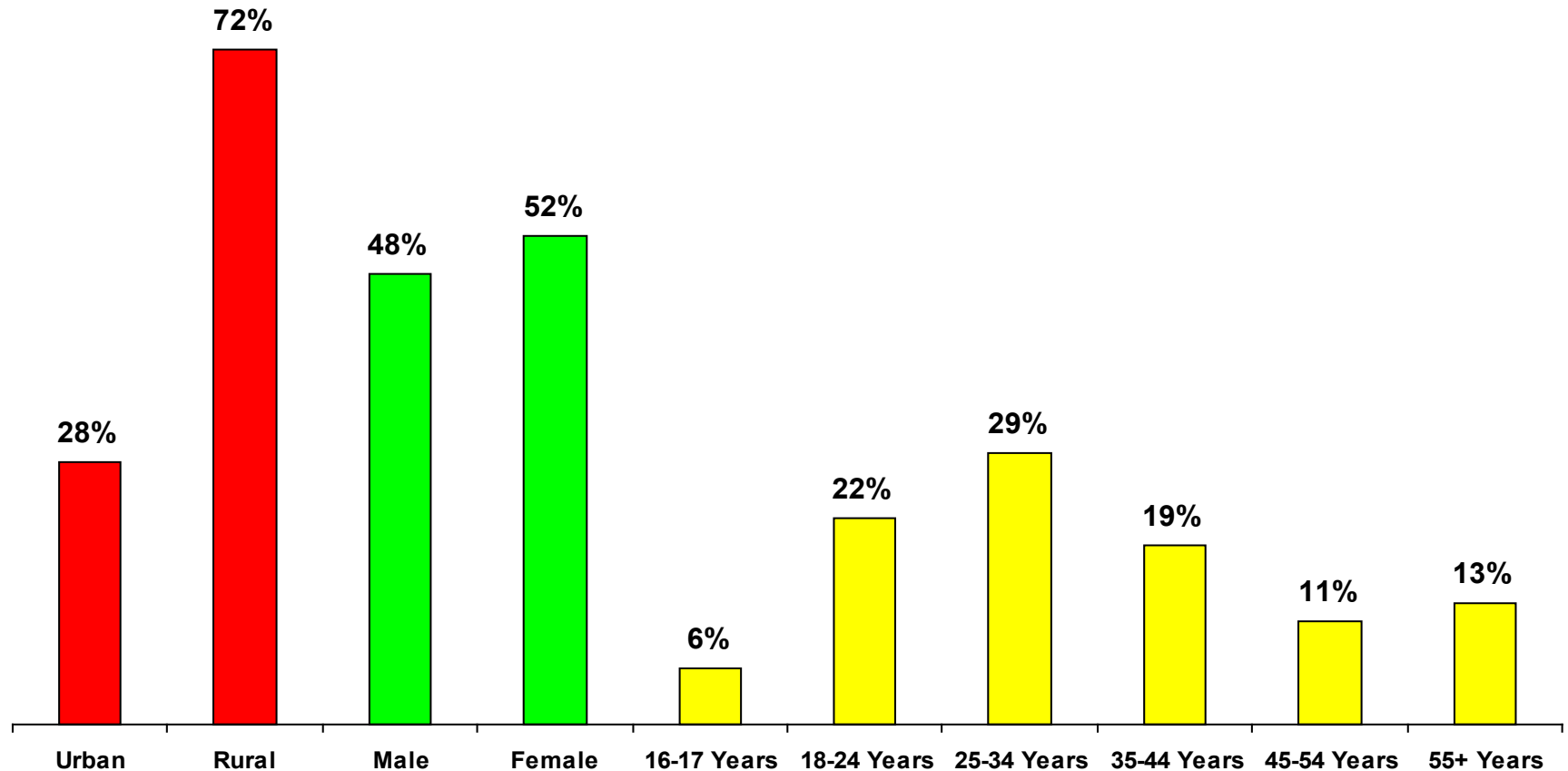
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Demographics



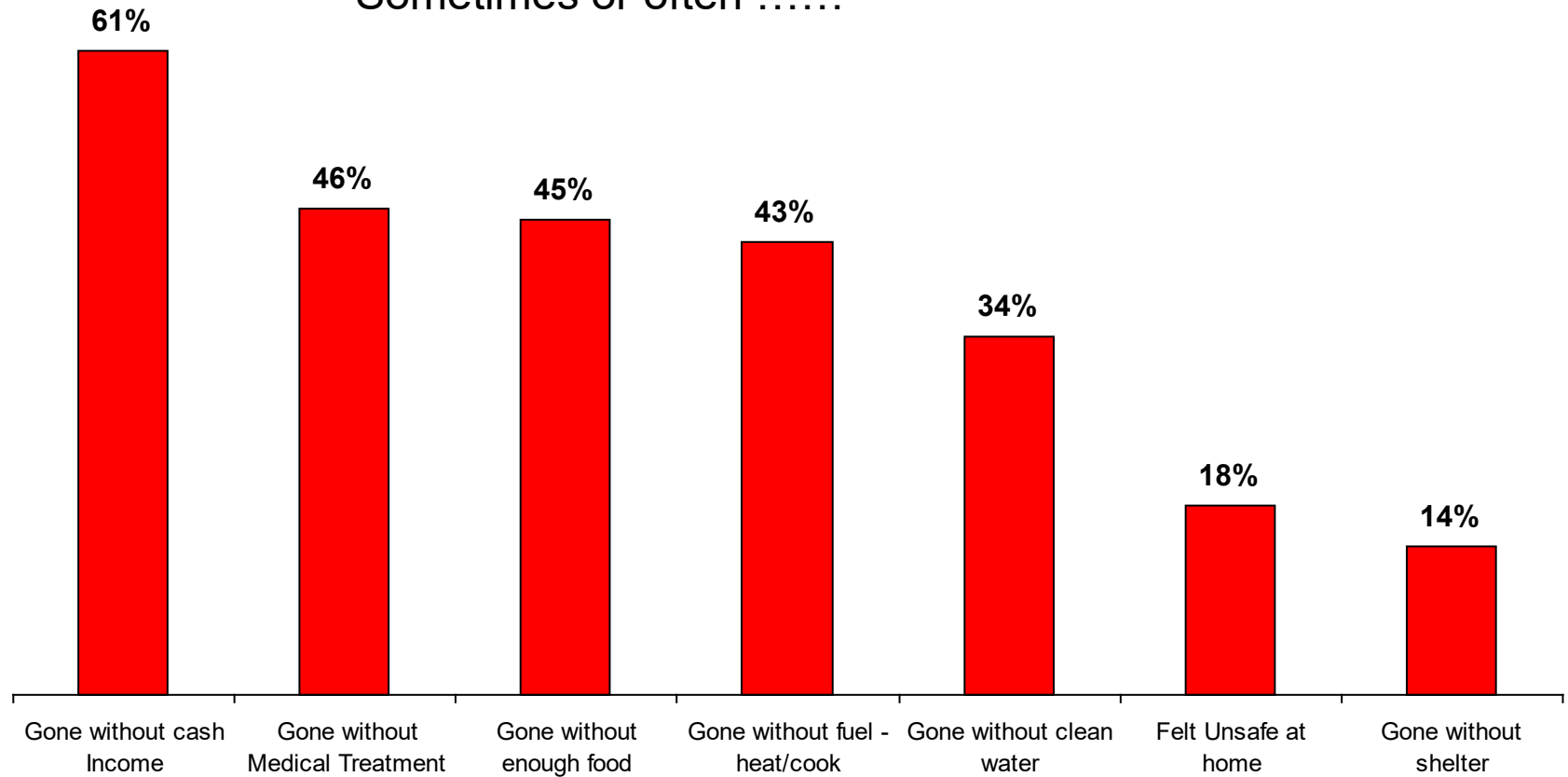
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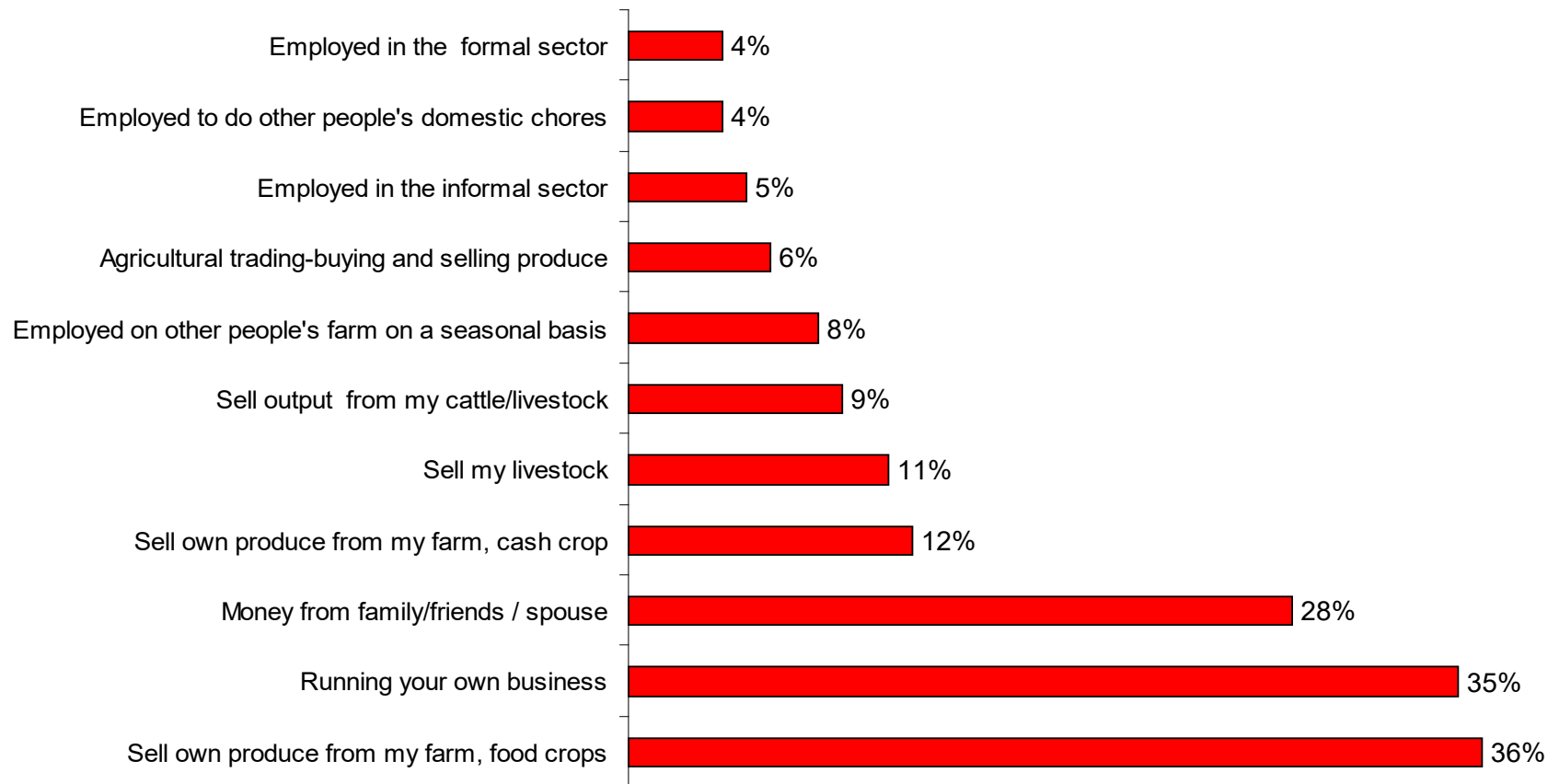
Quality of life

Sometimes or often





Source of Income



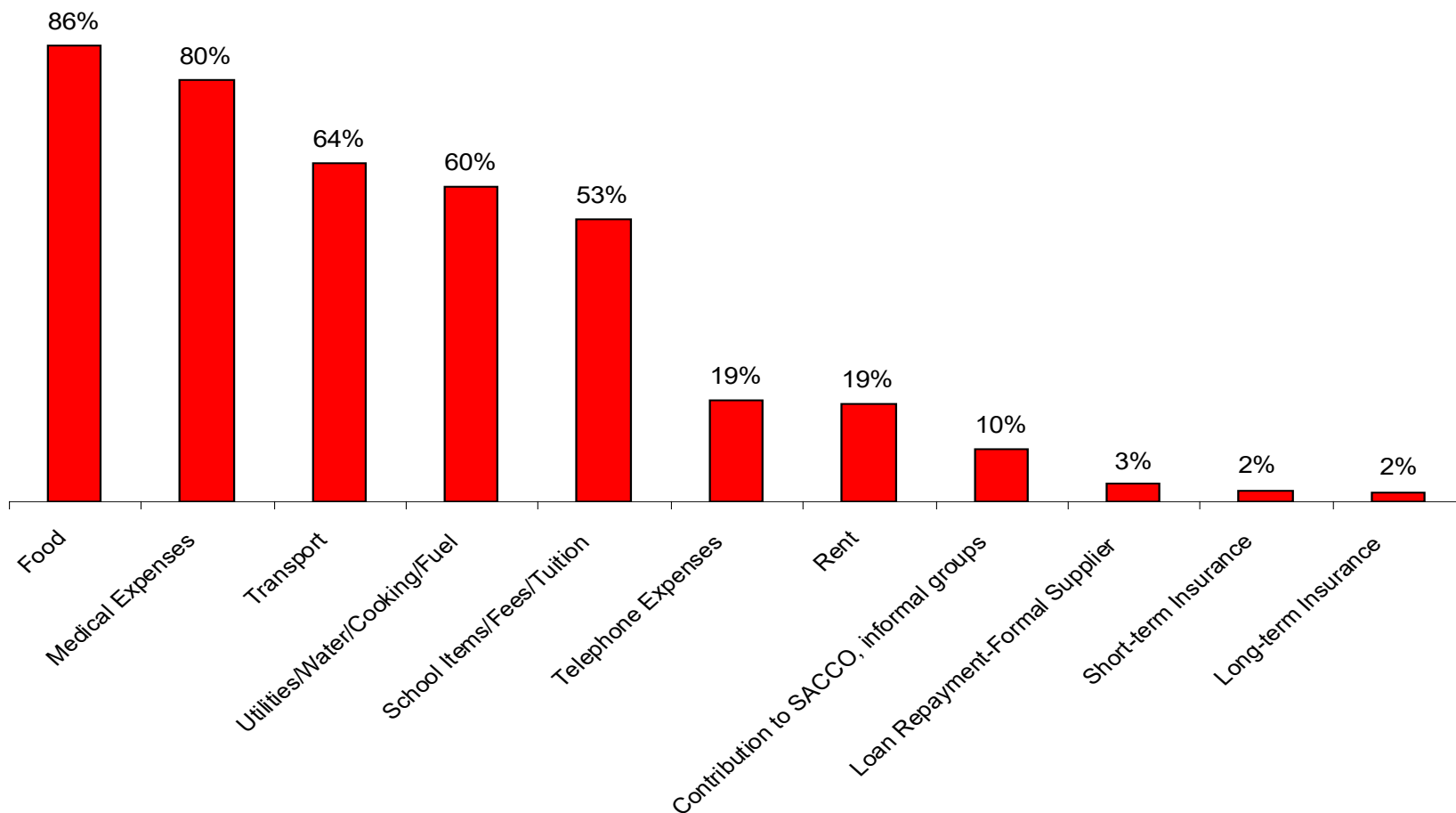
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Expenditure



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Access to financial services

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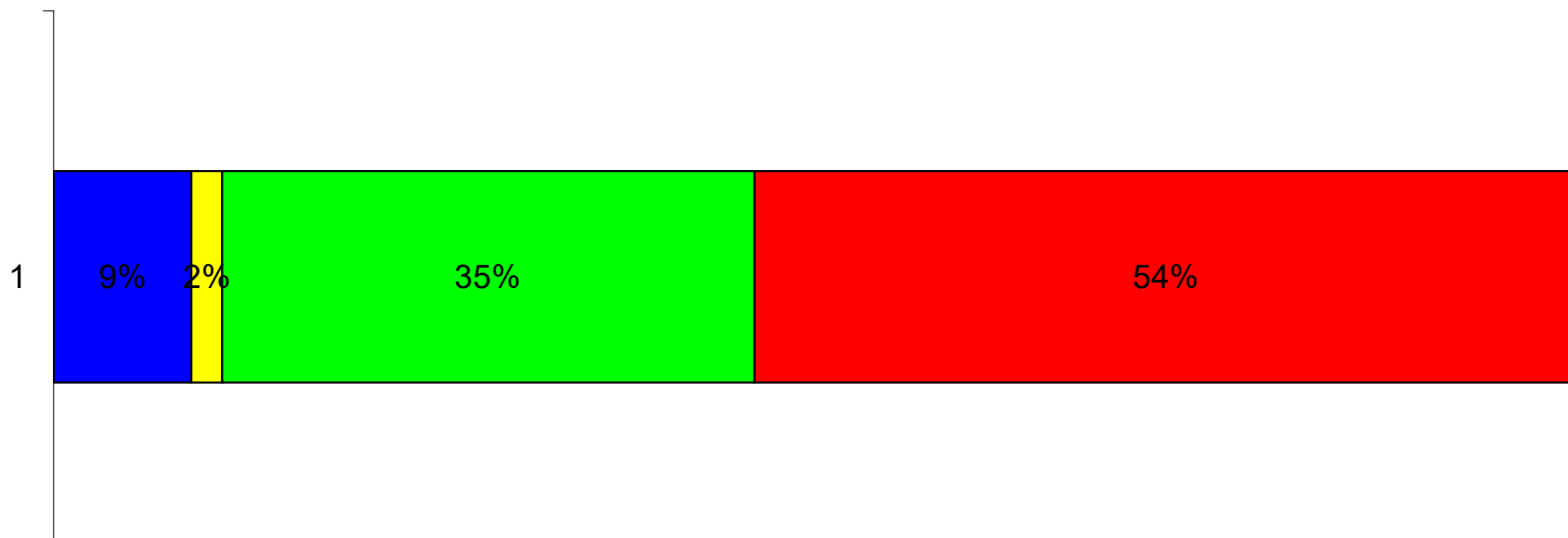
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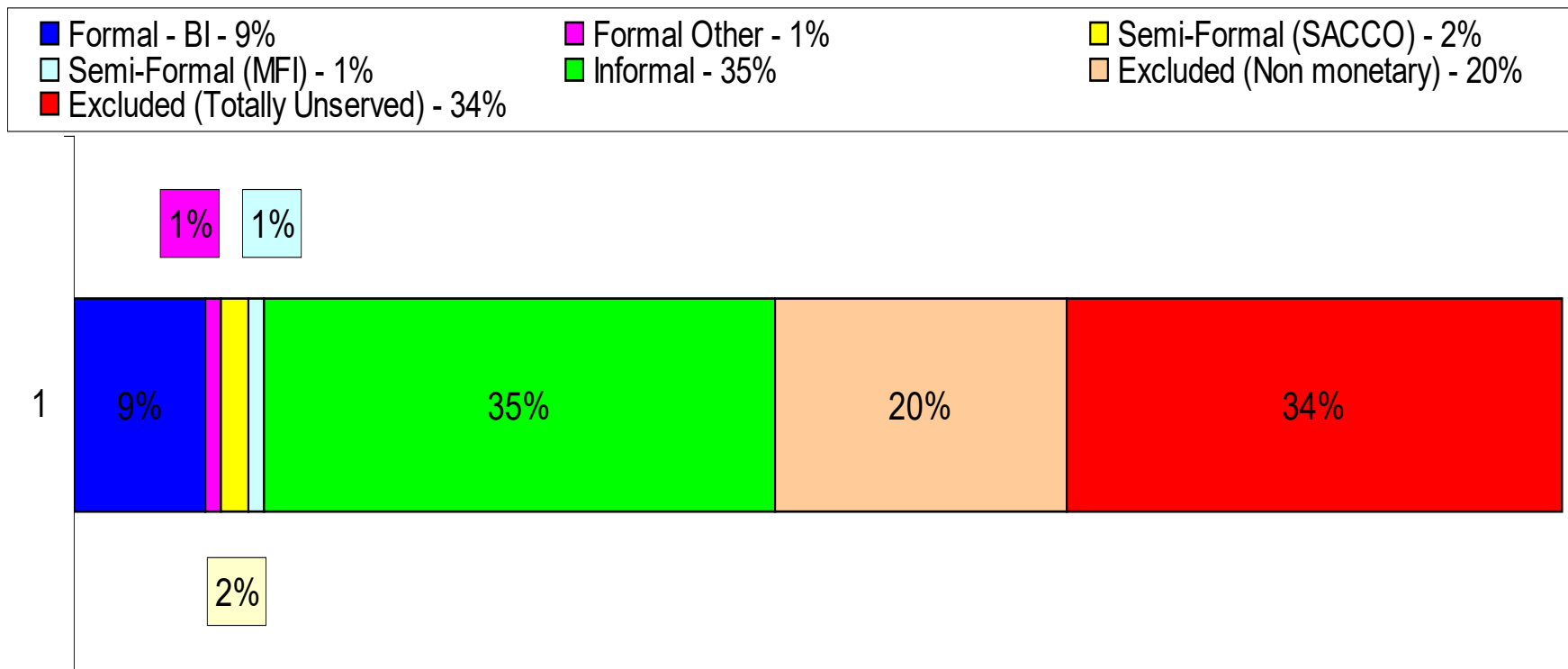
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Access to financial services by segmented categories



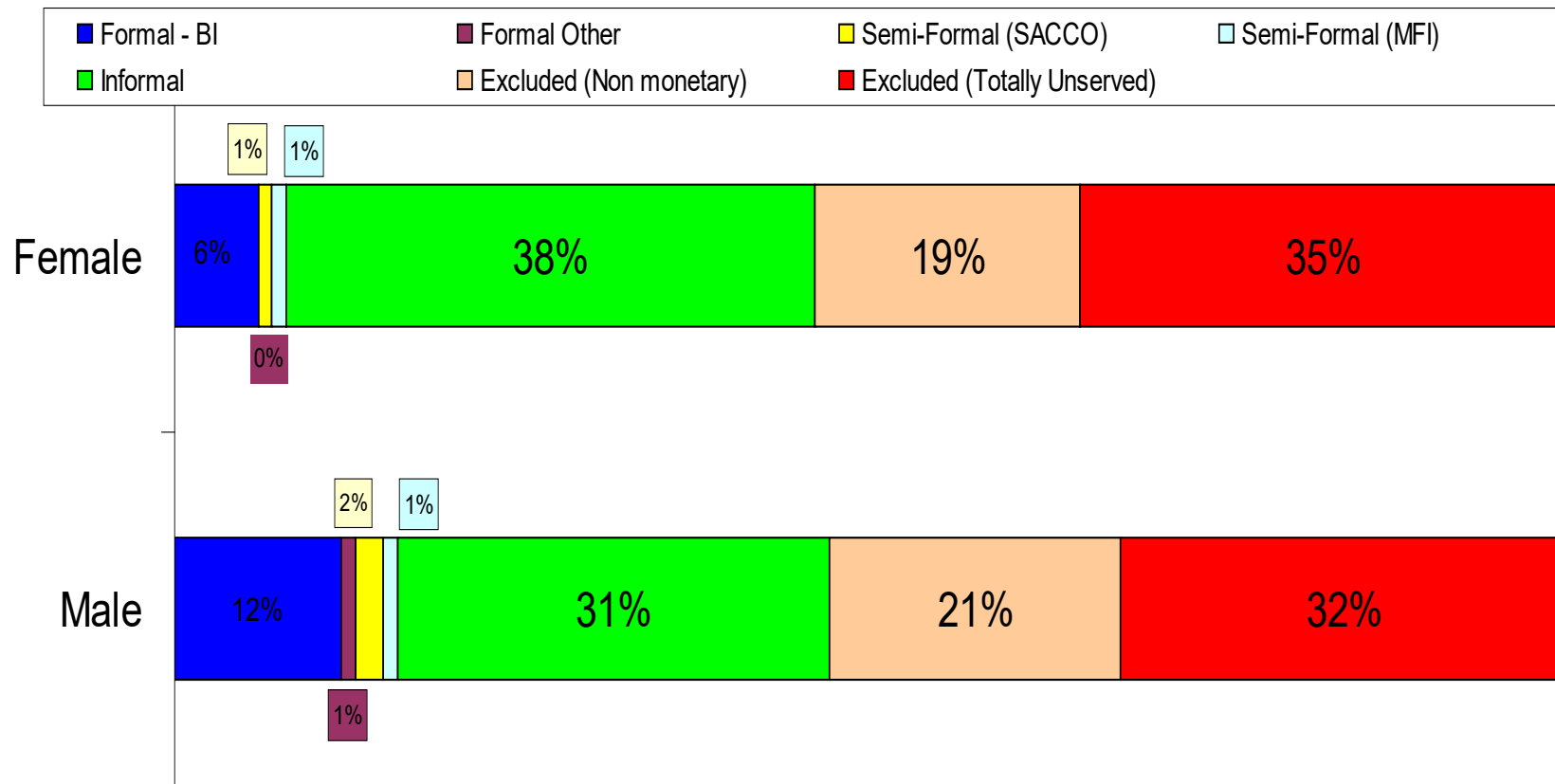
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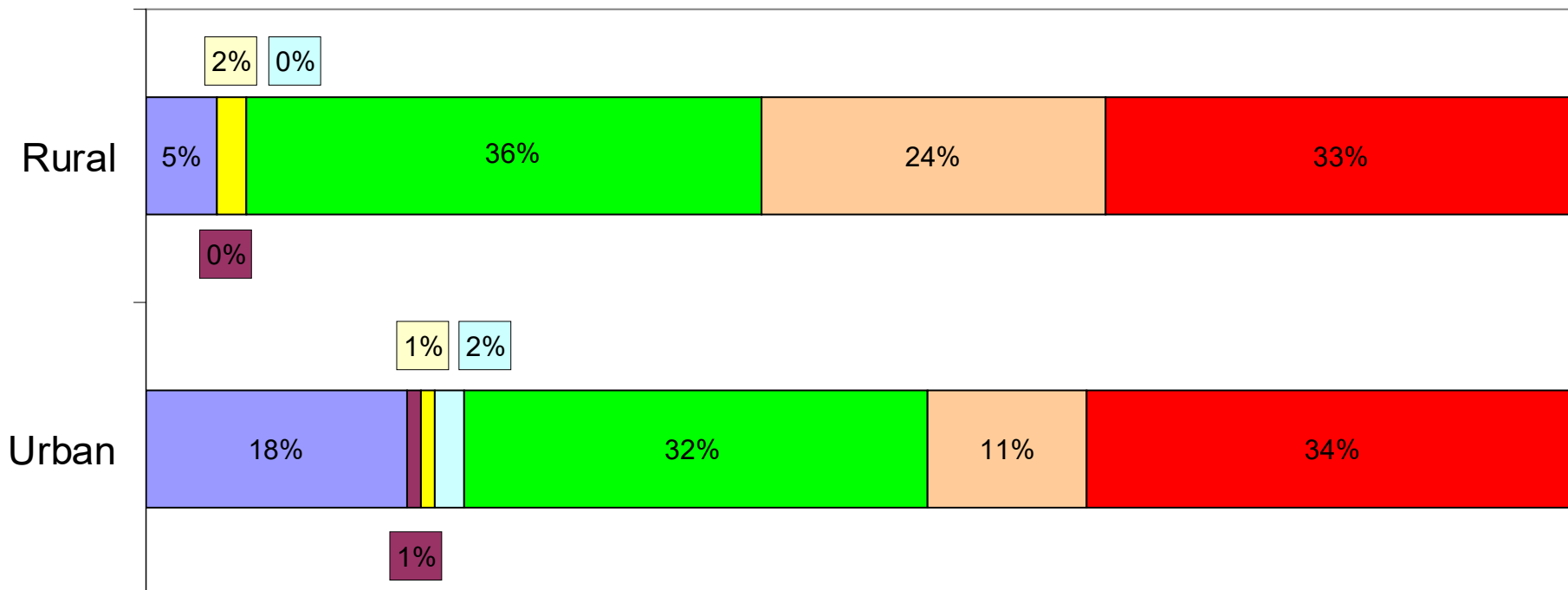
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Access to financial services by categories – Urban/Rural





People and financial service providers

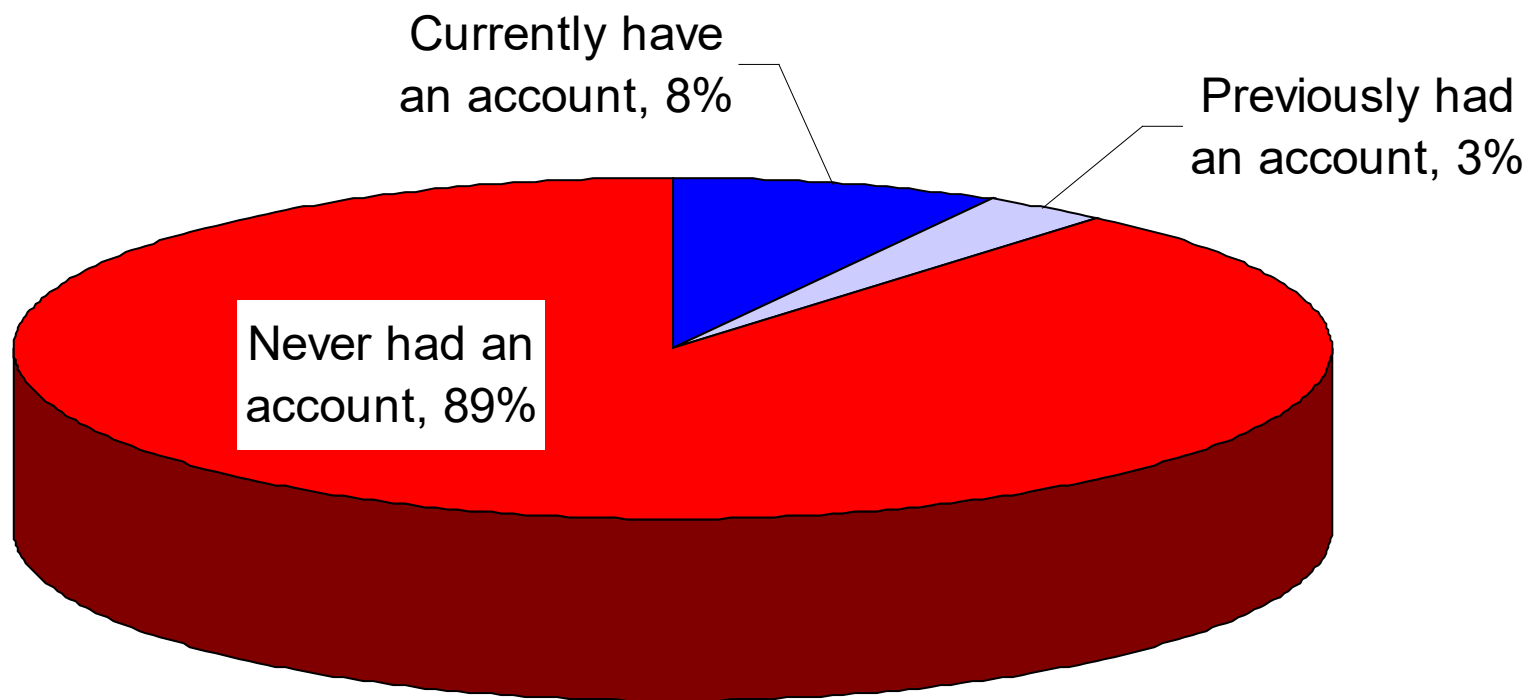
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Formal bank use

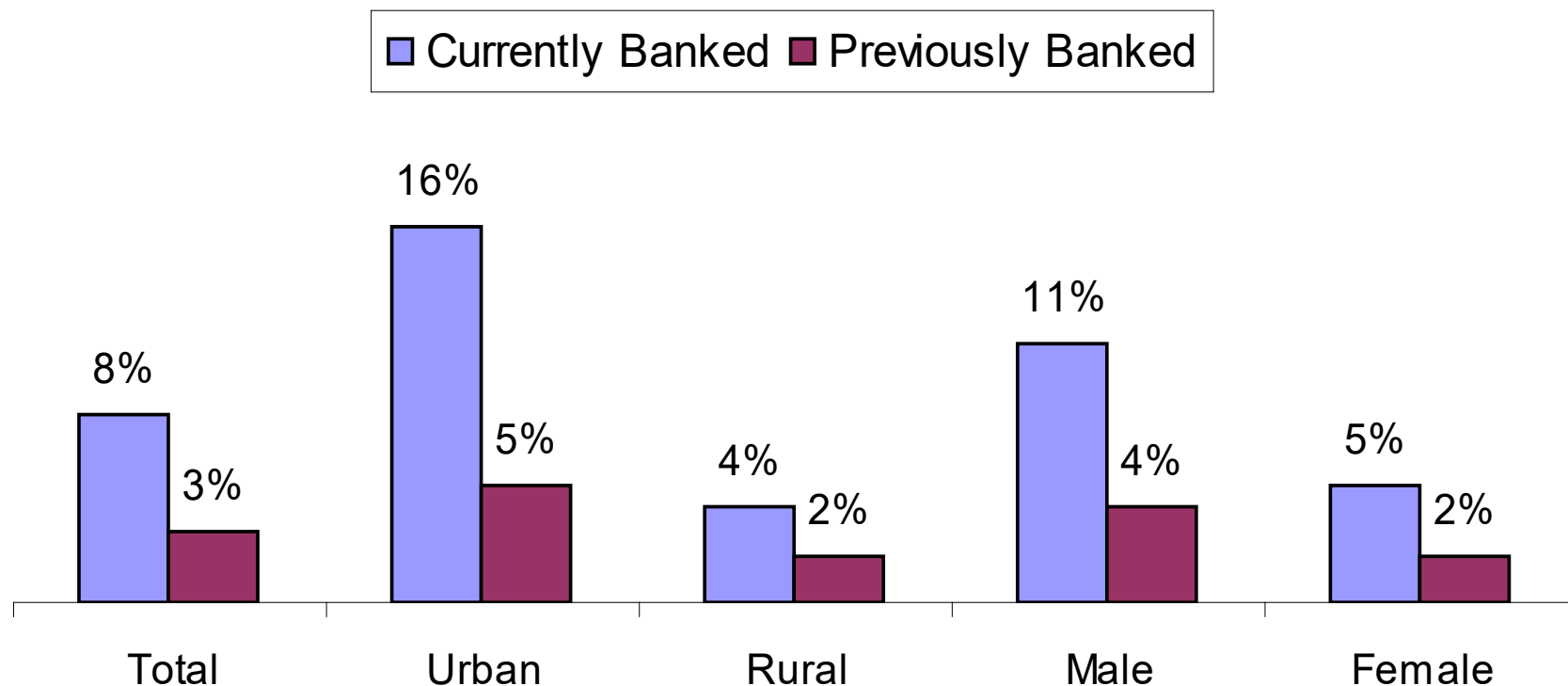


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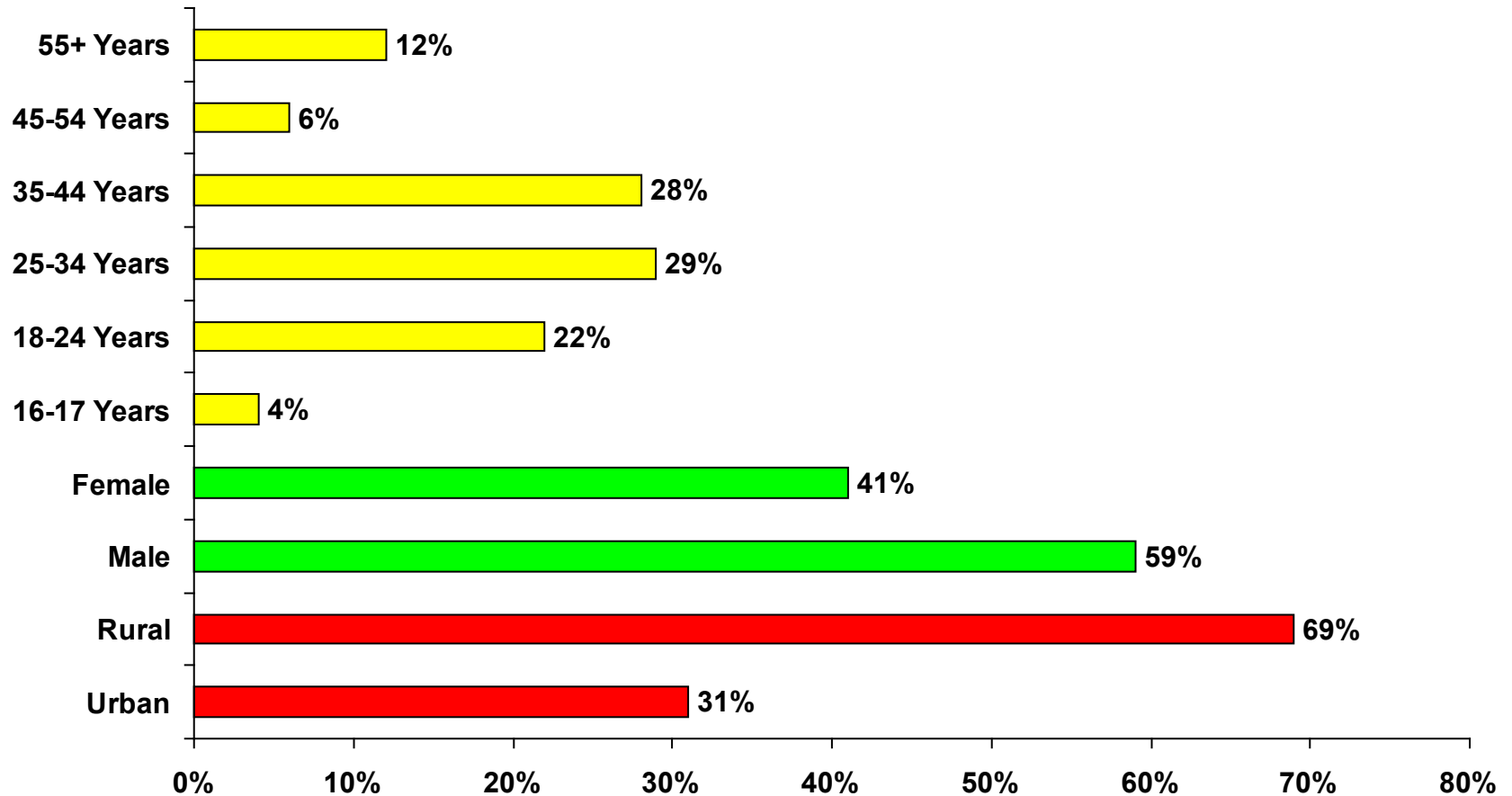


Banking profile





SACCO users' profile



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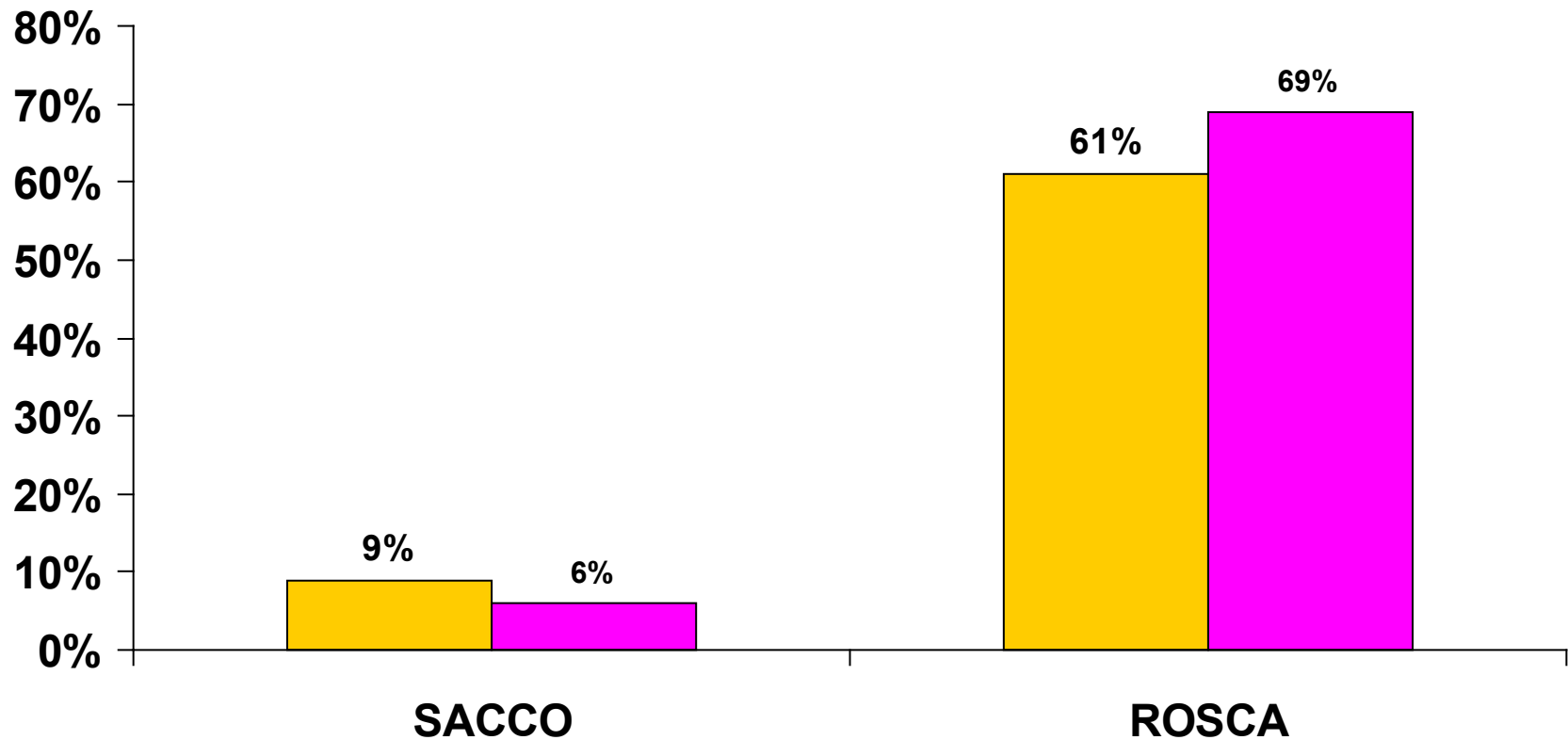




Trust: SACCO vs ROSCA

■ Attributes: Can Lose Your Money

■ Attributes: Don't Trust Them With Money



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Barriers to access

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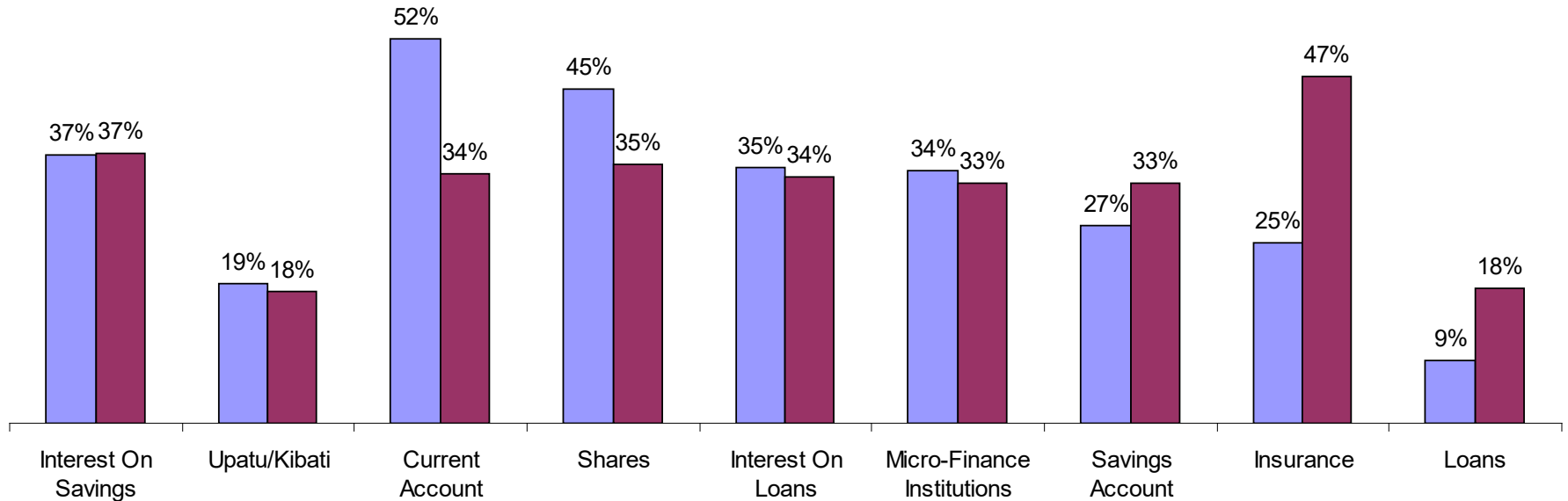
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Financial literacy

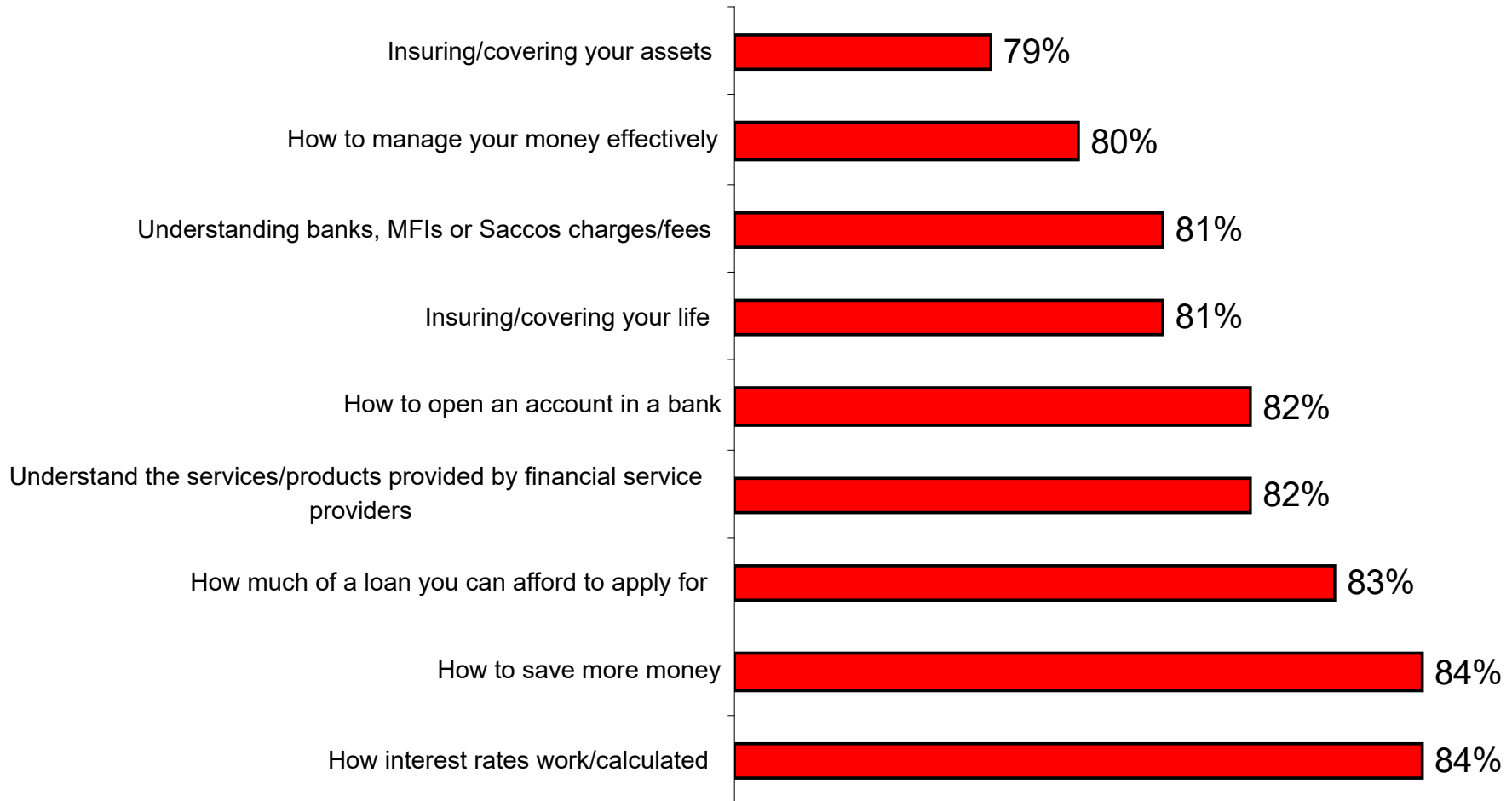
■ Fin.Services:Never Heard

■ Fin.Services:Heard But Do Not Understand





Financial education needs



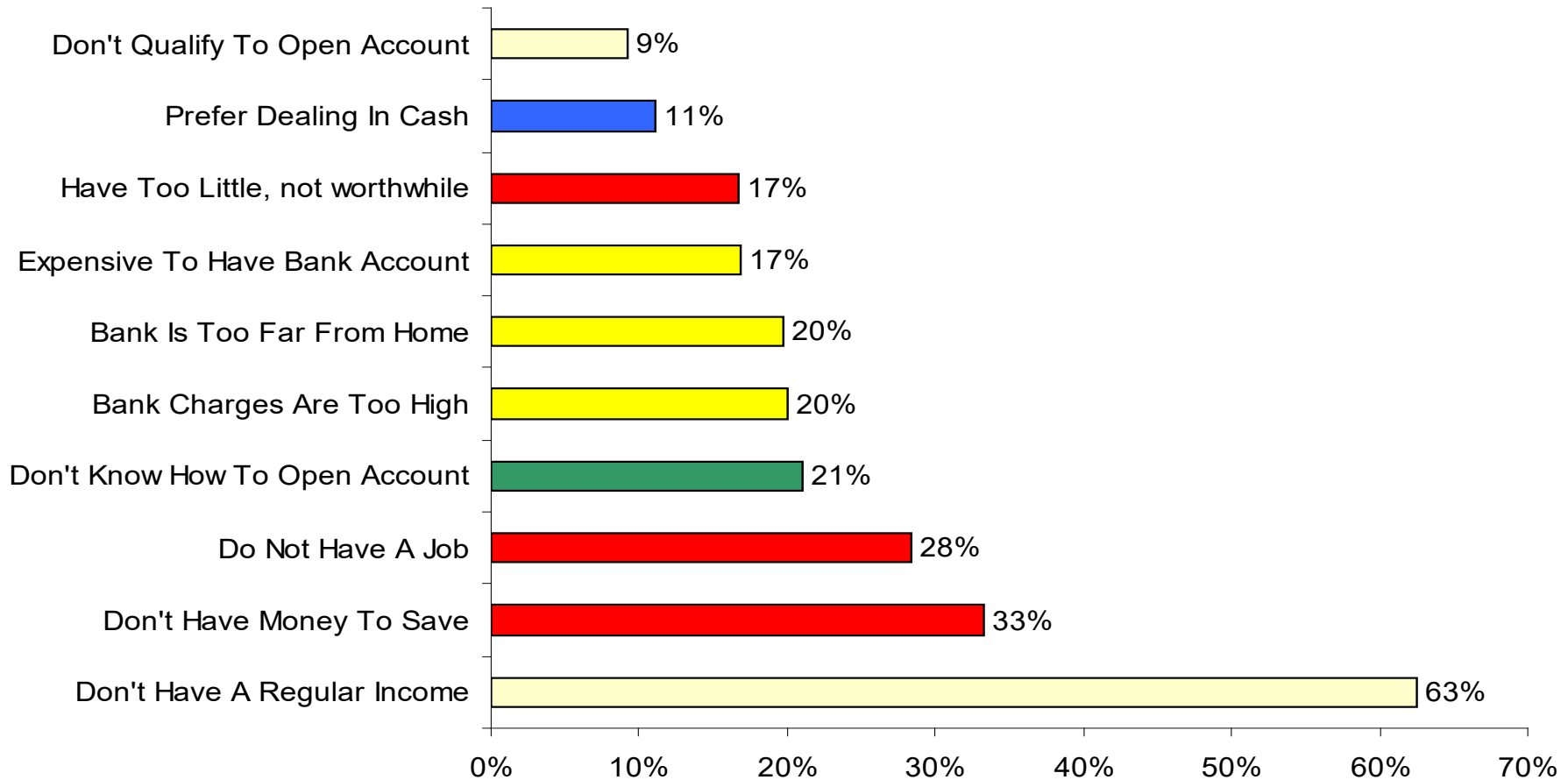
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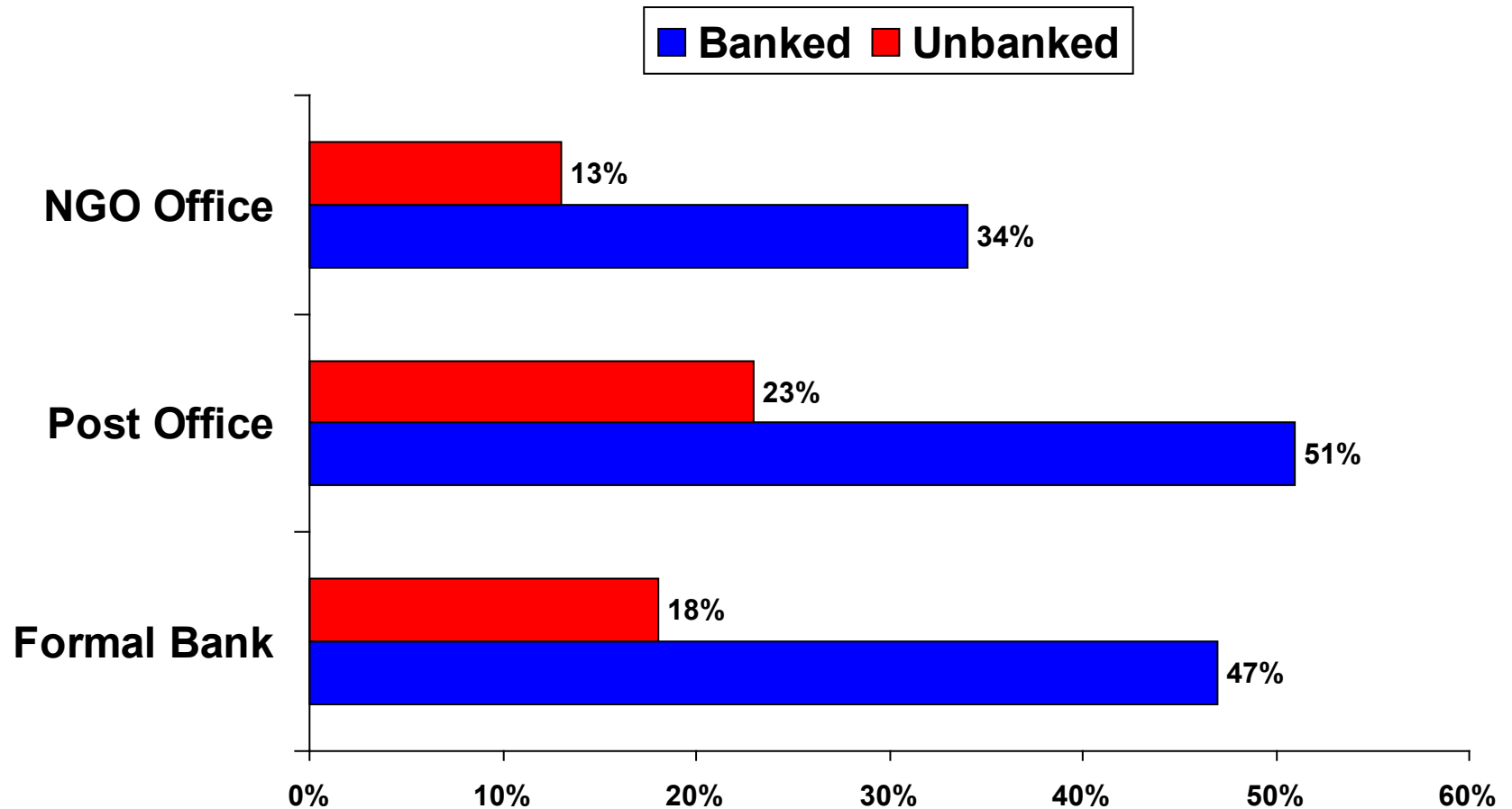


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Physical access barriers





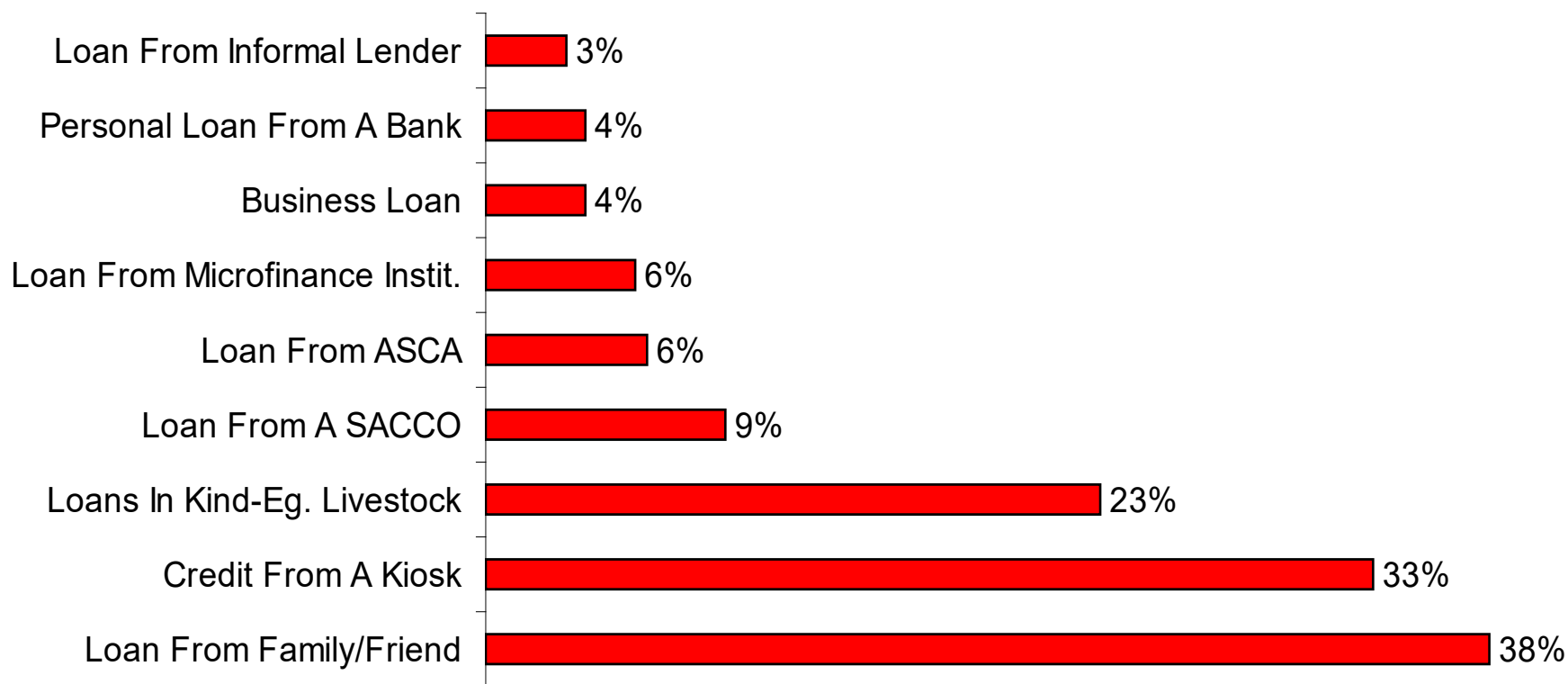
Credit and Loans

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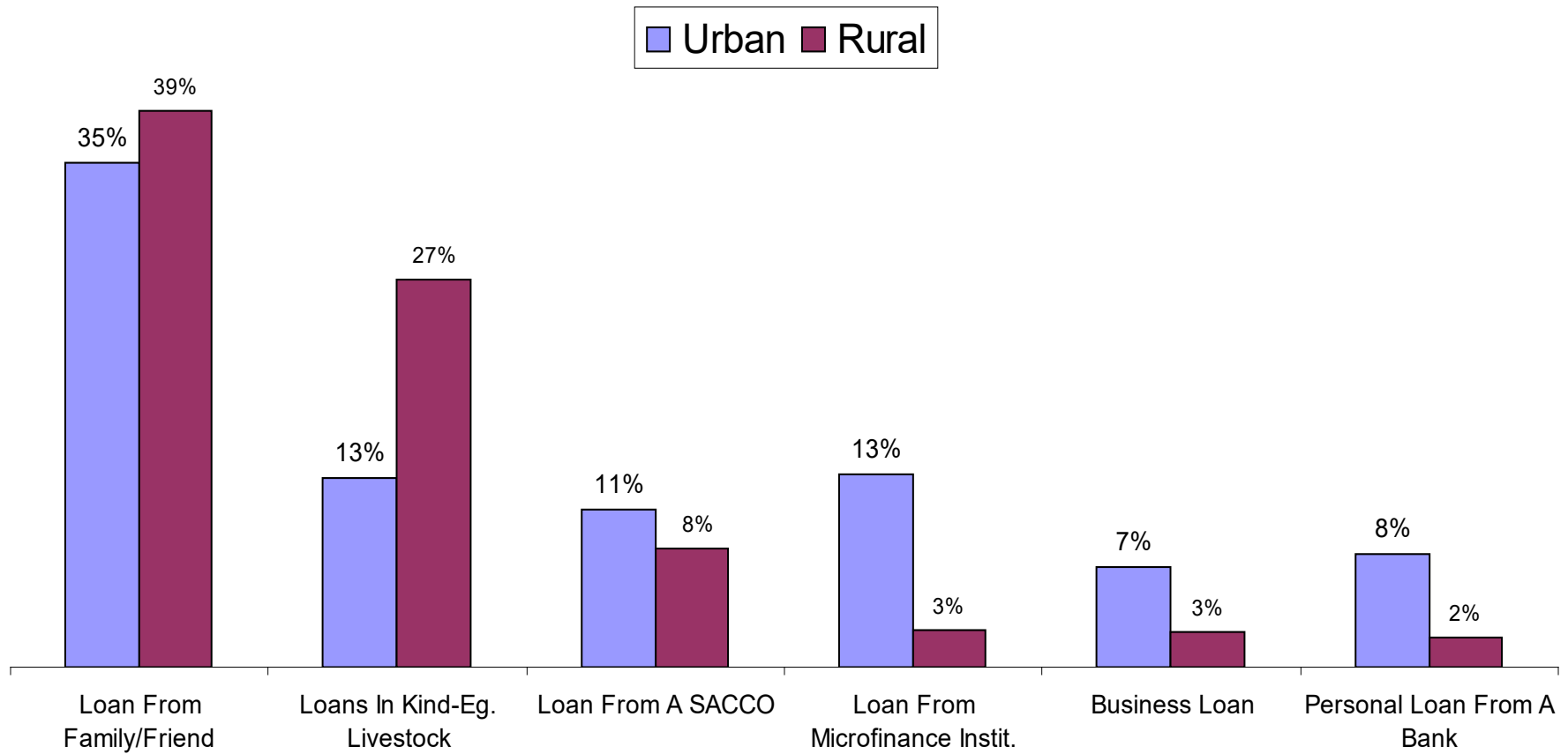
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Sources of borrowing



Sources of borrowing split by urban/rural





Savings and investment

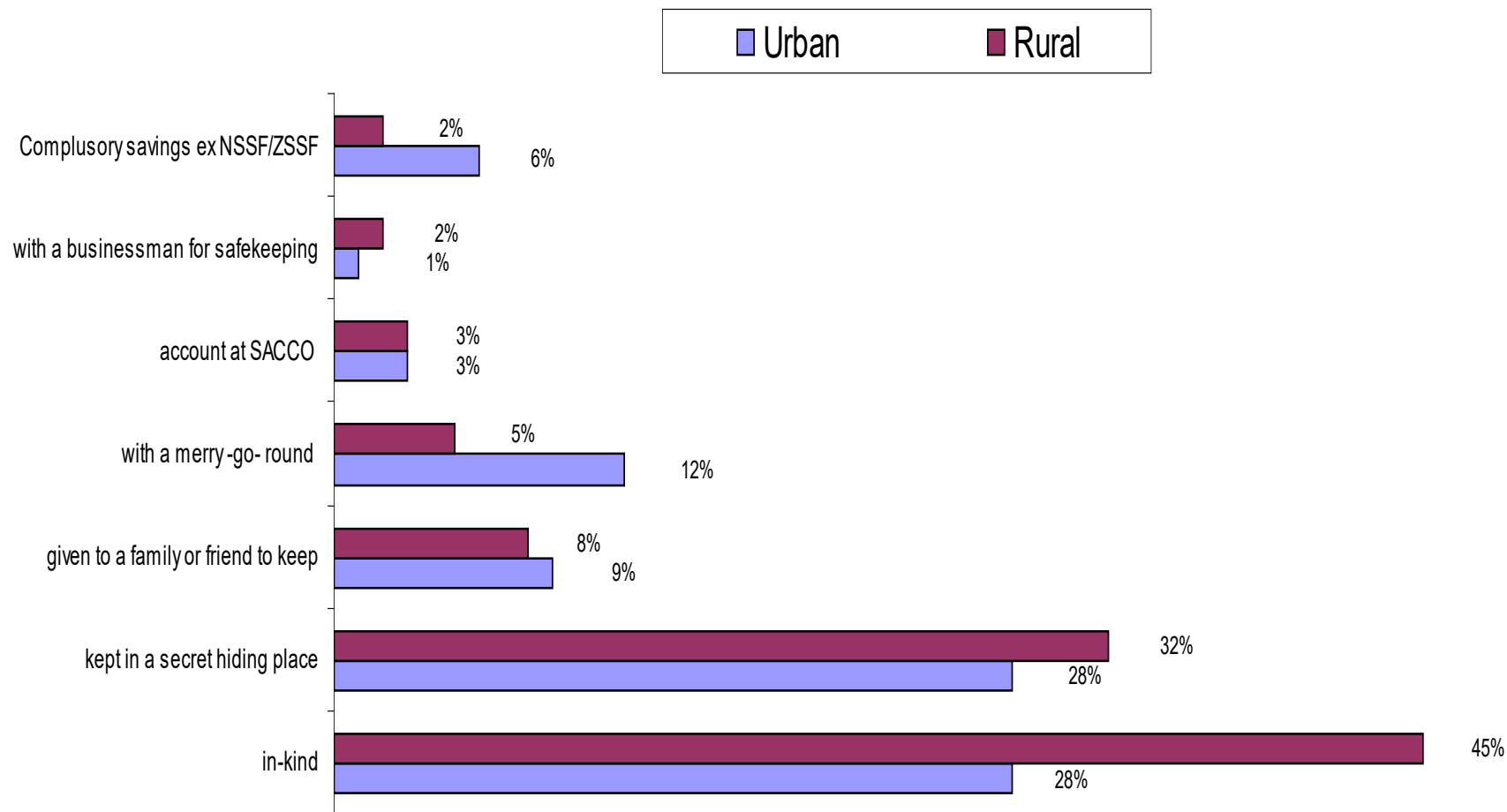
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Where people put their savings in rural/urban areas



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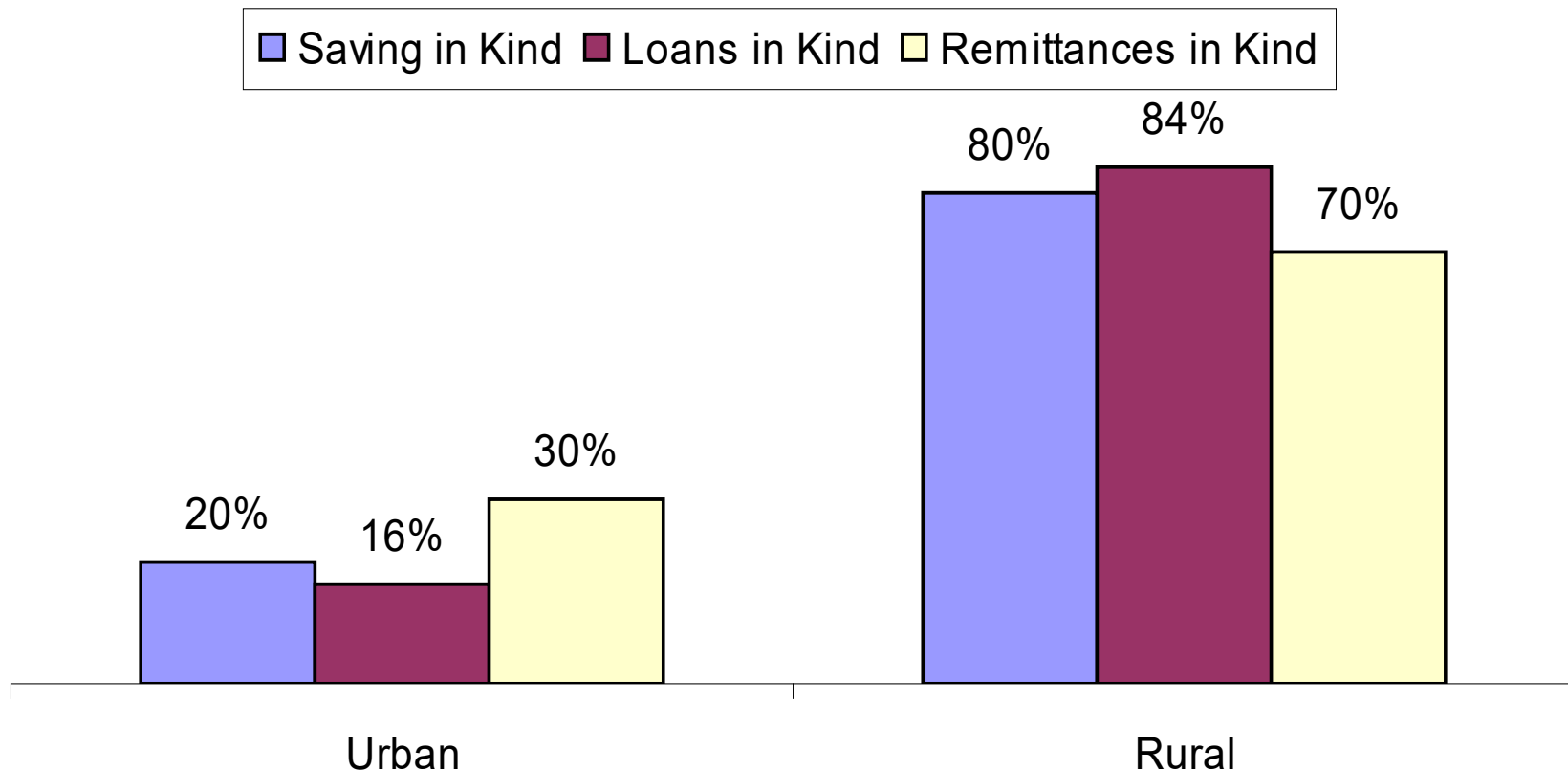
Non-monetary services

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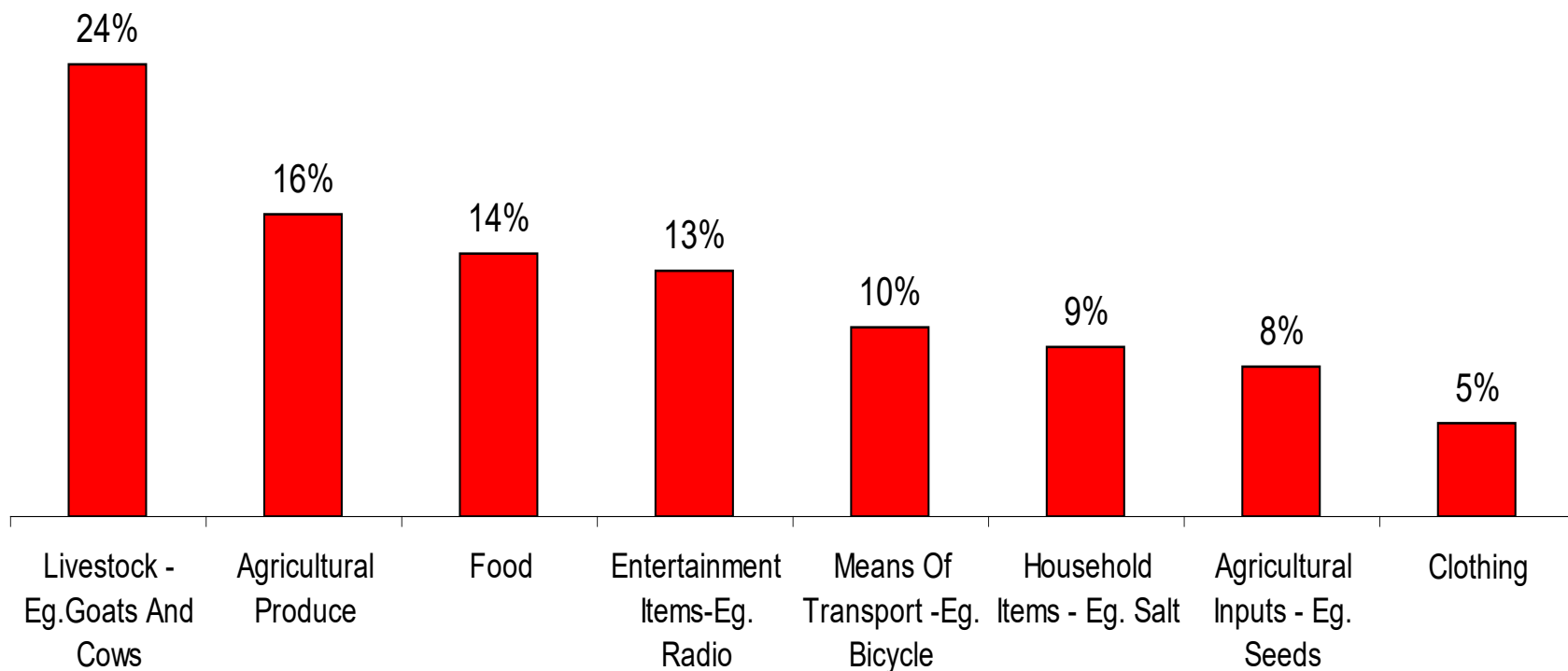


Non monetary services urban/rural





Form of in-kind saving



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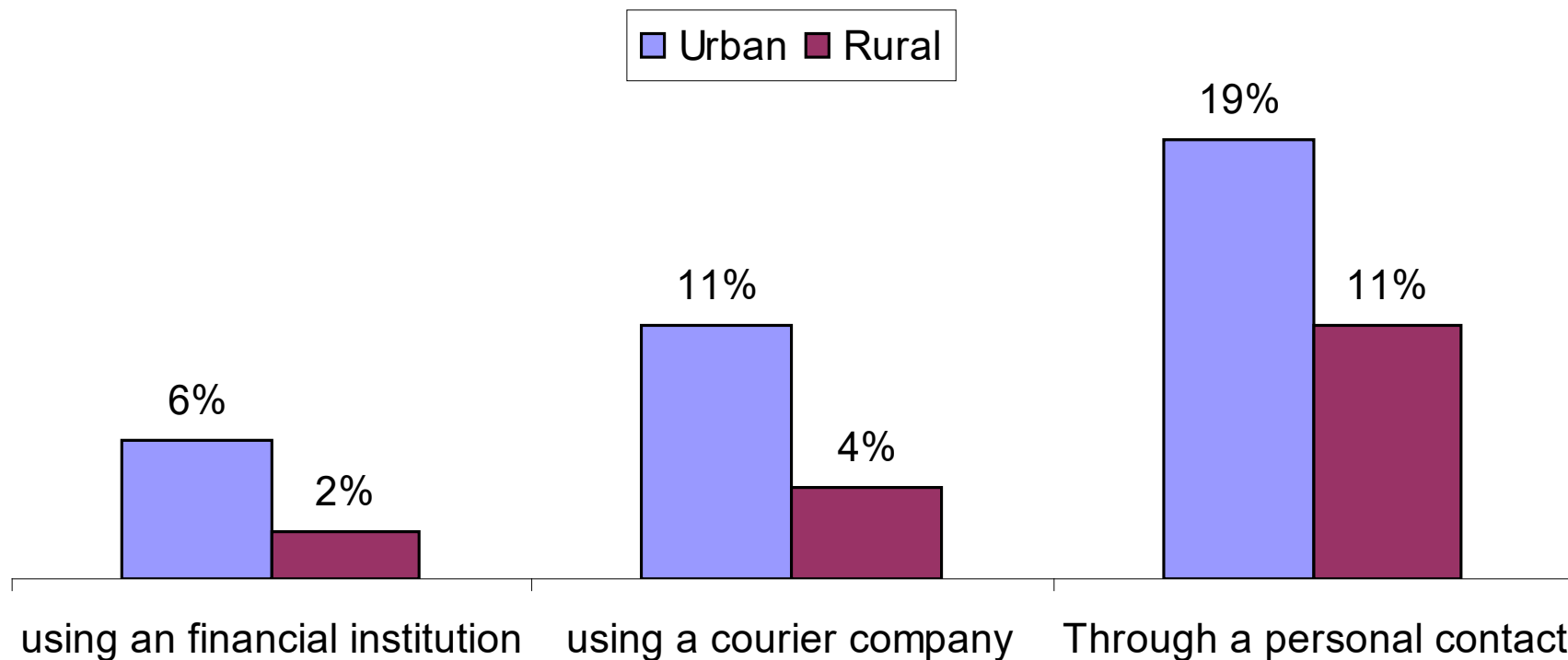
Remittances

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Remittances urban/rural





The use of technology

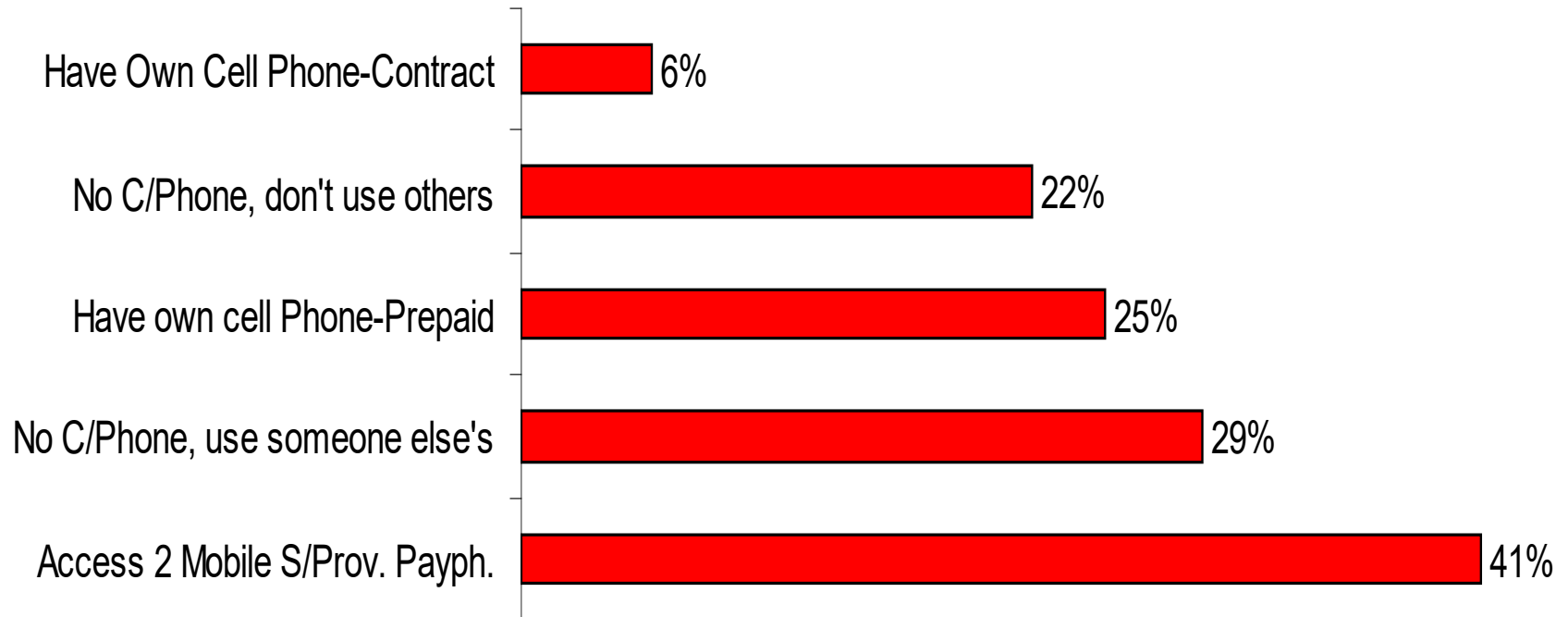
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Access to mobile phone services

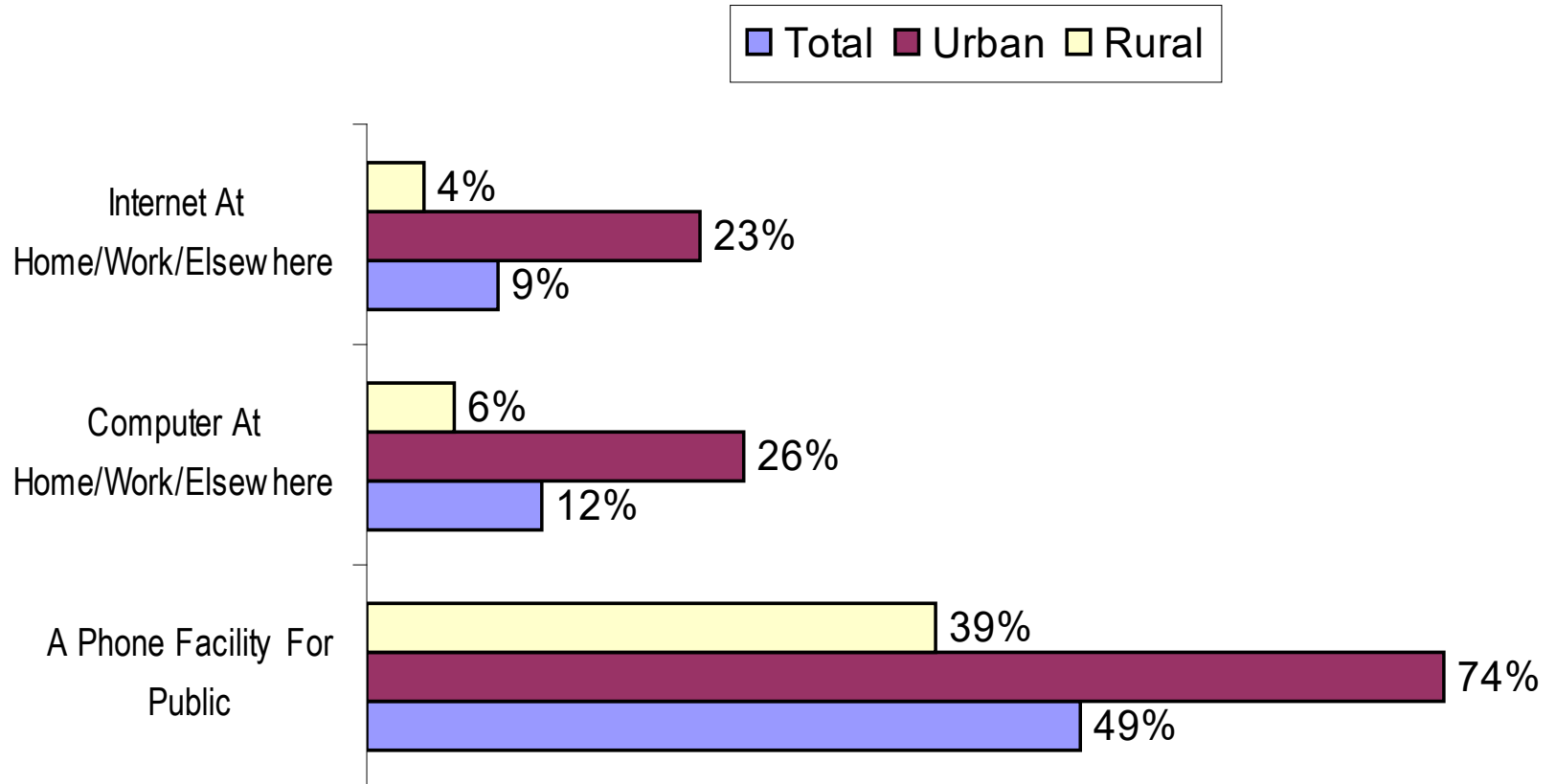


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Access to technology





The dissemination strategy

Annette Altvater
FinScope Coordinator
FSDT

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FSDT dissemination objectives

Users benefit by:

- evaluating existing policies
- evaluating existing market segments and services
- making informed decisions
- targeting support or initiatives
- product improvements and innovations
- improved staff training
- developing appropriate communication platforms and tools
- developing corporate strategy
- expanding markets and market shares



Access to FinScope findings

The FinScope dataset:

- contains the universe of information
 - To be used by institutions and individuals able to analyze market research information

FinScope key findings:

- analysis which makes sense of the data
 - Users need particular information tailored to their specific interests



Immediate dissemination

Key findings:

- initial analysis presented at the FinScope Tanzania launch today
- later, research institutions to mine the dataset and present further analysis
- publish the launch brochure and presentations on the FSDT dgroup website.



Intermediate dissemination between now and June 2007

In-depth analysis and workshops.

The FSDT will:

- workshops for different market segments
- facilitate local market research capacity
- develop means, including possible subsidies, for users to buy market research services



Workshop schedule

Date	Market segment	Subject of analysis	Institutions invited
25 April 2007	Donors and development partners	Support and promotion of 'pro poor' financial services	Donor agencies
26 April 2007	Government	Policy and regulatory issues	Government agencies
16 May 2007	Insurance industry	Client profiles and preferences, useful information for financial sector deepening	Insurance companies and Insurance authorities
17 May 2007	Banking industry	Client profiles and preferences, useful information for financial sector deepening	Commercial Banks and Community Banks, TIOB

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Workshop schedule

Date	Market segment	Subject of analysis	Institutions invited
6 June 2007	Cooperative movement	Client profiles and preferences, useful information for financial sector deepening	Savings- and Credit Co-operative Societies
7 June 2007	Microfinance	Client profiles and preferences, useful information for financial sector deepening	MicroFinance Institutions
27 June 2007	Research	FinScope data and the potential of FinScope market research services	Market research service providers
28 June 2007	Mobile telephone industry	Usage of mobile telephone services and the potential of mobile payment systems	Mobile telephone service providers and regulators

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Users preparations for the workshop

- Those interested please register for the workshop
- Submit questions related to your particular areas of interest
- Attendees should have sufficient authority and a mandate to participate fully in the workshop, including follow up actions.



How to get FinScope data analysis

Register for the workshop with the FSDT

Submit questions to:

1. the FSDT dgroup website (<http://dgroups.org/groups/FSDT-Tanzania>).
2. Juliana, FSDT office manager, (juliana@fsdt.or.tz) or 022 212 9060-63



Long term dissemination

from June until the next FinScope survey in
2008

Demand-driven, tailored market research:

- Market research institutions to offer services to users
- Feedback from users of information for the next FinScope survey
- The next FinScope survey may reflect any market innovation implemented in the meantime



Questions and answers

Sosthenes Kewe, Technical Manager
FSDT, Moderator
&
Panel

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