

## **Accelerating financial inclusion through digital banking**

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Almost everything now is a tap away. We have gone from being clueless users in front of a computer to being digital "migrants" and "natives". Digital is slowly becoming a way of life for everyone—even a lifeline for many during this global health crisis.

Digital banking is good news for all of us because it means convenience. The catch, however, is that this digital convenience has not reached everyone yet.

The 2019 financial inclusion survey by Bangko Sentral ng Pilipinas (BSP) showed that only 29% of Filipino adults own bank accounts. This leaves a significant number of the adult population with zero access to financial services.

### **Digitalization paves the way for financial inclusion**

Banks play a huge role in financial inclusion because they provide the channels, platforms, and foundation for safekeeping and growing people's money. With digital banking, banks can reach more Filipinos who remain unbanked to this day.

UBS, a trusted international bookrunner, has recently noted BPI as an under-appreciated digital leader.

As of November 2021, over half of BPI's client base, or 8.4 million customers, are enrolled in BPI's digital platforms. The bank has seen a strong pace of digital adoption over the last five years, with active user penetration of 17% of the total client base in 2016 to 38% in 2021.

Digital users are experiencing a smooth banking experience with deposits, bank transfers, bills and loan payments, and investments being just a tap away.

Digitalization undeniably provides easy access to financial products and services. Matched with an enhanced customer experience and security, digital banking will pave the way for accelerated financial inclusivity.

More Filipinos having access to banking does not only mean progress in the banking industry; it will also help the economy thrive and bounce back from the effects of the pandemic.

Now is the best time to be more aggressive towards financial inclusion because it is much needed for a speedy economic recovery.

### **An "inclusive" financial inclusion strategy**

BPI is committed to building a better Philippines. Part of this commitment is investing in campaigns to reach and teach more people about financial wellness.

With financial situations differing across generations and contexts, a financial inclusion strategy needs to address these varying needs.

BPI Foundation, the social development arm of BPI, continues to push for campaigns and initiatives addressing the different financial needs of Filipinos.

BPI volunteers are able to guide migrant domestic workers, uniformed personnel, and DepEd employees on their financial wellness journey through BPI Foundation's Adopt-a-Beneficiary program. It is a six-month mentoring program that also provides financial wellness journals and coin banks to the beneficiaries.

Through FinEd Unboxed, migrant domestic workers, uniformed personnel, DepEd employees, and TechVoc scholars are taught the finance fundamentals most relevant to them, such as saving, budgeting, investing, retirement planning, and cybersecurity awareness.

"Gamifying" financial education for the younger audience, the BPI Foundation launched "Breakthrough: The Financial Choices We Make"—a financial wellness mobile app game. It helps users make smart financial decisions through edutainment, or education combined with entertainment.

In partnership with DTI-PTTC, BPI teaches financial management to small and microenterprises through their "Show Me, Teach Me" program. It is an online capacity building program with helpful finance courses such as online accounting and debt management.

Through the bank's Farm-to-Table program with AGREFA Foundation, farming communities in Majayjay, Laguna are trained on entrepreneurship and market access, and are assisted to be "bank-ready" for sustainable farming.

These initiatives affirm BPI's efforts to build a better Philippines by making financial wellness more personalized and relatable.

However, these initiatives and those from other companies will have a bigger impact when more people and institutions are involved.

Toni Morrison, a renowned novelist and Nobel laureate, said, "When you get these jobs that you have been so brilliantly trained for, just remember that your real job is that if you are free, you need to free somebody else. If you have some power, then your job is to empower somebody else."

If more financially savvy Filipinos were willing to teach and empower the unbanked, then more Filipinos could learn about money matters—and in turn, we could all help free somebody else in our own little ways.

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