

The Road Ahead: Envisioning the Future of Inclusive Finance – English Transcript

(Note: This transcript was AI-generated using [NoteGPT](#). Transcripts may include inconsistencies or errors and some sentences have been condensed.)

00:16

Alright, here we go! It's the last session of Financial Inclusion Week 2024. I'm Jayshree Venkatesan, and I head up the consumer protection research at the Center for Financial Inclusion. I also manage our strategic partnerships during Financial Inclusion Week and the Responsible Finance Forum. Today, we have Karthik Venkataraman with us, the COO. Karthik, why don't you introduce yourself? Hey everyone, I'm Karthik Venkataraman, the COO at Accion International. I just joined recently.

00:49

"Hey everyone, I've been in the industry for a while now. I used to be a partner at Bay and Company, where I led the social impact practice for many years. It's great to be here with all of you to wrap up what's been an incredible Financial Inclusion Week. Just a quick note: we're actually in the same room, even though we're on separate screens, so if you see us glancing over, we're just looking at each other! Thanks for understanding. So, is this your first Financial Inclusion Week?"

01:23

Did you think that? First off, I want to thank all of you for being here. We had over 3,000 people sign up and join us this week from 124 countries! It's just amazing to see the incredible community we're building together, and you're all a part of it. You've really helped create this community of people who care about financial inclusion and all the social issues it tackles. I'm also really impressed that this is a...

02:11

A place where people are ready to dive into tough topics, debate them, and create a space for conversation is super important. As we look ahead to the next decade, it's worth noting that we're celebrating our 10th anniversary of Financial Inclusion Week. The last ten years have seen a lot of progress, but there's still so much work ahead of us. I'm interested because, you know, we've been at this for hours and hours.

02:48

After hours of programming, are there any key moments that really stick out to you? Honestly, it's tough to choose just a few because there have been so many amazing sessions and topics. I'd like to go back to something really important that we heard in one of the very first sessions this week. AJAY mentioned something in an interview that my colleague Michael Schlein and he did at the start of the week, and it highlighted a crucial point about finance.

03:34

"Services and financial inclusion are kind of a gateway for tackling a bunch of other important social issues out there. It's not just about getting people included financially; it's about what they can actually do with those financial services and products to make their lives better. Whether it's starting and growing a small business or helping smallholder farmers, especially when we consider the gender gaps we've noticed."

04:16

It's starting to wrap up, but honestly, it's all about the connections, especially when it comes to climate. We might dive into that a bit more later, but one big takeaway for me this week is that we really need to be thinking about climate and all the effects that come with it. It's crucial to see how our work fits into that. So, I think that's what we need to focus on.

04:51

AJAY's first session really stuck with me. I'm curious to hear what you all found memorable too, so feel free to share in the chat! I know you've been hit with a ton of information this week, but for me, the concept of intersectionality really stood out. We usually talk about it in terms of gender, but then there's also the aspect of the two billion people involved.

05:26

A lot of people still don't have access to digital resources, which is about three billion folks. When we look at how things like gender, disabilities, and health come together, we see that people at those intersections are the most vulnerable. We often chat about risks or trade-offs, but we really need to be more deliberate about this. For these individuals, it's not just a simple choice; it's often about critical life decisions—like what food to buy, who gets to eat, and what sacrifices they have to make.

05:57

We need to remember how important it is to support inclusion as we move forward in the next decade. There's been a lot of talk this week about the customer journey, and what you're saying really highlights that we need to focus more on the customer experience after

the sale—like when people first access the product and start using it, even if they continue to use it. It's all about understanding that journey.

06:32

People are living their lives and making choices and trade-offs that go way beyond just financial services and products. It's really about understanding those personal journeys in a detailed way. We'll revisit this topic because there's still a lot of work to do in that area. Also, we've talked so much about the customer journey this week that I can't even single out one session—it's been a lot.

07:06

"Throughout the week, it's been pretty clear, and I'm glad you noticed the customer journey. I want to dig into that a bit more because financial services don't just end; they actually start at the point of sale. Your life interacts with it from there. I have it easy compared to you since I just do research and highlight the risks and possible solutions. You're the one leading a team that has to put those solutions into action."

07:37

"Alright, so as someone who's in that role, what do you think are the new areas we should be focusing on as an industry? Thanks, Jer, that's a really important question. First off, I just want to say it's a real privilege to be working in this field. Every morning, I get to think about how we can make a difference and give people the options they want. I think there are a few key areas we should consider."

08:22

"I keep thinking about areas where our industry can keep improving. And let's be real, the next two billion people we try to include will be tougher than the last two billion we've worked with and brought into the financial system. So, with that in mind, I think we need to focus on a couple of things. First off, we've spent a lot of time this week talking about measuring outcomes, and I believe we should keep looking at the bigger picture over time."

09:03

We need to genuinely assess the results not just in the short term but also in the long run, and even beyond that, especially in financial services and products. We should really consider how these things are promoting gender equality and improving people's lives and jobs, like the farms they operate. It's important to see how they help people become resilient against risks. I'll touch on those risks in a bit because there are quite a few out there, and I think it requires our attention.

09:39

We need to have a more nuanced perspective on how everything connects. It's all about measuring the results over the medium and long term and setting up the right processes and systems to do that effectively. Plus, we should really be talking to our customers—getting to know what's working for them and what isn't. It's important to keep that feedback loop going as we develop our products and services.

10:12

We've been chatting a lot about embedded finance in this industry, right? The main idea is that we need to meet customers where they are in their journey. One thing I didn't hear much about this week, which I would have liked to, is that financial services and products can be really stressful for people. They're using these products and services to manage other parts of their lives, but honestly, the credit line, account, or insurance product itself isn't the main focus for them.

10:55

It's really exciting for people, but if anything stresses them out, we might be overlooking that since we're all so involved in this community. We need to consider it from two sides: first, it's about giving people choices that help them live their lives the way they want. But we also need to protect customers from the stress and pressure that these products and services can cause, especially when they're not used properly.

11:33

The most effective way to make an impact in people's lives is our responsibility as a sector. It's really about connecting with customers where they're at. I think we need to seriously tackle the increasing risks to consumers, businesses, and the wider market. Climate shocks and geopolitical issues are everywhere, and these risks can disrupt supply chains, leading to food insecurity and other problems that stem from those disruptions.

12:09

Health insecurities and short-term health challenges can really have a big impact on people's lives. We need to keep that in mind. I want to bring up something AJAY mentioned in the first session about being more proactive in addressing the lifestyle diseases people are dealing with. It's important to tackle these issues early on. When we consider all the risks out there, we should adopt a more holistic approach to thinking about them.

12:46

We need to get a handle on how all these different parts connect and how they can lead to other risks. The products and services we create really need to consider the challenges people are facing. It's not an easy task, and we need to have more discussions between the public, nonprofit, and private sectors about how to address these issues on a global scale.

13:25

At a local level, that's really important because it helps us make decisions quicker and get products and services out faster. But we have to keep responsibility in mind. One thing Greta mentioned this morning, which I found really important, is that we have to remember there are still various ways to connect with customers. We talk a lot about digital transformation, but we need to realize that there's more to it than just that.

14:02

We really need to focus on reaching the two billion people who still lack proper services, especially through physical channels. It's important to think about financial service providers and others who have these physical locations. We need to find effective ways to integrate that as we expand our digital channels. It's crucial to ensure we're reaching everyone and not leaving anyone behind.

14:37

As we move forward, we can't overlook the differences we see. One last thing to mention is how important businesses and the private sector are. I spent a lot of time thinking about this in my previous job at Bain, helping companies figure out how they can be sustainable while also achieving social results that open up opportunities for them. I think we need to keep focusing on this as an industry—how do we rally around it?

15:13

We're seeing more and more private sector folks getting involved in this conversation, and this week has really helped bring them together. I've talked a lot, so I'll pause for a moment and see if there's anything else you want to add. I'm glad you mentioned the discussion Greta and Andrea had earlier this morning; that theme popped up in a few other sessions too, especially when we talked about climate shocks and what we need to do about them.

15:44

So, when we talk about traditional organizations that reach the last mile, what tools can help them with investments? How can we make Blended Finance work better? At the end of the day, Greta mentioned Northern AR and Kaleido Fin as examples. What that team has done is really use Blended Finance to develop local capital markets and create new assets.

16:18

We've been involved in the investment side of things as part of our portfolio, and there's a lot to dive into. We need to consider how this can be applied in other markets. I really see a lot of potential and opportunities here. One question I have for you, as a researcher who looks at this broadly across the sector, is where do you think the key areas are?

16:57

We need to create a better and more systematic evidence base for policymaking—not just for policymakers, but to help us who are actually doing the work. What areas do we need to focus on to build that evidence? We touched on this a bit earlier, and there's definitely a need to expand on it. I also want to hear from everyone here, so please share in the chat what you think are important areas for research.

17:31

There were a couple of things that really caught my attention. First off, I think we really need more transparency to figure out what's actually working and what isn't. This applies to businesses as well as government actions. Looking ahead to what we want to achieve in the next few years, we can't afford to be anything but transparent. The people who end up suffering the most from bad policies are usually the poorest and most vulnerable. So, as we move forward, I think it's crucial.

18:09

Sure, we can admit we made some mistakes, but we need to move quicker and gather data that helps us adjust and fix things as necessary. There's definitely a bigger need for transparency, like looking at payment failure rates or how many people are using certain payment methods and why they're not working. Those are the questions we'll have to tackle. Also, it's worth noting that DPI isn't going anywhere, just like digital is, because it's beneficial.

18:42

"Finding ways to be more efficient really improves our lives when it works. We just need to make sure it doesn't take away other options and that we have enough information about the costs involved in the systems we're putting in place. It's not just about the initial investment; we also need to consider what consumers have to spend and the mental toll it takes. We used to discuss this a lot in the old days of microfinance, and I think with digital stuff, we often assume the psychological costs."

19:13

They don't really disappear; they just get handed over to the tech provider. For the consumer, it's super frustrating not knowing which channels to use. I think that really came across in a lot of discussions. It goes back to your point about mapping the journey beyond that point. That's really important. When it comes to consumer protection, there's still a lot more to tackle. We know there are several rising risks, but we...

19:39

Just so you know, women aren't complaining as much, but we're not sure why. We also don't have the right tools to spot and fix these issues. In the chat yesterday, during the session with SEAP and IPA, someone mentioned that mystery shoppers really stand out when they're sent to check out digital financial services. It's hard to stay under the radar in that context. So, we definitely need better tools, and we need regulators to catch up.

20:11

Innovation is really important because it can break down trust, you know? And the last thing I want to mention is trust. It's come up in every session consistently. It's a complicated concept because we usually think about it in terms of distrust. But we need to do some serious research on what actually builds trust. One thing I learned this week is that it varies a lot depending on the situation and the different groups of consumers. For example, a woman using services from an...

20:48

In rural India, trust in an agent shows up through how consumers feel about their experiences and what the agent has offered them. For someone in Kenya, it's about getting services without having to pay bribes. Those are two totally different situations. We're talking about trust in both cases, but the reasons behind that trust are really different. So, we need to figure out a way to measure trust when it comes to financial inclusion. Yeah, I totally get it. It makes a lot of sense, and we definitely need something more concrete.

21:23

"It's more detailed than the general trust measurement for the financial services industry, especially when we look at the most vulnerable groups. Trust can mean different things, and what builds trust is important, but so is understanding how quickly credibility can be lost due to a single incident of distrust, as Linda mentioned in an earlier session this week. So, we really need to get better at measuring that."

22:02

Tracking this in a way that's specific to the context is really important. I want to circle back to that point. When we consider the evidence base, you mentioned how it's all about context, and I think we really need to wrestle with that because it's not simple. Sure, there are some global themes and trends we can discuss, but in the end, it's very local. It's about the lives people live in their communities and what those communities are like.

22:36

We need to keep building our local base, and that's why it takes all of us—every one of the 3,000 people in this conversation—to think about these issues and keep the discussion going. I see there's a lot of talk in the chat about how important subsidies are, but I want to circle back to something you mentioned about choice. With digital, it's everywhere, you know?

23:16

"It's definitely here to stay. Before we joined, you mentioned something interesting about having the option to access physical services. Can you elaborate on that a bit? I believe that's important. When you consider people's lives, access is a key issue. For many, being able to talk to someone face-to-face, especially someone they trust, is still really valuable."

23:52

It's really important, and I think I might use the term "omnichannel" or "multichannel" here because it's all about combining those things to give people the options they need when they need them. Like, what product to use, how to use it, and where to find help to use it better. I think it still requires some work, especially in a digital way, because that's more efficient and can deliver a lot of products and services.

24:32

We need to find a way to do this on a large scale without breaking the bank. But to really connect with those last two billion people, we've got to remember that for a lot of folks, having a physical way to access services is super important. It's crucial, especially during emergencies like hurricanes or when the power goes out. These situations are happening more and more often, and sadly, they hit the most vulnerable people the hardest.

25:07

The community is way more right-leaning than most of us probably realize. So, what's the next step? Well, first off, I really need to thank our donors: City Foundation, our Diamond sponsor, Jersey Overseas Aid, the Conrad Hilton Foundation, and all the session contributors and the team at Accion and CFI. This event wouldn't have happened without

them. It's a round-the-clock effort this week, and it takes fundraising and support throughout the year. We've got colleagues who are...

25:46

We're really committed to helping you out so we can share what you've seen this week and what we've been doing for the last 10 years. It's such an amazing honor to be part of this effort. Before I dive into what's next, I want to let everyone listening know that all the recordings from the live sessions will be uploaded by the end of the day. So, if you missed any of the sessions, don't worry! Everything will be available.

26:16

"It's going to be available all year, but we want to announce the dates for Financial Inclusion Week 2025. So, mark your calendars for the week of October 7th. If you registered for this event, you'll get an email about it. Keep an eye out for announcements that will make Financial Inclusion Week 2025 even more exciting. And like you mentioned, we have over 3,000 people from more than 124 countries in this community. What can we do to grow that?"

26:54

What can we do to team up and create a future where we actually make the impact we're aiming for? Definitely send us your ideas! I really want this conversation to happen more often. We've got a week planned for next year, so save the date and come join us! Think about the sessions you'd like to lead at that event. I hope you've also met some folks you want to connect with more as you think about this work.

27:34

Let's keep the conversations going, you know, in a personal and small group way. Also, let us know if there are any topics you think would be interesting for us to consider as the year goes on. I really believe we shouldn't wait another year for the next big discussion like this. Those conversations will matter, but what people are doing every day is what's truly important. I should also mention that...

28:07

"Hey, just wanted to mention that these sessions will be available online. I know nobody can attend all of them because everyone's busy doing their thing. So, take a look at the list; you might find something that catches your interest or is really important for your work. There's a ton of valuable content out there. Honestly, that's one of the coolest parts of Financial Inclusion Week."

28:40

"Since the content is available, people can refer to it whenever they need. Plus, we know who some of the experts are in these areas, so I really encourage everyone to reach out. We had 67 on-demand sessions, 43 live sessions, and 347 speakers over four days, which is a ton of brainpower! Honestly, I feel energized after all of this. As everyone has mentioned throughout the week..."

29:20

The work isn't going to get any easier; it'll actually get tougher. But I feel energized knowing there are a lot of people thinking about it the right way and tackling specific issues and challenges. They're keeping the customer in mind, which is important. I think back to the session yesterday, and it was really moving to hear her talk about all the different journeys people go through.

30:05

"Women everywhere are doing great in their lives, with their families and communities, and the work you all are doing is really making a difference for them in meaningful ways. So, I just want to leave you with that thought. Let's not forget about the people who are at the heart of all this, because they're what keeps us motivated. Thanks for that, and thank you, Sonja, for that wonderful example."

30:46

"I really don't know how you manage all this, but thanks for everything you do! I appreciate you logging in. I'm excited to see you next year, so keep an eye out for all the updates from us. Have a fantastic weekend, everyone! Bye!"