



Global Business Case Tool for Financial Services Providers

Quantify the Opportunity of the Female Economy



This manual is a publication of the Financial Alliance for Women and accompanies the Alliance Business Case Excel Tool, which can be downloaded [here](#).

For feedback or comments on the tool please email: info@financialallianceforwomen.org.

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An Introduction to the Women's Market

This tool helps the user develop a business case for the Women's Market by quantifying the market opportunity and estimating a financial services provider's (FSP's) direct financial benefits from strategically targeting the female economy. The tool was created to help FSP practitioners interested in designing a Women's Market strategy or program to determine the potential such an initiative holds with concrete numbers – providing strong groundwork for a presentation to senior management to integrate the Women's Market program into the FSP's overall strategy.

Alliance member data consistently shows that the business case for targeting women is strong. Creating dedicated strategies for women leads to better business results, including growth in customers, strong returns and increased brand awareness. However, the lack of market-level data on women's access to and use of financial services has made sizing the market opportunity and establishing a solid business case a hurdle for many FSPs seeking to enter the market.

This tool is intended to help FSPs jump over that hurdle, aggregating the latest national-level results from the most respected global datasets to provide a full look at the female economy in each country – and uncover access and usage gaps that could reveal business opportunities. The Business Case Tool combines this wealth of relevant data with a model that can help FSPs estimate their own potential with the Women's Market, laying the groundwork for a robust business case for making the female economy a strategic priority.

This manual serves as a guide to the Business Case Tool, explaining how to use it and contextualizing the importance of each section to the Women's Market opportunity. It also contains critical information about the data sources, the assumptions made in the analysis and their implications to the conclusions derived from the tool.

For additional resources for FSPs interested in the female economy, including case studies, how-to manuals and tactical research, please visit the [Alliance library](#).

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Quantifying the Women's Market Opportunity

Growth in the markets traditionally targeted by the banking industry has been slowing for years. As they look to mitigate this trend, FSPs around the world are increasingly seeking out new and underserved segments that have the potential to be the next growth market. Sizing these segments is a critical first step in understanding their potential and in building a successful initiative to target them.

In economic terms, women are the world's largest and fastest-growing market. More and more women are becoming highly educated, entering the workforce and starting businesses – in many countries at greater rates than men. These characteristics make them an extremely attractive opportunity for FSPs. Yet women globally are still significantly unserved and underserved by the financial services industry. The potential of the Women's Market remains largely untapped.

Research has been devoted to understanding the size of the Women's Market opportunity globally, as well as to measuring its overall revenue potential. However, data that can help FSPs determine their national or local market opportunity is more limited. A number of databases featuring country-level gender data do exist, but many FSPs have limited awareness of them and/or may not be using them to inform business decisions. By aggregating these data points in one place, synthesizing them into country-level snapshots, and providing initial market size and business potential projections, this tool is intended to fill that gap, giving FSPs the resource they need to begin to understand the potential opportunity in their own markets.

What Is the Global Women's Market Opportunity?

- Globally, women were 49.6 percent of the population and represented 40 percent of the workforce in 2017.¹
- Women are becoming more educated: 77 percent of women completed secondary education, and 39 percent engaged in tertiary degree programs in 2017, up from 61 percent and 19 percent, respectively, in 2000.²
- Women hold an estimated 30 percent of global private wealth, and this is growing at a rate higher than the global average.³
- 111 million women around the world are running established businesses, with a further 163 million starting new businesses.⁴
- Nearly four in 10 (38 percent of) SMEs in emerging markets are owned by women.⁵
- There is an estimated US\$1.7 trillion finance gap for women-owned micro-, small- and medium-sized enterprises in emerging economies.⁶
- Women make up 56 percent of the world's 1.7 billion unbanked adults.⁷
- Closing the gender gap in financial access could mean additional annual revenue of as much as US\$40 billion for retail banking and US\$290 billion for the insurance sector, and could grow the share of the existing US\$100-US\$120 billion in annual revenue of women's retail investments.⁸

Estimating the Financial Benefits of Targeting Women

FSPs are profit-driven institutions, and developing a strong commercial justification for a new program or a shift in strategic direction is necessary to ensure sustainability and long-term support. A data-driven business case that quantifies the potential value of the proposed program will give it credibility and ensure it is positioned as a revenue opportunity and not part of a sustainability or diversity agenda.

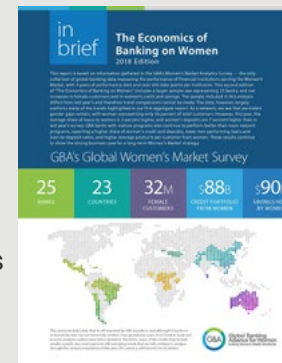
Alliance member bank data demonstrates that targeting women can indeed be a strong business opportunity for FSPs, with direct financial benefits like higher customer growth rates and lower non-performing loan ratios. Women often save more and borrow less relative to their income levels, so their lower loan-to-deposit ratios can lead to more liquidity for the bank and less risk exposure. When treated well, women have shown they are loyal customers and can become great advocates of an FSP. Although women are substantially underbanked, they tend to hold as many products per customer as men, implying significant cross-sell opportunities.⁹

A tailored approach to targeting women can provide additional benefits that are harder to measure but are still valuable, including offering a source of differentiation in competitive markets, helping to build an FSP's reputation and increasing brand value. Having a first-mover advantage can position an FSP as the bank of choice for women in a particular market, with lasting effects across time.

The Value of Targeting Women with a Tailored Approach

Alliance member data shows that a holistic strategy that is tailored for women can provide significant financial value to an institution. In the [The Economics of Banking on Women 2018 Edition](#) we compared data from 25 member banks with more mature Women's Market programs to those just starting up as a proxy for the value of a targeted approach. The data shows that FSPs with mature programs (more than 2 years old) have stronger performance with women customers across a number of variables, including having:

- A higher share of female customers (40 percent compared to 34 percent for banks with newer programs),
- Higher credit portfolios to women (28 percent compared to 21 percent) and deposits from women (32 percent compared to 29 percent),
- Lower risk ratios (2.6 percent share of NPLs compared to 3.1 percent for those with newer programs), and
- A more gender diverse workforce (female representation on the board is 19 percent with 25 percent in senior management compared to 13 percent and 22 percent, respectively, for banks with newer programs).



Results from Alliance Members

The financial benefits of targeting women are strong.

Below is a compilation of proof points from select Alliance member banks.



Access Bank in Nigeria's W Initiative led to Women's Market current and savings account growth of 46 percent, with 58 percent growth in lending to women's enterprises and 308 percent growth in personal loans to women in just 3 years.



BancoEstado in Chile's loan portfolio to women's small and micro enterprises increased by 34 and 14 percent, respectively, within just 3 years of launching their program.



Banco BHD León in the Dominican Republic estimated a program internal rate of return of 35 percent for a 5-year period.



Banco Nacional in Costa Rica's BN Mujer program saw 60 percent growth in the number of women SME customers and was profitable in less than a year.



BLC Bank in Lebanon calculated an internal rate of return of over 33 percent for its program, the WE Initiative, which was profitable within 18 months. Women generate 19 percent of the bank's total income, and the 5-year CAGR of deposit volume was 8.1 percent for women, compared to 1.4 percent for men, between 2012-2017.



HBL's post-launch women portfolio CAGR was 15 percent for the number of accounts from 2015-2017 and witnessed an increase in its asset-to-deposit ratio from 8 percent in 2015 to 11% by 2017. The Pakistani bank also saw an increase in current deposits of 64 percent from 2015 to 2017 and an increase in total loan volumes to SMEs of 87 percent after the rollout of their Nisa program.



NatWest in the UK achieved an increase in new Women in Business accounts of 30 percent, an increase of 29 percent in individuals who switched their bank to NatWest and a 7.5 percent increase in lending from 2016 to 2017 as they renewed their strategic focus on the Women's Market.



Stanbic Bank in Zambia saw annual account growth for women increase from 20 percent to 42 percent with the launch of Anakazi, their Women's Market program. Account growth for men also increased to 33 percent from 28 percent before the launch of the program.



TEB in Turkey found that its provision of non-financial services to women impacted top-of-mind awareness: In 2 years TEB's brand recognition increased such that women who own SMEs have more awareness about TEB as a bank than any other bank. TEB also calculated a 25 percent conversion rate from prospect to client among women who attended their workshops and seminars.



Westpac's Women's Markets program generated AUD\$1.86 billion (US\$1.37 billion) in revenue for 2017 and continues to see growth across the portfolio.

About This Tool

This tool uses both internal bank data (a bank’s current, relevant customer data, which will need to be extracted) as well as external global data sources. External country data is extrapolated from internationally recognized global sources (updated with the latest datasets as of Q2 2018, with some updates as of Q1 2019). These datasets include sources such as the World Bank, IFC, IMF and the United Nations. These source databases provide good cross-country comparisons, but should not be considered as replacements for local market data. The information provided on the size of the opportunity is intended to be combined with any additional information available to an FSP in its market and informed by its own business priorities to guide the direction of its Women’s Market program. We urge FSPs to consult local data sources such as central statistical offices, ministries of gender, central banks, economic development departments and any other agencies that may track trends of women individuals and women’s SMEs in the country.

It is important to note that global databases are also subject to a number of limitations, including:

- Limited country availability for certain data points – the databases were selected for the largest number of countries and widest availability of indicators; however, some countries may have more limited data than others.
- Limited comparability across databases in some cases due to inconsistent definitions used both at a country and global level – some databases may feature different indicator definitions, while others define women-owned businesses in different ways.¹⁰ It is important to ensure that you pinpoint differences, if any, within your own institution’s definitions for these datapoints.¹¹
- Lack of consistency in updates for a majority of the databases – some databases are updated annually, whereas others, such as the Global Findex, are updated every 3 years.

The World Bank’s Global Findex database provides data on 60 indicators for more than 140 economies on how men and women utilize financial services, including behavior around saving, borrowing, making payments and managing risk. The data has been compiled every 3 years since 2011 based on surveys of more than 150,000 people, including a nationally representative, random sample of 1,000 adults in each economy. Results can be disaggregated by sex, providing insight into financial behavior and access to finance by sex on a country level. The latest Findex report, which includes data from 2017 household surveys, can be found [here](#).



Disclosures About the Data Sources

The tool aggregates selected variables from multiple public data sources into a custom database that results in the calculations, estimations and projections contained in the model. (See [page 49](#) for detailed information on all the data sources.) All of the figures are therefore subject to collection error, reporting error and methodological error that is outside of the Alliance's control, and all figures should be considered indicative only. The databases were gathered in Q2 2018, with some updates in Q1 2019, yet some of the data is multiple years old. At the time of publication of the tool it is the best and most current data available at a global level.

The model contains projections and other forward-looking figures on the potential outlook of economies and the business of the user. These figures are derived from publicly available sources and the internal customer data provided by the FSP. Any numbers synthesized by the tool – such as 5-year revenue projections and investment calculations like internal rate of return (IRR) and net present value (NPV) – are not guarantees of future performance. Certain risks and uncertainties can cause actual results to differ materially from any projections or forward-looking figures appearing in these materials. All numbers provided in this model are intended as estimates upon which further research and development can be based. These materials do not contain all the information needed to make an investment decision. It is up to the user to conduct further due diligence and to evaluate any investment.

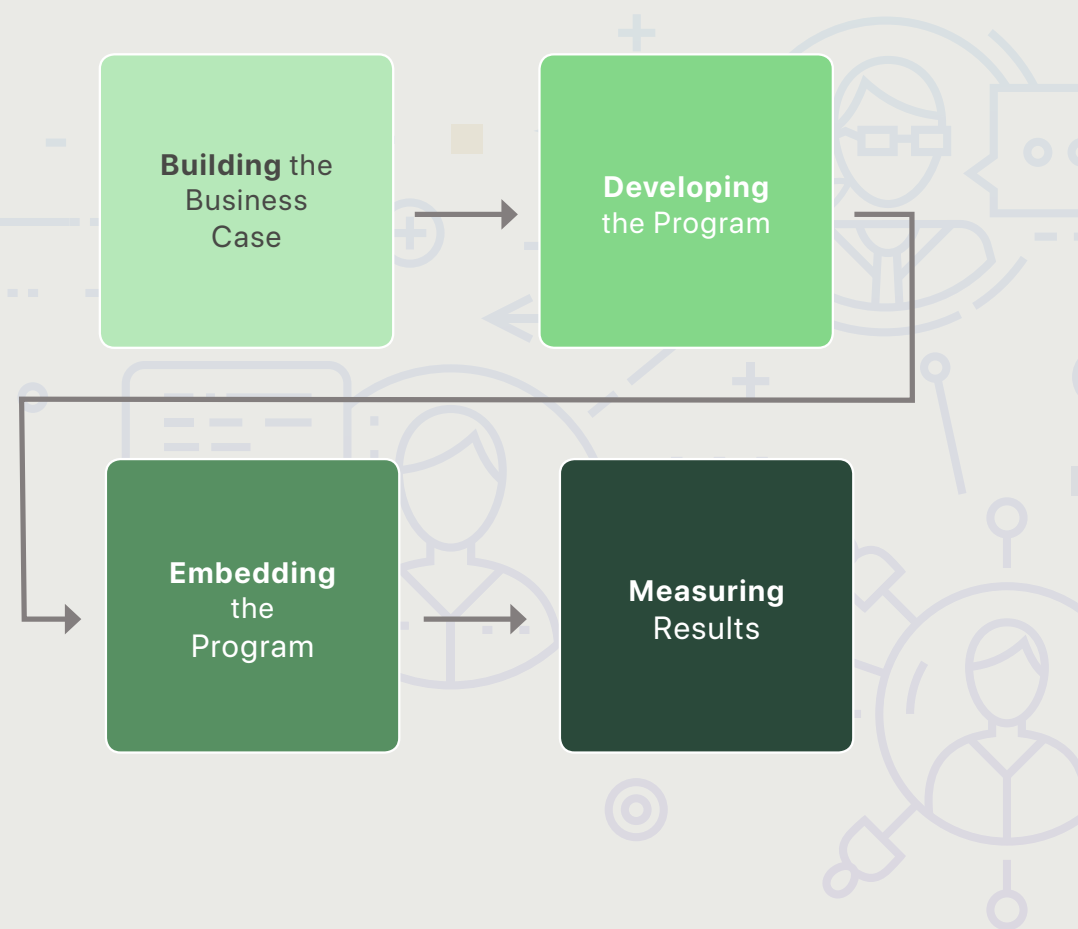


A Blueprint for Developing a Tailored Approach for Women

Based on time-tested real-world experiences from Alliance members, the Alliance has developed a Blueprint for designing successful strategies that meet women’s distinct needs. Above all else, the Alliance Blueprint highlights the need to provide a holistic value proposition comprising both financial and non-financial services that are built around women’s life-cycle needs. In addition to finance, Alliance banks provide a comprehensive set of solutions for women that include integrating financial and business information into their services, educating them on relevant topics, leveraging the power of their own networks to connect women, and recognizing success stories and promoting the visibility of their customers.¹²

The first step to getting such a program off the ground involves determining the business opportunity. FSPs need to delve into their databases, size the market potential and quantify likely financial returns during this portion of the process. This research is necessary not only to develop and then embed a program, but also to establish a baseline that will enable an FSP to eventually measure the program’s success.¹³

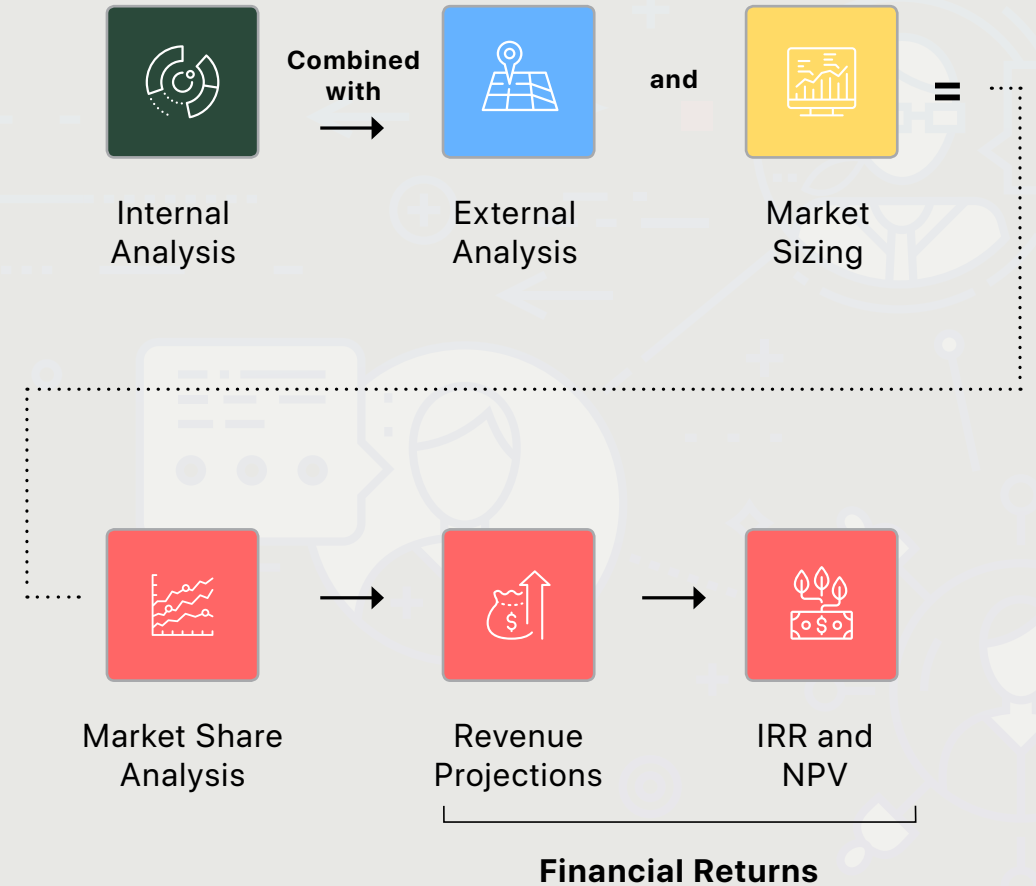
This tool can be used during the “Building the Business Case” phase of program development, as the FSP looks internally and externally at data to try to size the market opportunity. If programs have already been developed beyond this stage, the tool can be used to refine the program – helping an FSP to examine internal data more deeply or uncover opportunities from the external data.



Methodologies for Investment Decisions for the Women’s Market

Determining if there is a commercial benefit for a project is critical for FSPs, but there is no “right approach” to building a business case. The data used to determine the financial viability of an initiative will vary according to a number of elements, including a bank’s business model, its strategic priorities, the market or segments targeted, and the data available, among many other things. The framework developed in this tool is based on widely known business case methodologies but is only meant to be used as a general guideline and should be adapted based on your own market realities and organizational intricacies. The approach was based on interviews with a number of financial services experts, including five Alliance members that have developed successful Women’s Market strategies, as well as the methodology developed for Alliance’s All-Stars Academy program – which has been held at six different locations in five regions over the last 3 years. It also utilized Alliance’s “Winning the Women’s Market” guide, based on the experience of 13 Alliance members, as well as research gathered from internationally recognized business schools.

This model utilizes potential revenue as the key driver of an FSP’s investment decision, and so the assumptions in the model are ultimately used to estimate a financial return based on a revenue model. The approach is centered around an FSP’s internal data, which is used to determine the current state of an FSP’s Women’s Market performance. External economic and demographic market data is reviewed and combined with market size data to quantify the market opportunity. These data yield the potential market share calculations, which can then be used to calculate the financial returns.



Using this Tool

The tool first requires you to gather **internal customer data** (worksheet 1), disaggregated by sex for both the retail (individual) and SME (business) segments. Exploring this data will reveal how many women you are serving and how they are currently using your products and services. The tool then evaluates this data alongside **external country data** (worksheets 2a-d), diving into the national context of the Women's Market and showing who the banked and unbanked populations are. Additional demographic data and data on financial usage is also featured to provide a more nuanced picture of women's needs and behaviors at both the retail and SME level. The legal and business context within a specific country is then explored to illuminate any legal or business process barriers that may impact women's access to and usage of formal financial services for both individuals and SMEs, and to help FSPs inform the development of products and services. The next section (worksheets 3a-b) provides a snapshot of the **market size** and a potential target market for both segments. The external country data will help you estimate the **potential market share** for your institution in the next worksheet (4a), and here you will calculate your potential revenue from the targeted segments. The final piece of the tool uses the expected revenue and assumed growth to calculate IRR and NPV (worksheet 4b) for your Women's Market program – the basis for the estimated financial returns to be achieved by your Women's Market program.

When you open the tool, you will see the "Start-Country Selection" page. Here you will choose your market from the blue dropdown choices. The countries available are based on the markets included in the World Bank Global Findex survey. All blue cells in the worksheet require that you input the number. All white cells will automatically populate or will calculate a result. The "Start" page contains links to all of the pages included in the tool, and you can also navigate using the tabs at the bottom of the page.



Map of Worksheets Included in the Tool

	Worksheet	Description	Relevant Segments
Internal Analysis	1. Internal Data	Analysis of the FSP’s current retail and SME customer data to understand how the FSP currently serves women	Retail and SME
External Analysis	2a. Economy & Demographics	Graphs of relevant external country data to understand the demographics of the Women’s Market in your country	Though based on individual-level data, trends will impact SMEs
	2b. Financial Behavior	Insights on the financial behavior of women in your country	Retail with implications on SMEs
	2c. SME Market Analysis	Breakdown of women-owned SMEs in your country and their financial behavior	SMEs
	2d. Legal & Business Environment	Provides a “doing business scorecard” for your country as well as a “legal framework scorecard” based on gender	Retail and SMEs
Market Sizing	3a. Retail Market Sizing Tool	Uses external data to size the retail Women’s Market in your country	Retail
	3b. SME Market Sizing Tool	Uses external data to size the SME Women’s Market in your country	SMEs
Market Share Analysis	4a. Market Share & Revenue Analysis	Calculations for your FSP to quantify the revenue opportunity for targeting a larger share of the Women’s Market	Retail and SMEs
Revenue Projections	4b. Financial Return Analysis Tool	Business case calculations for the investment, including a 5-year revenue model, Internal Rate of Return and Net Present Value for your Women’s Market program	Retail and SMEs
IRR and NPV			
Data Sources	Data Points and Sources	Includes all data points used in the tool; data sources and years for each country are also featured	Retail and SMEs

1

Internal Analysis

Global Business Case Tool for Financial Services Providers: Quantify the Opportunity of the Female Economy



The first step to building your business case for targeting the Women's Market is to learn how your FSP is currently serving women. You will use your existing internal customer data, disaggregated by sex. Sex-disaggregated data refers to customer data that is grouped based on whether the customer is male or female.¹⁴ Analyzing your institution's data by sex is key because it will provide a full picture of how you are currently serving women and what your gaps in usage may be. While it may sound simple to extract customer data based on sex, the process can be complicated. In a Alliance study, only 55 percent of banks interviewed reported the capability to disaggregate customer data by sex.¹⁵



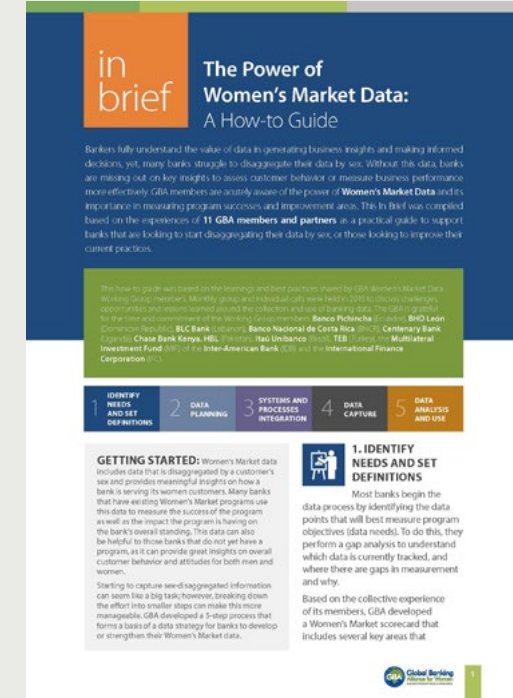
1

Internal Analysis

1. Internal Customer Data

Setting Definitions

For accuracy in your data and subsequent analysis, it is critical that you have consistent definitions established for the metrics you are exploring. Based on member bank experiences, the Alliance suggests defining an individual woman’s account as “an active retail account that has a woman as the primary account holder.”¹⁶ Business banking account definitions can be more cumbersome, as there is currently no established global definition for women-owned businesses or what constitutes an SME.¹⁷ Some banks define a woman/women-owned business based on ownership only, and others define it based on ownership and management. Some banks also include the business’s legal representation as a proxy for control over the business.¹⁸ The Alliance suggests using the increasingly accepted definition the IFC developed for its Banking on Women program: “≥51.0 percent ownership/stake by a woman/women or ≥20.0 percent ownership by a woman/women AND ≥1 woman in senior management, with ≥30.0 percent of the board of directors being women (where a board exists).”¹⁹



The Power of Women’s Market Data: A How-to Guide was compiled based on the experiences of 11 Alliance members and partners as a practical guide to support banks that are looking to start disaggregating their data by sex or those looking to improve their current practices.



1

Internal Analysis

1. Internal Customer Data

Extracting Data

Extracting sex-disaggregated data requires working closely with the IT department in your institution to first identify what data already exists. In some cases, banks have already collected this data under a Know Your Customer system, so the process is straightforward. However, often systems or processes do not incorporate a gender variable, and retroactively determining a client's sex may take time and/or a substantial investment. An FSP may need to employ a manual process to glean this information; Alliance member banks have identified the sex of retail account owners using national ID cards, first names, titles or by tapping into the knowledge of RMs.²⁰ Other methods used include mining a data sample to extrapolate a gender ratio or including gender as a field in surveys to current customers.²¹

The process can become more complicated when looking at women's SMEs. Even after setting the definition at your FSP, it can often be difficult to determine ownership stake and control of a business. Moreover, many informal

businesses use personal accounts for business purposes and therefore may be improperly categorized in the MIS. Finally, any change in shareholding and management can affect a business's classification as "women-owned," and verifying and updating this information on a consistent basis can be costly and time consuming for a bank. To initially establish ownership, many Alliance members use the business's primary accountholder as a proxy or examine official business documents detailing the ownership structure. Sex can often be determined retroactively using some of the same techniques outlined in the above paragraph for individual customers.

If your FSP is not currently collecting this data, you will also need to set up systems and processes to collect the information for new accounts going forward.²² Some FSPs' data systems allow them to repurpose existing fields to identify the sex of the account holder, which can save a great deal of resources that would otherwise be required to update the MIS. Regardless of the investment required, however, this is an absolutely necessary component to establishing baselines and measuring the success of any initiative you put in place for the Women's Market.



1

Internal Analysis

1. Internal Customer Data

Additionally, when extracting the data, it is important that you not only look at your FSP's entire customer base, but also that you focus on specific segments that the institution targets. FSPs' segmentation strategies vary across markets, but generally can be divided into retail banking (individuals) and business banking (SMEs). Banks often sub-segment their retail market into mass market, premium or priority banking, and high net worth. They often sub-segment businesses into micro, small, medium and corporate. For the sake of simplicity, for this tool, we sort women customers under the two main segments of individuals and SMEs – which captures the largest proportion of women. When analyzing your own customer data, you can use different categories of segmentation to learn more, beyond the big picture this tool helps you create.





1

Internal Analysis



Using the Tool

Once you have your sex-disaggregated account data, you will use worksheet 1 (Internal Data) in the Excel file to input the numbers. This worksheet is divided into retail customers and SME customers. Below is a summary of the data points required:

- Total number of men and women customers served
- Total loan portfolio held by men and women
- Total non-performing loans held by men and women
- Total savings held by men and women
- Products per customer and customer satisfaction of men and women customers



1

Internal Analysis

Metric included	Description*
Total # of customers	Active customers currently served by the bank
Total credit portfolio (in millions)	Total volume of the bank's credit portfolio
Total # of loans	Number of loans (each loan is considered a separate contract); all loans included irrespective of duration
Revenue from loans (in millions)	Net interest income and fee income related to lending portfolio
Total # of savings accounts/deposits	Separate accounts each customer has opened
Total deposits volume (in millions)	Total volume of deposits for the bank
Total revenues (in millions)	Sum of net interest income and fee revenues
% non-performing loans	% of the total of the bank's loans with payments of interest and principal past due by 90 days or more
Avg. # of products per customer	Total number of products divided by total number of customers
Avg. # of years with bank	Duration of banking relationship
Customer satisfaction score or NPS	Customer loyalty/satisfaction metric

* Definitions provided are used by the Alliance and are meant as a guide; however, you can use definitions that are consistent with your FSP's business model.



1

Internal Analysis

The completed worksheet provides a general snapshot of how your FSP is serving women. To the right of the worksheet, the tool provides a graphical analysis that, if the worksheet is filled out completely, shows all of the below:

- Retail Customers by Sex
- SME Customers by Sex
- Total # of Customers per Segment
- Retail Segment Loan-to-Deposit Ratio
- SME Segment Loan-to-Deposit Ratio
- Retail Segment Revenue per Customer
- SME Segment Revenue per Customer

This data will help you quantify the value of your current female customer base and is used in additional areas of the tool to estimate your potential market share and total potential revenue from the segment.

2

External Analysis

Global Business Case Tool for Financial Services Providers: Quantify the Opportunity of the Female Economy



Exploring external data on the Women’s Market in your country is critical to helping you better understand the possibilities for your FSP. This involves looking at demographics, which are key drivers for financial trends, as well as an overview of financial behavior in the country and some of the legal barriers that impact women’s access to finance. Based on the demographic and relevant behavior data, the model provides a rough estimate of the market size, which can then help you make your assumptions for your FSP’s potential market share later in the model.



2

External Analysis

2a. Economy & Demographics

Exploring key economic and demographic indicators on women in your market can be crucial when trying to paint a full picture of the size of the market. Looking at trends around population, life expectancy and employment can yield interesting insights and spark potential business ideas. Future projections of this type of data can be helpful in determining how the Women’s Market will likely grow and change over time.



Using the Tool

This section of the tool requires no inputs beyond your country selection on the “Start-Country Selection” landing tab. Once your country has been selected, the tool will populate itself across all worksheets with the country, its region and income group (based on the World Bank’s country classifications) in the upper right corner. Graphs on this worksheet provide a snapshot of your country’s economy and demographics, with a focus on those indicators that are particularly relevant to the Women’s Market. You may find that some indicators may be more relevant in your market than others. This data should be complemented by any local information available.

Economy and Demographics – The first two graphs on this page offer a look at average life expectancy for the population in your country and population growth rate projections. Life expectancy in general is increasing around the world, and

data shows that women live about 4.4 years longer than men, on average.²³ Thus, a woman customer gained today could hold even more value as a future customer than she would have in the past. In addition, population growth rates can be a good proxy for overall customer growth. In the vast majority of countries, where women make up about 50 percent of the population, projected population by age group can provide insights on the long-term value of targeting specific segments of the Women’s Market.

Employment – The rest of the graphs and the chart on this worksheet explore women’s employment in your selected country, including projections for the future and a breakdown by segment. More women gaining employment can have an impact on their purchasing power and financial decision-making. Noting industries that employ more women can help inform potential target areas for your Women’s Market program. In some countries, many women are employed in informal sectors and thus can be invisible to banks. Exploring the percentage of women employed in the informal vs. formal sector may also help you identify new opportunities.



2

External Analysis

2b. Financial Behavior

This section of the tool explores product ownership, financial behavior and financial inclusion data for women in your market. This data can offer a more nuanced view of financial product access and usage, as well as insights into many of the barriers that women face in accessing financial services. It is important to note that this market data is meant as a starting point for your analysis and should be complemented by local-level insights. Most Alliance banks learn about the specific drivers of product usage and financial behavior for their target segments through local market research, such as focus groups or one-on-one interviews.

Using the Tool

Similar to the last worksheet, this page requires no user input. Once your country has been selected on the “Start-Country Selection” landing tab, the fields will automatically update, and the graphs and charts will populate. All of this information can be closely examined and analyzed with the demographic data to inform your assumptions when sizing the market opportunity.

Current Participation/Inclusion of Women in the Financial System – The charts and graph in the first section of this worksheet provide a look at how many women are accessing formal financial services, offering insights into women’s preferences and where opportunities lie.

Survey of Women’s Financial Behavior – The six graphs in the next section of the worksheet show how women are saving and borrowing, their usage patterns, goals and motivations, and sources of income. This data will help you delve more deeply into some of the needs of women in your country.

Understanding Banked and Unbanked Women – The data in the last section of this worksheet shows financial product ownership variables related to specific segments, including age, education and labor force participation, as well as common reasons why women are not accessing financial services. The former can be useful in developing a strategy to target women in a more tailored way, while addressing some of these latter concerns may help you capture a larger share of the Women’s Market.



2

External Analysis

2c. SME Market Analysis

The first two worksheets provide general insights into retail market-level demographics and indicators on an individual level; this third worksheet provides data that is specific to women-owned SMEs. This data can shed light on the specific financial behavior and needs of women-owned SMEs in your market, and, in particular, how these might differ based on the size of the business. The data can also provide insights on the differences between informal and formal businesses in your market. Many informal enterprises may not be recognized as businesses by FSPs, as oftentimes they are served through the business owner's personal retail account.²⁴ Thus, informal businesses, in particular, often have unmet financial needs. There is also generally a service gap for larger women-owned enterprises.

The data included in this portion of the tool are based on the IFC's MSME Finance Gap research. It is important to note that data on the number of informal firms and credit-constrained informal enterprises is relatively scarce. The data shown is based on IFC's approximations of the absolute size of the informal MSME sector in developing economies using various sources, including Bureau Van Dijk – Orbis, World Bank Enterprise data, OECD Financing SME and Entrepreneurs Scoreboard, and the IMF Financial Access Survey. Although in some cases data is derived from primary sources, in other cases the information was extrapolated using statistical models. The results vary widely from country to country, and the accuracy of the data is dependent on many factors, such as the definition of Very Small Enterprises or SMEs by the national entities collecting and reporting national statistics. Additionally, the count of formal and informal enterprises varies widely depending on the methodology used to survey the businesses and choices made around reporting standards by the measuring entities. As of the publishing of this tool, the IFC estimates that the absolute values for the credit and deposit gaps are in line with expectations, but IFC will continue to update segment-level estimates, which could under or over report the realities on the ground. For more information on the data, please see the IFC report ["MSME Finance Gap: Assessment of the Shortfalls and Opportunities in Financing Micro, Small, and Medium Enterprises in Emerging Markets."](#)



2

External Analysis



Using the Tool

This worksheet again requires no user inputs once the country is selected on the “Start-Country Selection” landing tab. The data will populate automatically, showing information broken down by segment for informal, micro, very small, small and medium businesses.

Access to the Financial System – The graphs and chart on this worksheet provide a snapshot of the women’s business ecosystem in your country. The chart on the upper left aims to size the market of women-owned SMEs.* The chart also quantifies the finance gaps for women-owned businesses in your market, by segment. This data can provide initial market size estimates and help your FSP know if a women-focused SME strategy may be a good move. “Access to Finance” on the right shows the percentage of women-owned SMEs that are fully constrained (find it difficult to obtain finance), partially constrained and unconstrained. The bottom two graphs show the finance gap to women-owned enterprises and micro enterprises as a percentage of your market’s GDP and the ratio of “finance demand” to current financial volume. These show the potential demand that could be served if the SMEs and FSPs were functioning in an improved environment.²⁵

* Note that data on all segments is not available for all markets; thus, different elements on this page may not be available. Data on all items included is relatively scarce, and most are IFC approximations. See the statement at the bottom of worksheet 2c for more details.



2

External Analysis

2d. Legal & Business Environment

In this section, the tool explores legal and business environment considerations that can impact the Women’s Market in your country. Both legal and cultural contexts can act as barriers to women’s access to finance.²⁶ While the situation varies greatly from country to country, many nations still have laws that impede women’s economic activity. For example, 55 percent of the 189 economies assessed by the World Bank’s “Women, Business and the Law” report have a law that limits women’s employment in specific jobs, 31 percent have no laws on sexual harassment in the workplace, and in 10 percent of economies wives can be prevented from working by their husbands.²⁷

In addition to understanding if any laws in your market may be hindering women’s access to financial services, it is also important to consider the cultural context. While specific data on this topic is not included in the tool as it is largely unavailable, it is vital to consider any cultural norms or practices that might impact women’s access to financial services, such as child-rearing expectations, inheritance traditions and laws, women’s access to land ownership for collateral, and other realities. Many of these

factors can make the operating environment for a Women’s Market program tricky, but they do not necessarily preclude success. Information on these types of considerations can often be gleaned from discussions with gender experts in your country or published research.

Finally, it is important to consider the ease of doing business in your country, as this is generally a good proxy for ease of starting/operating a business and/or access to finance for SMEs. This is applicable to both men and women but can disproportionately affect women. The Doing Business project measures business regulations and their enforcement across 190 economies.²⁸ Where “doing business” is challenging, many business owners will prefer to stay informal, leading them to be less likely to use formal financial services. Women, in particular, are largely concentrated in this space. This could yield opportunities where certain bank initiatives are put in place to bring in more of this type of business – like updating documentation requirements or partnering with an outside firm to offer formalization assistance. Additional market research is required at the local level in order to uncover other legal and cultural barriers relevant for women-owned businesses.



2

External Analysis



Using the Tool

The left side of the worksheet includes a Legal Framework Assessment for women in your country. The scorecard consists of a compilation of specific laws included in “Women, Business and the Law” that can help you understand the legal context for women in your country. Here you can identify gaps in laws that can impact gender equity, and which could create barriers for women who are looking to increase their financial independence, start or operate a business, and/or access financial services more generally.

Some FSPs may not be directly aware of the relevant laws that could limit women’s access to finance, such as being able to open an account for themselves or inherit property. Reviewing these laws may actually illuminate opportunities for your institution to innovate and become

a Women’s Market leader. For example, if there is a law that limits women’s ability to open an account, you might consider a potential workaround.

The right side of the worksheet includes a Doing Business Scorecard for the country, providing more insight into serving SMEs. Here the tool considers the business climate, taxes, ease of starting a business, access to credit and retirement age in your country. The tool allows you to choose a benchmark country, which helps you compare the realities of doing business in your own country with others. For instance, you could choose similar-sized countries in your region or income group and/or where other banks have successfully targeted women-owned SMEs.

3

Market Sizing

Global Business Case Tool for Financial Services Providers: Quantify the Opportunity of the Female Economy

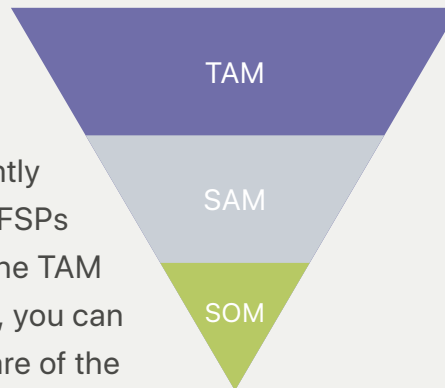


Estimating the total number of potential customers in a defined market will help your FSP determine the breadth of the Women’s Market opportunity. Conducting a market sizing exercise involves first understanding the total size of the market that could potentially be served – the Total Available Market (TAM) – if there were no constraints such as competition or distribution channels. This number equates to the total universe of customers that could potentially have access to financial services. A high TAM can show the potential growth capacity in a particular market; however, it can also indicate a lack of demand or accessibility.

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Market Sizing

The portion of the TAM that can be served by an FSP is the Serviceable Available Market (SAM), which represents the total available market that has the potential to be better served. The SAM provides a snapshot of the untapped market, incorporating the population that is not served or is underserved by FSPs, and excludes any population currently being served well by FSPs in the market. Once the TAM and SAM are defined, you can then estimate the share of the unbanked and underbanked market that the institution can realistically capture, the Target Share of Market (SOM). The approach used in this tool is a “top-down approach,” starting with the largest number of people, the TAM, and ultimately narrowing this down into your FSP’s Target SOM.²⁹



In order to determine the Target SOM, you can take into account your FSP’s historical customer growth numbers (by gender, if possible). You can also review the trends observed in the economic and demographic data provided in worksheets 2a-d, and consider the following:

- How bankable is the population?
- How big is the population of unbanked and underbanked?
- Are there major structural challenges in place that need to be addressed as a first step, and will that take time?
- What are your bank’s current offerings, and how different do they have to be to appeal to women (how long will that take)?
- Where does your bank sit strategically in the market – is there a market leader that has already captured a large percentage of the Women’s Market?

The market sizing technique is applied in this tool to the retail and SME segments separately, in worksheet 3a for retail customers and 3b for SME customers.



3

Market Sizing

3a. Retail Market Sizing Tool

This market sizing approach can be easily applied to quantifying the retail Women’s Market opportunity. The TAM is based on national population data, which is generally available and disaggregated by sex, and can be assumed as the portion of the total population that could potentially access financial services if there were no constraints. Data to estimate the SAM can be harder to come by. This model defines the SAM as the unbanked and underbanked. Data on unbanked populations is from the Global Findex, which provides insights from demand-side household surveys that can be extrapolated nationally. However, there is limited global research on underbanked women, and comprehensive statistics are not available.

For this model the Alliance has defined underbanked as the higher number of those who own a bank account but have not saved at a formal financial institution within the year or those who own a bank account but have not borrowed at a formal financial institution within the year.³⁰





3

Market Sizing

An Untapped Potential: The Unbanked and Underbanked

Despite the fact that more women are entering the workforce, earning more money and exercising influence on financial decisions, there remains a gap in women's access to financial services (women are unbanked) as well in the service and usage of those financial services (women are underbanked). It is imperative to consider both the access and service gap to ensure that the Women's Market opportunity is adequately being estimated.

Women are unserved

- The gender gap in account ownership persists globally: According to the 2017 Global Findex data, while 72 percent of men globally have an account, 65 percent of women do. The gap of 7 percentage points was also present in 2014 and 2011 – it has not budged.³¹
- 80 percent of women-owned SMEs with credit needs are either unserved or underserved.³² This translates into a US\$1.7 trillion financing gap.³³
- Women are more likely than men to state that access to finance is a major constraint to business growth.³⁴

Women are underserved

- Out of all services, women are most dissatisfied with financial services.³⁵
- A study in the US, UK, Singapore, India and Hong Kong found that 67 percent of women felt that their financial advisors did not understand them or were not interested in serving them.³⁶
- An average of 71 percent of women investment, insurance and credit card clients said they were dissatisfied with the service they received from those providers.³⁷



3

Market Sizing



Using the Tool

The tool first estimates the TAM for the retail Women’s Market in your country. The model uses total women (aged 15 and up) as the total population available, so it subtracts those under 15 from the total female population.[†] The model then estimates the SAM as the sum of the unbanked and underbanked women in a market. To estimate these numbers, the model identifies the number of women who have a bank account or a mobile money account (based on Global Findex data^{*}) and considers them “banked,” subtracting them from the TAM. This defines the “Total Unbanked Women.” The model then excludes the number of women who chose not to open a bank account, who are considered “unbanked by choice.”[§] The model then provides a conservative estimate of the potentially underbanked population, deducting either those who have a bank account but are not saving at a financial institution or those who own a bank account but have not borrowed from a financial institution.^{||} Since these numbers are not mutually exclusive, the model utilizes the higher number of the two to determine a potentially underbanked population. The model

allows you to also manually input this figure if a different method for estimating the underbanked population is preferred. If a figure is input manually, this will override the automatic calculation for the underbanked, and the model will use this number instead. To determine the SAM, the model then takes the total unbanked, subtracts those who are unbanked by choice and adds the underbanked. This number will show up in grey in the graph to the right.

For the SOM calculation, the model requires that you input a target share of the available market. This is an assumption for the potential share of the unbanked and underbanked you believe your bank can realistically capture. These estimates can be based on your current market share, your brand awareness in the market, your senior leadership’s commitment to the Women’s Market and other factors. It is important to note that this number represents only potential new customers that the FSP can capture. Here you will input a potential target number; however, you may change this number as you refine your business case. This SOM then appears in green in the graph to the right.

[†] Some banks consider economically active women aged 15–64 to be their TAM; however, “total women” was chosen for this model instead for these reasons: 1) Findex considered its total population to be all women; thus, calculations on percentages of women utilizing certain products apply to all women, not just those who are economically active. 2) Looking at economically active individuals age 15–64 excludes those over 64. The Alliance considers these age group to be part of a strong target population, including those who are retiring and in need of additional financial services. 3) Looking at those who are economically active does not include those living on remittances, who make up a key market for banking services in some countries. 4) This data also excludes the care economy – unpaid work looking after the physical and emotional development of others – which is disproportionately made up of women and also requires financial services.

^{*} For countries for which there was no 2017 Global Findex data available, the 2014 and 2011 data was used successively as proxy for current data.

[§] In the Global Findex survey, when noting a reason for not having a bank account, survey respondents can choose more than one option (answers are not mutually exclusive), so there is a possibility that the “unbanked by choice” estimates double count a portion of the population.

^{||} Borrowing from a bank does not include credit cards, as this data was not available.

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Market Sizing

The table below these figures summarizes your TAM, SAM and SOM.

Term	Definition
Total Available Market (TAM)	The population in your country who could potentially be banked: women aged 15 and up
Serviceable Available Market (SAM)	The proportion of the TAM that is not served well by FSPs, including unbanked and underbanked women
Target Share of Market (SOM)	The proportion of new customers from the SAM that your FSP will actually target to acquire





3

Market Sizing

3b. SME Market Sizing Tool

Our top-down market sizing approach is then applied to the SME market. Here you will consider the TAM to be the total number of women-owned SMEs in the market. The SAM is defined as SMEs that are unbanked or underbanked, as defined by questions in a survey to SMEs by the IFC. Similar to the retail market sizing calculations, you will then be able to estimate your bank's target share of market to understand the total number of unbanked and underbanked customers you would like to acquire.

Using the Tool

This page starts by calculating the TAM as the total number of women-owned SMEs in your market. This is the total number of informal, micro, very small, small and medium enterprises owned by women, as defined by the IFC and as broken down by sub-segment in worksheet 2c (SME Market Analysis). If you have access to a more precise number, you may manually input this number. If you include a number here, the model will use this total as the TAM over the number provided by the IFC Enterprise Gap survey data.

Next, you will see the total number of unbanked or underbanked women-owned SMEs as determined by the IFC. This is your SAM. Once again, if you have a different way you would like to calculate your SAM, you can do so and manually override this figure by providing your own.

Finally, you will enter your bank's target share of market for the defined SAM, and the model will provide a number for you. This is the total number of women-owned SMEs that are unbanked or underbanked that you plan to acquire as customers.

4

Market Share Projections & Financial Returns

Global Business Case Tool for Financial Services Providers: Quantify the Opportunity of the Female Economy



Calculating the Financial Returns of Targeting the Women's Market

All of the information included in the External Country Data sections (worksheets 2a-d) and Market Sizing (worksheets 3a-b) will help you better understand the Women's Market in your country. You will have reviewed women's participation in the economy and trends for population growth. You will understand their current access to finance, their financial behaviors as well as the legal landscape and ease of doing business. You also analyzed the Women's Market size for both individuals and SMEs. Careful analysis of this and any local market data you can source will have allowed you to make educated target market share projections for each segment you plan to reach. Based on all these considerations, the following section will allow you to estimate the number of new women customers you are able to reach and translate this into the revenue potential. This can then be taken one step further for investment decision calculations like Internal Rate of Return (IRR) and Net Present Value (NPV), helping you to build a robust business case for the Women's Market.

4

Market Share Projections & Financial Returns

4a. Market Share & Revenue Analysis

The first part of this worksheet will help you estimate the total number of new customers that you may reach through your Women's Market program, continuing to focus on the retail and SME segments separately. This exercise will first help you quantify any impact on currently banked women customers as a result of your program. For instance, a program that provides tailored solutions for SMEs may help you gain customers from some of your competitors in the market and/or increase the level of engagement across your own customers. You will therefore be able to calculate an increase in market share based on the assumptions provided at the beginning of the model and the number of potential customers switching from an FSP in your market to your institution (or "switchers"). The model will then help you estimate the number of new women customers you may be able to acquire who are either unbanked or underbanked, based on the market sizing analysis in the Market Sizing section. The total number of potential new customers will then be used to estimate your additional revenue based on the data provided in the Internal Data sheet.





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Market Share Projections & Financial Returns



Using the Tool

Most of this worksheet will populate itself with the data you provided in worksheet 1 on your current customers and the market sizing data provided in worksheets 3a and 3b. The cells that require your input are the target percent of switchers you believe your bank can capture and any additional revenue per customer you believe your bank can earn. If you now want to change your Target SOM, you can manually do so on this page.

The retail segment appears on the left, and the SME segment is on the right. The top table focuses on your existing customer base and calculates the proportion of women customers served by your FSP over the total accounts held by women in the country. This is your **current market share**. This ratio is provided for your information and can offer guidance for your expected future performance.

The next three tables calculate the new customer base estimates, first from the banked market, and next from the unbanked and underbanked. First, by identifying a target percentage of switchers from the banked population, you can estimate the number of currently banked women customers who could potentially be acquired by your bank's Women's Market program.

The next section looks at your new customer base estimates from the unbanked and underbanked population. As estimated in section 3, the **Target SOM** represents your target number of new customers based on the currently unbanked and underbanked population. You can override this number by providing a new estimate of the share of this market you believe your bank can capture.



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Market Share Projections & Financial Returns

Term	Definition
Current Market Share	The number of women customers currently served by your FSP as a proportion of the total women banked in your country
Target Share of Market (SOM)	The proportion of new customers from the SAM (unbanked and underbanked population) that your FSP will actually target to acquire

Once the total new women customers are calculated based on the number of switchers and the number of unbanked and underbanked customers, we will then proceed to estimate the revenue. The model uses the revenue per customer figures of your FSP from worksheet 1. In the event that you think there may be revenue implications for existing customers as a result of your Women’s Market program, the model allows you to adjust this assumption in the cell “Additional Revenue per Woman Customer.” This could be due to, for instance, an assumption that an increase in products per customer or brand loyalty across women customers

as a result of the program will increase revenues across existing women customers. This is an optional added assumption that does not need to be input for the model to work. The model will then estimate the additional revenue for new customers based on the number of new women customers acquired, as estimated above, and the same revenue per customer numbers used in the total revenue calculations. The total potential revenue calculation may be enough for your bank to decide whether or not to pursue the Women’s Market. Others prefer to perform an IRR and/or NPV calculation (worksheet 4b).



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Market Share Projections & Financial Returns

4b. Financial Return Analysis Tool

Interviews with Alliance member banks show that the main drivers impacting the decision to invest in a project vary across banks; however, total revenue is the primary focus for most and is thus included as the main element of the financial return analysis tool. The model is based on average revenue estimates, with the main variable of the equation being the number of customers. When considering the financial returns, the bank's strategic priorities, current positioning in the market, potential added value to the bank's brand, potential increased Net Promoter Score and other factors should be considered, as they could have material impact on revenue projections.

The revenue projections included in the model are based on the additional revenue estimated from new women customers acquired and/or increases in revenue per customer, calculated on worksheet 4a. This represents the total inflow of funds projected from the Women's Market program. While this number may be sufficient to create a

case for some institutions, others may choose to develop a revenue growth model that details the potential revenue over a specific period of time, usually over 5-10 years. A growth rate for each year shows anticipated revenue growth based on assumptions you can make from the information gleaned in the external country data section (2a-d) as well as your expectations of the success of your Women's Market program. For example, if there are significant hurdles for women to access finance, growth may start off slow – but perhaps you believe structural changes or workarounds could be implemented in a few years. Perhaps there are few hurdles, and your bank believes a significant portion of the unbanked can be captured fairly quickly.

IRR and NPV are common calculations used to determine the value of the investment in a project,³⁸ and both assume that the value of money today is higher than the value of money at a later date. Both IRR and NPV can be



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Market Share Projections & Financial Returns

easily calculated using Excel, so we will not scrutinize the calculations here, but will only provide general information on the assumptions required.

The IRR shows the overall return provided by a project's cash flows.³⁹ It is defined as the discount rate where the present value of cash outflows (costs) are equal to the present value of cash inflows (revenue), or the rate at which the project breaks even.⁴⁰ In this model we use an IRR estimate, as opposed to the Return on Investment (ROI), as ROI would generally be used for a one-time investment or a project that considers all cash flows having the same value over time (assuming money today has the same value as money next year).

NPV shows the value of a long-term investment in today's currency by discounting future cash flows to today's value.⁴¹ These cash flows include cash inflows (revenue) and cash outflows (expenses). The NPV calculations estimate the sum of these cash flows as they relate to the revenues and costs of the Women's

Market program for each year, discounted to today's currency. Then the initial investment, which is already in today's currency, is subtracted.⁴² Each of the future year's cash flows discounted back to today's currency are then added together. The larger the NPV, the more valuable the project. If an NPV is less than zero, then an investment opportunity is not yielding positive cash flows for the period and may not be commercially viable.

NPV calculations require a Weighted Average Cost of Capital (WACC) or discount rate. A WACC is an interest rate used to estimate the value of future cash flows in today's currency.⁴³ It is the rate of return that your bank (or its investors or CFO) would expect from an investment or the cost of borrowing money.⁴⁴ Your discount rate will change depending on the direction and health of the company and economy and other factors, and it is generally calculated from the project's cost of capital – the return that investors in your bank expect – plus a risk premium for the project. The riskier the project, or the less that the company appreciates risk,



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Market Share Projections & Financial Returns

the higher the risk premium.⁴⁵ As this is a complicated calculation, it is suggested to connect with your finance department to understand what discount rate they are currently using or would suggest you use. As a very general guideline, most companies use discount rates of between 5 percent and 10 percent – or up to 15 percent in higher-risk economies or projects.⁴⁶

In addition to revenue, NPV and IRR calculations require inputs for investment and cost lines. At this stage, the expense amounts will be educated guesses, and they may be refined as the program starts to take shape and you have more information available to you. The budget included in the model offers illustrations of the types of expenses that Alliance members have needed to set up and maintain their Women’s Market programs (see [page 43](#)). Alliance members note that when considering expenses for their financial return calculations for their Women’s Market programs, they only consider those

that are a direct result of the Women’s Market program and not overall operating expenses or those related to financing. For example, additional expenses that would be required to develop and launch the program, such as direct marketing costs, systems changes, the cost of non-financial services delivery and salaries directly tied to the program would be included.

The Financial Return Analysis Tool, worksheet 4b, will calculate the value of the Women’s Market program over 5 years. If the IRR and NPV are higher than zero, the projections show that the program will be commercially viable. Assuming that the models show a positive outcome, this information can be used as a starting point for further calculations to determine the sustainability of a Women’s Market program and can be presented to senior leaders at your FSP to ensure their buy-in and secure the resources necessary to drive the program.



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Market Share Projections & Financial Returns



Using the Tool

The Financial Return Analysis Tool pulls together all of the information from previous worksheets into one place and will help inform your decision of whether or not to proceed with targeting the Women's Market. It is important to recognize that all of the numbers you will include in your calculations are based on your best assumptions of future revenue and costs, but the numbers can be modified and refined as you acquire more information both internally (perhaps revenue per customer will change, cost predictions will be updated, etc.) and externally (additional market-level data on the opportunity, policy decisions that impact women's access to finance, etc.).

If you are looking to only build a revenue model and do not want to calculate an IRR or NPV, you may skip to rows 29 and 30, where you can enter your estimated revenue growth rates for each of the 5 years for each segment. These numbers will be educated guesses, based on your assumptions of how well your Women's Market program will do in each of the years. Here you will take into account internal factors and external factors. Your internal factors include information from worksheet 1 such as historical customer growth rates, the success you anticipate from your program (offering non-financial services, increased marketing efforts, targeting products and information to women, etc.), and external factors like projected economic growth, expectations of trends for women in the workforce or women's entrepreneurship trends and other relevant assumptions for the next 5 years in your market. When making these assumptions, it is wise to involve many people from various departments to include a variety of perspectives and begin to develop support.⁴⁷



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Market Share Projections & Financial Returns

The anticipated additional revenue for each segment should automatically appear from your market share calculations (worksheet 4a), incorporating the assumed growth rates (rows 29 and 30) into the 5-year projections.

If you want to take costs and investment into consideration, then start at the top and begin to fill in all of the anticipated direct expenses related to your Women's Market program. Based on the experiences of Alliance member banks, some common expense lines for Women's Market programs are included in the model. You can add additional categories or alter these in your model to include what you believe will be your big-ticket expense items. As noted, Alliance member banks interviewed said that they only considered costs that were directly related to the Women's Market program. Other expenses such as day-to-day operating expenses or cost of funding are excluded from these calculations.



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Market Share Projections & Financial Returns

The below table summarizes the main expense line items included in Alliance member budgets:

Expense Line ⁴⁸	Description
Market Research	Costs related to interviews, focus groups and other research that provide insights into current and potential customers in your target market, usually through an external market research agency
Marketing	Program launch and any other directly related marketing, advertising, and/or online costs to get the word out about your program, products or services
Sponsorships and Partnerships	Working with external organizations to build program and brand awareness and increase the value-add for your women customers
Employee Training	Employee capacity building and awareness raising about the Women's Market program as well as costs related to integrating gender intelligence into the FSP's ongoing training programs
Non-Financial Services	Costs related to customer training and education, recognition (awards), and networking such as online portals or social networking
Technology	Any new technology required such as apps, websites or system adaptations
Travel	Trips to engage employees and senior management or learn best practices at relevant events or trainings
Team/People	Any dedicated staff for the Women's Market program and all associated costs (excluding those who have separate primary roles, such as senior program ambassadors, program champions or those implementing the program into the business such as branch managers, frontline tellers or RMs)

Once all of your revenues and expenses are filled in, the model then estimates a Project IRR based on the cash inflows and outflows. If the IRR is higher than zero, then it is expected to generate a positive financial return vis-à-vis its costs. As mentioned above, the rate of return can be compared to other options for investment, so if the IRR is higher than a return on an alternative project, it would be considered an attractive option. Similar to the IRR, if the NPV is higher than zero, then your expected investment is projected to have a positive return. The higher this number, the greater the return. Overall, these numbers provide a starting point for further analysis into the viability of your Women's Market program.

Putting It All Together

The model provides you an overview of the Women's Market in your institution and in your country. You now have deeper insight into the attractiveness of the market overall as well as the current revenue potential of the segment for your bank. Based on this information, you determined a realistic target for women retail and SME customers and calculated estimated financial returns to understand the viability of launching a Women's Market program. As noted throughout this guide, all of the results of the model need to take into consideration additional, locally sourced market data and your bank's own revenue calculations. With all this in mind, you should come to a conclusion around the next steps for your Women's Market program. If results from your analysis show strong potential, you will incorporate them into a business case pitch used to gain support for the program.



Preparing Your Pitch

Before developing the pitch it is important to:

- **Determine how the Women’s Market opportunity is part of the overall strategic priorities of the bank**⁴⁹

Closely review the bank’s strategic priorities and discuss them with senior leaders at the bank. Identify any potential links to the Women’s Market within these priorities. The Alliance has developed tools to help banks evaluate the Women’s Market opportunity strategically, such as a Five Forces Analysis questionnaire and some questions to help you frame the opportunity (Alliance members can access these tools via [The Vault](#)). The results of this analysis should be presented to show how the proposed Women’s Market program fits within the bank’s strategy.

- **Understand how initiatives are launched in your bank**⁵⁰

Many banks have codified processes for launching new initiatives. Often there are incubators for ideas, specific meetings created to discuss new segment or product ideas, or other processes. Identifying which of these exists and what is accessible to you can help expedite the process. Be sure to identify who is involved and what information you need to provide. Interview others who have tried to launch new initiatives to learn about their experiences of what worked and what did not.

- **Identify who your most important stakeholders are**⁵¹ It is critical to know who the most important stakeholders are. For example:

- Is there an already-identified senior champion of the Women’s Market?
- Who on the leadership team is able to mobilize players across the bank?
- When new initiatives are launched, do they come from the Strategy Department? Consumer banking? Marketing?
- Who makes it all happen?

Once you have identified your key stakeholders, note why they are important, what their priorities are and any access you have to them. Then determine what you will need to do to get them on board.

Sample Key Stakeholder Management Table

Key Stakeholder	Why they are important	Their top priorities	Access you have to them	Next steps
Example...				
Head of Consumer Banking	Lead all new CB initiatives Women's Market program will sit in CB, ideally	Drive revenue Identify new markets for growth	Women's Market Steering Committee Member reports to him/her	Get time in his/her calendar to present business case, along with a colleague, before s/he sees it in Exco meeting Include specific impact to CB bottom line
Head of Marketing	Champions senior women across the bank Marketing will be key to the program	Maximize effectiveness of marketing efforts Support business priorities	On the Women's Market Steering Committee	Identify the key impact the Women's Market program will have on marketing and explain the business case Discuss main priorities so s/he can be a key supporter within Exco

All of this information and the results of your analysis will then be used to develop a presentation that will be delivered to senior leaders and other stakeholders at the bank in order to get their feedback (to tweak the presentation) and buy-in.

Developing Your Pitch

Your business case pitch for your Women's Market program will pull together all of your conclusions around the potential the Women's Market represents for your bank and show what you intend to do about it. You will use it to try to convince key actors about the size of the opportunity and the projected value to the bank. To do this, you must first consider who your audience is and what their priorities are. The stakeholder map on the previous page can help with this.

Introduce the opportunity

Here is where you begin to show the results from your own analysis with the Business Case Tool. You can look at the opportunity externally and internally. Externally, explore global trends around the importance of women and financial services as well as demographics in your country. Use your results from section 2 to show expected trends or data points that explain why women are important customers for your bank to target.

Then, present your internal overview of relevant customer data (from worksheet 1) to show how your bank is currently serving women. How many women are you serving? What proportion of the customer base are they? In which segments? Are there specific areas or ways that women stand out as customers? For example, is their revenue per customer higher? Their products per customer? Their NPS? Are women saving more and borrowing less? Identify areas where there are gaps and opportunities.

Spell out how your Women's Market program fits into the strategic priorities of the bank and helps the bank achieve its goals. Show a sense of urgency around the issue. Explain how you want to be the first in your market to target women to differentiate your brand, if there are no other programs in your market.

Explain what you will do about it

Share some ideas for how your bank can better target women. Your analysis results will have identified specific areas where there are gaps in the market or new opportunities. Here you will determine your target segments and develop a draft holistic customer value proposition that includes financial services complemented by non-financial services, fulfilling the needs of women customers and at the same time serving your current customers better. These initial ideas will all be refined by market research to be performed later. You can also include a brief timeline for your Women's Market program and some key milestones.

Include potential challenges to the success of the program or areas of resistance, and what you plan to do to help mitigate those challenges.

Show the benefits to the bank

Include the numbers that result from your model analysis (and any further analysis) such as your projected revenue, IRR and NPV, and how you came up with those numbers, including all of your assumptions. Explain non-financial expected results such as how the program could improve the bank's brand value, increase customer loyalty, and/or any other benefits. Explain the resources that are required for the success of the program and any proposed methods for tracking results.

Tips on Presenting Your Business Case

When presenting your business case to management, consider these tips to ensure that your presentation is as effective as possible:

- ✓ Keep it simple.
- ✓ Be sure your narrative is cohesive.
- ✓ Use stories of real customers to make a point.
- ✓ Start big, with the estimated financial impact on your FSP.
- ✓ Put yourself in your stakeholders' shoes to anticipate their questions. Either include the answers in your pitch or have the details readily prepared for Q&A.
- ✓ Have a list of all of your assumptions easily accessible.
- ✓ Show the audience what success looks like – how your bank will grow, what people will think about it, what products and services you will have.
- ✓ Meet with key stakeholders individually before giving the presentation. Nearly everyone in the room should have already bought into the program before they see this pitch.
- ✓ Encourage the senior champion of the Women's Market in your bank to deliver the presentation, and be sure s/he is well prepared.

Summary of Global Databases Used

Below is a summary of the publicly-available global databases used in the tool.

Organization	Name	Description	Frequency of Update	Geographies and Limitations
International Finance Corporation (IFC)	IFC MSME Finance Gap Database	Estimates the number of micro, small, and medium enterprises (MSMEs) in the world, and determines the potential demand for finance for formal and informal MSMEs. Data sources vary and in some cases has been extrapolated.	The first finance gap study was published in 2011. A second version was published in 2017 with an updated methodology, with additional updates in 2018.	<ul style="list-style-type: none"> • 132 countries included. • Female ownership is defined in two ways. Option 1 is used in this tool. • Option 1: At least 50 percent female ownership, OR Sole Proprietorships that are female-owned, OR female participation in ownership and management (top manager). • Option 2: Sole Proprietorships that are female-owned, OR female participation in ownership and management (top manager).
	Enterprise Survey	A firm-level survey of a representative sample of an economy's private sector. The surveys cover a broad range of business environment topics including access to finance, corruption, infrastructure, crime, competition and performance measures, including female participation in ownership of companies.	Not consistently updated for each market. Data is from 2012-2017.	146 countries included.
International Monetary Fund (IMF)	Financial Access Survey	The FAS is the sole source of global supply-side data on access to and use of financial services by households and firms.	<ul style="list-style-type: none"> • Annually. • Sex-disaggregated pilot launched in 2016, expanded in 2017. 	<ul style="list-style-type: none"> • 189 countries. • Availability of sex-disaggregated data is limited, but there are efforts to increase it in the future. • Sex-disaggregated SME data is not currently being collected.
United Nations (UN)	UN Demographic Statistics Database	Statistics on population size and composition, births, deaths, marriage and divorce, on an annual basis.	The available Population and Housing Censuses' datasets have reported to UNSD for the censuses conducted regularly worldwide since 1995.	
	World Population Prospects	United Nations population estimates and projections including key indicators for each country, region, income group, etc.. Data estimates are used until 2015 with data projections generated until 2100.	Every two years. Data from 2017.	

Summary of Global Databases Used (continued)

Organization	Name	Description	Frequency of Update	Geographies and Limitations
World Bank	Doing Business	Provides objective measures of business regulations and their enforcement across	Annually.	190 economies and selected cities at the subnational and regional level.
	Gender Data Portal	Comprehensive source of sex-disaggregated data and gender statistics covering demography, education, health, economic opportunities, public life and decision-making, and agency.	Data from various sources including censuses, national surveys, and others. Estimates are provided by the ILO and other data sources. Updated four times a year.	Database is updated four times a year but date will vary depending on source. See Excel tool for more details.
	Global Findex	Demand-side global survey on financial access and financial behavior for a majority of countries around the world. Surveys include 1,000 people as a representative sample of the adult population surveyed per country.	Every 3 years including 2011, 2014, and 2017.	<ul style="list-style-type: none"> • 140 economies. • 2017 data was not available for Angola, Belize, Bhutan, Burundi, Jamaica, Puerto Rico, Somalia and Yemen, so 2014 data was used in the model. • 2017 and 2014 data was not available for Comoros, Djibouti, Oman, Qatar • Swaziland and Syrian Arab Republic, so 2011 data was used. • When a specific data point was not available for 2017 or 2014, the figure reported defaults to 2011. In the case of some data fields that are completely unavailable, this will result in empty graphs.
	Poverty and Equity Data Portal	Comprehensive source for the latest data on poverty, inequality, and shared prosperity.		
	Women, Business and the Law	Objective and measurable benchmarks for global progress toward gender equality.	Every 2 years.	189 economies.

Resources

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Footnotes

- 1 [World Bank](#)
- 2 [World Bank](#)
- 3 Beardsley, Brent, Bruce Holley, Mariam Jaafar, Daniel Kessler, Federico Muxí, Matthias Naumann, Tjun Tang, André Xavier, and Anna Zakrzewski. "[New Strategies for Non-Traditional Client Segments.](#)" Boston Consulting Group. 2016.
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- 10 see "Setting Definitions" in the Internal Data section, section 1, where we suggest definitions that are consistent with the data included in this tool
- 11 The sources and definitions used for each of the databases have been included as additional worksheets as part of the Excel tool.
- 12 The Alliance's How-To Guide, "[Winning the Women's Market: A How-To Guide for Financial Institutions,](#)" walks users through the steps necessary to create and implement a successful Women's Market program. Further details and resources are provided from Alliance Member experts at [All-Stars Academies](#) organized annually around the world. Additional resources and support are available throughout the [Alliance's product offering.](#)
- 13 Ibid.
- 14 Financial Alliance for Women in partnership with Data2X, and the Multilateral Investment Fund (MIF) of the Inter-American Development Bank (IDB). The Value of Sex-Disaggregated Data. 2015.
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- 25 World Bank Group. SME Finance Forum. [MSME Finance Gap.](#)
- 26 Financial Alliance for Women. "[Winning the Women's Market: A How-To Guide for Financial Institutions.](#)" 2016.
- 27 World Bank Group. "[Women, Business and the Law 2018.](#)" Washington, DC: World Bank. License: Creative Commons Attribution CC BY 3.0 IGO. 2018.
- 28 [Doing Business](#)
- 29 The fundamental assumption used in the top-down retail market size model is that the data points from the 2017 Global Findex database can be extrapolated to be compared to population data. By doing so, the market sizing assumption is that the TAM is the proportion of women that responded to the survey as having an account either in a financial institution or through a mobile money operator.
- 30 We acknowledge that this is by no means a scientific definition and calculation for the underbanked. We use this calculation here as a proxy to define the underbanked; however, if you have further data available in your market, please include your own estimate for the underbanked in your country in the input cell provided in the model.
- 31 Demirgüç-Kunt, Asli, Leora Klapper, Dorothe Singer, Saniya Ansar, and Jake Hess. "[The Global Findex Database 2017: Measuring Financial Inclusion and the Fintech Revolution.](#)" Washington, DC: World Bank. 2018.
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Global Business Case Tool for Financial Services Providers

Quantify the Opportunity of the Female Economy

III

The Alliance thrives on members opening their doors to let practitioners from other FSPs in. They share their experiences, both positive and negative, for others to learn so newcomers do not have to “reinvent the wheel.” Thank you to five Alliance member banks who shared their internal best practices on how they calculate the business opportunity with the Women’s Market: VP Bank in Vietnam, TEB in Turkey, BLC Bank in Lebanon, NatWest in the UK and Westpac in Australia. Their ideas and insights helped guide the development of this model. The Alliance is grateful for the financial contribution of Canada’s International Development Research Centre and Goldman Sachs 10,000 Women.

