This report is based on information gathered in the GBA's Women's Market Analytics Survey — the only collection of global banking data measuring the performance of financial institutions serving the Women's Market, with 4 years of performance data and over 400 data points per institution. This second edition of “The Economics of Banking on Women” includes a larger sample size representing 25 banks, and net increases in female customers and in women’s credit and savings. The sample included in this analysis differs from last year’s and therefore trend comparisons cannot be made. The data, however, largely confirms many of the trends highlighted in our first aggregate report. As a network, we see that persistent gender gaps remain, with women representing only 36 percent of total customers. However, this year, the average share of loans to women is 3 percent higher, and women's deposits are 7 percent higher than in last year’s survey. GBA banks with mature programs also continue to perform better than more nascent programs, reporting a higher share of women’s credit and deposits, lower non-performing loans and loan-to-deposit ratios, and higher average products per customer from women. These results continue to show the strong business case for a long-term Women’s Market strategy.

GBA’s Global Women’s Market Survey

- **25** banks
- **23** countries
- **32M** female customers
- **$88B** credit portfolio from women
- **$90B** savings held by women

This survey includes data that is self-reported by GBA members, and although it has been reviewed the data has not been fully verified. Data granularity varies from bank to bank and in some analyses outliers have been excluded. Therefore, some of the results may include smaller sample sizes and represent still emerging trends that we will continue to analyze through the annual compilation of this data. All currency referenced is in US dollars.
The Women’s Market has strong growth potential

Aggregate data from member banks confirms last year’s findings showing that women customers represent a valuable business opportunity to financial services providers. Women continue to outpace the overall market when it comes to customer and credit growth, and this year’s data showed even stronger growth rates related to women’s deposits.
Women are prudent borrowers
Share of non-performing loans by segment, in %, 2016

The survey also bears out last year’s trends showing that, on average, women have lower non-performing loans and thus represent a lower risk profile. This trend can be observed across all segments and most geographies.

Women are strong savers
Loan-to-deposit ratio by region, in %, 2016

Loan-to-deposit ratios also confirm last year’s trends showing that, on average, women represent a strong source of liquidity for banks. These trends are also confirmed across most segments and across regions.

Women are loyal customers
Average number of products per customer by segment, 2016

Although women are substantially under-banked, women have almost as many products per customer as men. These figures vary slightly across segments but show the cross-sell opportunities that exist when women are banked well.
However, women are still under-represented at banks globally

Women’s representation is lower in both numbers and volume

- **Share of Total Customers**
  - Men: 36%
  - Women: 64%

- **Share of Total Loans**
  - Men: 23%
  - Women: 77%

- **Share of Total Deposits**
  - Men: 31%
  - Women: 69%

Women are still substantially under-represented when it comes to share of total customers, credit portfolio and deposits across segments and geographies, making them a strong opportunity for financial services providers.

**Women represent a disproportionately lower share of business banking**

Women are particularly under-represented in business banking, accounting for a significantly smaller portion of the business credit portfolio as well as decreasing shares as business sizes increase — from 26 percent representation in micro-enterprises to just 7 percent for corporate enterprises.
Women are receiving smaller loans and hold lower savings balances, on average

In addition to lower representation in terms of customers, credit and deposits, the data shows that, on average, women are also getting smaller loans and keeping lower deposit volumes in their accounts. This reveals the opportunity to increase loans to women and position savings accounts as avenues to grow and maintain women’s wealth.

Women’s average loan size and savings volume as proportion of men’s, 2016

Women are also under-represented in leadership positions at banks

Average share of women, 2016

<table>
<thead>
<tr>
<th>Role</th>
<th>Average Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board Members</td>
<td>15%</td>
</tr>
<tr>
<td>Senior Managers</td>
<td>24%</td>
</tr>
<tr>
<td>Branch Managers</td>
<td>35%</td>
</tr>
<tr>
<td>Total Staff</td>
<td>47%</td>
</tr>
</tbody>
</table>

Although women represent almost half of banks’ total staff, on average, there is still a significant lack of women’s representation in middle to senior management — and especially at the board level.
A majority of GBA banks’ Women’s Market programs target small and medium enterprises, and there is increasing recognition of the potential across segments.

GBA’s holistic value proposition to women includes the provision of non-financial services, namely: information, education, networking and recognition. The survey revealed a significant increase in the number of banks providing networking and recognition — often in the form of awards programs — to women.

The vast majority of banks recognize the opportunity of providing financial services to previously unbanked customers, especially women — contributing to closing the financial services gender gap globally.

Banks can tap into this business opportunity by:

- Offering a holistic value proposition to women of all segments
- Recognizing that women require a tailored approach that includes both financial and non-financial services
- Providing a full suite of financial products that meet women’s needs

GBA banks are also increasingly recognizing the importance of providing a variety of tailored financial services that meet women’s needs, going beyond access to credit. Sixty-four percent of banks reported targeting women with financial products beyond credit, and 56 percent do so with insurance.
Fostering a gender diverse and inclusive institution

GBA banks understand that being the “bank of choice for women” also requires a commitment to being the “employer of choice for women.” Eighty-five percent of respondents to a GBA member survey on gender diversity and inclusion (D&I) see improvements to Women’s Market performance as a key motivating factor for investments in gender D&I. Fifty-six percent of banks conduct specialized training related to the Women’s Market and women in the workplace.

This tailored approach is good for business

Banks with more mature Women’s Market programs have stronger performance with women customers...

Data from GBA banks shows that those with mature programs have higher shares of women customers, credit portfolios to women and deposits from women.

The data shows that banks with mature programs registered lower risk ratios and comparable loan-to-deposit ratios.

... and stronger internal gender diversity

Banks with more mature Women’s Market programs also boast a more gender diverse workforce, revealing a strong correlation between investments in the Women’s Market and in gender D&I.

% women, 2016

<table>
<thead>
<tr>
<th>Category</th>
<th>%</th>
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</thead>
<tbody>
<tr>
<td>Board Members</td>
<td>19</td>
</tr>
<tr>
<td>Senior Managers</td>
<td>13</td>
</tr>
<tr>
<td>Branch Managers</td>
<td>25</td>
</tr>
<tr>
<td>Total Staff</td>
<td>36</td>
</tr>
</tbody>
</table>

Average years with bank: ~5
Number of products per customer: ~6

56% Share of banks that implemented Women’s Market and gender D&I training, 2016

~28 ~21 ~32 ~29 ~3.1 ~2.6 ~71 ~69

Share of female clients in %, 2016
Share of credit portfolio to women in %, 2016
Share of deposits held by women in %, 2016
Share of non-performing loans in %, 2016
Loan-to-deposit ratio in %, 2016

~5 ~6 ~3 ~2

Average years with bank
Number of products per customer
The GBA would like to thank all of the GBA bank members that participated in this survey for their time, commitment and willingness to share their data. We are also extremely grateful to McKinsey & Company for their time and ongoing support in the compilation and analysis of this survey over the last 4 years.

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For information on the Global Banking Alliance for Women, please visit gbaforwomen.org