Real-Time Customer Interactions via SMS

April 2017

We completed a pilot project to determine what can be achieved with users utilizing Juntos' iterative process.

Using the iterative process, this pilot focused on responding to three user-related questions and three agent-related questions:

─── Users ───

- Question 1: Can we establish effective communication with users via text message?
- Question 2: Can we increase menu activity using text message communication?
- Question 3: Can we promote registrations for Tigo Money using text message communication?

─── Agents ───

- Question 1: Can we establish two-way communication with agents via test message?
- Question 2: Can we learn about agents' experiences and realities via text message?
- Question 3: Can we promote KYC registration by communicating about it with agents?

We completed a pilot project to determine what can be achieved with users utilizing Juntos' iterative process.

Throughout the project, we developed metrics to track our progress in answering these questions and to document relevant learnings:

Users

- Question 1:
  - Response rate
  - Enrollment rate

- Question 2:
  - Average number of menu transactions
  - Activation rate
  - Retention rate

- Question 3:
  - Number of KYC registrations
  - Number of wallet activations

Agents

- Question 1:
  - Response rate
  - Enrollment rate

- Question 2:
  - Learnings shared by the agents

- Question 3:
  - Number of KYC registrations

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We were able to respond to all questions, develop an optimized strategy, and obtain valuable learnings about users and agents.

Operations

✓ 2,920 agents   ✓ 54,649 users   ✓ 121 tests

Results

- ✓ We achieved up to a **32%** response rate with users and **29%** with agents.
- ✓ The optimized strategy for users achieved a **21%** increase in the average number of menu transactions.
- ✓ The optimized strategy for agents achieved a **12%** increase in KYC registrations.

Learnings

- ✓ Users are interested in learning more about Tigo Money.
- ✓ Agents do respond to text message and desire a relationship of strong collaboration with Tigo Money.
- ✓ It is more effective to first converse about users' and agents' realities, with the goal of building a relationship, before focusing on promoting the desire financial behavior.

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Users

We quickly learning how to establish relationships with users via text message communication.

Metric definition: The response rate represents the percentage of users that received Juntos messages and responded back with a text message.
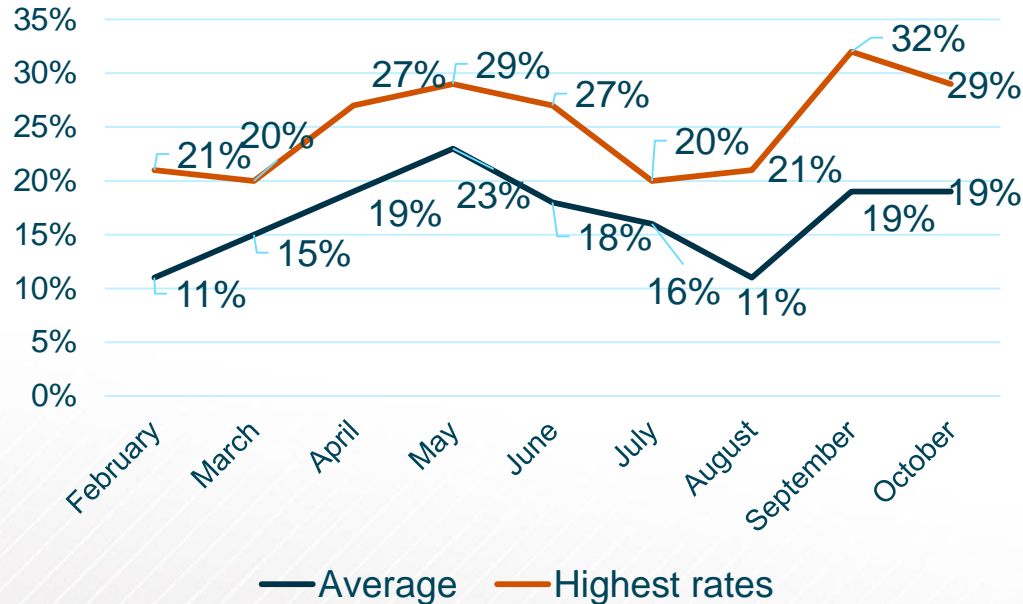
<u>Response rate</u>: Averages and highest rates throughout the project

YOUR TIGO: To continue receiving free messages about the benefits of your mobile wallet send CONTINUE. To leave, send LEAVE.
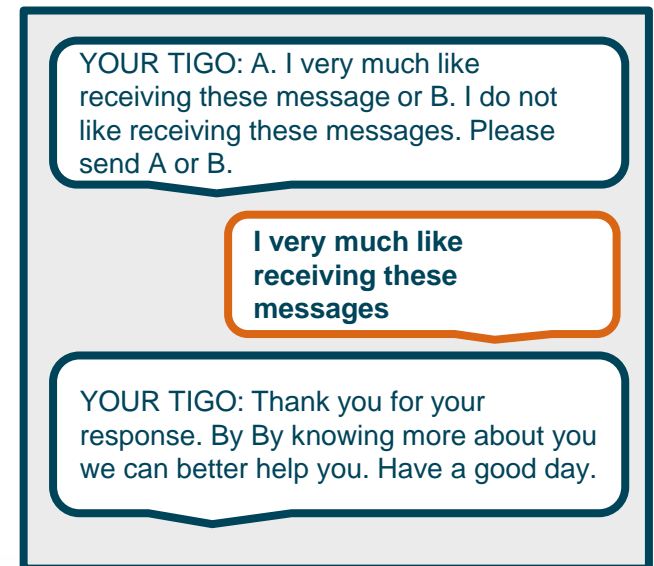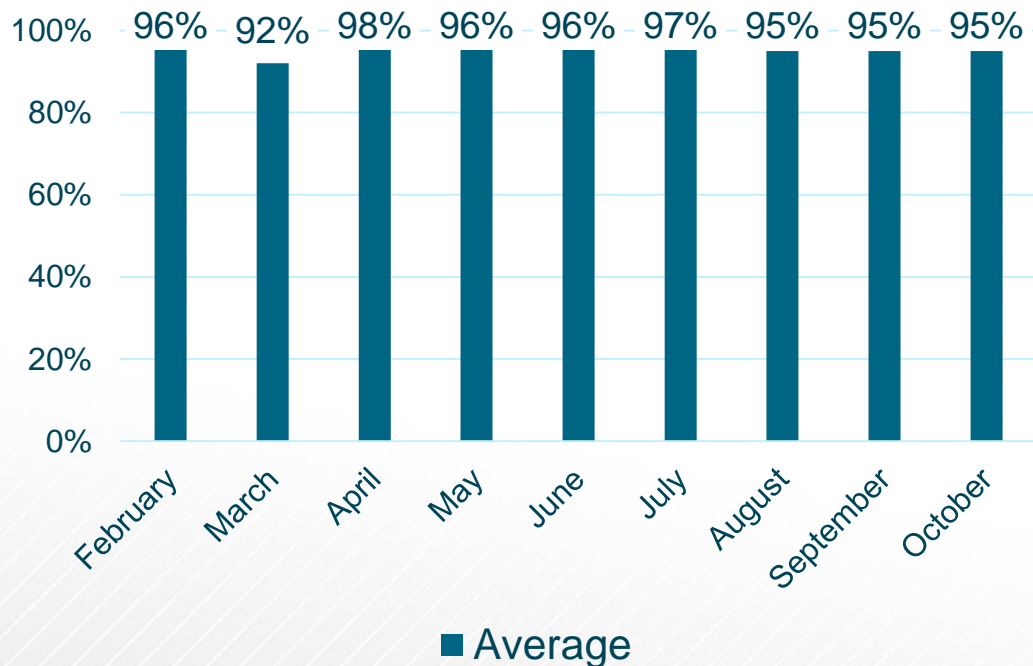
Continue

YOUR TIGO: Thank you for being part of the Tigo community. We appreciate your loyalty and congratulate you on your financial efforts!

Translated from Spanish

Throughout the project we maintained a high level of quality while communicating with users.

Metric definition: The Enrollment Rate represents the percentage of users that received Juntos messages and did not ask to leave the conversation.

Enrollment Rate: Averages throughout the project

YOUR TIGO: A. I very much like receiving these message or B. I do not like receiving these messages. Please send A or B.

I very much like receiving these messages

YOUR TIGO: Thank you for your response. By By knowing more about you we can better help you. Have a good day.

Translated from Spanish

Users shared informationw ith us and participated in developing a relationship with Tigo Money through Juntos.

YOUR TIGO: There are many free activities that you can do to have fun, such as going to the park, exercising, or spending time with your family.

What nice words what Encouragement Thank you

YOUR TIGO: Turn off the TV before sleeping going to sleep and disconnect chargers when they are not in use. Many chargers use energy when connected.

YOUR TIGO: To continue receiving free messages about the benefits of your mobile wallet send CONTINUE. To leave, send LEAVE.

Continue

YOUR TIGO: Thank you for being part of the Tigo community. We appreciate your loyalty and congratulate you on your financial efforts!

**What Tigo offers is great
As a user, I am grateful for the concept**

YOUR TIGO: Have you used the Tigo Money menu? We would love to know what you thought of the experience. Share your comments with us via SMS.

I love using tigo money. It makes a lot of things easier for me

YOUR TIGO: Thank you! We look forward to knowing more about your experience.

Translated from Spanish

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Users: Optimized Strategy

Using the optimized strategy, we achieved notable results in increasing the number of menu transactions.

Metric definition: The average number of menu transactions represents the average of menu transactions completed per user in a given month.

Average Menu Txns: Monthly Menu Txns per User (JUNTOS vs. Control)

+18% more

+21% more

Treatment month

Month after treatment

■ Juntos ■ Control

N=614

N=314
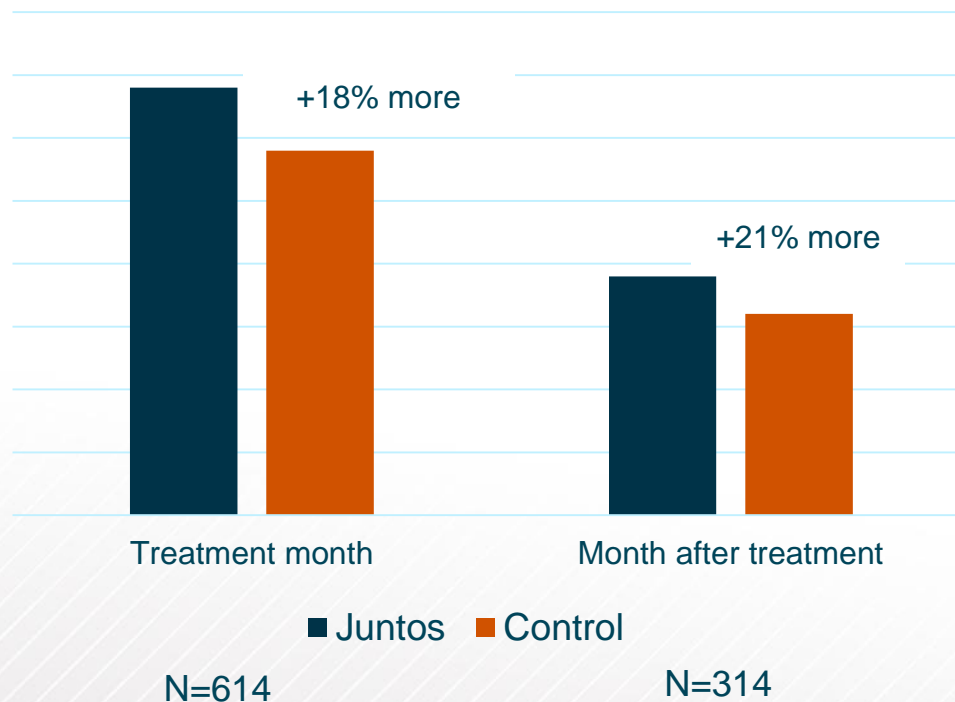
We observed that the Juntos treatment achieves impact not only in the month of treatment but also the month after.

Using the optimized strategy, we achieved notable results in increasing menu activation.

Metric definition: To calculate the activation rate, first a group of users who did not complete a menu transaction pre-treatment is identified. Then, the % of those users who completed a menu transaction during the month of treatment, the month after treatment, and two months of treatment is analyzed.

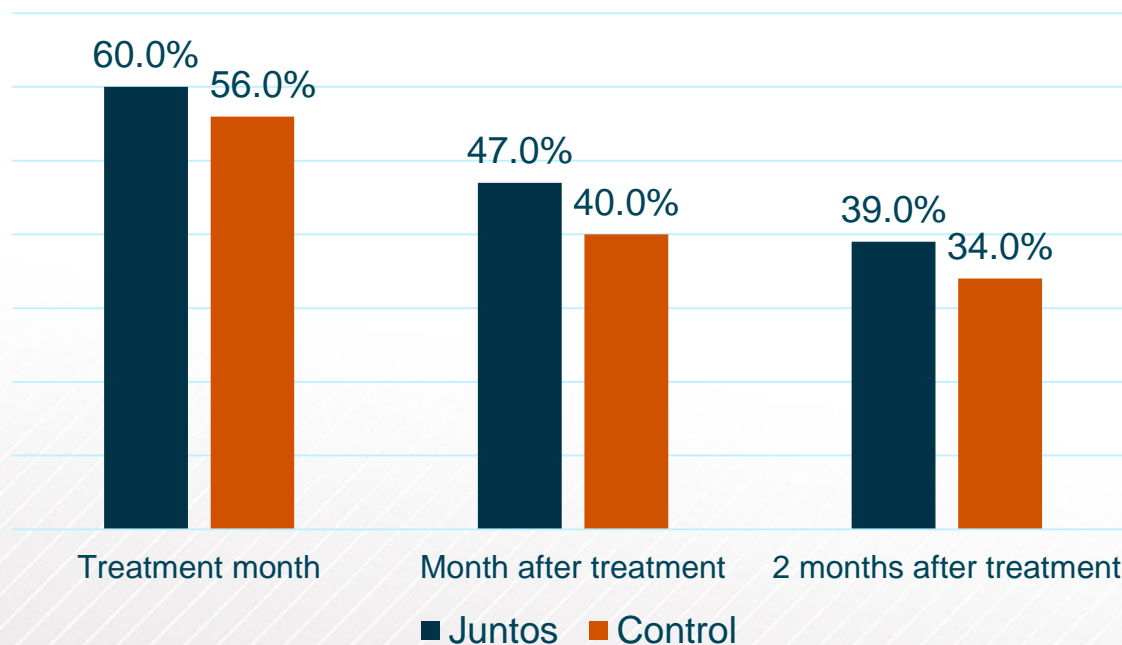Activation Rate: % of users that completed a menu transaction

Over three months

Juntos = 14.7%

Control = 12.6%
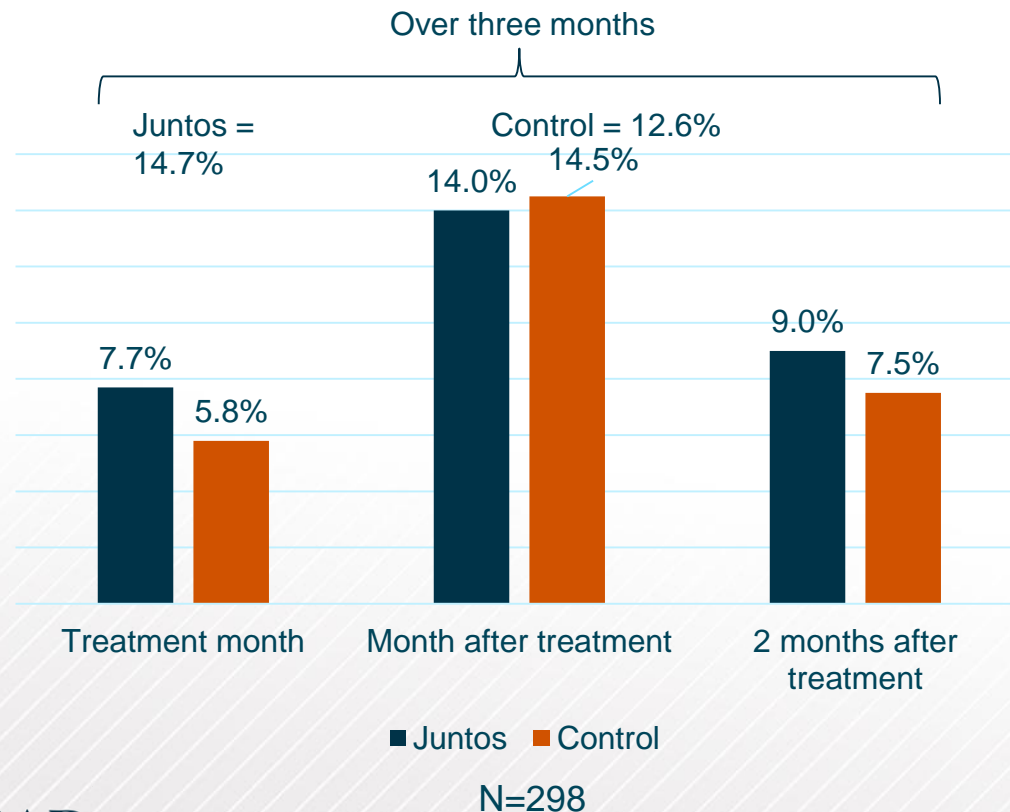
We observed that before being able to promote an increase menu transactions, for certain users, it is necessary to focus on "getting them out of inactivity".

	Treatment month	Month after treatment	2 months after treatment
Juntos	7.7%	14.0%	9.0%
Control	5.8%	14.5%	7.5%

■ Juntos ■ Control

N=298

Using the optimized strategy, we achieved notable results in increasing menu activity retention.

Metric definition: To calculate the retention rate, first a group of users who did complete a menu transaction pre-treatment is identified. Then, the % of those users who continued to complete menu transactions during the treatment month, the month after treatment, and tow months after treatment is analyzed.

Retention Rate: % of users who continued to complete a menu transaction

Treatment month — Juntos 60.0%, Control 56.0%
Month after treatment — Juntos 47.0%, Control 40.0%
2 months after treatment — Juntos 39.0%, Control 34.0%

■ Juntos ■ Control

N=274

> Retention is fundamental in preventing users from falling inactive.

Users: Tigo Money KYC Registrations

Most notable results in promoting user KYC registrations

Metric definition: The % KYC Registration represented the % of users in a group that did not previously have a KYC registration that did complete a KYC registration the month of treatment and then the % that completed a KYC registration the month after treatment.

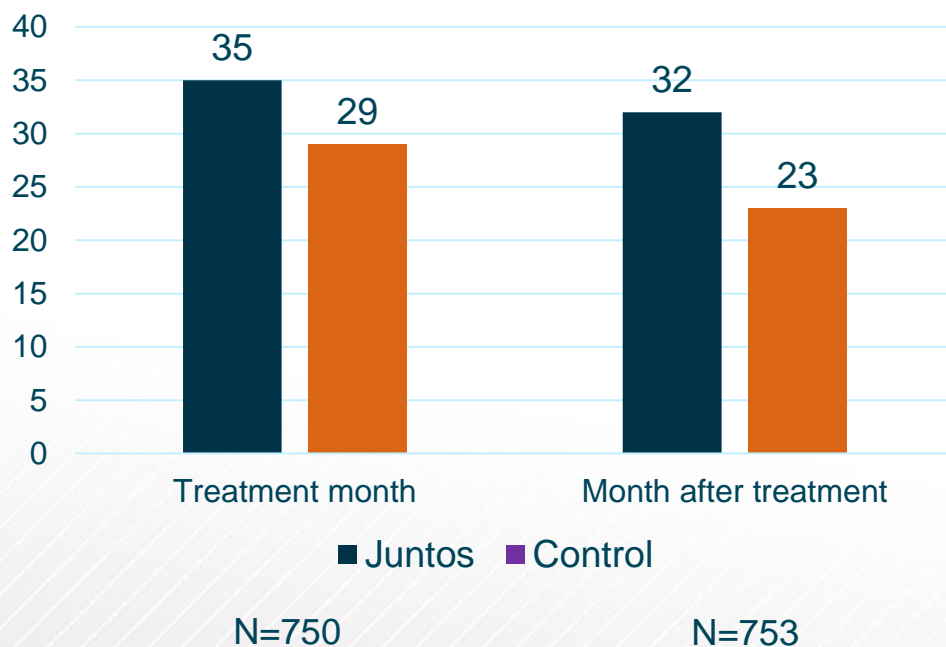% KYC Registration: % of users who completed a KYC registration
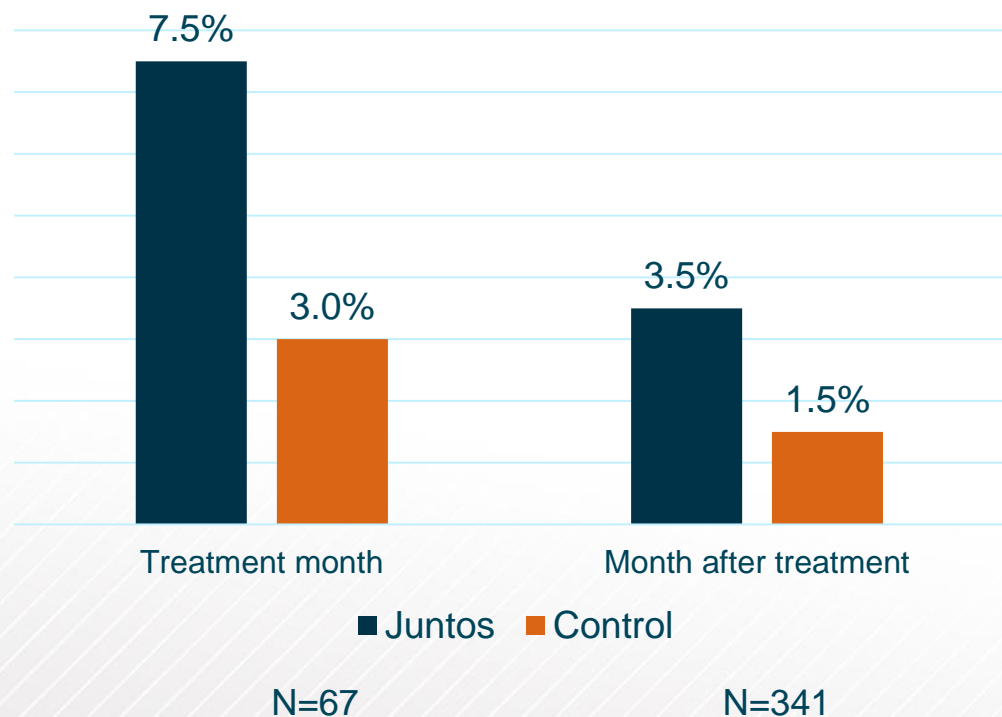
These results represent our strategies that were most successful in promoting KYC registrations. They are not considered optimized because, given the size of the project, they were not replicated and were not statistically significant.

Most notable results in promoting wallet activation

Metric definition: The wallet activation rate represents the number of wallets that were activated within a group of users who previously did not have that wallet activated.

Wallet Activation Rate: Number of new wallets

These results represent our most successful strategies in promoting wallet activation. They are not considered optimized because, given the size of the project, they were not replicated and were not statistically significant.

N=750   N=753

Agents

We learned that we can communicate with agents, learn about their reality, and promote KYC registrations, all via text message

Given the fact that the size of the group of agents is much smaller than the size of the group of users, we focused our iterative process in testing three experiences with the goal of developing a relationship with the agents and learning about them to be able to share those learnings with the team. We learned with the agents in August 2016.

Tests: Three experiences	Communication metrics and learnings	Behavioral metrics and learnings
Survey Method	We learned that we communicate, learn about agent realities, and develop relationships between Tigo Money and their agents.	We observed that we can in fact promote KYC registration with agents.
Agent Experience		
Step by Step		We identified that Step by Step achieves the highest behavioral metrics while the other experiences' content achieves higher communication metrics.

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We learned how to communicate with agents.

Metric definition: The response rate represents the percentage of agents who received Juntos messages and responded with a text message.

Response rate: Averages and highest rates throughout the project
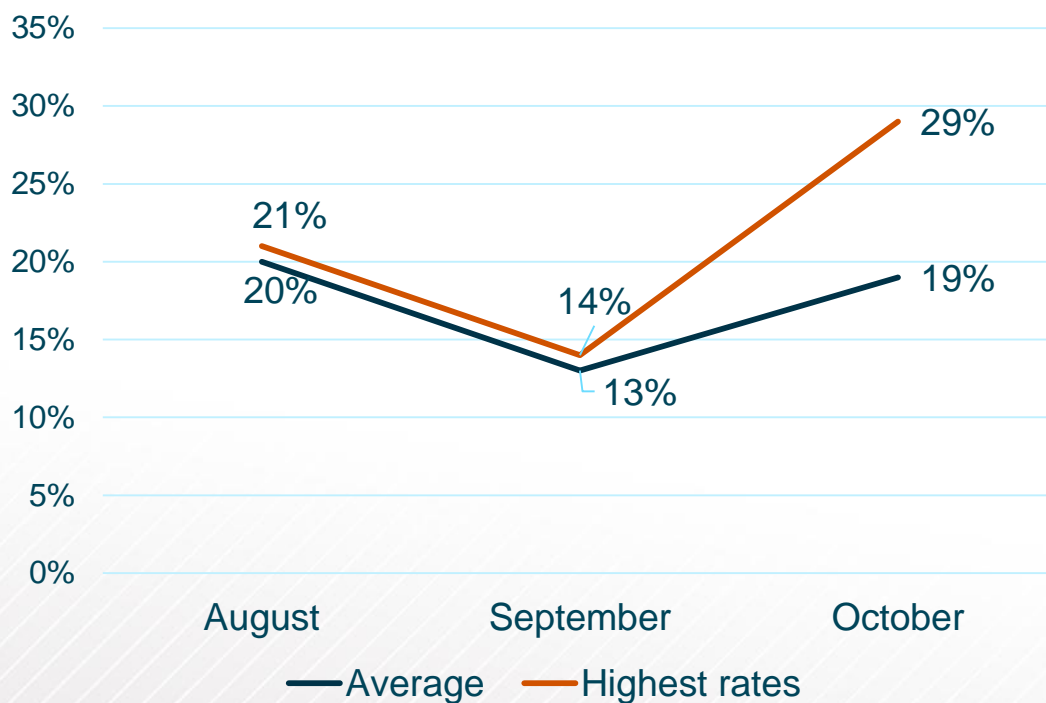
Without previous experience, we were able to achieve response rates with agents that were almost as high as our response rates with users.

We learned how to communicate with agents.

Metric definition: The enrollment rate represents the percentage of users who received Juntos messages and did not ask to leave the conversation.

Enrollment rate: Averages throughout the project

Average
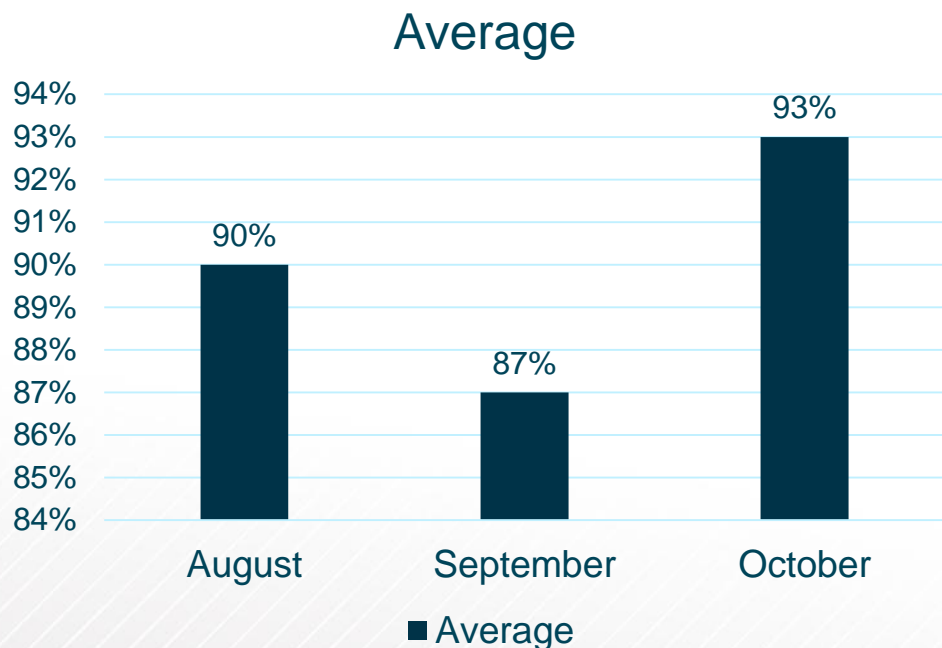
YOUR TIGO: What would help your business most? A. Better attention from Tigo or B. A better signal to do transactions. Send A or B.

A

YOUR TIGO: Thank you for your responses. By knowing your needs we can better help you. We appreciate your loyalty as a Tigo agent. Have a good week!

Translated from Spanish

We developed a communication strategy that achieved results in promoting KYC registration.

Metric definition: The average number of KYC registrations represents how many KYC registrations each agent completes on average within the designated gorup for analysis.

Average # KYC Registrations: Average per Agent

Increase of 12%

N=337   N=357
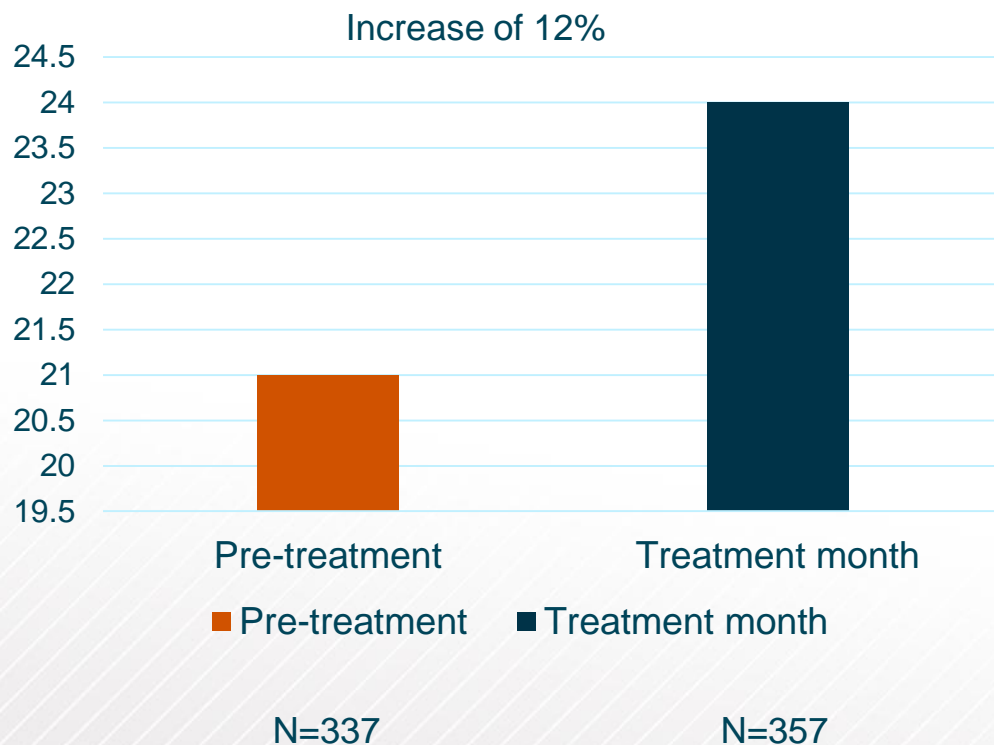
Our hypothesis is that agents can be a more effective channel to promote KYC registration (via SMS) than by going through the users themselves.

We learned what topics Tigo Money agents are most interested in covering.

We tested different communication strategies to learn the best way to communicate with agents.

Topics of interest

Content about their business

Different from users, agents less variety in terms of needs. Agents hope to have a collaborative relationship with Tigo Money. They were interested in content about how Tigo could support their business, especially in growing their business.

Opportunity to express themselves

Agents value the opportunity to express their opinion about Tigo Money anonymously.

Why KYC

They were interested in understanding why completing KYC registrations with users is important before wanting to discuss how to carry the registration process out.

YOUR TIGO: What happens more in your business? 1. Too many people withdraw 2. Few people deposit. Send 1 or 2.

2

YOUR TIGO: Thank you for your response. Please share with us how you think Tigo can solve this problem. Thanks!

I am missing more publicity signs!!!

Translated from Spanish

CGAP

Agents sharing information with us and participated in developing a relationship with Tigo Money through Juntos

YOUR TIGO: What happens more in your business? 1. Too many people withdraw 2. Few people deposit. Send 1 or 2.

1

YOUR TIGO: Thank you for your response. Please share with us how you think Tigo can solve this problem. Thanks!

Having ATMs

To deposit cash

Increasing the credit with Banco Sudameris

YOUR TIGO: What type of business do you have? Tell us about it. If you need a business idea send 5, we will send you a list of ideas.

I need credit 80 million to buy land

YOUR TIGO: ID registration established a link between a user's mobile wallet and his personal information, such as date of birth and ID number.

**It is always necessary to do. The registration system does not work very well
if I have a package it does not work
you guys need to facilitate things.**

You guys should