POWERING POTENTIAL

Increasing Women's Access to Financial Products and Services

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The United Nations Foundation builds public-private partnerships to address the world's most pressing problems and broadens support for the United Nations through advocacy and public outreach. Through innovative campaigns and initiatives, the Foundation connects people, ideas and resources to help the UN solve global problems.

The Foundation identified girls and women as one of its founding priorities, and it promotes girls' and women's leadership and empowerment as a cross-cutting accelerator for all Sustainable Development Goals (SDGs). Its initiatives focus on advocacy for and by adolescent girls (Girl Up), sexual and reproductive health and rights (Universal Access Project), family planning (FP2020) and improving the quality, availability and use of gender data for girls and women (Data2X). The UN Foundation hosts an alliance that addresses the health and safety risks girls and women endure cooking indoors with solid fuels (Global Alliance for Clean Cookstoves), as well as a novel demonstration project — the 3-D Program for Girls and Women — that aims to facilitate the development and implementation of government-led, district-level plans to empower girls and women in low-income communities.

The UN Foundation was created in 1998 as a U.S. public charity by entrepreneur and philanthropist Ted Turner and now is supported by philanthropic, corporate, government and individual donors. Learn more at: www.unfoundation.org. Please direct questions about this paper, the Sustainable Development Goals or girls' and women's initiatives to:

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Letter from UN Women

There are trillions of dollars of private sector resources and innovative finance solutions that could, but currently do not, deliver on gender equality. We must take urgent action to mobilize and unlock the transformative power of equality as a driver to achieve our global goals for a sustainable, prosperous and peaceful planet. Expanded financial inclusion, increased access to financial assets, gender-lens investments and other resources that are especially transformational for women — such as mobile payment technology — are all needed for the achievement of the gender equality that is central to the 2030 Agenda for Sustainable Development, and financial institutions have a major role to play in this effort.

UN Women, as the United Nations entity dedicated to gender equality and women's empowerment, is committed to working with partners in the financial world to ensure that no woman or girl is left out, or left behind. We welcome the rapidly growing number of banks and other actors in the world of finance that are increasingly inclusive and that recognize how such investments are both socially good and good for business. Together these partners are building a wave of sustainable change that supports women and girls to thrive, to build their independence and to secure their own futures.

Women-owned businesses — particularly the vast number of small and medium-size enterprises globally — need, deserve and can make good use of these resources and of new and creative financial instruments. Financial institutions need to move their collective gaze to this market that has long been overlooked and undervalued. The $285 billion credit gap for women's businesses in developing countries alone is a wake-up call; everyone is missing out in this scenario, and women are impatient for change.

Our vision is of gender equality: a 50-50 planet by 2030. We cannot achieve this alone. To make this world a reality, the UN is counting on the financial sector to play a transformative role. Change is afoot. Through creative financing mechanisms, there are previously untapped resources being released to close the gender gap. By taking a gender-lens approach, financial institutions and their investors are identifying the ways in which their decisions affect women and girls, as well as beginning to bring down the barriers such as through digital inclusion and full access to mobile technology.

The quantification of the market opportunity and opportunities for the financial industry to advance women's economic empowerment, offered here in *Powering Potential: Increasing Women's Access to Financial Products and Services*, is an important contribution to the field.

With the actions recommended in this report, in combination with ongoing women's empowerment efforts in the private and public spheres, this jump to inclusion is perhaps not as hard as it seems. We are all responsible for moving this evolution along — educating equally; creating new norms of inclusion and expectations as employers, consumers, policymakers and leaders; and looking beyond the public sector to a wide partnership for change that brings deep-rooted benefits to us all.

Phumzile Mlambo-Ngcuka
UN Under-Secretary-General and Executive Director
UN Women

Executive summary

The untapped power of women as financial actors has the potential to dramatically expand the market for financial products and services while improving the lives of women and their communities. Indeed, financial inclusion is relevant at every level of the income pyramid, and within developed and developing countries alike.

This report, a companion to our original *Return on Equality* publication (www.bnymellon.com/returnonequality), shines a spotlight on the opportunity to realize gains — in both gender equality and market returns — by increasing women's financial inclusion around the world. Our aim is to inspire financial services providers to design and market products and services that fuel women's full economic participation, and to encourage investors to steer their capital toward such companies.

THE MARKET OPPORTUNITY OF CLOSING THE GENDER GAP

The market opportunity for developed and developing countries is significant, even when estimated using a highly conservative methodology.

UNLOCKING WOMEN'S ACCESS TO

RETAIL BANKING
COULD GENERATE AN ADDITIONAL
$40 BILLION
IN ANNUAL GLOBAL REVENUE

LIFE INSURANCE
COULD GENERATE AN ADDITIONAL
$290 BILLION
IN ANNUAL GLOBAL REVENUE

FINANCIAL SERVICES FIRMS

COULD GROW THEIR SHARE OF THE ALREADY
$100 BILLION TO $120 BILLION
IN ANNUAL REVENUE THAT WOMEN CURRENTLY CONTRIBUTE TO THE RETAIL INVESTMENT MARKET

Note: All currency calculations in this report are presented in U.S. dollars.

INCREASING WOMEN'S ACCESS TO FINANCIAL PRODUCTS AND SERVICES WILL HELP TRANSFORM THE LIVES AND FUTURES OF HUNDREDS OF MILLIONS OF WOMEN IN BOTH DEVELOPED AND DEVELOPING COUNTRIES, AS WELL AS UNLOCK BILLIONS OF DOLLARS IN POTENTIAL MARKET OPPORTUNITIES.

Furthermore, a breadth of evidence shows that when women control financial assets, they are often more likely than men to invest in the health, education and well-being of their families — suggesting the significant benefits of financial inclusion to society as a whole and future generations.

However, a large and persistent global gender gap in financial inclusion is currently standing in the way of realizing these opportunities. Though women have influence or control over assets worth more than $20 trillion globally — roughly 25 to 30 percent of the world's wealth — they remain generally underserved by the financial services industry.[1] Consider that women still only have 77 percent of the access that men do to financial services.[2] Women also face specific challenges, such as more difficulty securing housing loans than men, and higher interest rates — despite repaying their mortgages more reliably than men.[3]

Access to and use of financial products and services is lower for women for three main reasons:

- There are fewer products on the market that meet women's needs.
- The products that do exist tend not to be effectively marketed or delivered to women.
- Societal and structural barriers impede women's abilities as financial actors, stifling their demand for financial products and services.

While all three aspects need to be addressed — and the societal and structural barriers are pivotal factors, particularly in developing countries — this report primarily focuses on the first two supply-side factors, in which financial services companies and investors can play a leading role.

Financial service providers can pursue the market opportunities described above by innovating in their approaches to product design and delivery to reach more women, and more effectively. Now is a particularly exciting time to focus on this area, given that financial technology (fintech) advancements are rapidly increasing the speed, access to and convenience of financial transactions, particularly for underserved populations. Expanding digital finance could give 880 million women around the world access to financial accounts for the first time.[4]

The amount of wealth accumulated by women will continue to grow as more women participate in the labor force and as the gender wage gap decreases in certain geographies. When women generate and control financial assets, and when they are equal decision makers on the financial matters of their households and businesses, individual communities and the global economy at large will be transformed. Since the adoption of the Sustainable Development Goals (SDGs) in 2015, businesses of all types are looking at the economic benefit of leveraging more of their core business activities to help protect people and the planet. A central tenant of this framework is the role of gender equality.

HOW TO TAKE ACTION

To realize the potential gender equality and market gains from increasing women's financial inclusion, players across the private, public and social sectors must take action. These actions are discussed in greater detail later in the report and are summarized briefly here.

PRIVATE SECTOR: STEER CAPITAL

- Educate individual and institutional advisers about the market opportunity related to serving women more effectively
- Identify and steer capital toward companies whose products and services promote women's financial inclusion and empowerment
- Take a gender-lens approach in structuring new banking products, investment strategies, funds and indices
- Expand the market by better understanding gender disparities in the use of and satisfaction with product and service offerings, and address the factors deterring women consumers

PUBLIC SECTOR: REMOVE BARRIERS

- Eliminate legal restrictions on women's engagement as financial actors
- Discourage private sector discrimination against women in the access to and use of financial products and services
- Where possible, steer capital (e.g., through the investment of sovereign wealth funds) toward companies that provide products and services that promote women's financial inclusion

SOCIAL SECTOR: CATALYZE PROGRESS

- Orchestrate partnerships between actors across sectors to advance toward common goals regarding women's financial inclusion
- Evaluate the impact of existing products and policies to identify those that are most effective in advancing gender equality, and experiment with new approaches and share the lessons learned
- Identify, support and praise financial services firms that are playing a role in promoting gender equality[5]

Introduction

The global movement for gender equality has accelerated dramatically in recent years. Women's rights and empowerment are increasingly understood as fundamental issues of human rights, justice and equality, as well as cornerstones of economic growth and social development. While historically led by actors in the social and public sectors, corporate leadership and engagement is growing rapidly.

These interests are converging — as the gender equality movement builds, more and more individual citizens, civil society and peers in the corporate sector are investing and partnering with companies that are purpose-driven and adhere to these qualities.

Building on the approach used in our first publication, *Return on Equality* (www.bnymellon.com/returnonequality), this report seeks to further support the instrumental role the private sector can play in the movement toward gender equality, with a focus on the financial sector. *Return on Equality*, launched during the 2017 World Economic Forum Annual Meeting, focused on how closing the gender gaps in access to products and services in the water, contraception, telecommunications, energy and child care sectors could advance women's quality of life and generate $300 billion in incremental annual spending globally by 2025.

BNY Mellon and the UN Foundation have partnered to pursue further research in this space, applying the *Return on Equality* investment thesis in the context of the financial services industry in this new report, *Powering Potential: Increasing Women's Access to Financial Products and Services*. This work seeks to build on the pioneering work of organizations that have long been advocating for women's full economic participation and empowerment — among them UN Women, Women's World Banking, the Global Banking Alliance for Women, the International Finance Corporation, the World Bank Group, the UN Capital Development Fund and the UN Secretary-General's Special Advocate for Inclusive Finance for Development.

For the purpose of this report, we define "women's financial inclusion" as women having access to useful and affordable financial products and services that meet their needs as individuals, economic agents and entrepreneurs.[6] We focus on five key product categories (see sidebar "Financial products and services" on pages 6–7), which we use to frame our estimations of the global revenue potential of closing gender gaps in access to financial products and services.

WOMEN'S RIGHTS AND EMPOWERMENT ARE INCREASINGLY UNDERSTOOD AS FUNDAMENTAL ISSUES OF HUMAN RIGHTS, JUSTICE AND EQUALITY, AS WELL AS CORNERSTONES OF ECONOMIC GROWTH AND SOCIAL DEVELOPMENT.

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FINANCIAL PRODUCTS AND SERVICES

Consumers typically use checking and savings and payments products first; with increasing wealth, they begin deploying credit, loans and capital; insurance; and investments. The exhibit on the following page explains this general pathway from financial health to wealth that is enabled by greater asset accumulation and expanded access to financial products and services.

CHECKING AND SAVINGS PRODUCTS

Checking and savings products are often referred to as a gateway to financial inclusion, as they are a critical medium for financial independence and facilitate access to credit and loans.[7] They allow individuals greater financial privacy and freedom by securing funds in an account that only they have access to withdraw from and transact in. Key to women's empowerment is the ability to save and plan for major future expenses such as education, property ownership, retirement and unforeseen emergencies — and to do so privately if desired. Example products include basic checking accounts, savings accounts, debit cards and certificates of deposit.

PAYMENTS

Payments are a fundamental enabler of financial inclusion, as they facilitate basic financial transactions such as wage collection and bill payment. In recent years, digital payments systems have shown great promise in decreasing the gender gap by addressing gender-salient issues such as restrictions on women's freedom of physical mobility to and from banks or, in some regions, to interact in person with men who are not family members. Example products include credit cards, debit cards, internet banking and mobile payment systems.

CREDIT, LOANS AND CAPITAL PRODUCTS

Credit, loans and capital products help support individuals' personal and economic empowerment, such as by helping them pursue an education, buy a home or start a business. Example products for individual use include mortgages and tuition loans, and example products that improve one's ability to own and run a business include loans (microfinance and larger), as well as lines of credit.

Many financial institutions have found women have higher repayment rates and are less likely than men to default on loans.[8] Of course, this finding may reflect selection biases based on the lower proportion of women who are able to access loans, as well as the heightened social pressures women are often under to repay (as in the case of village savings and loans groups). Nonetheless, women's strong track records in loan repayment serve to underscore that women customers represent a meaningful market opportunity for financial institutions.

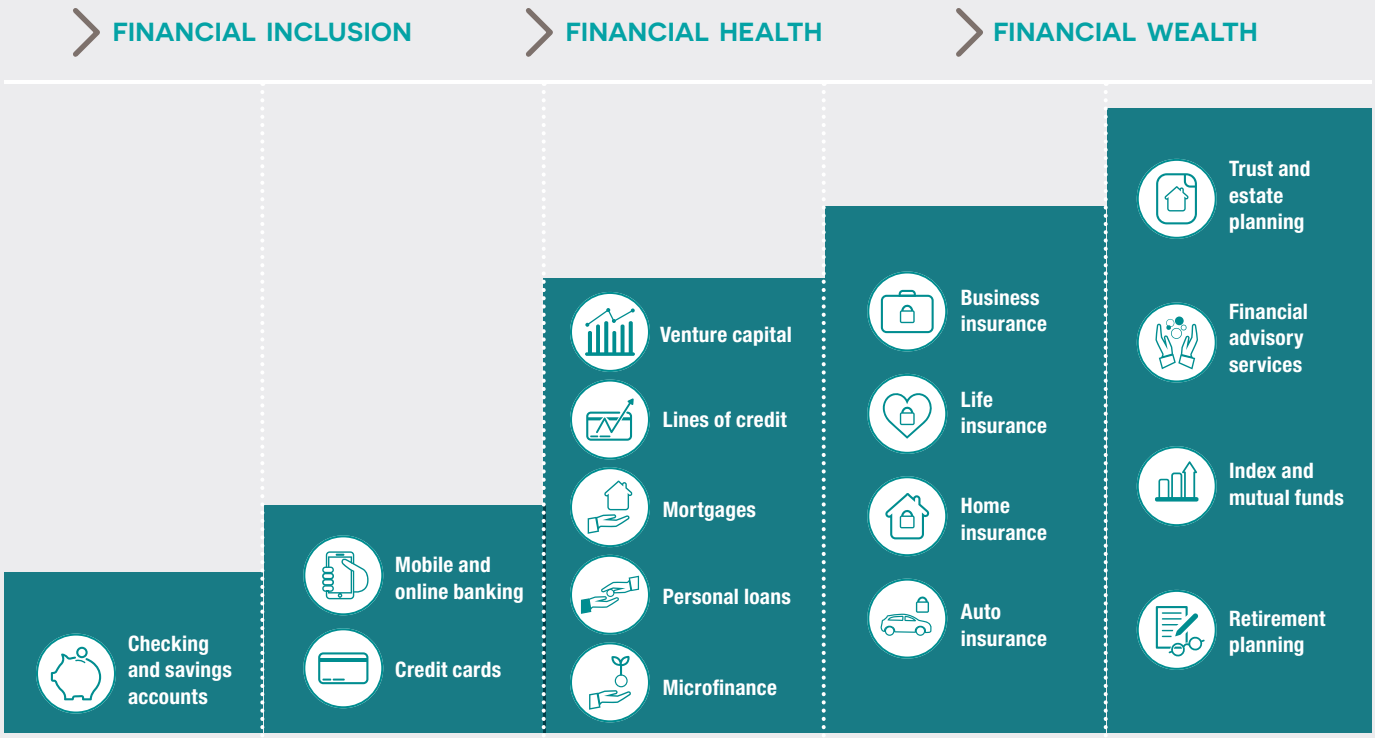
INSURANCE PRODUCTS

Insurance products provide a buffer against unpredictable risks and catastrophic events. Example products include auto, business, disability, farm, health and home insurance.

INVESTMENT PRODUCTS

Investment products help grow wealth. When women invest their money, they are better able to save for retirement, pay for education or simply generate a return on their capital. Example products and services include financial advisory services, index and mutual funds, and trust and estate planning.

A PATH FROM FINANCIAL INCLUSION TO FINANCIAL WEALTH



Establishing a financial footprint through basic banking account access

Gaining flexibility and economic autonomy through use of payment tools

Increasing economic empowerment through responsible access to capital

Protecting against risks by purchasing insurance

Building wealth and financial security through investment services

The opportunity: The revenue potential and social impact of greater financial inclusion for women

Excluding women as financial actors comes at an enormous cost to the prosperity, health and development of our communities — and financial services firms are missing out on a major market opportunity.

To help illustrate this missed opportunity, we used a conservative methodology to estimate the revenue that could be generated by closing the global gender gaps in the retail banking, investment and insurance sectors. First, we sized the revenue potential of closing the gender gap (i.e., increasing women's level of usage to men's current level of financial participation, not full financial inclusion for all women). Second, in recognition that the revenue potential of the women customers who will be reached next with financial products and services is unlikely to be as high as the average current customer, we discounted accordingly (for a detailed explanation of how we calculated the estimates, see the appendix). Incredibly, even with these downward adjustments, the global market opportunity for the financial services industry is still very large, emphasizing the significance of this untapped potential.

Retail banking

Our analysis found that closing the gender gaps in product access across the retail banking sector could unlock at least $40 billion in additional annual revenue.

The retail banking sector offers a suite of fundamental financial products and services that enables users to engage in personal and commercial financial transactions, accumulate savings, deploy lines of credit and access loans. However, a global gender gap in access to these products and services is holding back both retail banking institutions and the economic empowerment of women. The good news: we estimate that closing the gender gap in access to four product areas — checking and savings, credit cards, personal loans and housing loans — would create $40 billion in additional annual revenue while empowering hundreds of millions of women around the globe.

Checking and savings accounts are the most basic financial tools, providing a secure platform for aggregating and transferring money. These accounts are the backbone against which more advanced financial activities — such as payments, personal investments and loan transactions — are conducted. To reach global gender parity in checking and savings accounts at formal institutions, 254 million more women would need to gain access to such accounts — representing an estimated incremental annual revenue opportunity of $15 billion.

Access to a line of credit through mechanisms such as credit cards enables users to graduate beyond a cash-based model of personal finances, as credit creates the opportunity to spend without needing immediate cash on hand to cover costs. This more advanced model of cash flow management affords users more flexibility in the timing of their purchases and permits them to make financial trade-offs in determining the best use of their funds. To reach men's level of credit card access, 79 million more women globally would need to have access to their own credit card and a line of credit — generating an estimated $7 billion in additional incremental annual revenue.

Loan products enable users to undertake significant expenditures (i.e., the purchase of a home or car, the financing of an educational program) and pay them off over an extended period of time, overcoming a significant cash flow challenge. These products have become the norm in a global economy in which most individuals do not have the cash on hand to pay outright for such big purchases — but in many communities, women currently have less access to these products than men. To close the global gender gap

THE MARKET OPPORTUNITY OF CLOSING THE GENDER GAP IN RETAIL BANKING

CHECKING AND SAVINGS ACCOUNTS
$15 BILLION

CREDIT CARDS
$7 BILLION

PERSONAL LOANS
$14 BILLION

HOUSING LOANS
$4 BILLION

= $40 BILLION A YEAR

in personal loan access, 60 million more women would need access to loans for education, automobiles or other expenses — resulting in at least $14 billion in additional incremental annual revenue.

To size the gender gap in mortgages and other forms of housing loans, we focused on unmarried individuals, as married couples are unlikely to have two housing loans between them. There are definite benefits to holding a household's mortgage jointly (for instance, between both the husband and the wife); but for the purpose of increasing women's economic empowerment, there is less likely to be a significant market opportunity in originating new housing loans to married women. Rather, the market opportunity is in closing the gender gap between single men's and single women's access to and usage of housing loans. Our analysis suggests closing this gap would result in 19 million more women globally with a mortgage or other form of housing loan and generate an estimated $4 billion in incremental annual revenue.

NBS Bank

MALAWI — NBS Bank partnered with Women's World Banking to develop the Pafupi Savings account, which allows women to open accounts and then make small deposits and withdrawals at local shops. NBS Bank agents facilitate the transactions with the bank using mobile phones.[9]

Mortgages for Women

AUSTRALIA — Owned and operated by women, Mortgages for Women is a free, personalized advisory service that provides expert advice on home loans, investment loans, leasing and other financial actions. The service is designed to empower women as financial decision makers, help them become homeowners or start a business, and enable them to adapt to changing household circumstances.[10]

Compartamos Banco

MEXICO — Compartamos Banco began as a small bank in Mexico specifically designed to finance low-income women small-business owners. It provides savings accounts, loans, insurance and financial education. Its Crédito Mujer (Women Credit) product extends credit to women in groups of 12 to 50 members for the purpose of business investments.[11]

EXAMPLES OF RETAIL BANKING COMPANIES OFFERING PRODUCTS AND SERVICES TAILORED TO WOMEN

AS WOMEN'S WEALTH CONTINUES TO GROW, FUELED BY INCREASING LABOR FORCE PARTICIPATION AND, IN SOME PLACES, A SHRINKING GENDER WAGE GAP, WOMEN WILL REPRESENT AN INCREASINGLY LARGE MARKET OPPORTUNITY FOR INVESTMENT FIRMS.

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Investment

Forward-looking investment firms can capture a larger share of the growing $100 billion to $120 billion in annual revenue that women currently contribute to the retail investment market.

Globally, women have influence or control over assets worth more than $20 trillion[12] — roughly 25 to 30 percent of the world's wealth. Women are also responsible for approximately $100 billion to $120 billion of the $415 billion in revenue generated annually by the global investment industry.

Yet women still experience challenges in obtaining satisfactory investment advice. In a survey conducted by Sullivan and Northstar Research Partners, affluent women investors were 12 percent less likely than men investors to be confident in their ability to make successful investment decisions[13] — but, according to the Task Force for Talent Innovation, 53 percent of women do not have financial advisers to help guide their choices.[14] Furthermore, as BNY Mellon's research through Pershing[15] has revealed, women often face distinctive financial challenges — lower income, gaps in employment and higher medical costs and taxes, all compounded by longer life expectancy — that underscore the importance of sound investment decisions.[16]

Among women who do work with financial advisers, many find their interactions unsatisfactory. The Pershing research also revealed that more than half of women working with advisers felt their advisers could improve the quality of their services; in particular, women were 50 percent more likely than men to name "listening to my needs" as a key area for improvement. According to Fidelity Investments, even when both parties in a heterosexual couple interact with their financial adviser, men are 58 percent more likely than women to be the primary contact.[17] Other large-scale surveys have found that 67 percent of women feel misunderstood or ignored by their advisers, 80 percent switch advisers within a year of their husband's death and 87 percent looking for an adviser say they cannot find one whom they "can connect with."[18] These problems may be exacerbated by the fact that women are significantly underrepresented in the financial advisory workforce, comprising less than one-fifth of investment advice professionals.[19] Indeed, Pershing's research found that 83 percent of women working with a financial adviser had a male adviser.[20]

As women's wealth continues to grow, fueled by increasing labor force participation and, in some places, a shrinking gender wage gap, women will represent an increasingly large market opportunity for investment firms. UBS estimates that over the next five years, the amount of private wealth controlled by women will grow 6 percent faster year over year than that controlled by men.[21]

Firms that innovate with the intent to empower and engage women will unlock more of the upside potential. The key is ensuring that investment advisers are trained to partner effectively with their women clients and that investment product offerings take women's financial needs into consideration.

UBS

SWITZERLAND — UBS launched UBS Unique with the goal of building financial confidence in one million women by 2021. They interviewed hundreds of their women clients to gain a better understanding of how women view wealth, and as a result they are altering the way they interact with clients while continuing to track client satisfaction levels.[22]

Ellevest

UNITED STATES — Aiming to help close the gender gap in investment, Ellevest is the first robo-adviser designed for women. Ellevest takes into account factors that women disproportionately experience such as increased longevity and the fact that they tend to earn less than men do over the course of their careers.[23]

EXAMPLES OF FINANCIAL INSTITUTIONS TAILORING THEIR OFFERINGS TO BETTER SERVE WOMEN INVESTORS

Insurance

The growing insurance industry can significantly increase revenue by reaching more women customers; in life insurance alone, closing the global gender gap could result in an additional $290 billion in annual revenue.

The insurance market for women is large and growing larger, both in developed and developing countries, and for commercial and personal insurance products alike. As more women start businesses and scale them, their demand for insurance products will increase to guard their business interests against catastrophic losses. Similarly, as increased financial inclusion results in more women having an ownership stake in family homes and plots of land, more women will need to buy home and farm insurance. The *SheforShield* report, a collaboration between the AXA Group, Accenture and the International Finance Corporation, found that the global market revenue generated by women consumers buying life insurance will total between $465 billion and $554 billion by 2030, with just 10 emerging markets accounting for approximately half of that revenue.[24]

However, there is currently a gender gap in life insurance; for instance, in the United States only 56 percent of women have life insurance coverage, compared with 62 percent of men.[25] As life insurance is designed to replace market wages in the event of death, women's rising labor force participation and, in some places, a shrinking gender wage gap will increase women's demands for life insurance. We estimate that closing the global gender gap in life insurance represents a market opportunity worth $290 billion annually in revenue.

Women who currently buy insurance report high levels of dissatisfaction; 74 percent are dissatisfied with the product offerings and 75 percent are dissatisfied with the level of service they are receiving.[26] A strong business case exists for insurance companies and banks to offer insurance solutions and service delivery models that are better tailored to the needs and preferences of women, which vary by market. For instance, in areas where social customs favor men in inheritances, women want to use insurance to guarantee their benefit payouts are used productively (e.g., to finance their children's education). To address this need, insurance companies can structure their products to deliver regular payouts, instead of a lump sum, and make those payouts contingent on certain events (e.g., school attendance), or insurers can help women policyholders appoint estate trustees to manage the payout if the beneficiary is not able to do so.[27]

Developing such products and services brings clear benefits to the financial services industry. Research from the Global Banking Alliance for Women found that women with insurance products are more engaged and loyal bank customers, resulting in up to 2.3 times more profitability for the bank compared with uninsured women.[28]

HDFC

INDIA — HDFC's Life Smart Woman unit linked insurance plan is an insurance product designed specifically for women and covers key events in a woman's life, such as childbirth or the death of her spouse. In some situations, the product even allows a woman to stop paying premiums for three years if she experiences severe or childbirth-related health issues.[29]

EXAMPLE OF AN INSURANCE COMPANY OFFERING PRODUCTS AND SERVICES TAILORED TO WOMEN CUSTOMERS

Social and economic impact

Women's financial inclusion brings a wide variety of benefits for women, their families and society at large as well as future generations of both women and men.

As has been discussed extensively in the literature on women's economic empowerment, financial inclusion for women warrants special focus not only on the grounds of equality but also because of how women's economic empowerment catalyzes gains for the families, communities and markets in which women live and work. When women have full access to financial products and services, they are able to thrive as financial actors by exercising the same rights and taking advantage of the same opportunities that have supported the economic empowerment of men. The more women realize their full potential as independent and empowered financial agents, the more we will see improvements in health and educational outcomes, expansions in entrepreneurship and greater overall financial security — all key ingredients to global economic growth and sustainable development.

Benefits for women

Women who have full access to financial products and services are better able to participate in productive economic activities. They can save, make payments, invest in their personal education and health, raise their credit scores and borrow funds to pursue personal goals, all of which are necessary for women to achieve and sustain financial stability.

Benefits for future generations

Power dynamics within households determine which member (or members) of a family controls financial products and services and, thus, how money is spent, saved and invested. When women control financial assets, they are often more likely than men to invest in the health, education and well-being of their families. Consider a few examples:

- In rural India, the greater the relative bargaining power of a mother compared with a father, the less likely the children were to be stunted or underweight.[30]
- In Nepal, offering no-fee local bank accounts to women heads of household raised the amount the family spent on education by 20 percent in categories such as textbooks, school uniforms and school fees.[31]
- In Kenya, women who opened commitment health care savings accounts (in which they cannot access their funds until they reach a specified goal) invested 70 to 130 percent more than a control group in preventative health investments; they were also 12 percent less likely to be unable to afford a needed medical treatment.[32]

It is a broader development priority, therefore, that women become equal decision makers in their households, and financial inclusion is an important gateway to that decision-making power. In the Philippines, for example, women given the option to open commitment savings accounts that were not shared with their husbands reported that, by doing so, they increased their power to make decisions within their family.[33]

Making this investment in future generations is both the right thing to do and a sound development policy, as it will give countries a healthier, better-educated, more productive and more gender-equitable workforce for decades to come.

Benefits for women's entrepreneurship and the broader economy

Financial inclusion is also necessary for women to establish new businesses, which support economic growth and development. One of the most pressing obstacles faced by women entrepreneurs around the world is a lack of access to capital to support the growth of their businesses. Women-owned businesses make up 30 percent of registered entities worldwide, yet only 10 percent of women entrepreneurs have the capital needed to grow their businesses.[34] The International Finance Corporation estimates that up to 70 percent of women-owned small and medium-size enterprises (SMEs) in developing countries are either unserved or underserved by financial institutions — amounting to a credit gap of approximately $285 billion.[35]

Examples of promoting women business owners' capital access in both developing and developed countries offer inspiration. Looking first at examples in developing countries, a microcredit program for women in Kolkata, India, enabled clients to start businesses by building in a two-month grace period before any payments were due back. As a result, women who participated in the program became twice as likely to start a business, and their incomes rose by 20 percent.[36] Similarly, in Kenya, two professors launched a program that offered bank accounts to unbanked individuals at no cost. Women who participated in the program invested 40 to 60 percent more in their businesses and increased their daily expenditure by 37 percent compared with women who did not have a bank account. There was no discernable change in saving or spending patterns for men who participated, suggesting that women are more likely to benefit from newly accessible financial opportunities.[37]

Bank of Deyang

CHINA — In partnership with the International Finance Corporation, the Great Wall West China Bank launched a microloan program directed toward women-led small and medium-size enterprises (SMEs), particularly those based in rural areas. In 2009, the bank set up a financial services center that provides tailored support for women entrepreneurs. In 2014, they launched the Good Sisters Women Entrepreneurship program, which provides capital and loans to women from local companies and individuals.[38]

Hindustan Unilever

INDIA — To overcome village access constraints in rural India, Hindustan Unilever (HUL) started Project Shakti, which creates profitable microenterprise opportunities for women. Through microcredit provided by the project, rural women participants become entrepreneurs as direct-to-home distributors. HUL invests in these women-led enterprises through not only financing but also training.[39]

Banco Nacional de Costa Rica

COSTA RICA — The Banco Nacional de Costa Rica's Banca Mujer program focuses on loans for women-owned SMEs; the program is responsible for growing the women-owned percentage of the bank's SME loans to 48 percent. Along with credit products, Banca Mujer offers women business development services and financial education.[40]

Banco Economico

BOLIVIA — Banco Economico has partnered with the Inter-American Development Bank to help expand access for women-owned, micro, small and medium-size enterprises (MSMEs) in Bolivia. The bank is receiving $12 million to finance MSME loans.[41]

EXAMPLES OF FINANCIAL INSTITUTIONS WITH PRODUCT OR SERVICE OFFERINGS THAT SUPPORT WOMEN'S ENTREPRENEURSHIP

In developed countries, investing in companies founded by women has delivered substantial benefits for investors. A study by the Small Business Association in the United States found that venture capital firms that invested in women-led businesses had higher returns than those that did not.[42] One venture capital firm reviewed its portfolio and found that companies with women founders created 63 percent more value for investors than ones with solely male founders.[43] Yet 95 percent of venture funding goes to companies with a male CEO.[44] As a result, women entrepreneurs are more likely to spend down their wealth and put themselves in personal debt to finance their businesses.

Creating conditions where women's businesses can thrive will make both developing and developed economies more productive and create a broader base of employment opportunities, supporting faster and more sustainable development for all.

WOMEN-OWNED BUSINESSES MAKE UP **30** PERCENT OF REGISTERED ENTITIES WORLDWIDE, YET ONLY **10** PERCENT OF WOMEN ENTREPRENEURS HAVE THE CAPITAL NEEDED TO GROW THEIR BUSINESSES.

The challenge: A global gender gap in financial inclusion

Financial inclusion is a critical component of sustainable economic development. Approximately two billion people — disproportionately women — do not use formal financial services, and more than half of adults in the world's poorest households are unbanked.[45] Combating poverty and increasing economic growth require increased availability of basic financial products and services for all people.

At present, women have only 77 percent of the access that men do to financial services[46] — and this gap only widens when considering certain subgroups of women. For instance, according to the most recent set of Global Findex data, just 9 percent of women in the Middle East owned bank accounts in 2014, the lowest rate of the six World Bank Group developing regions, which averaged 14 percent in 2014.[47]

Gender gaps in financial inclusion also persist in developed economies. For instance, a study conducted in France, Italy, Poland, Russia, Spain and the United Kingdom found that women comprised 55 percent of the financially excluded and the financially underserved;[48] very similar results were found in Australia,[49] with an even more significant disparity in the United States, where two-thirds of the unbanked are women.[50]

Women access and use financial products and services at lower rates for three primary reasons:

1. There are fewer products on the market that meet women's needs.
2. The products that do exist often do not reach women in the marketplace.
3. Societal and structural barriers restrict women's abilities to be financial actors and, therefore, stifle their demand for financial products and services.

All three aspects must be addressed to increase women's financial inclusion, and progress will require action by institutions in the public, private and social sectors. This report focuses in particular on the first two factors, as these are in the direct sphere of influence of financial services companies and investors. Still, it is important to understand the third barrier — the root causes of women's financial exclusion.

Root causes of women's financial exclusion

Depending on where they live, their race and ethnicity, their socio-economic status and their migration status — among many other factors — women face a different constellation of obstacles in fully accessing and using financial products and services. The most prevalent obstacles across both developed and developing nations are described below.

Employment and wage disparities.[51] Globally, women spend an average of 2.5 times as many hours as men on unpaid labor tending to their households and family members, contributing to a 26 percentage point gap globally between women and men in labor force participation rates. When they are employed in paid work, women earn an average of 24 percent less, with women who are part of racial or ethnic minority groups often faring even worse. Women not only earn less on average but also typically spend fewer years in the paid labor market, so they have fewer assets that could be put into checking or savings accounts or invested.

In developing countries, women in the labor force are more likely than men to be informally employed. On average, 75 percent of women's employment is in the informal sector, which is typically in the form of insecure and hazardous employment with no benefits, as well as inconsistent or lower pay.

Legal barriers. Varying degrees of gender inequality permitted or mandated by law deny women full financial participation in many countries around the world.[52] Depending on the country, women are discriminated against in inheritance laws;[53] are required to obtain their husband's permission to legally work,[54] open a bank account, register a business or sign a contract; and are

banned from entering certain professions.[55] Women may also find it more difficult to access legal ID cards due to existing laws or restrictive registration requirements, and such identification is commonly required to use financial products and services.[56]

Less access to collateral. Because they are less likely to own property, such as homes or land, in their own names, women around the world are less likely to own the preferred forms of collateral needed to secure loans.[57] In some countries, women face formal legal barriers to property ownership that further compound this challenge.

Reduced power within the household. Women are often excluded from financial decisions in their households. Worldwide, 1 in 10 women are not consulted about how their own earnings are spent.[58] In developing countries, approximately 1 in 3 married women, especially in rural areas, have no control over household spending on major purchases.[59] And financial control and abuse are all too frequent components of domestic violence around the world.[60]

Restricted mobility and hazards in public spaces. In some areas, accessing financial products and services can require significant travel to reach branch offices. This can take a particular toll on women, who may lack the financial means or the time to travel to services, especially if it requires leaving family members or children in the care of others. Furthermore, in many places women face additional risks of sexual harassment and assault while in public spaces, particularly on crowded modes of transit, and after dark.[61]

Lack of financial literacy. As a function of cultural and social norms, women and girls often do not receive the same kind of formal and informal financial education that men and boys do regarding financial concepts and processes (cash flow management, interest rates, etc.), making them less comfortable and confident using financial products and services.[62] This issue manifests in developing and developed countries alike; indeed, among adults in major advanced economies who use a credit card or some other type of formal credit, just one-third of women demonstrate knowledge of compound interest, compared with half of men.[63]

These root causes have created inequities in access, power and opportunity for women, and efforts to address these issues are critical. Greater financial inclusion for women will depend on societal shifts that support gender equality in general. While addressing these barriers is largely the domain of public and social sector leadership, private sector actors can also contribute by systematically incorporating women's financial needs into their business strategies and decision making.

IMPACT OF FINANCIAL INCLUSION ON THE SUSTAINABLE DEVELOPMENT GOALS

In 2015, 193 countries committed to achieve the 17 Sustainable Development Goals by the year 2030 (for the full list of SDGs, see the appendix). Businesses are also embracing the agenda in their philanthropic and corporate social responsibility efforts as well as their core business strategies. Progress toward many of the goals can be accelerated through gains in women's financial inclusion. A few examples include:

Goal 1: No poverty
Access to insurance and credit can give women the secure backing they need to invest in their (and their families') futures, move into higher-risk but higher-reward opportunities (such as cash crops instead of more dependable food staples in agriculture) and launch new businesses.

Goal 2: Zero hunger
When women are free to make more decisions for their families, child nutrition often improves.[64]

Goal 3: Good health and well-being
A pool of savings or access to insurance products can cushion the shock of unexpected medical and other catastrophic costs, as well as help women access preventative health care services that can head off major health issues before they occur.

Goal 4: Quality education
Enabling women to access savings and credit increases the amount they can and do invest in their children's education.[65]

Goal 5: Gender equality
Increasing financial inclusion for women has an obvious, immediate and direct effect on SDG 5: gender equality. As discussed throughout this report, financial inclusion increases women's opportunities to invest in their futures, helps raise women's incomes and increases women's power within their households.

Goal 8: Decent work and economic growth
Financial inclusion is essential for more women to start and run businesses, create good jobs for themselves and others and benefit from participating in the labor force. According to the McKinsey Global Institute's *Power of Parity* report, if women's participation in the global labor force matched men's, it would add $28 trillion to global annual gross domestic product;[66] financial inclusion is one of the key precursors to unleashing that growth.

The Sustainable Development Goals are highly interrelated and mutually reinforcing. As a result, progress against other SDGs — such as reduced inequalities within and among countries (Goal 10), stronger rule of law (Goal 16) and partnerships between the private sector, civil society and government (Goal 17) — will likewise be critical in addressing the barriers to women's financial inclusion.

THE TRANSFORMATIVE POWER OF TECHNOLOGY

Digital innovations across the financial services industry are already playing a transformative role in financial inclusion — and the pace of change is only expected to accelerate. All five of the product categories discussed in this report — checking and savings; payments; credit, loans and capital; insurance; and investment — are being disrupted by technological innovations, such as the emergence and proliferation of mobile banking platforms (e.g., Apple Pay, PayPal, Square, Venmo, as well as landmark products such as M-Pesa and the many similar platforms proliferating in developing countries). Other innovations such as peer-to-peer lending systems, the use of transaction data for credit appraisals and digital investment management systems such as robo-advisers could also significantly increase access to financial products and services while also increasing system efficiencies and reducing costs.

These benefits could be particularly valuable for women; for instance, consider mobile payment technology. When women can access and collect money remotely, they can circumvent barriers to engaging in financial transactions that result from gender norms regarding mobility, engagement in public spaces or interactions with male financial actors. However, the gender gap in mobile phone ownership must be addressed to ensure women can reap the full benefits of these fintech platforms; globally, 200 million fewer women than men own a mobile phone.[67] In addition, many women who do have access to a mobile phone do not have sufficient digital literacy and thus do not derive the full benefit from its usage for financial and other purposes.[68]

The recent proliferation of cryptocurrency is another example of a gender divide in a potentially transformative area of fintech. Cryptocurrencies (e.g., bitcoin) are digital currencies that have the potential to increase global access to financial products and services, as they require only a mobile phone and an internet connection to make secure, low-cost transactions. However, a recent Harris Poll survey found that men are twice as likely as women to own or have owned bitcoin, and they are also more likely than women to purchase bitcoin over the next five years.[69]

Addressing obstacles to full digital inclusion, like those listed above, will be a necessary precursor to unlocking the potential of women's digital financial inclusion.

AS HAS BEEN WELL-DOCUMENTED AND BORNE OUT IN THE RESEARCH OF OTHERS, FINTECH DEVELOPMENTS ARE CREATING THE POTENTIAL FOR TRANSFORMATIVE IMPROVEMENTS IN FINANCIAL INCLUSION, ENABLING PREVIOUSLY EXCLUDED POPULATIONS TO LEAPFROG PREVIOUS PRODUCT FORMATS AND ADOPT CUTTING-EDGE, DIGITALLY ENABLED PLATFORMS.

Calls to action

The actions that private, public and social sector players can take to improve women's financial inclusion are offered below. Of course, the specific interventions that will be most effective will differ according to geography, level of development, nature of the market and legal regime and prevailing social norms, among other variables. Accordingly, we share this broad, global call to action with the recognition that these solutions will need to be tailored to local context to maximize their impact. In addition, these actions are not exclusively in the domain of each sector, and strategic partnerships and other forms of collaboration could accelerate impact and overall progress for women.

Private sector

Financial services companies seeking to reach more women customers as part of their strategies will need to address several areas:

- **Product development.** The assumption that a financial product that appears gender-neutral is also gender-inclusive is disproven by the evidence of gender gaps in access, use and satisfaction discussed throughout this report. Financial services companies should engage directly with women consumers in target markets to understand what they are looking for in financial products, as well as what barriers they face in accessing and using their products (e.g., certain collateral, credit or documentation requirements that women are less likely to be able to fulfill). In addition, women are not a monolithic group; it is important to recognize the salient differences among subsegments of women, which may have implications for product design.
- **Product delivery.** Distribution channels and marketing approaches can be re-evaluated to determine how they need to be adjusted to better attract and retain women clients. Financial services providers and asset managers that invest the time to understand the context in which women clients are operating, how they prefer to access products and services and how they make financial decisions will be in a better competitive position to serve this critical market segment more effectively.
- **Workforce diversity and inclusion.** Adopting a gender-lens on product development and delivery will be easier for financial institutions that increase their internal gender diversity and inclusion. Ensuring that their workforces — from the frontline to the executive team — are more reflective of the consumer market will help bring the diversity of thought and perspective needed to successfully design and deliver financial products to women. This type of internal change effort must be seen as a strategic business imperative, firmly grounded in a broad diversity and inclusion agenda and championed by senior leadership — men and women alike.

Example

UN Women's work with the Gulf African Bank to hire women agents has helped overcome cultural barriers that were impeding women's access to the bank's services, and has led to increased sales, access to new markets and a stronger brand image.

- **Employee capability-building.** Across the financial industry, firms can do more to train employees on being inclusive in how they engage women customers in day-to-day interactions, providing women with the information they need to make informed decisions about their finances and doing so in a respectful and empowering way.
- **Data collection.** It will be crucial for companies to collect and analyze sex-disaggregated customer data to understand how effectively women are accessing and using their products (e.g., outreach, engagement and satisfaction of women customers, as well as their

product usage patterns). Such data will help companies gauge their progress and continuously improve their efforts.

In addition to companies that engage with women consumers of financial products and services, asset managers can also create opportunities for individuals and institutions to invest in such companies by focusing on the following:

- **Gender-lens investment product design.** Institutional asset managers can develop new investment product offerings that help lower the search and transaction costs for investors who are interested in integrating gender-lens investing into their investment strategies. Doing so entails screening companies to determine those that are offering products and services that promote women's financial inclusion and empowerment, and then bundling them into funds that are easy for investors to access.

Example

Bloomberg created the Financial Services Gender-Equality Index, which comprises companies screened against 60 indicators relevant to gender equality (e.g., representation of women in the company, internal policies, product and service offerings). The index includes metrics related to companies' product offerings, such as whether they track their client base by gender and their retention of women clients.

- **Investor education.** Individual and institutional investors are often unaware of gender-lens investment opportunities or how to access them. Investment advisers and asset managers can proactively educate investors about their options so they can make informed decisions that reflect both their social and financial goals.

Public sector

With global agreements such as the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) and Sustainable Development Goal 5 ("achieve gender equality and empower all women and girls"), governments have pledged to end discriminatory practices that prevent women from fully participating in society and the economy. We see several key steps that governments can take to help foster women's financial inclusion:

- **Policy reform.** In many countries, policies and regulations persist that create barriers to women's access to and usage of financial products and services. It is critical that policymakers reform such policies and ensure that their laws enable equal access to bank accounts, the right to enter all professions, the ability to obtain national ID cards, the right to work without needing the permission of family members and the right to retire at the same age as men.
- **Enforcement and education.** To fulfill their commitments under CEDAW, SDG 5 and the UN's Addis Ababa Action Agenda of the Third International Conference on Financing for Development[70] agenda, governments must also enforce policies and actively educate the public about the importance of financial inclusion for underserved populations, including women.
- **Data collection.** Governments and regulators can play a more active role in encouraging companies to serve women by collecting and using data to understand who has been excluded from the market and which institutions are effectively reaching women, establishing transparency and promoting accountability.
- **Targeted programmatic interventions.** Policymakers can examine practices that may be inadvertently excluding women (despite being gender-neutral) — such as loan collateral requirements that women are less likely to be able to satisfy — and establish alternative approaches. For instance, some governments have instituted movable collateral

registries that include inventory, crops, equipment and other assets, potentially removing a substantial barrier to women in accessing capital.[71]

- **Sovereign investment.** Many governments also function as significant investors through their sovereign wealth and development funds and, like other investors, can steer their investments toward companies that provide products and services that promote women's financial inclusion.

Social sector

Nonprofit organizations play a critical role in promoting women's empowerment overall, as well as in the area of access to and usage of financial products and services. Leading nongovernmental organizations (NGOs) in the field have already made considerable headway in helping financial institutions innovate and adapt their practices to better serve women. In this vein, NGOs can continue to lead and influence in several ways:

- **Advocacy.** The social sector can raise awareness among and appeal to policymakers and companies to adopt concrete programmatic and policy changes, while also promoting accountability. Such advocacy involves educating both public and private sector actors on the revenue opportunities associated with women's increased financial inclusion and providing guidance on how to close the gender gap in commercially viable ways.
- **Experimentation with new approaches.** Nonprofit organizations can take risks in product development and delivery, creating valuable lessons about how best to reach women that can then be replicated by financial services companies.
- **Steering of capital.** Endowed foundations can invest their capital in gender-lens investment vehicles.
- **Demand generation.** NGOs can work directly with girls and women to build their awareness of financial products and services, how to access them and how to use them to their maximum benefit. This increased financial literacy and confidence is a key factor in increasing demand for financial products and services among prospective women customers.
- **Orchestration of partnerships.** NGOs are well-positioned to link up actors across sectors to advance toward common goals regarding women's financial inclusion and empowerment (e.g., research to support a common learning agenda, working together to shift cultural norms regarding financial access). For an example, see sidebar "The Women's Financial Inclusion Data Partnership."
- **Social and financial impact evaluation.** To ensure sustainable development and growth, it will be critical to determine the long-term effects of women's improved access to and usage of financial products and services, in terms of women's individual empowerment, their families' well-being, the growth of their businesses and overall social and economic development. NGOs can play a crucial role in evaluating this impact and determining what offerings and policies are most effective in advancing gender equality objectives.

  NGOs can also evaluate the financial returns of investing in companies that promote women's financial inclusion and empowerment. Determining whether these companies are generating attractive, risk-adjusted returns will be critical in promoting the development of this field of investment.

THE WOMEN'S FINANCIAL INCLUSION DATA PARTNERSHIP

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The creation of the Women's Financial Inclusion Data Partnership (WFID) in 2014 was inspired by the recognition that more and better sex-disaggregated data can catalyze women's full financial inclusion. WFID's partners include the Alliance for Financial Inclusion (AFI), Data2X at the United Nations Foundation, the Global Banking Alliance for Women, the Inter-American Development Bank, the Inter-American Investment Corporation, the International Finance Corporation, the International Monetary Fund and the World Bank Group. The partnership encourages the production and use of sex-disaggregated data and is undertaking a number of initiatives to that end, including joint advocacy and harmonization efforts, developing and sharing knowledge products that demonstrate best practices, identifying champions for women's financial inclusion data and convening key stakeholders to expand data collection and use with a gender-lens. WFID is also currently undertaking research covering both unbanked and underbanked individuals, as well as women-owned small and medium-size enterprises, and will be publishing an analysis in 2018 that describes the revenue potential of achieving full financial inclusion of women globally.

Conclusion: Our reflections

Today, millions of women around the world are denied the opportunity to fulfill their potential because of limited access to and usage of financial products and services. However, financial institutions, investors, NGOs and governments can pursue concerted actions to strengthen women's financial inclusion, which will have a transformative impact on women, their families, the market and society at large.

Reflecting on our findings as we developed this paper, we were struck by two issues in particular:

Data gaps at both the macro and micro levels.
We applaud the work that WFID and others are doing to expand data collection and analysis pertaining to women's financial inclusion. We also recognize that the field as a whole, and individual financial institutions, still lag behind in generating holistic, sex-disaggregated data that enables us to better understand women's financial behaviors and experiences. The importance of collecting and analyzing such data cannot be overstated and is necessary to evaluate the impact of specific actions, as well as to promote transparency and accountability.

Opportunities for individual action.
To be sure, there is enormous opportunity, and need, for institutions across sectors to take action on women's financial inclusion. That said, there is also an opportunity for each of us to take action as individuals to promote the financial empowerment of women. We can vote with our feet (and our dollars) by being customers of financial services firms that take gender-inclusive approaches and by being investors who apply a gender-lens to our portfolios. In our roles as partners, parents, friends, family members and educators, we can proactively create opportunities for girls and women to build financial skills and knowledge. We can ensure that the women in our lives are included in household financial transactions and decision making and that they are engaged directly with financial service providers. And, women can continue to prioritize and strengthen their own independent financial health and wealth.

Actions outlined in this report can help the financial services industry capture a major market opportunity, while supporting society's broader interest in gender equality and the shared prosperity envisioned by the SDGs. Indeed, the benefits of women's increased financial inclusion has the potential to be nothing short of transformational for all. Everyone gains when we as a society embrace the full economic power and potential of women. ●

Appendix: Market sizing methodology

RETAIL BANKING

CHECKING AND SAVINGS, PAYMENTS, CREDIT AND LOANS

MARKET IMPACT, POTENTIAL INCREMENTAL ANNUAL MARKET OPPORTUNITY IN 2017

The final market opportunity was calculated by summing each region's opportunity by product:

FINAL MARKET OPPORTUNITY, $ =

A Revenue after risk cost in 2017, $ billions

X

B Revenue increase by closing the gender gap in 2017, %

X

C Marginal consumer adjustment, %

A Drawing on McKinsey's proprietary Global Banking Pools database, we have estimated revenue, by region, for specific financial products in 2017.

B Using the increased number of users (%) a product would have by closing the gender gap in 2017, we can proportionally increase total revenue that would be generated if more women used the product in 2017.

INCREASE IN NUMBER OF USERS BY CLOSING THE GENDER GAP IN 2017, % =

2014 gender gap per person x 2017 women population

÷

[% women penetration x women population] + [% men penetration x men population]

C The marginal consumer adjustment shrinks the full opportunity to be more consistent with the account balance of an individual in a lower-income percentile (this adjustment will always be less than 100%).

MARGINAL CONSUMER ADJUSTMENT, % =

Average account balance for a banked individual at the 15th or 30th income percentile

÷

Average account balance across all banked individuals

Sources:

- Revenue after risk: McKinsey's Global Banking Pools database
- Gender gap (%): calculated using 2014 Findex data on % of men and % of women using each product at the regional level
- Population 2017: United Nations Population Division

INSURANCE

LIFE INSURANCE

MARKET IMPACT, POTENTIAL INCREMENTAL ANNUAL MARKET OPPORTUNITY IN 2017

The final market opportunity was calculated by summing each region's opportunity by product:

FINAL MARKET OPPORTUNITY, $	=	**A**	Total premiums in 2017, $ billions
			X
		B	Revenue increase by closing the gender gap in 2017, %

A Drawing on McKinsey's proprietary Global Insurance Pools database, we have estimated revenue, by region, for specific financial products in 2017.

B Using the increased number of users (%) a product would have by closing the gender gap in 2017, we can proportionally increase total revenue that would be generated if more women used the product in 2017.

Sources:

- Total net premiums: McKinsey's Global Insurance Pools
- Gender gap (%): LIMRA, MetLife, MoneySuperMarket, Birla Sun Life Insurance
- Population 2017: United Nations Population Division

INVESTING

SIZE OF TOTAL WOMEN'S MARKET

The total size of the retail asset investment market attributed to women was calculated using the following methodology:

SIZE OF TOTAL WOMEN'S MARKET, $	=	Total revenues from retail asset management 2017, $ billions
		X
		World wealth controlled and generated by women, %

This methodology assumes that the amount of wealth an individual invests is closely and positively correlated with the revenue that can be attributed to that individual.

Sources:

- Revenue after risk: McKinsey's Global Banking Pools
- World wealth proportion: Task Force for Talent Innovation

NOTE: These analyses drew on available country-level data; for countries lacking data, we extrapolated based on data points from similar, representative countries.

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WHEN WOMEN GENERATE AND CONTROL FINANCIAL ASSETS, AND WHEN THEY ARE EQUAL DECISION MAKERS ON THE FINANCIAL MATTERS OF THEIR HOUSEHOLDS AND BUSINESSES, INDIVIDUAL COMMUNITIES AND THE GLOBAL ECONOMY AT LARGE WILL BE TRANSFORMED.

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