The MasterCard Foundation Symposium on FINANCIAL INCLUSION 2016

Day 2, Session 4 - Leveraging Partnerships to Address Business Priorities

Leesa Schrader, Director, AgriFin Accelerate Program, Mercy Corps:

Good afternoon or good morning, everyone. It's a real honour and pleasure for me to be able to moderate this panel on strategic partnerships for The MasterCard Foundation. And, what we're going to be doing is talking about client centricity and the link to strategic partnerships. And, we're going to be talking through different case studies. So, these case studies speak to the question of client centricity and human-centred design. What happens when your clients tell you they desperately need something that you don't do? There are very few organizations out there who can do it all on their own. One of the hypotheses of my program, AgriFin Accelerate, is in the agricultural space, it's actually not even possible for any single player to deliver everything that smallholder farmers need, particularly in a digital context.

So today, we're going to be quickly presenting three different cases of how client centricity has driven partnerships and how those partnerships have worked. But before that, I wanted to reflect back to you on a question that MasterCard asked you early on, as you were registering, about your own use of partnerships. And, for this group, the question was - have you engaged in any partnerships over the last 12 months, and do you consider them to have been successful? Okay.

So, as you see here, you've got a lot of organizations here who have engaged in partnerships, but only 65% are saying they've been “somewhat successful”. And 22% have said that they've been fully successful. So, if we look at the context of how we want to use partnerships, is 'somewhat successful' good enough? We think that we've got some panelists here who can really talk about that beautiful blue bar of “successful” engagement. And, each one of them are going to be talking us through the case of how they have put together their partnerships and what that has resulted in. So, what we'll do is we'll have all three panels come up and discuss their case. And then, at the end of that, we'll open up for question and answer. So, you can hold your questions until the end of the panels. But, we'll definitely have a good session for questions.

So, let me go ahead and tell you about our first panel. I feel very honoured here because this is actually the very first time that these two gentlemen, although they're incredible partners, are sitting on the same stage together. So, let me introduce Eric Luyangi from the Commercial Bank of Africa, in Tanzania. He is the Delivery Manager in the New Business Venture Unit at the bank. And, he's got quite the background. His experience is around digital and mobile financial services. He specializes in financial inclusion, mobile financial services, e-banking, channel distribution, strategic partnerships, change management and customer management. Eric was responsible for launching the M-Pawa product in Tanzania in partnership with Vodacom to the M-Pesa customer base. So, a lot of great skill sets that Eric has brought to this partnership.

And then, please let me introduce Noel Mazoya, who is the Marketing Manager for M-commerce at Vodacom Tanzania. Over the last four years, he's spent his time at work essentially developing and rolling out products related to M-Pesa. Prior to that, he worked in key roles in business intelligence and product development at Airtel. And, his career has really touched on brand, marketing and mobile financial services. So, I think you can already see a nice complementary skill set here.

So, let me go ahead and start of with Noel and ask you...this panel is really about the M-Pawa partnership. So, I will ask Noel to go ahead and give us a little bit of a picture about the M-Pawa product.

Noel Mazoya, Marketing Manager, M-Commerce, Vodacom Tanzania:

Thank you, Leesa. I think looking at the profile of the people that are in this room, I believe that for most of you M-Pawa would not be something strangely new. It's a digital savings and loan product that allows customers to save money securely and interest on their savings and get access to affordable short-term credit. We launched this product in partnership with CBA and, today, over five million customers are already using this service. And looking at the daily run rate whereby every day something in the upwards of 7,000 customers are opting in for M-Pawa, we're confident that we'll continue to see growth in this.

The reason we rolled out M-Pawa in Tanzania was basically to address significant financial inclusion gaps that we had. One year before launch of M-Pawa - M-Pawa was launched in 2014 - but one year before the launch, in 2015, there was a study that was done in Tanzania to see what's the landscape of access in user financial services in Tanzania. It was a FinScope study. Only 15% of the adult population in Tanzania had access to formal financial services. So, you can see how much the gap...so, the rest of the adult population was either using informal options or they were actually saving money under the mattress. There was a very strong need for us to roll out M-Pawa.

Leesa Schrader:

Very good. Okay. Well, let's talk a little bit more about M-Pawa and what it is. So, my next question is for Eric. So, Eric, how was the product designed specifically to meet customer needs?

Eric Luyangi:

Thank you, Leesa. So, everything started from a customer perspective. We looked into the customer value proposition which are convenience, affordability and also availability, being a true 24/7 product. We go through four key design principals for financial inclusion of products. So, Number 1 being access. So, we're looking at how is this product…how can our customer access the product in a more effective and efficient way. Because if you look at it traditionally, now, from the normal banking, a customer will have to actually move around to actually find the branch so that they can actually do their banking.

Now, we said okay, this is…it's okay but we need to look for a different way. Now, where is the customer behaviour? What are the current customer behaviours now that we can actually complement? We look at the fact that there is an M-Pesa base and the customer is already doing some sort of a financial services there. They are storing value in M-Pesa. Now, how can we actually access to M-Pesa and also extend it and add more value to the customer? We're looking to the access. And also, it' sort of like the eligibility. How easy would it be eligible for a customer to actually have access? Because normally now, currently, you have to go to…when you go to the normal branch, you have to fill out the forms. You have to go through the requirements and then you find out that some people don't have all the requirements for them to actually open a bank account. So, we're trying to look at how can we actually just bypass that and allow more people to have access to this product.

The other thing we look, also, we look into terms of the usage. So, we're looking at the current behaviour. What are the most current behaviour? Luckily, in Tanzania, there is such a huge need and appetite for people to do their financial transactions on a mobile phone. We look at it, this is the current behaviour. The customer basically has decided this is the mode of how I want to perform my financial transactions. We're looking into that. This service is a very good thing. Now, can we add on to that? Can we use that, sort of, like a behaviour and enhance it so that the customer doesn't have to go away and learn a new skill or new way of actually doing. So just extend it from what already was there.

The other thing, also, we look at is the quality of the product. So, what are, sort of, the quality things we are looking at, into actually delivering this product? So, we look at things like availability. Is this something that's going to be available all the time? Because now, currently, the behaviour and what they're really happy about is that they can access M-Pesa in a true 24/7, now. So, is our product going to be available also, a true 24/7? Because this is what the customer is expecting from M-Pesa already. Now, we just want to complement that.

Also, we're looking into things that, is it going to be enough fit for the purpose of what they are actually trying to achieve on a daily life? All this is happening in M-Pesa. It should also be happening into this new product.

Also, we're looking at the welfare of the client, themselves, that is this product taking all the consideration of everything that we just looking into? Is this going to be the right fit for this customer? So, the customer profile we're looking at. So, the product is designed for the customer below the line. So, is this going to be, is it affordable to them? What are sort of the things that they probably avoid in the banking that we don't want to repeat the same things here? So, for example, in M-Pawa we don't have any charges. So, movement of money between M-Pesa to M-Pawa is absolutely free. Also, we don't have monthly charges or maintenance fees. So, the customer value still remains intact. The moment that they move the funds from M-Pesa going to M-Pawa. If they put in 10,000 shillings today, they are guaranteed that they'll get the 10,000 today, tomorrow. Actually it's even more because they will earn interest in the process of storing the value into M-Pawa.

We are adding more value to the current, what they're actually doing, basically storing their values in M-Pesa. And this is what actually makes the very unique proposition and that so far there's nothing like that in the market. So, we have the same similar product in Kenya. It's called M-Shwari. So, in our market we are in a very unique position that we can offer this without a customer having to go through a whole bunch of processes, which makes them to accept more than any other bank product. So, if you're looking for an example of their success, as I say, CBA has been existing for a number of years and M-Pawa, it only started in May, 2014. Now, in a very short period of time, in two years, we've been able to register more than five million customers.

So, you can see the opportunities are endless. There's so much opportunity that we can do. Now, M-Pawa, for CBA it's apart from, and what we have now is just…you can store value and earn more value, and then also during the rainy days you can request an instant credit and then can get credit that also goes up to your M-Pesa. But also, we can add so many other things because that's just a platform.

Leesa Schrader:

That's great. Okay. So the enhancements were to add the full bank account with interest being paid on their savings and then to be able to leverage that for credit. And that's actually a sharing partnership between data between the to of you as well. So, yeah, the beginning of a very interesting product story.

My next question is for Noel. How do you see the unique strengths of each of the organizations being used to help you do something now that you couldn't have done when you were operating alone?

Noel Mazoya:

I think the bottom line of the partnership between us and CBA is actually on leveraging the unique strength that Vodacom has, and that CBA has, to help us achieve the common goals. And these are the common goals for Vodacom and CBA and a nation, as a whole. Because after that study it was a wakeup call in terms of the lack of access and understanding of financial services in the country. So, there was that clear strategic mission to ensure that we actually deliver services just beyond the basic P2P. Because with M-Pesa, for example, we already had the good success stories of M-Pesa. Customers were already transferring value across distances. But the problem was, now, value was not staying digital because, at the end of the day, the recipients would end up cashing out. We didn't want that. We wanted to digitize these transactions.

So, at Vodacom we had started with sort of expanding the portfolio of use cases. We had started payments, we had started connecting banks. We went into international remittances. And, in this case now, we knew that we needed to add savings and loans on top of the normal P2P and the normal basic financial services that customers already were doing through M-Pesa. That was clear but the challenge was, Vodacom was as telco. According to regulation, in Tanzania, we wouldn't actually offer savings or credit services because we wouldn't have the regulatory green light. We didn't have the know how. Our competence was in the telecom business. So then, for that, we needed to work with others.

CBA became by default, the preferred partner because they were already on the cutting edge of innovation. As Eric has mentioned they had rolled out the similar product in Kenya. It was doing very well so it made sense for us to partner with CBA. And the partnership, CBA, now brought these strengths that Vodacom did not have. The know how, the regulatory parts that they have and, of course, the overall management of the portfolio which we couldn't do ourselves, alone. And, of, course, Vodacom also added into the equation areas which, of course, CBA was not very strong on, the branch. Because this is a service that was being offered to M-Pesa customers and customers were already very aware and trusted the M-Pesa brand. So, in the partnership actually Vodacom is the facing brand with the customer.

So, the brand, the distribution network, the KYC that we already had on M-Pesa. All these now combined, all of this strength combined, enable us to have a much stronger proposition which would help us to now service customers better and at scale. As Eric has taken us through the journey, there are five million in just two years and the numbers are looking very good going forward. I think it was around that, you know, the unique strength. But there was a common vision and a common goal in Tanzania in terms of actually delivering the services. Actually, this was not just for Vodacom and CBA, even the regulator in Tanzania was very supportive. The Bank of Tanzania, they were very open-minded. It was something new in the market and they were willing to learn along with us. So, all of this combined help us to achieve the successes.

Leesa Schrader:

So many lessons there. Let me ask the last question for this case, which I'll ask to Eric and then Noel can follow up. What does the customer experience with this joint product? And how does this require coordination between the partners?

Eric Luyangi:

Thank you, Leesa. First of all, it's like Noel said, the number one underlying principal is we trust on each other's strengths and deliverables so that… Noel said that Vodacom is the face of the product to the customer. So, we believe that we did not want to move the customer from what they use today, because the customer knows, if I have any issues right now, I can just dial 100.

So, we set up a team within the Vodacom offices at the contact centre. A customer called, they have a power issue. That team will pick up that issue. They will try to solve it and if not, then they'll escalate to CBA. CBA will work on that, and then if there's any issue that we need to communicate back to the customer, will bring it back to Vodacom. So, we understand that Vodacom understands the customer. Vodacom understands the best way of how to communicate with this type of customer because this is a new type of customer for CBA. So, we must rely on Vodacom's strength of understanding these customers and the market.

Leesa Schrader:

You guys worked to create a really seamless customer experience. How did you do that?

Noel Mazoya:

I think that goes just to the common principal or the common body. We have three cores. Simplicity, trust… Simplicity is the key. So, we wanted to ensure that the experience is simple, and this is across all the touchpoints, from onboarding to using the service. So, for example, opening the account, we removed all the traditional inconveniences. Filling in paperwork, going to a branch. And in this case, the customer actually doesn't need to put any information for them to activate their account. So, it's just a few clicks. They're already into the Terms and Conditions and they can open the account. Once they open the account, as Eric mentioned, they can start saving immediately and they can start getting access to instant credit as long as they've been on the network for at least six months.

Leesa Schrader:

The CBA interface actually looks like the M-Pawa interface so that they don't really perceive that they're moving from one institution to the other. It's an environment that they're used to like you had mentioned, it leverages the behaviours and what they're comfortable with. Okay. Okay, great. Well, I know we're at the please conclude stage. [*Laughter*] So, you know, just really quickly, you know, I think some key takeaways for me are really hearing that the bank was ready to leverage a behaviour that was already strong and make it really easy for the client. Hearing that the telco recognizes the strengths of the banks and can contribute its own strengths. And, I know there will be a lot of questions from the audience but we'll hold those for the end. So, please join me in saying thank you to our panelists. [*Applause*] Thank you. And let me go ahead and invite Craig to join us for our second panel.

So, our second panel stays in Tanzania and we are continuing on with the M-Pawa product but to a new phase of development and a new partnership. So, with that in mind, we'll keep Noel here and we'll introduce our new panelist. Welcome to Craig Heintzman, who is the founder and CEO of Arifu, an edutech company helping people access information from organizations that they trust, using any mobile phone. Since launching in 2015 in East Africa, 230,000 people have used the platform to learn essential skills and discover products and services offered by Arifu partners. Craig previously worked with the World Wide Web Foundation in MIT's Computer Science and Artificial Intelligence lab to foster a more open and inclusive web.

It's great to have you both here. Our next case study is going to look at leveraging partnerships to address business priorities. With that, I'll go ahead with Noel. Essentially what were the business imperatives and the different kinds of questions and reasons why you went to seek a new type of partnership?

Noel Mazoya:

I think about one year after the launch of M-Pawa it came clear to us that the awareness was very high, the adoption. A lot of customers had signed up to the service. At that stage I think it was about three million customers were on M-Pawa. But, we had one big challenge. The activity rates were very minimal. Out of the three million customers by then, only about 22% were actually actively saving on a 30-day basis. That was pretty low. So, we did a different kind of research to understand, why is this the case? The biggest feedback that we got from the research was that, as much as the awareness was high, there was still a gap in terms of understanding. Understanding the product but also understanding of financial literacy in general, in Tanzania. Things like interest. There were things that actually Tanzanians were not very much used to because there wasn't a very good culture of saving in Tanzania.

We knew clearly that, to overcome this challenge, we needed to roll out education and we needed to roll out education aggressively. So, the couple of initiatives that we employed, one of the things that we did is we rolled out a nation-wide grassroots education campaign with road shows and teams going across the country. Going village after village, town after town, to try to get the people to the customers and to give the customers the much needed opportunity to ask questions. To understand how the product works. Get the guys to actually help them activate. And it was a good initiative actually in terms of delivering that knowledge.

The other initiative that we rolled out was a farmer education campaign. Because, actually in the study that we saw, it was especially in the rural areas where we had the biggest understanding gap. So, we partnered with TechnoServe who, to them, financial inclusion is equally important, to educate trainers who would then go into their communities to recruit and educate farmers about M-Pawa and financial literacy in general. It was also a very good initiative, which we reached about 70,000 farmers in one year. But, one challenge that we had, with both these initiatives, we had one problem, maybe two. First, it was very costly to roll out these campaigns because with human training, for you to reach scale, for you to educate a million customers, because there are human beings who have to go educate human beings. So, you would imagine what kind of an army would you have to actually go and educate the three million customers that you have. So, it was very, very costly. But the other challenge was it was also very hard to scale. Out of the full year that we used those kind of initiatives, in total, we could only reach about 300,000 but in our base we had over three million customers. So, you could see that it was not very scalable.

Through TechnoServe, while brainstorming, TechnoServe actually introduced us to Arifu who then, through the technology and digital-learning platform, helped us to resolve some of those challenges with a platform which I'm sure Craig will be very happy to take us through. And, of courses, with the support from CGAP, who also added behaviour insights into the work that we did. I will leave that to Craig to tell us more about the results there.

Leesa Schrader:

Okay. Craig, you're up. What is Arifu?

Craig Heintzman, Arifu:

Thanks. Good. So, in this case, yeah, the solution that we wanted to be able to introduce into the existing partnership that was going well but facing a couple of challenges on scale and cost effectiveness and so on. And to try to avoid the human army development that Vodacom didn't want to have to do. We were able to come to market with our edtech product and how we think about it is really a personal learning partner that we call Arifu. And that's there to be able to basically help anybody access the kinds of skills development opportunities and information that they'd like to be able to improve their quality of life. So, it's a learning solution.

We think about it as really the Siri of education. But while Siri's in your iPhones and helping you book flights and make jokes, Arifu is there to help you learn things. Arifu is this digital teacher and the digital teacher is able to reach out to you not just through your iPhone but through any phone. That's because we're able to work on basic channels, like even interactive SMS, which means that we can help solve some of the challenges that are out there, especially if we're engaging with rural audiences. Like, people don't need Internet. They don't need airtime and they actually don't need any money to pay for the service because we're able to create business value for our partners.

The digital teacher, Arifu, was able to pull from a marketplace of content that we're growing together with great partners like Vodacom, CBA, CGAP, Mercy Corps and others, to really look at generating educational content, training and information across sectors: financial services, agriculture, increasingly health and consumer goods but also impact spaces. Youth employment and livelihoods, humanitarian work, to create an ecosystem on this continent that's going to just be there working for people to be able to access information and change their lives.

So, that's the solution we brought in and to just apply it and then, in this context, what we did was we said okay, great, there's existing financial education that's going on. Let's come in with our education experts and work together with our partners to digitize that content, make it available in a format where it's going to be able to be delivered by the Arifu trainer and get out to people through their basic phone so we can start to achieve some of the outcomes that everyone is interested in. Such as being able to improve financial capabilities, help people make more informed decisions about how they can make use of M-Pawa, and to do so in a way that really tightly aligns with both of those customer needs, but the business proposition for the partner.

Leesa Schrader:

Can you tell us a little bit more about what that content included and what was the process that you used to adapt it for client needs?

Craig Heintzman:

Sure. So, we'll go through a content-creation process and it can help in terms of the context of some of the results. But basically, the process that we'll go through with an organization is really in three phases. We design content together. We then deliver that content out to people through the platform, and then we collect data on how that's all going and share that back.

Leesa Schrader:

So, go ahead and talk about the results. Are you ready?

Craig Heintzman:

Yeah, I know. Everyone's keen on the results. So, we're really here to present some results from this work because it went really well. I want to just say a couple of things about this. One, we're just very excited about this. I think something that happened was, we exceeded expectations of all us, frankly I think more for some of the outcomes we were targeting. Not to set the bar too high, but I think it's appropriate.

The second thing is, I know you're all a bunch of savvy researchers, and so just to be able to deflect and save myself in the Q&A, where you're going to want to try to dig in to how we got to these numbers, I'm going to say I'm just a humble CEO. I don't the answer to your technical question. But what I do know is that we actually just printed the very first copies of a full report that articulates the process, full results. I have 21 copies. It's very scarce so you know that this is important, you can just jump in and I'll give you one if you pass the skill-testing question that I'll have for you. If you don't pass the skill-testing question for the report, that's okay because CGAP should be publishing this within a matter of days on their website.

Leesa Schrader:

I feel so lucky. I got a copy because I was moderating the panel. [*Laughter*]

Craig Heintzman:

The very first public copy of this report, yeah.

Leesa Schrader:

Okay. So, are we ready for the magic next slide? Let's do it. Okay. So, this is what happened when Arifu rolled out the platform and I want to go ahead and ask Noel, how did he see this really kind of impact? What does this mean for your business case?

Noel Mazoya:

Well, financial services for the mass market like M-Pawa, basically they are always a function of volumes because these are very small value transactions. For the business to actually appreciate real impact on the top line, it has to have volumes. It has to be in great volumes. Now, if a solution like this, as you can see in the results, if we can use platforms like this to improve activity rates, like how we see, we see, for example, customers who have saved and interacted with the platform, saved five times more than those who didn't. It means, then, solutions like this can play a significant role in helping us as a business to improve customer activity rates. And that translates directly into the business case, the top line, okay?

But on the other hand, I was speaking with Craig the other time, these kind of solutions have proven to be quite cost savers. To engage customers through the Arifu platform, it was up to 70% cheaper than using the traditional models like the human engagements. So, if we can have a tool like this that can help us improve our margins like that, because for a telco business, EBIDA is one of the key metrics that we look at. So, if we can have something that can help us extend the education at scale but also in a most affordable way, I think that will be very good for the business case.

But, anyway, I wouldn't say that we expect those solutions to substitute the existing models. You know, the existing models are still very powerful in terms of engaging, you know, in terms of that inter-activeness of customers asking a question and getting a response. But, I'm seeing that they're making a compelling case for further exploration into complementing the existing channels. We are already speaking with Arifu to see what other segments into the M-Pawa and M-Pesa base can we use this platform to absolutely educate further.

Leesa Schrader:

And if I can just kick in, because I also do work with Arifu more in an agricultural context in Kenya, where we're also seeing farmers who get agricultural content on becoming, basically, better farm practice, increasing their productivity by 55%. So, I suppose there might be some questions about how they do this, but essentially there are short courses. As I understand from this product, your short course on savings was five SMS messages. But they pull them when they're ready to learn. Correct me if I'm wrong. Do you want me to just go ahead and let you describe them so I don't say it wrong? For people who don't know Arifu, I think it's really interesting. To achieve these results, what's fascinating to me is it wasn't that many SMS messages to really communicate. And then, farmers were pulling it when they were ready. So, go ahead.

Craig Heintzman:

Maybe you could just pull up the results slide again just to highlight some of them. So, I think what was exciting about some of these results of, you know, a 500% increase in the amount that people were saving. A 400% increase in the number of transactions. Learners in our system being able to access larger loans more frequently. And, as Leesa said, to be able to do that, not with that much depth of engagement into the substantive content. So, ten messages on average.

I think some of the sort of magic that comes in, and the process of how we work with partners to get there, I did want to highlight a few kind of specific examples of how we do it, because it does factor heavily into some of the themes being discussed. Human-centred design. Behavioural science is a big part of getting to this place. And so, it starts really, you know, working with the partners all together. Bringing together knowledge and insights. Of course, Vodacom knows a lot about their customers, what's working and not working. CGAP, we had the pleasure of working with the Consumer Protection Group there. They know a great deal about the kinds of information that's going to be important for customers as they make these types of decisions. And TechnoServe with physical training. But, of course, then we have to go and talk to the segments that we're going to try to reach.

There's so many insights that came out of them. Many of them are in the report. But just to give one example: we found that one of the simple problems preventing people from meaningfully using the M-Pawa Solution was just confusion between M-Pawa and M-Pesa. And, this goes back to Eldar's comments about the fact that it's not just about providing the choice, it's about understanding how do people represent that choice in their minds? And, we saw that there was too much confusion between this choice. So, one thing, we had to go and figure out, how can we represent this more meaningfully? One of the learners that we interacted with said look, it's real simple. You know, M-Pesa is money in your pocket and M-Pawa is money that grows. And, we just thought, that is a beautiful insight. How did we not even understand it ourselves quite in that way? So, we built that right into the content.

Of course, then there's lots of other behavioural science that's able to come in and in terms of being able to set commitment devices for people to kind of decide why are they saving? Why are they borrowing? We can build that into goal applications within the content. Then, we want to make that goal more salient to them later on when they're going to be able to act on that intension. So, we can build in a feature where they're able to set a reminder for themselves at a later date and make that intention salient. And so, there's a lot of this work but it doesn't sort of stop when we create the content.

Of course, once we go live, we really want to do a lot of A/B testing so that it's an evolving product. And, that's something we do heavily. Just to see, okay, if there's research on social norm information influencing behaviour and there's research on loss aversion messaging influencing behaviour, let's test those against each other and use invitation messages based on those two bodies of research and see which one is going to work better to onboard people into the solution and have them go deeper. Actually, in that case, we found social norm messaging was very effective as was narrative and story telling, which we A/B tested against fact-based rules of thumb coming from some of the evidence around that. So, anyway, just to give a bit of insight into some of the process.

Leesa Schrader:

That's great. I wish we had a bit more time. But just to kind of wrap up this session, I just want to return to the theme of partnerships. For Noel, this was a new partner for you. Very different from CBA. It's a brand new tech start-up company, got started in 2015. So, what were the takeaways for Vodacom on taking this risk and stepping out and testing out a new type of partnership?

Noel Mazoya:

Well, I think first of all, there hasn't been a better time to be involved in financial inclusion, like now. And, partnerships will absolutely get us there. We've seen with compelling results how the partnership with Arifu gave us that boost in terms of customer activity. But, of course, even the bottom line of the product itself, the partnership, CBA actually is now the number one leading bank in Tanzania in terms of customer count. That is because of innovation.

But, what I came to appreciate most and the biggest takeaway for me is I think we're very fortunate that we have a growing interest in areas like behavioural science and human-centred design. Because, I think when we were doing the content development and iteration, we were getting these insights which, in the normal ways of doing things for us, some very small insights. Like, when is the right time for the customer to receive this message? They absolutely make a difference. So, I think, going forward, I'm seeing us embracing a lot of human-centred design and behavioural science into the way that we're developing products and into the way that we're delivering those products to our customers.

Leesa Schrader:

Okay. Great. All right, we have to wrap up this case. So, please join me in thanking another great team. [*Applause*] Thank you. Thank you very much.

Let me go ahead and invite our last case presenters up. So, this last cases moves us to Kenya. And, we're going to be talking to Safaricom and to a program that's near and dear to my heart, the AgriFin Accelerate Program. These two partners, we have been working intensively together over the last year to create a new platform for smallholder farmers. Let me go ahead and introduce our panelists.

I have Benjamin Makai, one of my very favourite people on the face of the planet to work with. He leads the Social Innovations Unit at Safaricom Ltd., which works with like-minded organizations to form partnerships aimed at developing solutions in areas such as health, agriculture, education, and disaster management, leveraging the full Safaricom platform.

Benjamin has been in the real centre of innovation around agriculture, which is our area of work. Leading the partnerships for Safaricom with real, kind of frontline providers including iCow and the Connected Farmer Alliance. And the Juhidi Kilimo micro-insurance product for smallholder farmers. So, really, it's been a pleasure to work with Benjamin. Great to have you up here on the stage.

Then, let me introduce Sieka Gatabaki, who works as the head of Digital Financial Services for the AgriFin Accelerate Program. My home base as well. AgriFin Accelerate is a six-year, $24 million program funded by The MasterCard Foundation to help smallholder farmers access digitally-enabled financial and non-financial services in Kenya, Tanzania and Zambia. Sieka, himself, is a mobile-money pioneer in Kenya, working originally with Airtel on the very first pieces that came out in Kenya, and then working all over Africa and later working with banks and other telcos and other actors with IFC, before he came to us.

So, this case study is discussing a product that’s been in development for about a year, to develop a platform for smallholder farmer. It is a platform that has swerved because of client-centricity. It was expected to go here and went there. Let me go ahead and ask Benjamin to talk a little bit about his role at Social Innovations and how did this happen with DigiFarm?

Benjamin Makai, Safaricom Ltd.

Thank you, Leesa. So, I will start by talking a little bit about Safaricom and what we believe in in Safaricom. So, Safaricom exists to transform lives. And for the last 15 years, as a small company in Kenya, we've been able to be a part of the transformative agenda which is sweeping across Kenya. We believe in coming up with solutions which resonate with our customer and we put our customer first. The only way to do this is by understanding them and ensuring that we come up with solutions which really addresses their unmet needs. But this calls for us going out of our traditional telco business and getting out of the comfort, actually, and focussing on value-based conversation. And, that's where the partnerships come into play.

I'll tell you a story, and this story is about DigiFarm. This story started with a very big, huge vision whereby we looked at smallholder farmers and we asked ourselves as a business, why do they remain on subsistence and what can we do to help them get out of subsistence farming? There were so many issues which we identified. We thought that financial credit services could be a solution, giving them the best agronomic practices could help. And, always, we like thinking big as a business and we like doing it big. So, we started the journey of doing an end-to-end product trying to address all these.

But to do so, you needed to configure a number of partners within the ecosystem and we categorized the partners in two categories. Some of them in program work, which resonates with a vision we had, and others who can come onboard with commercial interest as service providers. And, it's within that process of configuration of those partners that we met the AgriFin Accelerate Project, which is funded by MasterCard Foundation. Upon sharing what we wanted to do, we both agreed that we need to go back to the customer and get to know exactly what that customer wants. So, this called for us using an approach, which is the human-centred design approach, to really get down to that particular customer and know what kind of service they would be willing to take from us.

So, the process started and we got a sizeable number of smallholder farmers from different parts of Kenya telling us that yeah, we don't mind credit but we don't want credit for agriculture, or purchasing inputs or anything. Our priority is credit for maybe school fees or medical bills. And then, our question was, okay, what do you want? What would be most ideal for you? And, most of the farmers said that we are happy to put some money aside which we can use to get affordable input. We also want some convenient ways of accessing that input and we want to have many options as possible to be able to access the input. And that's how the minimal viable product we are talking about was conceived.

Leesa Schrader:

Very good. Okay. My next question is for Sieka, one of my other favourite people to work with in Africa. So, what partnerships...once we went out into the field and we did the human-centered design, I think what was fascinating was we expected to hear that the farmers really wanted loans. But, really, a lot of them were telling us, you know, we don't. We don't want more debt. We've got to buy things to feed our cows every day and if we're borrowing for that, that creates a debt burden that we can't manage. It's not sustainable for us. So, we were realty surprised to find out that the core of the value proposition wasn't necessarily first and foremost about financial services, but other things.

So, the question for Mercy Corps, what was the partnership…how did the partnership journey get started? Where did we go?

Sieka Gatabaki, Mercy Corps AgriFin Accelerate Program:

Just to pick up from there and Benjamin has rightly said that we jointly commissioned an HCD exercise. We identified that the input loan was not the priority here. I mean, farmers wanted something else. There were three things that stood out from this exercise. Farmers were really looking for access to discounted quality inputs. So that was one of the take-outs that we saw. The second takeout was, farmers are also looking for access to information services, information services that would help them improve their farming practices. And finally, quite interesting enough, although we had to draw this a lot from the information we got, was that farmers were looking for a simple way to manage their farm records. Many times they had been trained on using some paper system that would allow them to record their daily cow productivity. They would get receipts from the cooperatives in terms of how much milk they had supplied over a period of time. So, they needed a simple tool to kind of analyze this information and make sense from it.

As Mercy Corps, we had earlier done an ecosystem study. We had looked at all the players in the various value chains in the country. We proposed a couple of partners in each of those areas, to

Safaricom. So, in the discounted input space, we looked at a young tech firm that was actually providing just-in-time inputs to farmers, leveraging technology to aggregate farmer orders.

When we proposed this to Safaricom, we then did further research in the input supply value chain. Looked at the various actors. We looked input manufacturers that had direct sales channels. We also looked at agri dealers or agri retailers that had franchise models. We presented all this information to Safaricom and they internally deliberated and selected to work with a young tech firm for the pilot.

In terms of information services, I think Craig has spoken very well. He is one of the clients that we saw in our farmer capability study, of organizations that are providing learnings to the farmers. So, we proposed this, as well, to Safaricom. And Safaricom also looked at the internal database of other service providers who were doing similar work. They, again, internally deliberated and selected a partner for the pilot program.

When it came to the farm record space, Safaricom felt that they had the internal capacity and knowledge to actually roll out this solution by themselves.

Leesa Schrader:

And then, of course, there's the air we breathe in Kenya, which is M-Pesa. And, obviously M-Pesa was the backbone. I mean, our research had shown that farmers were, you know, as in Tanzania, using it, comfortable with it and so that also, I think, is that financial services backbone that's incorporated in the product.

But let me go ahead and dig into some of these partnership questions. For Benjamin, what challenges had to be addressed in creating business models with these new partners, young organizations and a big, solid company, the biggest in Kenya? What kind of challenges had to be addressed to build business models for the partnership?

Benjamin Makai:

So, Safaricom is very keen on partnerships and we treat partnerships very strategically. So, any engagement for any product you're working on, or any solutions, we try to ensure that the partnership itself is very strategic and we research it strategically. But over time, based on some of our successes, creating trust and ensuring that young start up companies really believe in us and they will not feel intimidated and so a lot by these Safaricom organizations, is one of the biggest tasks which we have to sort of ensure that there is a lot of trust. And, it's clearly defined that this is what is in for us and what is in there for the partners. So, it wasn't easy for us to identify these partners in the first instance knowing that this is not our core area of operation. It's just one of the areas we believed that in line with our strategic development and in line of what you want to do to transform life, we need to venture into those specific areas.

So, one key thing was to ensure that the partners trust and believe in us and they were willing to share with us their capabilities on what you can do, which was quite interesting. And, we got a lot of support from the project. Today, they are more comfortable talking to us without it being in the middle. So, that was one of the challenges.

Then, modeling of the business case was also a big concern. From onset when we started working on DigiFarm, we had this huge vision and basically making sure that there is a case which is bankable and you can take to your senior management as a start-up. But, we looked at it different based on the lessons we learned from M-Pesa. Initially, it never started as initiative, which would be making money or anything. We did whatever we did because it was a good thing to do. And so, we decided that for agriculture we also needed to come up with something which would help smallholder farmers address most of their needs.

Leesa Schrader:

The same question to Sieka, because I know from your side you were working more with the small tech companies and helping them to understand the business case and understand the operational model of how this partnership was going to work. So, what were the lessons learned and the challenges that you faced? I think there's a little bit on one of the slides.

Sieka Gatabaki:

Yeah. And, thanks, Leesa, for that. And, Benjamin has touched on those points. Albeit, being a telco he has been trained by his PR to actually cut off some of the key issues there. And, I will try not to go into issues that I'm not allowed to talk about.

But, I often tell Leesa that I think partnership development is a lot of an art. But there are some things that lend itself to scientific results. I'll talk about three things. Benjamin has mentioned one, building trust. Secondly, building a working relationship. And, three, creating win-wins.

When it comes to building trust, we were bringing in small players with a big giant. So, it was like a David and Goliath arena, yeah? Where Goliath is Safaricom, the largest company in Kenya in terms of turnover. The largest telco in terms of market share and so many other metrics. And, our Davids were obviously a little bit intimidated by this scenario. Arifu, a well-performing tech start-up that's been having great results. And then, the other tech company in the input supply, iProcure.

So, to help them build trust, we supported them in three main ways. One, we looked at how can we help them safeguard their IP in this relationship. So, what discussions can we have amongst the partners to ensure that, (1), each partner takes notice of the various IPs and makes sure that they are safeguarded and the integrity works. The second thing we looked at was creating a framework for data sharing. There was a lot of data that each of the parties held and were bringing onto the table. So, creating a framework where there could be discussions and again, safeguarding the intellectual rights of each of the organizations. The third was to create a space where you could have conversations around technical integration. Again, technical integration is a space where you get to learn a lot about a business. And, of course, the younger companies were a little bit scared that if Safaricom learns what I do, then they will copy and do the same thing. So, we had to create a space where we would find technical integration could work within one of the environments that was acceptable by each of the organizations.

In terms of building a working relationship, it's a tough thing. I mean, again, it's different cultures you're working with. It's kind of like telling all of us men to wear the same socks. We notice when we're talking out there that everyone has got funky socks and funky ways of doing their things. So, Safaricom, being an organization that has been there for a long time, has built a culture of performance, has a certain set way of doing things. Young tech firms have their own ways of doing things. Their own ways of discovering. Their own ways of discussing and presenting ideas.

So, to work with these kind of cultural dynamics, as Mercy Corps, we took a stronger step towards actually doing a lot of the project planning and coordination. Ensuring that all the reporting and the feedback was well-managed across the three parties. We also took a big step in terms of defining the different roles. Knowing what each partner should be doing at each stage. And this level of clarity helped the whole project move along.

The last stage was also creating a seamless customer experience across three different platforms. Because you have the Safaricom core platform, you have Arifu's learning platform and you had iProcure's just-in-time delivery platform. So, it's how do we create a seamless experience? And, I was actually really amazed that this was one of the key things that Safaricom kept driving. We want our customer to feel that when they're in one environment, there's no difference when I'm transitioning across the board. And, I think the previous speakers mentioned the same thing. A seamless experience.

Last but not least is creating win-wins. Obviously, the first thing that's most important is, where is the money? Where is the revenue share amongst these partners? How will each of us make revenue and attribute this so that we can make the best returns to our shareholders. The second part in creating a win-win was supporting all the parties in coming up with an end-to-end business model. A business model that they could present to their various approving boards to get acceptance and buy-in for the project. And last, but not least, was also to support them with the contract-review process to ensure that all the rights and obligations of the various parties are taken into consideration.

Leesa Schrader:

I remember all that. [*Laughter]* Just to wrap up, one last question for Benjamin. As the father of DigiFarm, this first round, this first minimum viable product, you know, it doesn't have a loan in it yet. But, we're all interested in financial inclusion that includes payments. But, where do you see this platform going with all of these partners? What is the future for financial services on this kind of a platform for smallholder farmers?

Benjamin Makai:

Sure. For the minimum viable product, there would be a bit of financial transactions, actually, when you are accessing the inputs. But we've clearly defined a roadmap where now you are going to take the product to the next level. And, this we will call in additional partnerships. One of the most crucial things we usually look at at Safaricom is to find, when is the right time to accede? Some of these partnerships might not be there forever. There's also the process of transitioning products from either one business unit, which is an incubation arm of the business, to a commercial environment. So, we are still in the planning phase of how will be taking it once we validate some of the assumptions we've already put in place.

Leesa Schrader:

Okay. All right. Well, join me in thanking our esteemed panel. [*Applause*] And, if I can go ahead and invite our other panelists up, we'll go ahead and do some Q&A.

Okay. A hand already. I can see you guys from up here. This is great. Okay, so we're just waiting for mics. We had a question here and then there's another one back there. Another one…I see Nair’s hand up. Okay, please. I guess we'll follow form. Three questions. If you could make sure you direct them as best you can. So, we'll take three questions and then we'll do some answers.

Audience Member:

So, this is for the last panel. I was curious when you were talking about lessons learned from the client-centric study, and you said the third lesson about how farmers needed a simple way to analyze the data they had and use that data, was not something that they told you directly but you kind of had to tease that out and it was a difficult lesson to learn. So, I was wondering if you could say more about that process. What were they telling you when you say “what do you need?”, and then they don't tell you exactly what they need. How do you figure that out anyway? That's my question.

Leesa Schrader:

Okay. So, how did we figure out about the farmer reporting piece there and how that worked through human-centred design?

Audience Member:

I have a question for Craig. Very encouraging results that you have shown five-x increase. So, I have a very small question about the timeframe, because many of the studies have found initially, let's say in three months' to four months' period, there is a significant increase but as you forward, for example, one to two years' period, it kind of declines a lot and even nullifies after a while. So, that would be a very interesting point to know. And, the second point is that, what was the baseline for this five-x? Because if it is a $2 versus $200, five-x makes a lot of difference. So, that would be very interesting to know. And, finally, if you have any insight how it has been possible, because many of the vigorous impact evaluations of financial literacy, education, classroom session, extremely engaging sessions found almost no impact or even if there is impact, very small amount of impact over a certain period of time.

Leesa Schrader:

Okay. Three questions in one. So, are we done? We'll take one more.

Dayo Forster, Fundación Capital:

My question is to Arifu to ask about what level of education and literacy the participants had before they started. Because if they have to be able to interact and be able to read the SMSs, they already have to have a basic level of information. So, can you give us a sense of what their background is, and were they equally male/female? That kind of breakdown.

Leesa Schrader:

Okay. Benjamin and Sieka, who would like to take that first question on the…

Sieka Gatabaki:

So, we can both take it and Leesa, of course, you can jump in. She's my boss. [*Laughter*]

Not going into too much detail, but we did two things. I mean, with the HCD exercise, there was direct feedback from the farmers, actually saying that, hey, I'd like to know how I'm performing. Then, there was a lot of observation. So, one was a smallholder farmer would come to you and give you a bunch of receipts this big, and say this is what I get from my cooperative. It shows me every day I get milk, I get a receipt or I get an SMS. And so, for me to put it all together and make sense of my business, it's really hard. I mean, looking at the knowledge gaps, etc.

There was something else that the HCD exercise did; they did a calendar with a couple of farmers and they tried to take them through, what exactly are they putting into their cow? So, how much hay are they buying? How much dairy milk? How much concentrates? And then, what are they getting out of their cow, the milk produced? And, in some cases, when the farmers actually looked at those numbers they actually started to cry. Because they realized they've invested so much in their cows, well, what they thought was a lot. Yet, the output was negative. It was not a profitable enterprise. We felt that if we could get these farmers to understand the financial implications and understand that if you invest in one, two, three things, your productivity could go up and then you could actually get out of this negative or unprofitable cycle. And that would make a change. So, those were some of the inferences that drove us to that area.

Leesa Schrader:

There's just one other, because I knew I was going to jump in. One other that I thought was really important was that the households were selling milk to a number of different parties, and so they might be getting SMS reminders from their coop, if the coop was tech enabled. But, they were also selling to the milk bar and they were selling to the local school and they were drinking some. And, you know, the wife had the morning milk and the husband had the afternoon milk. What we were also trying to do is really help them understand what was really going on, you know, in terms of their investment. What we found is that their own processes of understanding their productivity with dairy, which is what we were really diving into, was very fractured. They were saying wow, if we could just put in number of litres of milk and just a couple of categories, just very, very simple, that would be feeding back a holistic picture of what was going on, which we thought was very valuable once we saw that they were chopped up across so many different sales channels and then drinking a third of it as well. I don't know, do you have anything else?

Benjamin Makai:

And maybe to add on that. In the business, we could have close to around 25 million subscribers and for us to be able to do this we need to get to know them intimately. So, we feel that we need to capture as much information as possible, which can help us understand the behaviours of the smallholder farmers whom we trying to develop a solution for. So, this aspect of actually getting them to tell us this is what we want to see in this product, was informed even by other previous engagements we had with some platforms like Connected Farmer, which has been rolled out in other markets like Tanzania. So, that was very crucial for us and we look for attributing that database or that information which can help us now create partners and be able to tailor make specific solutions which addresses the need to identify to farmers.

Leesa Schrader:

Thank you. I think the next four questions are for you, dear. [*Laughter*]

Craig Heintzman:

Let me efficient if I can. You can just yell and shout if I completely misrepresent your question, and answer what I feel like answering.

Okay. Timeline. The pilot took place over six months. We did roughly three months with the, sort of, one round of content before we, you know, took the A/B test results and then made some upgrades to test some other things, which went for the next few months. But, the data analysis looked over the span of two years to be able to look at a bigger picture about people's spending behaviours to make sure we weren't discounting how they might have behaved prior. More information in the report.

Cost? I'm not exactly sure I got the nuance of the cost question but I can just say basically that the cost dynamics/cost drivers will fluctuate based on the objectives, the contents that we're creating and so on. If you really think about this at a per-learner basis, we're looking at cost structures for this kind of an engagement between 20 cents per person to $2 per person; 20 cents to $2 a gig. It can vary in between that.

In-person. Okay, there was a doubt about the effectiveness of in-person, very well placed. There has been evidence coming out that a number of different interventions physically with people providing financial education haven't worked, absolutely. We were encouraged by the randomized-control trial in 2011 that was partly - accolades would go out to ideas42 for this - but looking at the heuristic-based approach and how rules of thumb can be more effective, and it had some modest but positive outcomes for the learners. So, we started working with those folks that were behind that content to see how can we take that further and how can that be used through mobile. Had to think about how do we get it even more down to the point where it's just the right information at the right time for the right person?

But mobile has a certain advantage over in-person in that respect, and we hear this as we talk to different learners, through feedback surveys, and so on. I think it has certain advantages. So, what we hear is, you know, it's private learning, okay? A lot of times people can feel uncomfortable if there's a teacher and an audience of people and they're just not getting it, or they're getting it but not quite as quickly. And, there's a certain pressure that comes with physical learning environments that we can actually bypass in this way.

Others that I wanted to just call out were, I think it's just important to understand that this information, they could just have a very specific problem in a very particular moment. We don't have to go and provide somebody a huge, giant training course on all the concepts of financial education. Moment-to-moment, they may just need to know, how do I actually even sign up for and register for this tool? Or, you know, my kids are now going into school. Oh, yeah, I need to get this loan right now.

Moment-by-moment, these teachable moments are important to consider for an advantage of digital over physical and is something that, I think, helps it work. But, we don't also want to look at replacing physical. It has its role. It's very important. And in this way, we did look at integrating to enhance the physical training capabilities of the outreach efforts that were going on. Agent networks can be a physical delivery channel that can be now enhanced with the use of mobile access to information. I think to TechnoServe's credit, they actually did a great job and were to be commended for the results coming out of this particular partnership.

Leesa Schrader:

Craig, do you mind if I jump in? Because we've got a coupe of minutes left and I want to just make sure we get some other questions around partnerships. Because, I really encourage you guys to have a good solid talk with Craig about the methodology that they're using. I think it requires a couple of drinks. [*Laughter*] Or possibly dinner or a couple of weeks.

Let me go ahead and just ask if there are any more questions out there about partnerships in our theme of getting these partnerships to work; client-centric partnerships. I had seen some questions. We've got two more minutes.

Isabelle Barres:

Hi. Isabelle from the Smart Campaign. So, thank you very much for this really exciting panel. I was really pumped up about partnerships really wanting to do even more, I am still. But, I'd like to hear more about some of the challenges again because I think that when…there is clearly a lot of opportunities for expanding scale and all of that, but there is also the need for partnership when problems arise and I'm, of course, thinking specifically about consumer protection. And so, the question about the challenges is when there are some areas that require attention but where amongst the partners it's not clear that one of the partners has a clear competitive advantage or also interest, maybe, in investing time and effort in it. How do you sort that among partners? Linked to that, also, is the importance of having some alignment around the vision for what is a good consumer experience? If you can talk about that also, of where that comes into play in the partnership process when you're thinking about partners. Even before the partnership starts, but when you are selecting partners, to what extent do you really have those deep discussions about a common vision for what is that good consumer experience that you're aiming for?

Leesa Schrader:

You sound like you've done this before, Isabelle [*Laughter*] Who would like to take that on? I think…

Benjamin Makai:

Let me take that. In Safaricom, before we embark on any partnerships, actually we have what you'd call partnership checklist. There a key crucial things which we look at. I mean, it must resonate with other partners and there should be clearly defined rules. We call it RACI: Rules, Accountability, who needs to be Consulted and Informed. And, it's very clear that unless you are all on the same page, it will be difficult to act together and the only way you'd be able to build trust is by ensuring that it's a win-win scenario. And, this way we are working, we need to have executive sponsorship. I actually call them fairy godmothers and some would all be able to dial and enter into a discussion for the course of that particular partnership. So, those are the crucial things you really need to find within the two institutions which are…two or three institutions which are partnering.

But at the same time, you also need to understand the in-depth KPIs in each particular partnership, because not all the partnership will be able to bring everything on the table. And find a strategy of managing those KPIs or motivating... Let me still call them KPIs. There are things which will never come out but still they can have a lot of impact as far as taking the partnership to the next level. It's always crucial for you to understand and be aware of them and put strategies in place to mitigate any conflict or any issues which might arise out of those in-depth KPIs.

Leesa Schrader:

I'd like to ask Eric and Noel to speak to that question as well because, frankly, it's just been lovely to watch your partnership in action for the last couple of weeks as we've worked on this panel. And, just what you think are the…you can see the big red screen. We have no more time. But, if you could…just a couple of what you think has really helped this work.

Noel Mazoya:

Sure. So, the key thing in any partnership, number one thing is the trust. Just to add what Benjamin has said, in the very early stages of the engagement, you must understand the roles and responsibilities that each organization brings onto the table. And, these things have to be put on the table and be discussed and agreed upon by the two partners. For example, with Vodacom, what we have, CBA is responsible for all the regulatory responsibilities for M-Pawa. So, Vodacom will never go like BOT because BOT does not regulate a telco. And also, we do believe that Vodacom will do the best of regulation in Tanzania in respect of connectivity with the Tanzania Communication Authority.

So, having that defined at the very early stages and trust that the other partner will do the right thing, it actually makes the relationship so much easier. And even this morning, me and Noel were discussing, and we have a joke, I spend at least one day at the Vodacom offices every week and I would say Eric, you should actually just get a desk and we should just put you at Vodacom. So, this kind of makes it so much easier just to break the ice that there is some sort of, like, the sense of transparency that they are not my competitors but they are my business partners. And, I hear the talk about other things that the other businesses that's not M-Pawa. And, sometimes also spend some time at CBA, they can look up things. But, you never see these things, you know, come outside from what we are supposed to be discussing. So, I think that's what makes this whole relationship very, very successful.

Noel Mazoya:

Just to add to what Eric is saying. Another element is also having a common vision and working together towards that common vision. The way the partnership is, we appreciate the strength as each partner, as Eric has mentioned. But, we collaborate very closely. We work very closely to problem-solve together and to innovate together. You'll see that even, in the slide, you will see that there's a very clear separation of the responsibilities but elements like product development, are actually shared. So, we work very closely together. And in the beginning, we had our own dashboard, CBA had their own dashboard. But, we thought, okay, this is inconsistent. Let's just have one dashboard for M-Pawa, which we'll always be working to achieve the KPIs. So, it's having the common goals and actually living through…working together to achieve it.

Leesa Schrader:

Very good. On that note, we'll go ahead and close the panel. And, please help me to thank this great group of innovators in our space. [*Applause*]