



Inclusive Cashless  
Payment Partnership

# Promoting digital payment solutions through canopy stores



## Background

In a community such as Bhatta Basti—an ultra-poor urban locality on the outskirts of Jaipur City, Rajasthan—the task of getting new account holders onboarded on digital payment solutions requires the highest degree of handholding support throughout the process. Less tech-savvy users struggle at different stages with the onboarding process of any Unified Payments Interface (UPI) application and are tripped up by jargon such as “UPI PIN” and “VPA”. Hence, there is a clear need for greater guidance and in-person handholding through the onboarding process and helping an account holder make the first transaction.

Given the importance of in-person interactions with potential adopters of digital payment solutions, we conducted an experiment in Bhatta Basti to find an economical way to engage customers with offline activities. In October 2018, we set-up a canopy store for five days in central Bhatta Basti to measure the foot fall and understand the basic characteristics of customers that visited the canopy store on their own. We called this initiative ‘Digital Mela’.



## Location of the canopy

While we did not attempt a promotional campaign such as announcements about ‘Digital Mela’ on mikes (we were not allowed to do so), we set up a canopy in the central market of Bhatta Basti where we received adequate visibility.

Additionally, even though the presence of infrastructure in Jaipur city for digital transactions is good, there are places such as Bhatta Basti where network connectivity is unreliable and almost non-existent. There are only a few places in Bhatta Basti, such as the central market, where mobile data coverage is reliable. Hence, we chose to set up our canopy in the central market.

We provided the following services to the visitors:

- Information about Automated Teller Machine (ATM) PIN generation; and
- Handholding support for UPI onboarding:
  - » Help with downloading and registering.



Digital Champion Karan Singh receiving the CATALYST t-shirt from a CATALYST field staff



CATALYST's Feet on Street team ready for the Mela



## Key learnings

### Engagement of community influencers is the must for a successful mela

The concept of the mela became feasible only after working with early adopters of digital payment solutions for three months. In August 2018, we had identified 100 plus account holders who could potentially be converted to users of digital payment solutions. We nurtured our relationship with these select individuals by adopting a one-to-one permission marketing strategy. The approach of personal interaction with early adopters was effective in developing relationships with these individuals, who in turn helped us organize the mela by informing their peers to place their trust in our work. Some of our early adopters attended the mela as 'Digital Champions,' wearing the same t-shirts as those worn by our field staff, which built more credibility about our work.

### Low-cost offline engagement of potential customers

The task of getting individuals onboarded on the UPI platform required the highest degree of in-person handholding support in Bhatta Basti. The canopy store provided a relatively low-cost way to reach out to as many customers as possible. While many passersby asked about our work, in total, 255 individuals showed interest in our activity. They visited between 11 am and 3 pm over five days (on average, 51 customers per day). We learned that the canopy activity could be very helpful for new startups in providing handholding support to early adopters

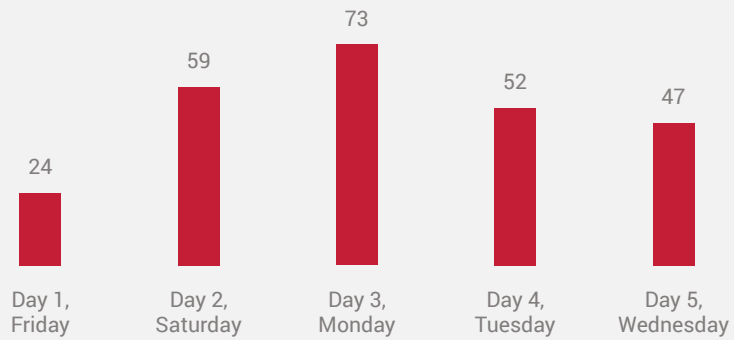


Digital Champions of Bhatta Basti





Figure 1: Total number of individuals that visited the canopy



### Primarily young, male and smartphone holders visited the canopy

Ninety-two percent of the visitors was male with an average age of 29 years. Only 43 percent reported that they were the head of the household.



Profile of the visitors - Young, male, smartphone holder

### Lack of a functional debit cards was the main reason for failure to onboard

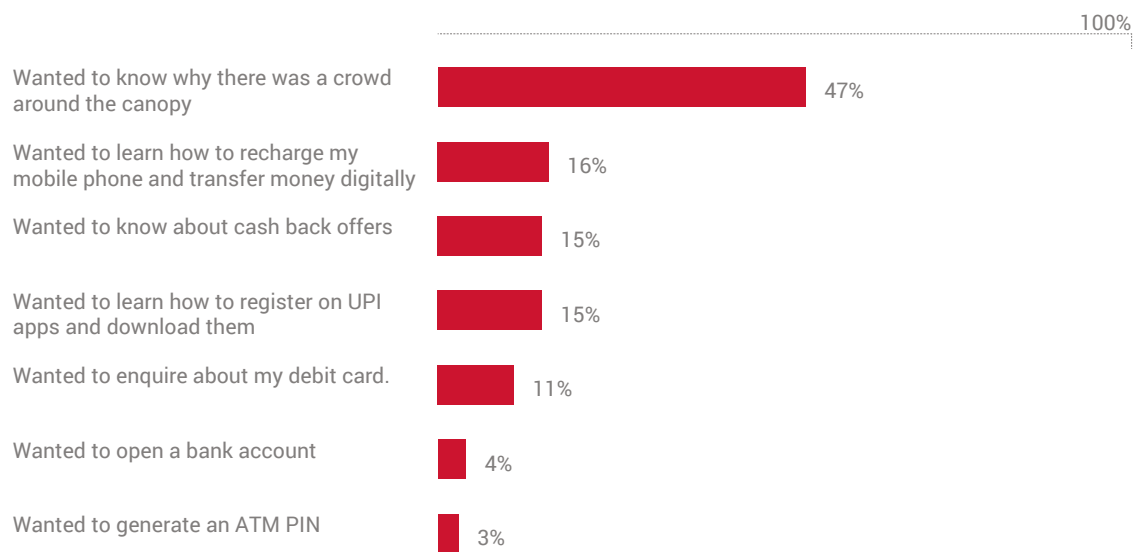
Amongst 255 individuals that visited the canopy, only 167 (65 percent) were successfully onboarded. Eighty-eight individuals who visited the canopy could not be onboarded; and following are the top three reasons;

- Lack of a functional debit cards (59 percent);
- Lack of a smartphones (20 percent); and
- Mobile number linked with multiple accounts in the same bank, or mobile phone not linked with their bank account (9 percent).

### Curiosity and queries drove people to the canopy

Of the total, the 134 individuals (53 percent) who visited the canopy did so out of curiosity when they saw the crowd gathered around it. Amongst these 134 individuals, 74 (55 percent) were successfully onboarded. The remaining 121 individuals (47 percent) who visited the canopy did so after understanding or hearing about our activities from their peers. They visited our canopy with a specific purpose such as to download and register on UPI applications; learn about cash back offers; get a functional debit card, amongst other reasons. Amongst these 121 individuals, 94 (78 percent) were successfully onboarded.

Figure 2: Reasons for visiting the canopy



### Time-bound 'Digital Mela' created urgency in the community

We marketed our mela as a time-bound activity (mela for a week) for individuals to engage with us. The idea that we were not going to be available for long drove individuals to make the effort to visit us and learn about UPI applications.

### Canopy helped create awareness among new customers

Since the majority of individuals visited our canopy because they witnessed the crowd, it helped us understand that a canopy shop could reach out to those account holders that had not thought about using digital payment solutions due to lack of information; we could then demonstrate the benefits of onboarding on the UPI platform immediately. For example, we were able to demonstrate cash backs offered by some service providers to the individuals.



Demonstration of cashback offers

The canopy also helped us understand how digital payment solutions were perceived in the market through real-time feedback. For example, we tried to set up a canopy in July 2018, but could not generate enough interest among the account holders. Hence, we decided to target a certain segment of account holders and adopted in-person meetings as a strategy to onboard account holders on the UPI platform. By October 2018, we had already worked in the community for three months and created “digital ambassadors”, who helped us mobilize the community. Additionally, a private sector company, PhonePe, had just entered the market and provided the PhonePe Quick Response (QR) code to merchants. Hence, the timing was right, which resulted in generation of adequate interest among the community.

### Helped us understand the customer approach

The most important lesson to execute a canopy activity was to identify the customer profile (young, male, smartphone holders) that showed interest in digital payment solutions and the locations they were most likely to frequent (central market where network connectivity is good). Unfortunately, the location of the canopy excluded women as not many women showed interest in visiting the market. We recommend that, to attract women customers, one must set up a canopy in locations that are closer to residential areas. Unfortunately, we could not do so due to lack of network connectivity in certain areas of Bhatta Basti.



A shopkeeper in Bhatta Basti



## Cost analysis

1. Cost of each field staff is INR 850 per day. We recruited six field staff.
  - a. Total cost - manpower per day = INR 5,100
  - b. Total cost - manpower for five days = **INR 25,500** (US\$360)
2. Cost for printed materials = **INR 5,000** (US\$70)
3. Cost for t-shirts = **INR 10,000** (US\$141)
4. Total cost of Digital Mela (total of 1 to 4)= **INR 40,500** (US\$571)
5. Onboarded 167 out of 255 customers
  - a. Cost per successful onboarding = **INR 242** (US\$3.42)



## Concluding remarks

Our prior relationship with the digital ambassadors worked well in our favor. Our previous experiment had also indicated that a certain segment (young, male, smartphone holder) would be more likely to respond to digital payment solutions. Hence, we chose the location of the canopy targeting the area where we would find this group.

What did not work for us is that because of the location of the canopy we could not target women. Additionally, we could not promote our campaign the way we had initially planned as we were not allowed to use mikes for announcements or any other mode of promotion to let the community members learn about our initiative.

How such a mela impacted the usage of digital payment solutions is unknown as a customer's willingness to continue using any service depends upon his/her early experience with payment transactions. Nonetheless, we learned that, after working in a community for a few months and building relationships and trust with the key influencers, such a mela can influence successful lead generation and conversion.