



# Financial Inclusion Ambassador Toolkit

## A How-to Guide to Expanding Financial Inclusion for All in the EU

### Advocacy for Ensuring Financial Inclusion for All

#### Content

- 2.1 What is Advocacy?
- 2.2 Why Advocacy?
- 2.3 Groundwork: Effective Advocacy Communications
- 2.4 Choosing an Advocacy Objective
- 2.5 Reaching Decision-makers with Effective Advocacy

Draft Version 1.0

February 22, 2015

This publication has received financial support from the European Union Programme for Employment and Social Innovation "EaSI" (2014-2020). For further information please consult:  
<http://ec.europa.eu/social/easi>.

The information contained in this publication does not necessarily reflect the official position of the European Commission.

# Advocacy for Ensuring Financial Inclusion for All

“In a gentle way you can shake the world”.

Mahatma Ghandi

## 2.1 What is Advocacy?

Engaging as many people as possible in fact-based advocacy is the best way to ensure that laws, regulation, policies, services and practices meet the needs of individuals and families in relation to their ability to access and use financial services as the backbone of the contemporary economic system.

*Advocacy is the act or process of supporting a cause or proposal.* [Merriam Webster Dictionary]

Effective advocates influence public policy, laws and regulations by using facts, their relationships, the media, and messaging to educate government officials, policy makers, financial service providers and the public on the changes they want to bring for the excluded and/or marginalized individuals and families.

Successful advocacy campaigns for financial inclusion include the following factors:

- **Know the facts:** To gain and maintain credibility, it is critical that you have the all of the facts on both sides of any issue. Having this information at your fingertips will help you in conversations with government officials, the media, other advocates, and the general public.
- **Use the facts:** Any position you take should be grounded in the facts. It is often helpful to put your facts into one-pagers that you can distribute.
- **Have clear and concise message:** Government officials, financial institutions, the press and the general public do not have time for long-winded conversations or documents—you need to get to your point quickly and concisely. And remember to watch out for the financial jargon and acronyms—you want everyone to understand the issues you are raising.
- **Nurture relationships and work collaboratively:** Advocacy is a joint venture- you need to find your allies and work with them. Your chances of success are much greater when there are large numbers of organizations and people on your side. Whenever possible, be sure you and your allies have consistent data and the same messages.

- **Engage the public:** Use the media, social media, petitions, letters, e-mails and other grassroots strategies to engage as many people, groups and organizations as you can. Remember numbers speak loudly to elected officials.
- **Make your voice heard!** Advocacy is not the place for being shy. Make sure you spread the word—through meetings with government officials, press conferences, letters, petitions, rallies, phone calls and social media. And don't forget to talk about what you are advocating for at social events- you never know who can become a useful ally.
- **Say thank you:** Remember that everyone is busy and their time is valuable. Keep your meetings short and always say thank you afterwards. When your advocacy is a success, always thank everyone who helped you achieve your victory!

## 2.2 Why Advocacy?

Effective advocacy builds the capacity, effectiveness and impact of organizations and policy makers. It enables financial institutions to achieve the greatest good for the greatest number of the people and communities that they serve. It brings awareness of issues that may be swept aside or omitted by financial institutions, Policy makers and regulators. It also creates a pressure on the providers of financial institutions to be fair, transparent and inclusive.

### **Examples: Financial Inclusion Advocacy in the EU**

**France** – Maria Nowak, the founder of ADIE, has been a long term advocate for the low income and marginalized individuals in France to gain access to resources, financial capital and entrepreneurship training, to start their businesses and income generating activities as a way towards economic self-sufficiency. Ms. Nowak's advocacy efforts led to enacting appropriate legislation in France that paved the way to making microcredit legal, economically viable and acceptable by social and economic policies related to unemployment and job creation.

**Poland** – Polish Banking Association working together with local non-profit organizations developed guidelines for banks in Poland to include people with disabilities in the provision of financial services. These wide ranging options offer financial institutions practical solutions and examples how people with physical and mental difficulties can be served by adjusting the physical barriers to accessing banking facilities and applying technology solutions to bridge the communication gaps.

**UK** – New Economics Foundation, an independent think tank promoting social and economic inclusion, has been active in advocating for better and more equitable access to financial services. Over the years NEF has engaged in research and advocacy to showcase the inadequate – in terms of products, services, geographic coverage, etc. -

supply of financial services, and had actively sought to change policies aiming at improving financial inclusion in the UK. The Foundation continues to offer recommendations for policy makers and service providers to deepen financial inclusion<sup>1</sup>.

However, the mere existence of favorable policies, laws, norms, regulations, and various financial institutions and products is no guarantee that a country will move toward ensuring that its citizens will be able to choose, obtain, and use appropriate and affordable financial services, or that they will not be excluded, covertly if not overtly, by financial services providers.

Without advocates monitoring the policy environment, a government may simply reverse or ignore favorable policies, regulations, and commitments. In fact, policy implementation often proves more difficult than policy enactment.

By undertaking concerted and sustained advocacy, a country coalition and its partners can effectively influence the nature, scope, and success of financial inclusion policy in a country.

### 2.3 Groundwork: Effective Advocacy Communications

Advocacy communication is only as effective as the underlying advocacy strategy. A winning and persuasive message is one that is consistent with the country context, addresses a clear and felt need by multiple stakeholders, and supports the overall goal and objective of the advocacy effort.

A strategic, evidence-based advocacy campaign that embodies carefully crafted strategies and compels action will have a much greater impact than fragmented, uncoordinated efforts. Thus, laying the groundwork and designing an overall advocacy strategy increases the effectiveness of advocacy communication.

Planning for effective advocacy includes:

- ✓ Knowing the context and understanding the underlying issues;
- ✓ Bringing multi-sectorial stakeholders together to present and discuss the issues;
- ✓ Forming an organizing group or committee;
- ✓ Engaging nongovernmental organizations and civil society;
- ✓ Engaging financial institutions.

#### Know the Context and Understand the Issues

Every country has a different mix of conditions to consider when preparing a financial inclusion advocacy initiative. We have identified four general contexts as starting points:

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<sup>1</sup><http://www.neweconomics.org/publications/entry/credit-with-a-social-mission>

- ✓ Limited Understanding / Appreciation of Importance of Financial Inclusion
- ✓ Niche Financial Exclusion
- ✓ Low Usage of Financial Services
- ✓ High Rates of Over-Indebtedness

The reason for selecting these scenarios is because they relate to many real life contexts in the EU where financial institutions and products exist and financial markets in general function well. Financial exclusion in the EU markets occurs mainly in case of a selected groups and/or individuals, in some locations and is largely correlated with the socio-economic status of the excluded or marginalized individuals.

In some countries where usage of financial services as measured by the percentage of population having bank accounts may be almost universal, but there may be other aspects of financial inclusion that require attention. Roma individuals in Hungary, for example, have bank accounts because they are very likely to be receiving social benefits which are provided through electronic transfers into the beneficiary's bank account. The ownership of a bank account out of itself does not guarantee access to other services, credit in particular. Niche financial inclusion may be a viable option in this case.

Alternatively, governments may be implementing well intentioned economic policies and promote economic growth by lowering interest rates in an effort to stimulate borrowing. While such a policy makes loans more affordable for borrowers, they are not as profitable for financial institutions. Recent decision to lower interest rate in Poland illustrates this situation: banks declared that they will not be able to offer small loans which will lead to exclusion of small scale borrowers. As a consequence, borrowers may be pushed to use shadow banking services which are more expensive and potentially abusive for clients.

Finally, expanding access to financial services may have also negative consequences when banks and other financial institutions, pursuing their short term profit targets and market shares, extend too much credit to the population, leaving many in excessive and unsustainable debt. This often supply-driven surge of indebtedness in turn leads to reduced access to financial services as over-indebted borrowers are unable to meet their obligations, lose their creditworthiness for many years and face heavy financial burden. High prevalence of over-indebtedness in a country will determine the possible actions for inclusive financial markets which may be different, for example, from a situation when the demand for financial services is weak or trust in financial institutions is low.

Therefore, advocacy related to financial inclusion is likely to be fairly complex and may meet with skepticism than advocacy for other inclusion issues such as access to health or employment. Making the link between financial inclusion and other forms of economic and social inclusion or development and poverty is an important tactic. Various

approaches to framing and anchoring messages along these lines are presented in Sections III and IV of this guide.

### **Gather Information to Support Advocacy**

A comprehensive set of questions that reflect different components of financial inclusion can be found in [Appendix A](#). A general framework for formulating financial inclusion agendas is included in Financial Inclusion Strategies Reference Framework August 2012, prepared by the World Bank for the G20 Mexico Presidency (Online version available at: [www.worldbank.org/financialinclusion](http://www.worldbank.org/financialinclusion)).

Depending on the body of information known about the financial inclusion situation in a specific country or the amount of attention that has been paid to it previously, the amount of your “homework” will vary.

If the issues affecting FI are not already well known and documented, advocates can identify issues through key informant interviews with FI stakeholders and a review of relevant documents. The more you know about what is affecting a country’s ability to ensure the availability of accessible and affordable financial services, the more successful you will be in conducting advocacy.

In other words, we must know the issues well enough to make informed decisions and present convincing arguments.

You may need to gather information and conduct analysis on the following:

- ✓ Policies, laws, and regulations related to FI issues
- ✓ Stakeholder analysis/political mapping of interests of various groups, in particular the relationship between the government and the banking sector
- ✓ Financial services available to the low income segments of the population
- ✓ Extent of financial exclusion (non-use) of financial services and reasons for such exclusion (self-exclusion, poverty, institutional exclusion, etc.)
- ✓ Unmet need for access to financial services
- ✓ Market segmentation of current and potential users of financial services
- ✓ Current and potential market niches for the public and private sectors
- ✓ Operational barriers to usage of financial services
- ✓ Client willingness to pay for financial services
- ✓ Other information as determined by your needs

To gain a comprehensive understanding of the issues and inform strategies, you could conduct primary data collection or focused analysis of secondary data. Effective use of reliable, up-to-date information and analysis is an important element of advocacy, policy dialogue, and the planning of activities/efforts. At the planning stage, evidence is used to

ensure that resulting policies are well conceived and have a reasonable chance of producing the intended effect.

The information gathered helps planners and policymakers understand the prevailing situation, identify positive and negative factors contributing to the current situation, assess strategic alternatives, and craft policies to resolve existing and potential problems. Building an adequate information base and using it in the policy process is a critical component of evidence-based advocacy and policy formulation.

### **Evidence Used in Financial Inclusion Advocacy**

#### **REDUCING VULNERABILITY AND PROMOTING SELF-EMPLOYMENT OF ROMA IN EASTERN EUROPE THROUGH FINANCIAL INCLUSION**

As part of Roma Inclusion Decade, in 2011 the World Bank in partnership with DC Regio and UNDP conducted a Roma regional household survey to collect evidence, among other things, on the use of and access to financial services. 750 Roma and 350 non-Roma households in each country in the Roma Decade from random sample of communities where Roma are overrepresented. The most important finding of the survey was to show that Roma households with a savings account are almost 26 percentage points more likely to be able to cover unexpected expenses than Roma households without savings accounts. This shows that access to financial services such as deposits reduced vulnerability however Roma individuals are half as likely to live in proximity of a bank branch, and **no more than 5% has savings account in each country**. Financial inclusion can therefore greatly improve the well-being of the Roma families and reduce their vulnerability.

*Source: UNDP / WB Roma Regional Survey (2011)*

#### **Bring Multi-sectorial Stakeholders Together**

Because financial inclusion issues are so diverse and no one individual or organization can be fully informed on a wide range of issues, FI advocates recognize the importance of bringing multi-sectorial stakeholders together to present and discuss the issues.

Vital outcomes of this awareness raising are that key stakeholders understand FI needs and that stakeholders have a sense of ownership of the issues and are ready to engage in advocacy, policy dialogue, and planning. Such forums offer excellent opportunities to identify priority issues and “champions” interested in leading any change efforts.

## **Multi-sectorial Strategic Planning Process: A Financial Inclusion Strategy for Knowsley, UK**

### **Vision**

“Knowsley - a place where residents have the choice and skills to access the most appropriate financial services and products”

The following vision sets out what we want to achieve through our Financial Inclusion Strategy and is built around five objectives:

- Build financial capabilities through financial education
- Plan and respond effectively to the welfare reforms
- Increase access to appropriate financial services and affordable credit
- Increase access to money and debt advice
- Promote savings, assets and insurance

### **Scope of the strategy**

In summary this strategy:

- Defines financial exclusion and the new challenges that have emerged as a result of the financial crisis
- Identifies who is most vulnerable to financial exclusion in Knowsley, including those newly affected by the credit crunch and recession
- Is supported by a comprehensive evidence base which will be used to highlight local issues and challenges to central government and other stakeholders
- Establishes a number of guiding principles that will influence our actions
- Highlights the outcomes we want to achieve and how we will measure progress

The strategy also provides a framework for Knowsley Council’s strategic commissioning process. From April 2013, Knowsley will have one consistent approach to commissioning across the council. This means that priorities will be set according to need and must be delivered effectively within the reduced resources available. The strategic commissioning process will take into account the financial inclusion needs identified in this strategy and the outcomes it wants to achieve.

### **Strategy principles**

Building on the learning from the previous Financial Inclusion Strategy, we have agreed five guiding principles that will shape our actions going forward:

Behaviour change – the strategy will promote changes to the behaviours of individuals, organisations and financial services where it can have a positive impact

Prevention – provide the right tools, information and services to prevent people from becoming financially excluded



- Sustainability – build the skills and confidence of individuals so they are able to determine the best routes out of financial exclusion and to stay out of financial exclusion
- Co-operation – utilise the strengths and assets of a wide range of individuals, community groups and organisations to achieve the shared outcomes in this strategy. The strategy and action plan will also provide a means for coordinating activities and sharing best practice.
- Targeted and tailored – interventions will be targeted towards those who are most vulnerable to financial exclusion as identified through this strategy. Intervention will also be at recognised trigger points for financial exclusion and in a format and time that is appropriate to resident needs.

Source: <http://www.knowsley.gov.uk/pdf/financial-inclusion-strategy-08-11-12.pdf>

### Form an Organizing Group or Committee

To coordinate the multi-sectorial and complex issues associated with ensuring access to financial services, it may be necessary to create a national representative committee not only for coordination but also for gaining support and recognition of the need among high-ranking policy makers for a concerted national strategy, if such does not exist or is not implemented.

Thus, the formation of such a committee is an important initial advocacy objective or “ask.” If a committee already exists, one of the first objectives for this group of committed FI advocates is often to press national cabinets of ministers for a national strategy to address FI challenges.

Recently, financial authorities in Mexico<sup>2</sup> have eagerly worked on enacting regulation that will foster the development of diverse business initiatives and novel products that will allow financial intermediaries to supply services to satisfy the needs of an important segment of the population that still lacks access to the formal financial system.

Access to electronic means of payment and transfers that allow for a transition from strictly cash-based economies is of particular relevance as it is one of the main unattended needs for financial services.

### Illustrative Membership in a Nationally Representative Committee

- ✓ Association of Banks and Non-Banking Financial Institutions
- ✓ Central Bank
- ✓ Ministry of Finance
- ✓ Ministry of Economy
- ✓ Ministry of Labor and Social Policies
- ✓ Other relevant ministries and national agencies

<sup>2</sup>[http://siteresources.worldbank.org/FINANCIALSECTOR/Resources/282044-1260476242691/Mexico\\_Financial\\_Inclusion.pdf](http://siteresources.worldbank.org/FINANCIALSECTOR/Resources/282044-1260476242691/Mexico_Financial_Inclusion.pdf)

- ✓ Research institutions
- ✓ NGOs working on FI and related economic and social inclusion
- ✓ Other members as needed

The development of a financial inclusion strategy has involved several interwoven processes: awareness raising among a broad range of stakeholders, building partnerships and support, forming multi-sectorial planning groups, conducting policy analyses, and mobilizing information for decision-making.

It is incumbent upon financial inclusion advocates to find a place for their issue, particularly in settings where individual and household decisions are increasingly more complex and affected by people's employment, social and economic status and other factors such as age and gender.

For instance, FI proponents might find that forming a working group under a national commission for youth or another such body empowered to take national strategic decisions may be the best option for taking advantage of the synergies between ensuring efforts on employment of youth and ensuring FI.

An example of a presentation that might be used in such a situation can be found in the Templates and Tools section.

#### Engage NGOs and Civil Society

As with other social and economic inclusion initiatives, motivating and engaging NGOs and civil society for both planning and advocacy at EU and country levels is critical to creating an enabling environment for the financial inclusion issue.

Often, social inclusion NGO and/or their networks are already formed and familiar with advocacy. Once armed with information and engaged in a strategy, NGOs can make great strides in achieving favorable policy change at both national and local levels.

EU level: EFIN – European Financial Inclusion Network

*The European Financial Inclusion Network (EFIN) is a coalition of European stakeholders (institutions and individuals) involved in financial inclusion, including European networks active in a more specific area of financial inclusion (e.g.: consumer debt, microfinance, responsible credit,...), Public institutions, Trade Unions, NGOs, Universities and Research institutes, Consumer protection organisations, Financial education practitioners, debt counseling organisations representatives and Financial Institutions & Bank Associations.*

*EFIN promotes financial inclusion through research, debate, exchange and dissemination.*

*Its members base their common actions upon the objective to tackle financial exclusion which refers to a process whereby people encounter difficulties accessing and/or using financial services and products in the mainstream market that are appropriate to their needs and enable them to lead a normal social life in the society in which they belong.*

Civil society and NGOs are also highly effective in mobilizing change at local levels, especially when they work collaboratively with financial institutions and/or local and central government agencies.

### **Spain: Collaboration with the Spanish organization of blind and disabled people (ONCE)**

In 2009, Kutxa and ONCE decided to adapt at least one hundred ATMs for blind users. Two years later, this joint project has been very successful: 120 ATMs have been adapted in 47 municipalities in the Guipuzcoa region.

Kutxa has coordinated the adaptation of the ATMs with ONCE. The system includes a voice software platform that translates the video operating system into voice, so that blind clients can operate through headphones.

The ATMs adapted were located in Guipuzcoa, since they were already accessible for clients with motor disabilities. In addition, every ATM installed from now on will be adapted to blind customers as well.

Source: [http://www.savings-banks-events.org/csr/case.aspx?case\\_id=148](http://www.savings-banks-events.org/csr/case.aspx?case_id=148)

### Engage Financial Institutions

Engaging the financial sector in meeting financial inclusion objectives is a critical component in the advocacy efforts. After all, financial inclusion can only happen through banks and other financial institutions, which either voluntarily or through coercion and advocacy provide services to people who under normal, profit seeking market conditions, would not receive such services. Working with financial institutions

and their professional associations can be an effective strategy, and it requires that you clearly understand the ways a financial institution works and what can motivate it to make a change towards being more inclusive and open to change.

### **Portugal: Montepio Children's Financial Education Programme**

Based on corporate social responsibility and mutualism, in October 2009 Montepio created the Financial Education Programme for Children, which aims to enhance Portuguese quality of life through the dissemination of easy-to-understand financial information. During 2010 the programme conducted 74 training sessions for a total of 600 children.

Based on corporate social responsibility and mutualism, in October 2009 Montepio created the Financial Education Programme for Children, which aims to enhance Portuguese quality of life through the dissemination of easy-to-understand financial information.

The programme's main goal is to fight financial illiteracy and prevent indebtedness in Portugal. The specific goals are guiding children through basic concepts and principles (money, wages, saving, credit, debt) and developing an individual, family and community sense of financial responsibility (saving practices, budget management, mutualism values).

The programme is implemented mainly by bank personnel enrolled in the Volunteer Programme.

Focusing on school children aged six to ten, the programme includes a classroom training session and visits to a Montepio bank branch and a supermarket where, through role-playing, children can learn about family budgets and the difference between superfluous and necessary goods.

During 2010 the programme conducted 74 training sessions for a total of 600 children.

Source: [http://www.savings-banks-events.org/csr/case.aspx?case\\_id=121](http://www.savings-banks-events.org/csr/case.aspx?case_id=121)

Note that governments and advocates cannot always mandate financial institutions to increase financial inclusion, although the government can impose certain policies such as the right of clients to open a simple bank account such advocated by the EU and implemented in a number of countries with mixed success.

However, by clearly demonstrating the opportunities for financial institutions involvement in deeper financial inclusion and by fostering an enabling policy environment, governments and advocates can create favorable conditions that induce banks and other financial services providers to expand their products and services to the underserved or excluded individuals.

This may include actively encouraging the financial institutions to demonstrate a stated commitment to financial inclusion goals through tangible market initiatives and

highlighting that socially responsible behavior by the private sector can improve its social image and attract more business.

Advocacy for financial inclusion is typically aimed at country-level decision-makers; however, strategies can be developed among regional stakeholders who share many of the same interests and issues. For example, while objectives can be realized on a national level, there are situations when financial inclusion can be better addressed on the EU-wide level. For example, introducing low cost simply transactional accounts for low income people can be effectively promoted in the EU as a whole because the issue is likely to be found in each country and an EU wide initiative may be faster and better way to address it.

## 2.4 Choosing an Advocacy Objective

Ensuring access to financial services encompasses a range of complex issues and thus requires a comprehensive approach with various solutions. FI champions will need to weigh the issues and policy options to select the most important and viable advocacy objectives.

The criteria listed in the worksheets in Appendix C can help sort out and identify the priorities.

Table 1 "Examples of FI Challenges and Desired Policy Actions" summarizes some of the possibilities. The examples represent just a few of the possible solutions; committed stakeholders and advocates often find creative solutions.

**Table 1: Examples of FI Challenges and Desired Policy Actions / Outcomes**

<b>FI Challenges</b>	<b>Possible Policy Actions</b>
<b>Lack of understanding of FI issues by key policy makers</b>	Policy forums and policy dialogue on the important and role of financial inclusion
<b>No government commitment to ensure that all citizens have access to appropriate financial services</b>	A national financial inclusion strategy for ensuring access to affordable and relevant financial services approved, financed, and implemented
<b>Conflicting policies that may lead to increased over-indebtedness</b>	Assistance with reviewing and analyzing conflicting laws and drafting proposals for adequate laws and policies
<b>Ethnic minorities face exclusion from formal financial services</b>	Extending special treatment for ethnic minorities to access basic accounts and other essential financial services
<b>Increased presence of shadow banking in the market</b>	Understand the impact of shadow banking on the financial well-being of

	citizens and reduced the risks posed by such institutions
<b>Use of financial services by older citizens low</b>	Promote the use of financial services through education and special programs through banks

## **The right to a basic bank account for all European citizens: Commission welcomes European Parliament adoption**

The European Parliament has today adopted in plenary session the Directive on the transparency and comparability of payment account fees, payment account switching and access to a basic payment account.

The Directive is a major step towards a real single market for retail financial services bringing numerous benefits to EU citizens. By providing for a right to a basic payment account irrespective of a citizen's place of residence or financial situation, the obstacles faced by many in accessing basic banking services across borders are removed. The Directive also substantially improves the transparency of bank account fees and makes it easier to switch a bank account from one bank to another.

Key elements of the agreement

The Directive tackles three principal areas:

- **Access to payment accounts:** these provisions provide all EU consumers, without being residents of the country where the credit institution is located and irrespective of their financial situation, with a right to open a payment account that allows them to perform essential operations, such as receiving their salary, pensions and allowances or payment of utility bills etc.
- **Comparability of payment account fees:** by making it easier for consumers to compare the fees charged for payment accounts by payment service providers in the EU.
- **Payment account switching:** by establishing a simple and quick procedure for consumers who wish to switch their payment account to one with another payment service provider within the same Member State and to assist consumers who hold a payment account with a bank and want to open another account in a different country.
- Background
- Bank accounts are essential for participating fully in the economic and social life of a modern society, since the use of cash is rapidly decreasing. They have become an indispensable part of our everyday life, allowing us to make and receive payments, shop online, and pay utility bills (telephone, gas, electricity). However, according to reliable studies, around 58 million EU consumers over the age of 15 still do not have a payment account.
- Furthermore, research showed that consumers found it difficult to compare offers and prices for payment accounts from different payment service providers. Even when comparison is possible, the process for switching from their existing payment account to a different one is complex and unreliable. Moreover, there are situations where EU consumers are still unable to open a payment account in a Member State where they are not resident or if they do not have sufficient financial resources.
- In order to address these issues, on 8 May 2013, the European Commission adopted the proposal for a Directive on the transparency and comparability of payment account fees, payment account switching and access to a basic payment account.

## 2.5 Reaching Decision-makers with Effective Advocacy

Decision-makers are bombarded by messages and requests every day. The challenge for the coalition or financial inclusion ambassador and its partners is to reach the appropriate decision makers with effective advocacy messages that capture their attention.

Whether you are trying to reach your primary target audience (decision-makers who have the authority to bring about the desired policy change) or your secondary target audiences (persons who have access to and are able to influence the primary audience (other policy-makers, technical advisors, the media, related interest groups, etc.)), there are several important things to keep in mind.

Advocacy communication is any planned communication activity that seeks to achieve one of the following communication goals: *inform, persuade, move to action, or maintain relationships and support.*

### Identify the Appropriate Audiences

Advocacy efforts for financial inclusion are typically aimed at a variety of audiences. Target audiences often include political leaders, legislators, officials of national government and/or local government agencies, donors, national and local managers of financial institutions, the national and local media, community leaders and other community influencers, NGOs, commercial sector leaders and business groups, civic organizations, women's organizations, and groups representing current and potential users, such as consumer protection organizations.

The target audiences will vary depending on the country context. Important questions to keep in mind are: who has the authority to make the policy decision, and who can help influence the decision-maker? The Central Bank and Financial Regulator may be the primary decision-maker for financial inclusion.

Other possibilities may include national officials such as the Minister of Finance and the Minister of Social Protection or local government officials who can assist with issues at the local level. At times, the primary target audience may even include the Prime Minister, particularly if the issue involves inter-ministerial decisions, or linkages with a broader development initiative espoused by the high-level officials. If the objective of the advocacy efforts is to increase the level of financial literacy, it may be necessary to work with the Ministry of Education in addition to the financial regulator.

In many countries, the Ministry of Finance and Central Bank or Financial Regulatory Body are primary target audiences for issues related to financial markets conduct and performance, and consequently financial inclusion. In other instances, advocates need not target the most senior officials. Sometimes financial inclusion can be deepened on a



local level as has been recently in the UK where local governments have taken active stance on financial inclusion.

Identify which person or decisionmaking body can decide onthe policy, program, or funding issues so that your advocacycan be direct, specific, and targeted to those empowered tomake decisions.

### Know your Audience

An advocacy communication strategy follows many of the same principles as anadvertising or social marketing campaign. It is essential to thoroughly know youraudience and to deliver a concise, consistent message that is tailored to youraudience’s interests.

In other words, the message communicated to a bankers’ association about deepening financial inclusion by their members would differ from the messagetransmitted to officials in the Ministry of Finance or Central Bank about the prevalence of financial inclusion in the country.

Audience research, particularly qualitative research such as focus group discussionsand in-depth interviews, helps identify appropriate messages for various policyaudiences.

Having a clear understanding of the audience and the ability to put yourself in theaudience’s shoes and demonstrate how the audience members will benefit fromsupporting your cause is a tremendous challenge, but is critical to effective advocacycommunication.

The checklist below can assist you in your research.

- **Level of knowledge about the advocacy issue.**
  - ✓ Is the audience well informed or does it lack accurate information?
  - ✓ How much does the audience know about the importance of ensuring adequate financial services?
- **Level of demonstrated support for the issue.**
  - ✓ Has the audience actively and/or publicly supported the issue?
  - ✓ Rank and describe evidence of support.
- **Level of demonstrated opposition toward the issue.**
  - ✓ Has the audience actively and/or publicly opposed the issue?
  - ✓ Rank and describe evidence of opposition.
- **Undecided or unknown.**
  - ✓ Has the audience failed to declare its position on the issue, or are you uncertain of its position at this time?
- **Potential benefits to the audience.**
  - ✓ How might the audience benefit from supporting the FI issue and objective?
  - ✓ Might the audience realize political, personal, or professional benefits?

✓ Describe any benefits.

- **Find shared values.**

✓ Is there a “we” message possible?

✓ Might there be a way to frame the issue drawing on values that are important to both the audience and the FI?

No matter what level of authority your target audience has, it is important to identify the potential benefits to the target audience from supporting your advocacy objective.

In other words, how will each individual in the target audience benefit professionally, politically, or personally from supporting the issue (or conversely, what does each risk)? The answers to these questions should be considered and incorporated into the advocacy messages directed to each member of the target audience.

### Message

Ideally, only one main point should be communicated or, if that is not possible, two or three points at the most. It is better to leave people with a clear idea of one message than to confuse or overwhelm them with too many.

### Sample Advocacy Messages

Use of financial services among older individuals is low in Poland, pensioners have a choice to receive their money as an electronic payment or in a traditional way delivered by post. Older citizens do not recognize the benefits of using a bank account and a bank cash card. Financial services has become very complex and not understandable to the older users, therefore inaccessible or lacking value. Financial education and appropriate customer service geared to the needs of the older people is lacking. Central Bank must improve the usage of financial services by the older citizens. Financial regulator should ensure that banks work with older users.

Is anyone still reading? In such a short text, too many general issues and too many high level requests that not clear to the targeted institutions what exactly they are asked to do.

Older citizens do not use banking services to manage their finances as demonstrated by a high percentage of pensioners receiving their payments in a traditional way. The key barrier is the cost of a bank account. Ministry of Finance ought to include a line item for banks opening potentially unprofitable bank accounts for pensioners.

*...in a short text, one issue and one solution*

### Choose the Appropriate Level of Communication

Advocacy communication often focuses on the lower level of communication: to inform a target audience. To move the audience along to higher stages, audience members need

information to develop a thorough understanding of the issue, the situation, and the desired policy change.

Once the audience is informed, the communication strategy moves to achieve the next objective to produce greater impact. That higher level seeks to persuade the audience to feel strongly about the issue and to adopt the desired position.

Once audience understanding and support are achieved, communication moves to the highest level, the point when advocacy messages move the audience to act in support of the issue. Every advocacy communication effort should seek to reach the highest possible level, that is, to move the audience to action.

But an advocate's job is never done. Even after persuading a target audience to act, hard won support can waiver and wane over time, as other priorities compete for limited resources. Thus, maintaining contact with key target audiences, providing updated information and evidence, and advocating for maintained support are important ongoing tasks.

#### Describe the Desired Action or the Task

The message should not only persuade through valid data and sound logic, but should also describe the action the audience is being encouraged to take. What are you asking of your target audience?

The audience members need to fully understand what you want them to do.

- ✓ Do you want a colleague to hold a meeting with the Central Bank to discuss policy changes that will facilitate simple low cost accounts?
- ✓ Are you asking the Minister of Education to include financial literacy in the school curricula?
- ✓ Do you want the Minister of Finance to subsidize the electronic government transfers for low income people and pensioners?
- ✓ Are you preparing a brief to convince the head of the parliament banking committee to clearly specify financial inclusion needs of the poor and promote financial inclusion in the upcoming strategy paper?

Whether you are asking a secondary audience to help influence a primary target audience or directly asking a policy-maker to make a policy change, an advocacy message describes the action you would like the particular target audience to take.

The following section outlines different concepts to consider when formulating a persuasive message.

### Pretest the Message

Ideally, messages should be pre-tested with representatives of the target audience to ensure that the message presented is the one received.

For example, when developing an advocacy message directed toward the Minister of Finance, it is useful to practice delivering the message to a supportive ministry official as a test run. The ministry official may offer valuable feedback about how the message is interpreted.

### Effective Messages

Think of a message that was particularly appealed to you personally, a memorable quote or a speech. Why was it memorable for you? There are many different kinds of messages, but effective messages have common characteristics. They are often simple and concise, they use appropriate language tailored to the audience, and the content is consistent with the medium format.

It may help to keep these characteristics in mind when developing and delivering advocacy messages. In addition, it is important to remember that not everyone understands financial inclusion issues or considers them priorities. Thus, messages must be kept simple and precise to inform, persuade, and move audiences to act.

Specifically, effective messages result from addressing five important elements:

#### ✓ **Content/Ideas**

The content refers to the central idea of the message. What is the main point you want to communicate to your audience? What single idea do you hope the audience will take away from your message? What is your “ask”?

#### ✓ **Language**

Language consists of the words you choose for communicating your message. Is the language appropriate for your target audience? Is the language clear or could various audiences interpret it differently? Will the audience understand your abbreviations?

#### ✓ **Messenger / Credibility**

Is the messenger credible to your target audience? Will the target audience respect the messenger? Can you include beneficiaries as spokespersons or messengers?

#### ✓ **Messenger / Source**

Source refers to the person or people delivering the message. Think again about a message that was particularly memorable for you. How much of your positive impression was based on your opinion of the person/organization delivering the message? It is

important to select the most appropriate messenger for the target audience; one who is credible and can capture the attention of the audience. Often, advocates can send a powerful and more meaningful message to policymakers by letting the message come from a member of the affected population.

### ✓ **Time/Place**

When and where will the message be delivered? It is wise to choose a time and place most convenient to your audience. Your secondary audiences (those who can influence the primary target audience) can help. A trusted technical advisor to the Minister of Finance may know when the minister might be open to or not open to hearing from you about the need for a policy change for financial inclusion.

### ✓ **Format/Medium**

The format or medium is the communication channel you choose for delivering the message. What is the most compelling format to reach your target audience? Would your audience more likely be reached through face-to-face meetings, briefing packets, presentations, fact sheets, or policy roundtables? Or might your audiences be more likely to take notice of posters, flyers, public rallies, petitions, or press conferences? Different channels are more effective for certain audiences, and the choice of medium varies for reaching the general public, influencing decision-makers, educating the media, or generating support for the issue among like-minded organizations and alliances.

See Templates and Tools for template PowerPoint presentations that you can tailor for your country contexts, objectives, and target audiences.

Factors to consider in selecting the format/medium for your messages are the following:

- **Audience:** Some formats are more effective and more appropriate for specific audiences. For example, high-level policy-makers have little time and many constituents. The message needs to give them the facts and move them to action quickly; also, always leave information for them or their advisors to read later. Effective media for policymakers include briefing packets or fact sheets, delivered via face-to-face meetings or policy forums. A PowerPoint presentation can be an effective means to open discussion at such a forum.
- **Cost:** Some media require significant resources. Whereas a fact sheet or briefing note can be made using desktop publishing, tapping into mass media such as radio or television can be extremely costly. The coalition may seek out free or reduced-cost opportunities if the mass media is the medium of choice.
- **Risk:** When going public with an advocacy issue, risk is always involved. Certain advocacy tactics entail more risk than others. Face-to-face meetings with a known

audience may not entail risk, whereas public debates and live forums can turn into “heated” events. Nevertheless, risk can be minimized through careful planning, selection of speakers, rehearsals, and so forth. Whether you or a surrogate will be delivering the message, a ready list of talking points is always helpful.

- **Visibility:** Your choice of medium can also maximize the ability to make use of a contact or connection to raise the visibility of an event. A public official is willing to pay a site visit to a project or make the opening speech at a meeting. Such an event may provide an excellent opportunity to recruit other decision-makers and promote a particular advocacy objective.

After selecting the appropriate format and medium for delivering the advocacy message, the next step (creating the material) can be time consuming. To assist the national financial inclusion coalition partners with preparing different types of advocacy tools, Section IV includes a series of guides, templates, and suggestions for several types of commonly used advocacy tools:

- ✓ PowerPoint presentations,
- ✓ Policy briefs,
- ✓ Briefing notes/talking points,
- ✓ Fact sheets, and
- ✓ Press releases and media alerts.

### Seize the Moment: A One-Minute Message

Sometimes life hands us opportunities. We meet the Minister unexpectedly in the elevator, or a television reporter asks for a live interview during a coffee break at a national forum. A short message to fall back on at any time can help you seize the moment.

A one-minute message includes

- ✓ The statement of the issue
- ✓ Evidence to support the issue
- ✓ An example of the problem
- ✓ The desired policy action

### One-Minute Message: When Opportunity Knocks

*The Microfinance Center representative meets the head of the National Regulatory Committee at a national financial market development conference. She knows that the committee will be meeting in the next few weeks to update the strategy...*

**The statement.** Many people in Poland want to better manage their money but do not find banking services always appropriate for their level of income and needs for

financial management. Banking products are too complicated and not transparent. To address this unmet need, banks must offer simple and straightforward products.

**The evidence.** Forty percent of pensioners do not understand the new financial products.

**Example.** Ms. Bukowska receives her pension through a bank account which has various features and levels of fees which vary depending on the use of the bank account and the fund balances kept in the account during a period of time. She has difficulty to understand this complex account, in addition she does not have a need for many of the features that come with this account. She pays more than she needs.

**Desired policy action.** Ministry of Finance should negotiate with banks a creation of a simple transactional account for pensioners who do not have a need for advanced transactions.