SUCCESS STORY

M-KOPA - Empowering Women: How an African Fintech Platform Championed Female Sales Initiatives



Photo Credit: M-KOPA

In low- and middle-Income countries, 440 million women still do not own a mobile phone.[1] By bringing mobile and Internet access to women, technology companies can expand their customer base and promote diversity and inclusion in their workforce, ultimately improving business performance. But to effectively engage more women, barriers such as affordability, availability, and digital literacy must be overcome. Both the private sector, through initiatives like payment plans and infrastructure development, and the public sector, through government funding and global expertise, can work together to address these challenges and close the gender digital divide.

The USAID/Microsoft Airband Initiative, a public-private partnership between Microsoft's Airband Initiative and the United States Agency for International Development (USAID) and implemented by DAI's Digital Frontiers project, seeks to bring Internet access to more women around the world. USAID and Microsoft partner with internet service providers and technology companies in different countries to expand women's economic opportunities and enable digital development services. The partnership utilizes the technical expertise and scale of Microsoft's staff and operations as well as USAID's expertise and successes on combating gender inequality in the digital development space. Through this partnership, M-KOPA, an African fintech platform providing digital financial services to underbanked consumers in Kenya increased affordable smartphone access to Kenyan women.

After noticing a gender gap in their customer base, M-KOPA prioritized bridging this divide and took intentional steps to connect more women. The partnership with the USAID/Microsoft Airband Initiative allowed M-KOPA to test several strategies more rapidly without taking on a large financial risk, including applying a gender-focused marketing approach and enhancing gender equity among their female sales agents and customers through several initiatives:

1. Stationary Kiosk Model

M-KOPA identified a high turnover rate among their female sales agents. Research revealed that competing household priorities, along with safety concerns from selling in busy Kenyan markets where harassment and security issues can be common, contributed to agent dissatisfaction. In response, M-KOPA piloted 20 stationary kiosks as fixed points of sale to provide their female agents with secure spaces to work. This initiative resulted in improved employee retention rates and significantly boosted sales to women, with agents reporting a doubling (and sometimes tripling) of their sales. The immediate success of these kiosks demonstrated their commercial viability, encouraging M-KOPA to scale the model to nearly 200 kiosks for their female agents.

1 GSMA – The Mobile Gender Gap Report 2023

2. Kuza Chama Initiative

M-KOPA's Kuza Chama initiative was one of the direct-to-women sales strategies that the company was able to test as a result of the USAID/Microsoft Airband Initiative. Through this initiative, M-KOPA engaged with Chamas, which are informal community savings groups in Kenya, where women discuss finances, pool savings, and invest collectively. M-KOPA collaborated with select Chamas to promote their smartphones and payment plans and offered trainings on their usage. Through this initiative, the company reached 637 Chamas and sold 2,456 smartphones, 60% of which were purchased by women, and a quarter of whom were first-time smartphone owners. Notably, female chama members were considered to be higher quality customers by M-KOPA because of their proven higher repayment rates.

3. #BreakTheBias Campaign

The #BreakTheBias campaign was another direct-to-women sales strategy that M-KOPA tested through this partnership. After learning that their sales agents, both male and female, found it easier to sell to male customers because of their stronger purchasing power and more technical knowledge of how to use smartphones, M-KOPA wanted to motivate their agents to prioritize selling to women. The company incentivized sales to women by providing an extra bonus for every smartphone sale made to a female customer. The campaign ran in March 2022, during which the percentage of female customers increased from 38% to 40%, reaching overing 34,000 new women. M-KOPA recorded their highest smartphone sales to women during this campaign.

The campaign also led to M-KOPA further building out the M-KOPA Academy – the company's learning management system which was developed to offer tailored training sessions to increase the capacity of sales agents. M-KOPA developed sessions specifically designed to train agents on how to increase their sales to women, such as how to engage with female customers, the needs of female customers vs male customers, and how connectivity can benefit women in their lives.

WHAT'S NEXT?

In total, this activity helped M-KOPA sell 258,000 smartphones to women. M-KOPA's success through this grant led to greater awareness and buy-in within the company to incorporate a gender lens into its commercial strategy. The company is also developing a gender lens and action toolkit to help other teams within M-KOPA to set clear KPIs and assess their work through a gender lens.

While USAID's work with M-KOPA under this grant has come to a close, USAID and Microsoft continue to partner with technology companies around the world to close the gender digital divide. Digital Frontiers compiled the learnings from M-KOPA's successful intervention into resources like the How-To: Bring More Women Online guide, and the M-KOPA Outcome Collection report to help future partners of the USAID/Microsoft Airband Initiative design and implement impactful activities.

If you're interested in learning more about the USAID/Microsoft Airband Initiative, visit USAID/Microsoft Airband Initiative | Digital Development | U.S. Agency for International Development