baby bank

dedicated maternal savings program via M-Pesa

Eva Hoffmann, David Rizk, Amber Saloner
meet Rose
she lives in Nairobi
with her husband and two kids...

and she’s expecting one more

(the average fertility rate in Kenya is 4.92 births per woman*)

*World Bank, World Development Indicators
she already lost a child
lost a child
and wants to deliver this child safely
but
every minute a Kenyan woman or child dies from pregnancy-related complications*

*USAID Maternal and Child Health report
every hour
every day
Rose needs a plan

...why?
Rose wants clinic appointments
Rose wants *malaria* medication
Rose wants **blood pressure testing**
Rose wants delivery in a clinic
but
healthcare is expensive!
clinic appointments?

20 Ksh.

(20 Ksh is roughly 25¢ US, or about an hour of her family’s wages)
malaria medication?

300 Ksh.

(two days’ wages)
blood pressure testing?

80 Ksh.

(half a day’s wages)
delivery in a clinic?

1500-4000 Ksh.

(10 to 25 days’ wages)
Rose and her children sell fruit
the family earns 150 Ksh./day
if Rose saves 15 Ksh. each day...
if Rose saves 15 Ksh. each day...

....it will take over 9 months to save 4000 Ksh.
Rose needs a tool
to help her save money...
Rose needs a tool to keep cash secure
Rose needs a tool
to make depositing easier
Rose needs a tool to make saving a habit
and there already is one! (kind of)
what if
what if expecting Kenyan mothers had a savings account tailored to their needs?
this is how it would work

(our prototype)

Meet Rose. She is 3 months pregnant, and lives in Kibera.

Rose wants to save because she knows prenatal care is expensive. She wants a healthy pregnancy for her baby and for herself.

Rose works as a vegetable vendor. She has opted to save 7% of the income that she captures in her M-Pesa transactions. Rose tracks her savings using the Baby Bank app.

Rose signs up for a Baby Bank maternal-dedicated savings account through M-Pesa at her local M-Pesa agent. With the M-Pesa agent's help, Rose chooses a concrete goal (visits, medications, hospital delivery) to save towards and selects a savings plan.
Rose wants to save because she’s pregnant!
and she wants to deliver a healthy baby
(and she knows **prenatal care is expensive**)
Rose signs up for a baby bank account at her local M-Pesa agent.
she chooses one of several default plans to match her income & savings ability
her baby bank account supplies concrete savings goals according to her savings ability

(visits, medications, clinic delivery)
Rose chooses to automatically save 7% of payments she receives on M-Pesa.
SMS texts help Rose track her progress and remind her to save more.

Message on the phone:

Rose, you’re half way towards your goal! Can you put some more money into your account today?
Informational texts reinforce healthy habits and Rose’s commitment to her savings goals.
Rose’s baby bank account accepts deposits from friends and family, even from the UK
Rose receives the **timely disbursement** of her savings.
Rose’s money is sent directly to the doctor - she never has to pocket the cash!
but this is only one baby bank scenario
we considered many others

| Account          | Savings                                                                 | Incentives                                                          | Disbursement                                      |
|------------------|-------------------------------------------------------------------------|                                                                    |                                                 |
| • individual     | • default percentage of money received/spent via M-Pesa                | • baby’s health                                                     | • only for designated purpose                   |
| • group          | • default percentage increasing over time?                             | • baby’s health + interest                                         | • for emergencies, but with penalty             |
|                  | • manual deposits at M-Pesa agent on scheduled basis                   | • baby’s health + relevant freebies                                | • for emergencies, no penalty                   |
|                  | • manual deposits at M-Pesa agent on random basis                      | • baby’s health + social value                                     | • release mechanism: trusted person for approval |
|                  |                                                                        | • baby’s health + insurance                                       |                                                 |
we considered many others
we talked to the experts

Sally Madsen, IDEO

Seema Jayachandran, Economics Professor at Stanford

Nick Pearson, Jacaranda Health

Grant Miller, Professor of Medicine and Economics at Stanford
We are three Stanford University students working on this venture in collaboration with the Nokia Africa Research Center, the Stanford University Design School, and the University of Nairobi. Our ultimate goal is to launch baby bank in Kenya. We would love to hear your feedback on the viability of our idea. Please send your questions/comments to babybankkenya@gmail.com. We look forward to hearing from you.

Meet Rose. She is 3 months pregnant, and lives in Kibera.

Rose wants to save because she knows prenatal care is expensive. She wants a healthy pregnancy for her baby and for herself.

Rose signs up for a Baby Bank maternal-dedicated savings account through M-Pesa at her local M-Pesa agent. With the M-Pesa agent’s help, Rose chooses a concrete goal (visits, medications, hospital delivery) to save towards and selects a savings plan.

Baby Bank reinforces Rose’s investment in her goal, and in taking care of her baby and her informational needs.

Rose works as a vegetable vendor. She has opted to save 7% of the income that she captures in her M-Pesa transactions. Texts help Rose track her progress toward her goal.
we know it’s hard to save cash...
we know it’s hard to save cash... without spending it immediately
we know Rose also needs money for other priorities like...
travel

food

family

schooling for 2 kids

housing
we know women have limited financial power
we know women have limited financial power

but Kenyan mothers dominate savings circles!
we also know that pregnant mothers are uniquely prone to save
and baby bank will make that a little bit easier
Next steps:

send final presentation to the experts who have already helped us out!

and other potential partners:
Next steps:

*send* final presentation to the experts who have already helped us out!

and other potential partners:

- Safaricom/M-Kesho
- Health care providers
- Existing NGOs
Eventually:

testing
Eventually:

- testing
- testing
Eventually:

testing
testing
testing
Eventually:

testing
testing
testing

...of the many features we considered to see what works!
thank you

the teaching team
Joshua Cohen, Terry Winograd & Lucky Gunasekara

our collaborators
Sally Madsen, Akshay Kothari & the University of Nairobi team