GBA’s Women’s Market Analytics Survey is the only repository of banking data measuring the performance of financial institutions in the Women’s Market globally. This is the first annual publication of this survey and presented here is an aggregate analysis of the data. We will publish additional results in the coming years as banks continue to expand their data analytics capabilities.

The Economics of Banking on Women

GBA’s Global Women’s Market Survey

23 BANKS
18 COUNTRIES
22M FEMALE CUSTOMERS
US$62B CREDIT PORTFOLIO FROM WOMEN
US$67B SAVINGS HELD BY WOMEN

This survey includes data that is self-reported by GBA members, and although it has been reviewed the data has not been fully verified. Data granularity varies from bank to bank and in some analyses outliers have been excluded. Therefore, some of the results may include smaller sample sizes and represent still emerging trends that we will continue to analyze through the annual compilation of this data.
GBA banks are successfully serving women by providing a holistic value proposition of services.

In addition to finance, GBA 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.

They know that women represent a strong business opportunity for banks.

Women’s growth has outpaced the market.

The survey reveals that female customers outpaced the overall market in terms of customer growth and credit as well as deposit growth. These dynamics were observed across most regions as well as among banks at various stages of program operation. This is expected, given that women’s representation within most banks starts at a lower base; however, those banks that have been able to capitalize on the Women’s Market opportunity using GBA best practices exhibit higher growth rates.
But women continue to be under-represented in banks’ portfolios

Women’s representation is lower in both numbers and volume

- Share of total customers: 35% women, 65% men
- Share of total loans: 19% women, 81% men
- Share of total deposits: 24% women, 76% men

In terms of customer share and as a proportion of credit and savings portfolio, women across banks and regions are still in the minority. Women are also receiving loans that average half of those of men and keeping savings balances that average less than two-thirds than those of men’s.

Women’s average loan size and savings as proportion of men’s in %, 2015

Emerging trends show that the economics of banking on women are strong

Women are profitable customers
Average revenue per customer in $, 2015

- Share of total revenue from women and men
  - Retail: 38% women, 62% men
  - Micro: 13% women, 87% men
  - Small: 9% women, 91% men
  - Medium: 6% women, 94% men

- Average revenue per customer:
  - Retail: $148 for women, $385 for men
  - Micro: $3,548 for women, $4,399 for men
  - Small: $3,169 for women, $4,002 for men
  - Medium: $3,807 for women, $4,002 for men

While average revenue per customer from women is almost at par with men, women’s underrepresentation as customers means that their share of total revenues is significantly smaller, particularly in the business segments.
Women’s behavior bodes well for banks

Non-performing-loans in %, 2015

Women’s share of non-performing loans was lower across most segments observed. This trend is consistent across geographies and segments, making a strong case for women’s credit-worthiness.

Women are strong savers
Loan to deposit ratio in %, 2015

Women are a strong source of savings for a bank, with lower loan to deposit ratios observed across all regions.

Women are loyal customers
Products per customer, 2015

Although in some cases women have been bank customers for fewer years, they consume banking products at similar levels, demonstrating that the Women’s Market represents a loyal customer base once it is captured.

Providing loans to women requires, on average, less capital

Additional Capital required due to non-performing-loans\(^1\), % 2015

Women’s lower NPLs could have a positive effect on banks’ capital requirements. A theoretical analysis concluded that, on average, providing loans to female customers would require ~4% less regulatory capital due to women’s lower NPLs. The chart above shows the additional capital-required differences based on the per segment average NPLs depicted in the graph at the top of the page.\(^1\)

\(^1\) Theoretical analysis based on per segment analysis of non-performing loans in the lending business of reporting banks.
The longer the GBA’s holistic value proposition is offered, the stronger the Women’s Market performance

Mature programs have a higher share of women in their portfolios

Female customers share, % 2015

<table>
<thead>
<tr>
<th>Mature programs have stronger loyalty measures</th>
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<tbody>
<tr>
<td>Loyalty measures, # 2015²</td>
</tr>
<tr>
<td>Average years with bank¹</td>
</tr>
<tr>
<td>Number of products used¹</td>
</tr>
<tr>
<td>~10</td>
</tr>
<tr>
<td>2.1</td>
</tr>
<tr>
<td>~6</td>
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<tr>
<td>1.5</td>
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</tbody>
</table>

Financial institutions with more mature programs also have women customers who bank with them longer and use more products.

Mature programs are also less risky

NPLs and LTD ratios, % 2015³

<table>
<thead>
<tr>
<th>Mature programs are also less risky</th>
</tr>
</thead>
<tbody>
<tr>
<td>NPLs and LTD ratios, % 2015³</td>
</tr>
<tr>
<td>Share of non-performing loans, in percent¹</td>
</tr>
<tr>
<td>Loan to deposit ratio in percent</td>
</tr>
<tr>
<td>~3</td>
</tr>
<tr>
<td>~60</td>
</tr>
<tr>
<td>~7</td>
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<td>~85</td>
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</table>

Non-performing loans of women customers at banks with more mature programs are lower, as are loan to deposit ratios.

³ Average across segments, weighted by customer

¹ Based on sum of all segments.

Banks with more mature programs show higher shares of female customers, credit volumes and deposit volumes.
Strong diversity policies and practices are a key component of having a strong Women’s Market program. Banks with more mature programs have stronger diversity measures than those with programs that have just started.

### Internal diversity measures, % 2015

<table>
<thead>
<tr>
<th>Position</th>
<th>Total Staff</th>
<th>Branch Managers</th>
<th>Senior Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>51</td>
<td>36</td>
<td>31</td>
</tr>
<tr>
<td></td>
<td>43</td>
<td>26</td>
<td>21</td>
</tr>
</tbody>
</table>

Mature programs employ more women

Specific women’s market program in place since more than 2 years
Program in design phase or launched in 2015 or later

The Economics of Banking on Women
GBA banks are expanding to multiple segments

GBA Banks target women across different segments
Share of banks that have a Women’s Market program targeting a particular segment, % 2015

GBA banks know that women are not a homogeneous block but have clear segments. While the vast majority of GBA banks have women-focused programs that target MSMEs, many are increasingly serving additional segments.

Offering a holistic value proposition to women
Share of banks providing access to specific type of non-financial services, % 2015

Recognizing that women have unique non-financial services needs, GBA banks are providing information, education, and networking opportunities and are increasingly integrating ways of recognizing women through awards.

Women’s Market data reported by GBA banks demonstrates strong emerging trends in favor of serving women as a distinct market. The business case is clear: Women are a profitable, stable and loyal segment when given the financial tools, information, education, networks and recognition they need to succeed. The numbers paint a compelling case for this holistic GBA value proposition as a best practice model for serving the Women’s Market.
The GBA would like to thank all of the GBA members that participated in this survey for their time, commitment, and willingness to share data. We are also extremely grateful to McKinsey & Company for their time and ongoing support in the compilation and analysis of this survey over the last 3 years.

The GBA and its members are grateful for the generous financial contribution of Goldman Sachs Foundation for the production of this report.

For information on the Global Banking Alliance for Women, please visit gbaforwomen.org