



**Globe™**

# Telcos Extending Financial Access to the Unbanked: The Philippine Experience

**September 2007**  
**Rizza Maniego-Eala**

# Non-Traditional m-Banking Opportunity

- **The Philippines is geographically fragmented; substantial portion of population in remote rural areas**
  - **80% of the Philippine population remains unbanked / underbanked often traveling far to make a simple financial transaction**
  - **Commercial banks still have very limited reach to remote areas**
- 
- **There are 42M mobile subscriptions**
  - **Mobile network infrastructure and distribution system are well developed even in the remotest areas**
  - **The average mobile user is accustomed to loading and sharing airtime credit over-the-air and is comfortable with mobile phone's security features**
- 
- **Globe has high transaction processing capability**
  - **Globe has well developed sales force and business development capability across the Philippines**

# Answer to Opportunity : GCash

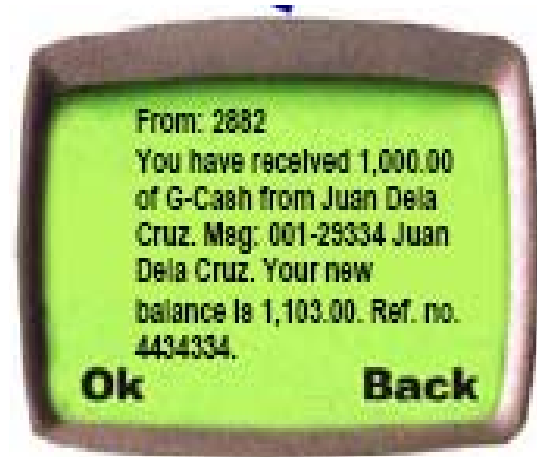
What is  
GCash?

- Transforming a mobile phone into a wallet, enabling subscribers access to a cashless and card-less method of facilitating money transfer with just a text message



What GCash  
can do and  
Cash cannot?

- Enable remote payments
- Pay bank loans w/out going to bank
- Pay bills without lining up
- Pay for food / services from anywhere
- Send remittances



All you need is a mobile phone and SIM  
Instant money transfer via text message costing only P1.00 or U\$0.02

# Award-winning Mobile Wallet Service...

Loan Payments to Rural  
Banks & Coops



Remote prepaid  
Re-loading

Merchant  
Payments

Money Transfer

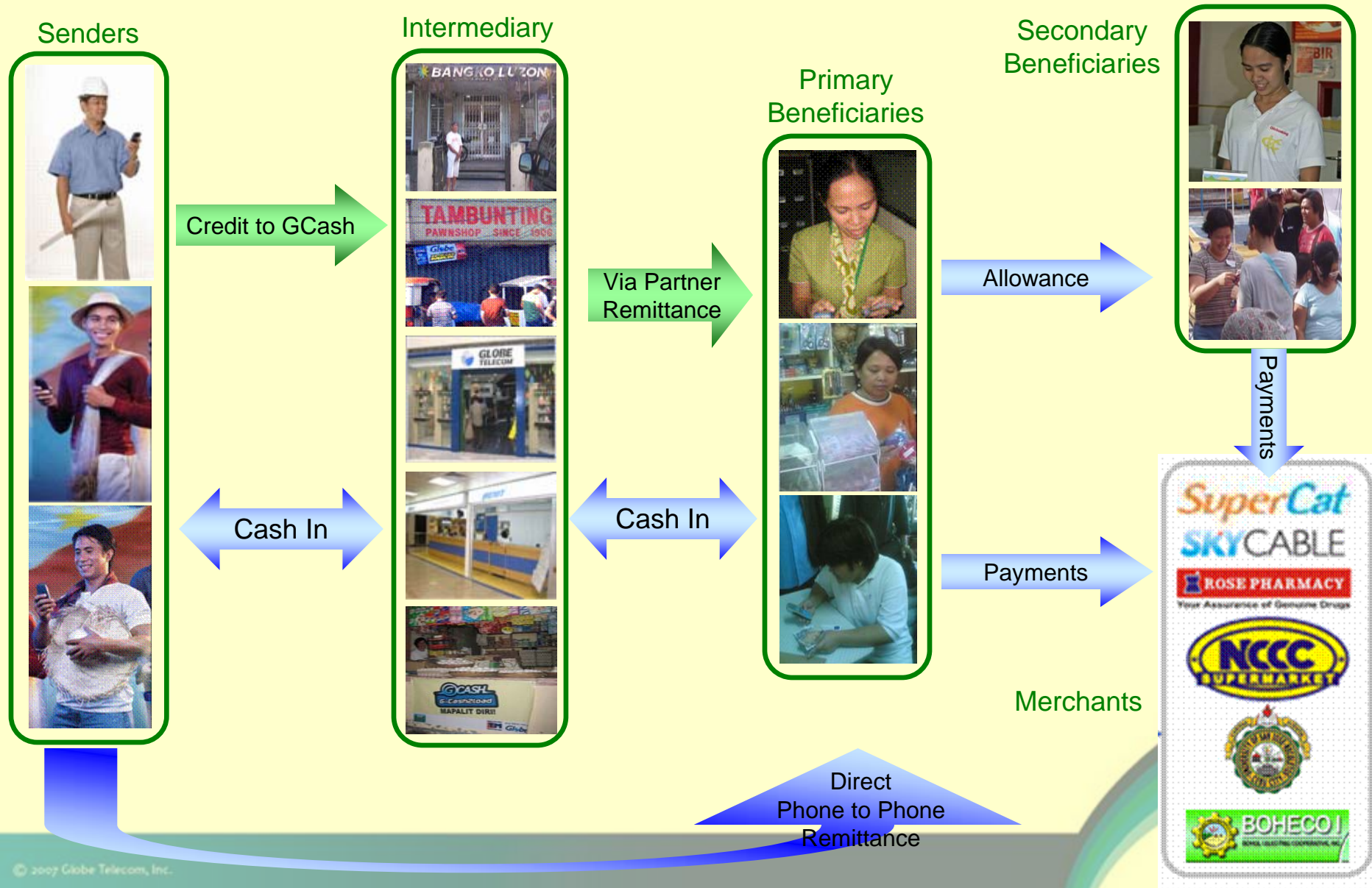
Bills Payment



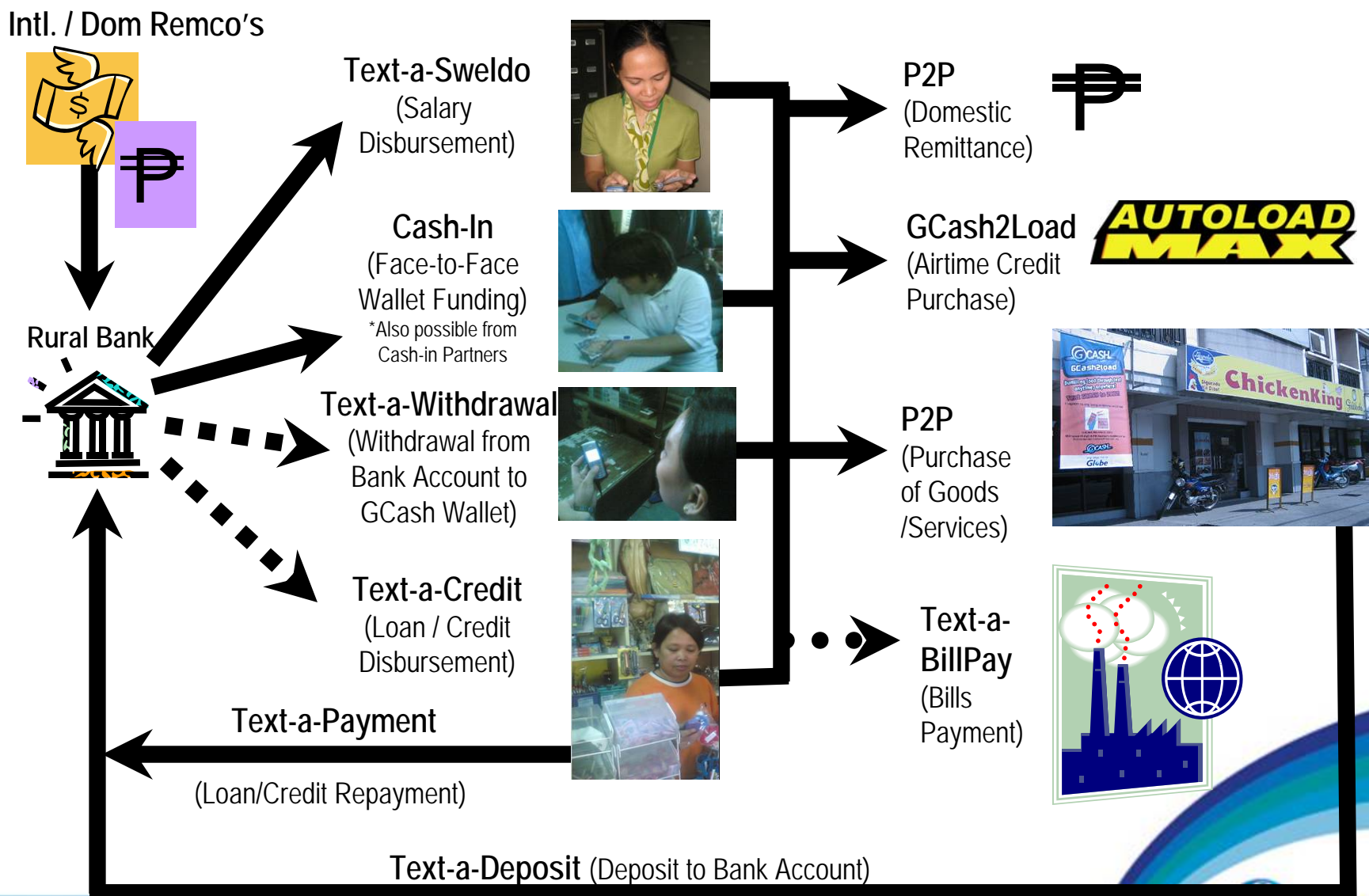
Domestic / International  
Remittances



# Business Model: A Simplified Ecosystem View

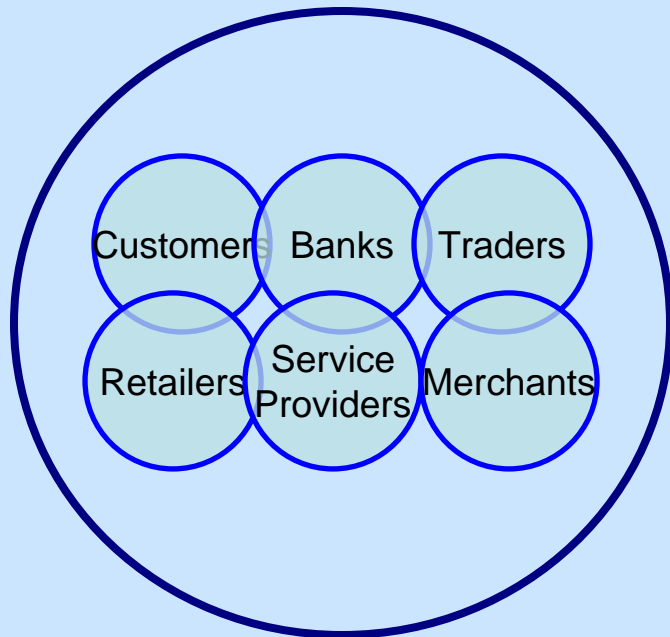


# Microfinance Use Case: Rural Bank Centric Ecosystem



# Ecosystem Learnings

- Focus on the Customer Segment or the right target market
- M-Banking success is built on top of a habituation campaign
  - business development around changing habits
- Evaluate Ease of Use Strategies while complying with regulations
  - ensure processes and systems initially mimic current behavior then progress to enhance offerings
- Critical mass is key but mass adoption does not happen over-night
- Educate, educate, educate



- Develop an open platform enabling players to further enhance and complement existing services
  - Many-to-many syndrome
  - Ubiquitous access is key
- Create new value added offerings on top of their existing services
- Utilize players' key area of strengths and expertise for best & maximum opportunities in the m-commerce space
- Create an ecosystem



**Globe™**

End Presentation