



## **How Digital Technologies are Granting Nigerians Access to Better Banking Solutions**

*Financial inclusion still has a long way to go in Nigeria, but the digital solutions provided by Access Bank have ensured that fewer citizens lack access to vital banking services.*

By TBC

Before the transformation in the Nigerian financial sector, banks were initially seen as exclusive spaces for a select portion of the population – where high-earning individuals were the only ones entitled to world-class banking products and services. With financial exclusion levels in many developing countries around 65 percent, the misconception has left a large part of the population unbanked and unable to benefit from essential financial services.

Digital technology has proven to be highly effective, driving a change in operational and business models, improving platforms for innovation, and creating immense opportunities for monetisation. The technology landscape still continues to change through the consistent rollout of faster and more accessible networks and impacting every component of service delivery, especially in the banking industry.

The Nigerian Communications Commission (NCC) reports that there are about 172 million phone subscribers in the country as of September 2019, which means that 87 percent of citizens can execute transactions on their phones, in addition to making and receiving phone calls. Consequently, there is little excuse for Nigeria's low level of financial inclusion, with just three in ten adults having bank accounts.

Access Bank has always found innovative ways to use mobile technology to reach the unbanked. For example, the popular USSD code, \*901#, makes it possible for anyone, anywhere, to access financial services using their mobile phones. If Nigeria is to achieve its goals of reaching an 80 percent financial inclusion rate by 2020, more solutions like this need to be launched.

### **Phone credit**

Mobile money has been one of the most revolutionary technologies launched in Africa in recent years. M-Pesa, a mobile money-transfer and financing service, went viral in Kenya following its launch in 2007 due to its customer-centric model, and there are hopes that similar solutions can prove popular.

In Nigeria, government policies are now catching up with the consumer shift towards embracing technology in financial services. This has broken barriers for

financial institutions and is enabling a faster and effective bank-customer communication as to get much nearer to our customer base. Access Bank has also launched Access Closa as a way to harness the digital revolution and forge stronger connections with clients.

The Access Closa initiative creates micro-branches in the form of booths placed in neighbourhoods across the country. Like mobile money offerings, the initiative aims at making financial services accessible to all. The Closa booths are more approachable than branches, meaning that banking agents present are more available to customers and able to tailor their services to the specific needs of the community in which they operate.

## **Leading the way**

The technology landscape is proving to be vast and beneficial for the Nigerian economy. Digital innovation provides many solutions to the issues and has a positive ripple effect across various industry sectors. Access Bank has invested heavily in leading the evolution, which also includes a partnership with the Africa Fintech Foundry (AFF) to nurture the next generation of cutting-edge financial firms.

As a Pan-African accelerator, the Africa Fintech Foundry is designed to find and invest in start-ups possessing a global outlook, but with a focus on Africa. Earlier this year, it organised the AFF Disrupt Conference that convened over 10,000 technology leaders, enthusiasts, innovators, and investors, under the theme "Digital Gold Rush: Building a Sustainable Tech-Economy".

The event provided an opportunity for networking, knowledge sharing, presentations and pitches, with a winning start-up awarded a cash prize of \$10,000. Such platforms give technology start-ups a platform to connect with their peers and potential investors in both the financial and technology spaces.

As a digital technology leader within the banking industry, Access Bank has fully embraced technology, mainly to help propel its sustainability targets. An exciting initiative is the Nigeria Sustainable Banking Principle (NSBP) Portal for CO<sub>2</sub> management that was developed to help monitor the Bank's environmental footprint, especially its carbon emissions.

Furthermore, we have digitalised the Bank's back-office processes and functions through the deployment of a business process management solution and adopted enterprise resource planning software as part of our efforts to transition towards being a 100 percent paperless bank. Currently, over 89 processes have been automated, with more still on track to be implemented.

## **Changing the narrative**

For many years, much of the reporting on Africa has been devoid of understanding, leading to widespread, viral misinformation. Such conversations, which appeared almost malicious, became so loud and pervasive that both Africans and non-Africans alike nearly believed that Africa was indeed a dark and hopeless continent, as reported.

The situation worsened since we rarely had the chance to tell our own stories. Until strong, influential African voices began standing up to end the vicious cycle and make others see the good in Africa and, more importantly, remind us of our true identity.

Access Bank chooses to celebrate the many successes coming out of the continent; to defy the negative stereotypes attributed to us; and to nurture the indomitable spirit of Africans. The aim is to harness the very best that Nigeria has to offer and shape the country into a leading nation that fills its citizens with pride. We all want to see improvement, so we must work together to change the narrative.

An exciting and useful field is the work to improve financial inclusion in Nigeria, which is already underway. As the digital landscape continues to evolve, we believe that more and more Nigerians will be brought into the fold and be enabled to access more financial services without limitations.