



# MFI Digital Frontend Platform Proposition

By Blue Stone Solution

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# 1. Microfinance Business in Myanmar

Currently, MFIs in Myanmar are in challenging situation due to much unpredictable changes in their business environment. Restraints due to labor-oriented operation, competition from new MFIs, uncertainty of Post Covid-19 era, have negatively affected the market's socio-economic growth. As such, MFIs in Myanmar are faced to set critical strategies for business sustainability.



Regulation

On-Hand  
Cash  
Mgmt

New MFI  
Companies

Delinquent /  
Overdue /  
Collection

Other  
Financial  
Institute

COVID-19

Security /  
Fraud

## CHALLENGES

Expanding Untact\* Sales

\*Untact is the new word which consist of UN + CONTACT(CO is dropped out) and means non-contact, no-contact or zero-contact, created due to covid19 situation

Developing Digital Channel

Improving Payment and Collection

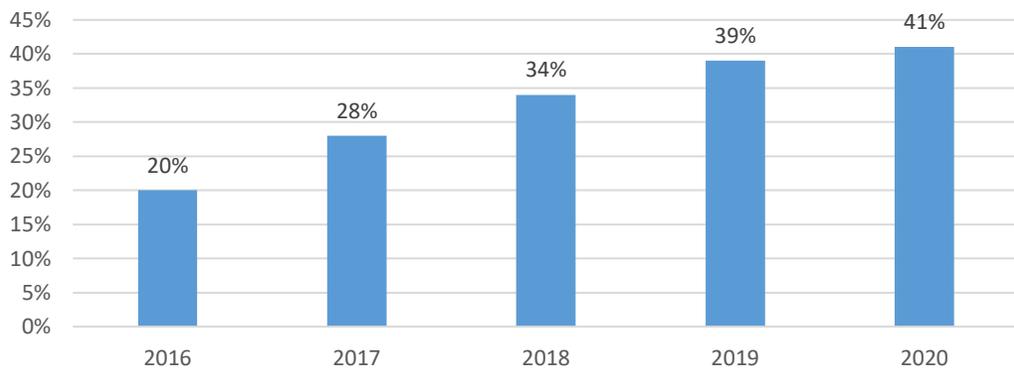
Supporting Loan Officer Activities



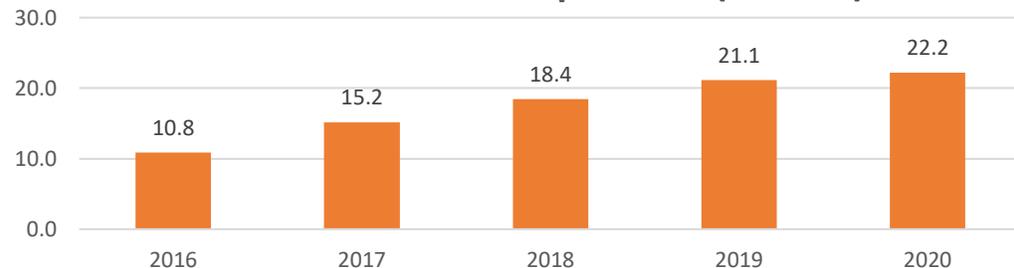
# 1. Microfinance Business in Myanmar : IT Environment

ICT (Information and Communication Technology) in Myanmar still falls behind other countries worldwide; and Digital Transformation readiness may still be early for country-wide adoption. However, due to efforts by local regulators Myanmar is quickly showing drastic improvements to lay strong foundations for Digital Transformation and Insurtech.

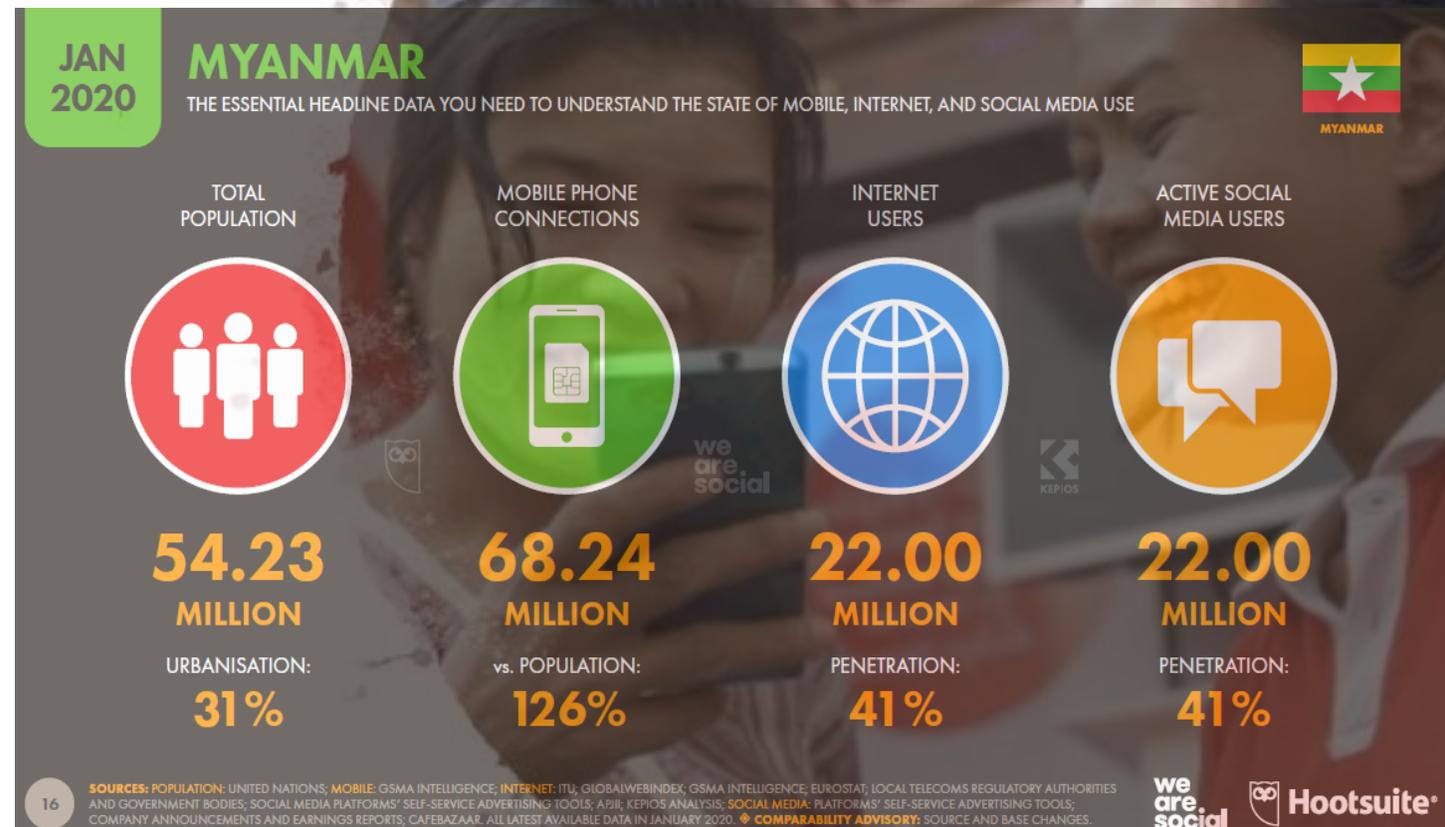
Internet Penetration (%)



Internet Users - Population (Million)



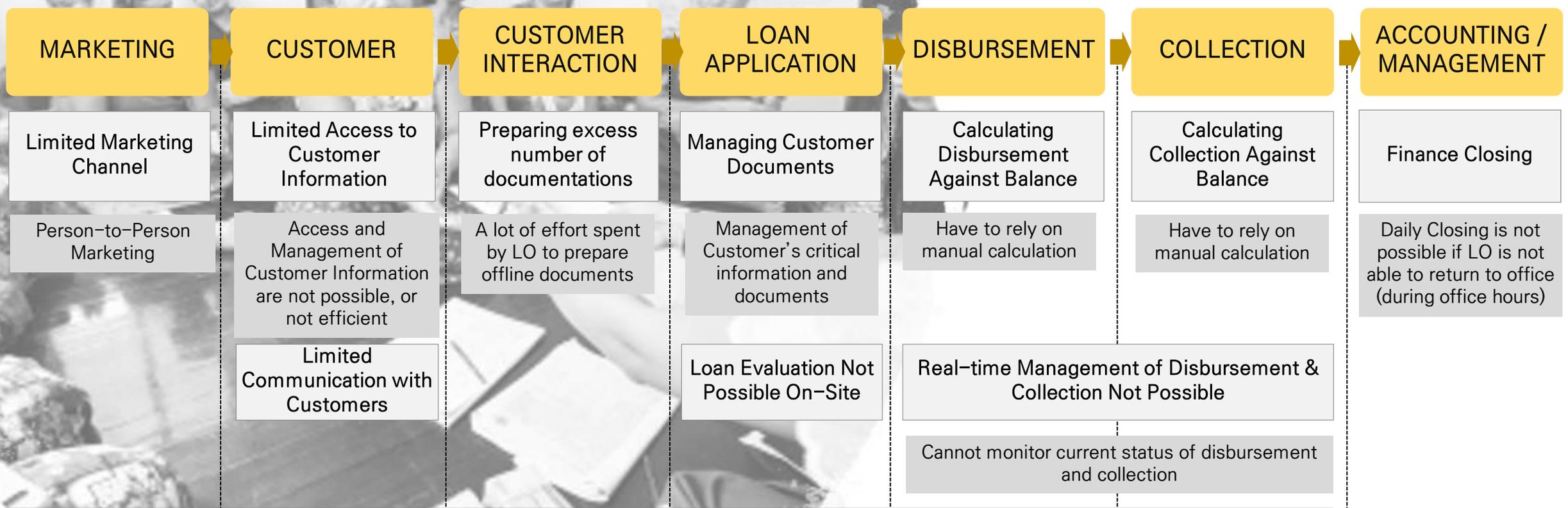
Source : <https://www.statista.com/>





# 1. Microfinance Business in Myanmar : Business Challenges

Myanmar's MFI market still has various Business Challenges and Improvements. From Marketing & Sales, Customer Management & Communication to General Business Operations; innovative solution for these challenges are critical for Business Practice Enhancement, Sales Performance Improvement and Market Expansion.



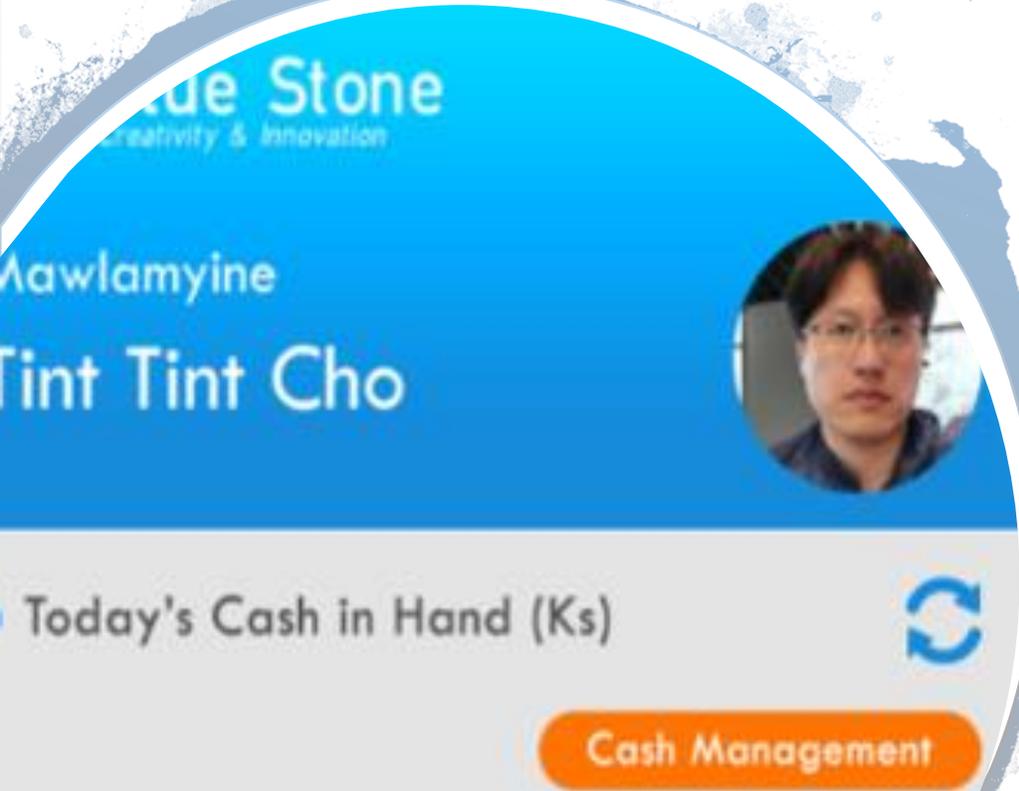
Sales Support System (Solution) required to support Loan Offices

## 2. MFI Digital Frontend Solution : Sales Mobile App (1/2)



Digital Frontend Solution (Sales Mobile App) is designed to support one of MFI's most critical business aspect : On-Site Human Resources' sales/marketing and operations.

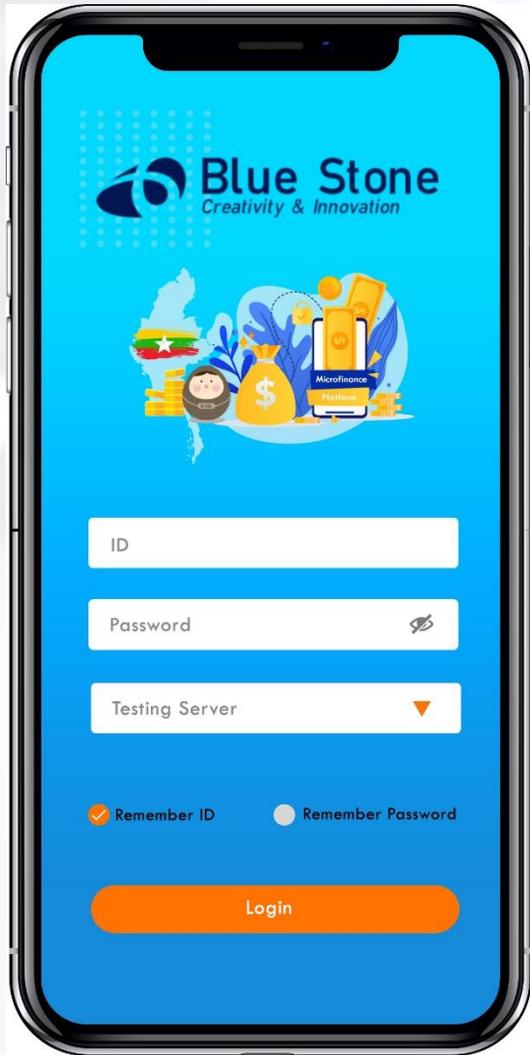
With Digital Frontend Solution, Sales Agents and Loan Officers are able to do Customer Management, process Loan Applications, control Cash Management; at the same time, communicate real-time with HQ/Branch for reporting, work support and guidance.



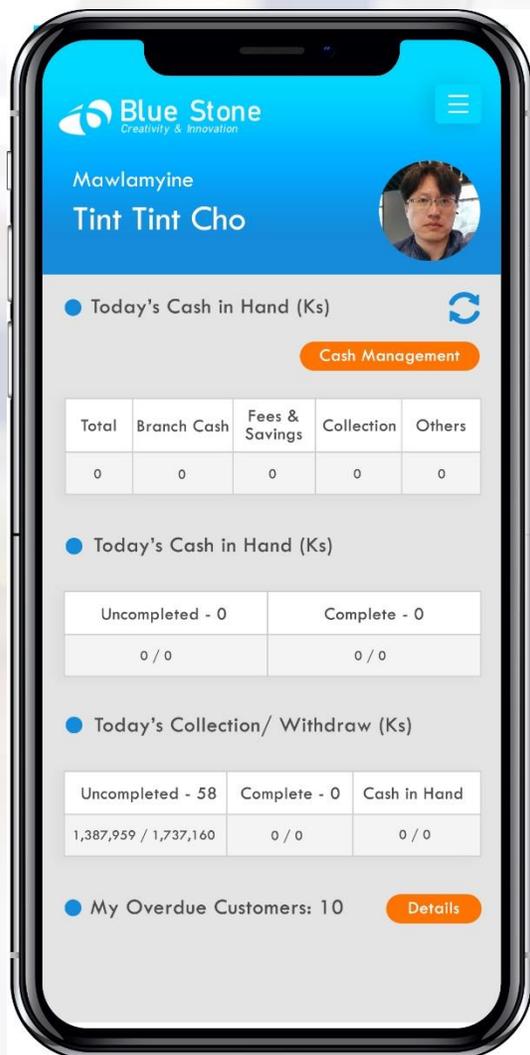
### Digital Frontend Solution (Sales Mobile App)

- Customer Account
- Group Account
- Loan Account
- Prepayment
- Disburse / Collection
- Overdue Collection
- Write-Off
- Cash Management
- Home Visit
- Loan Application
- Loan Agreement
- Approval
- Market Research
- Chat / Phone Call / Messaging
- Sales Lead
- Offline Mode (No Network)

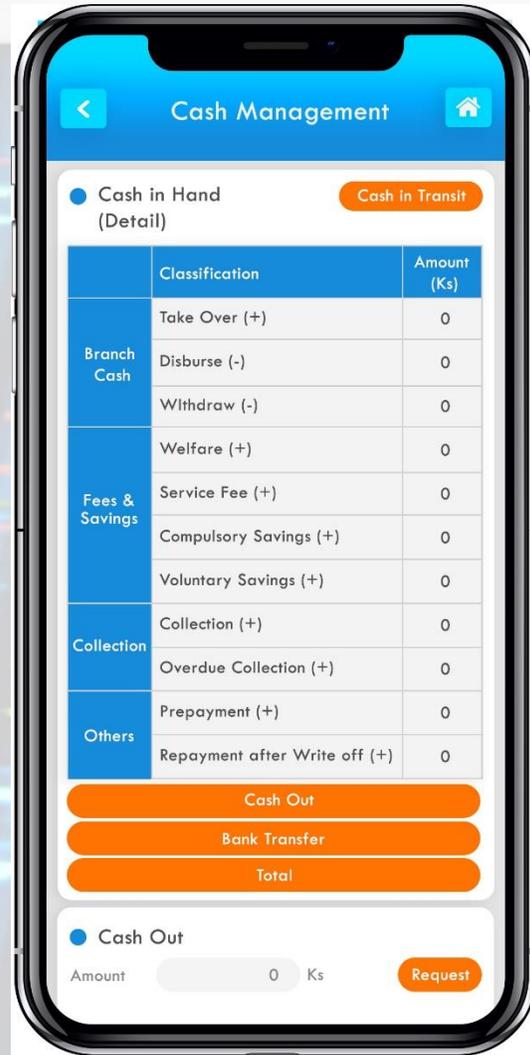
# 2. MFI Digital Frontend Solution : Sales Mobile App (2/2)



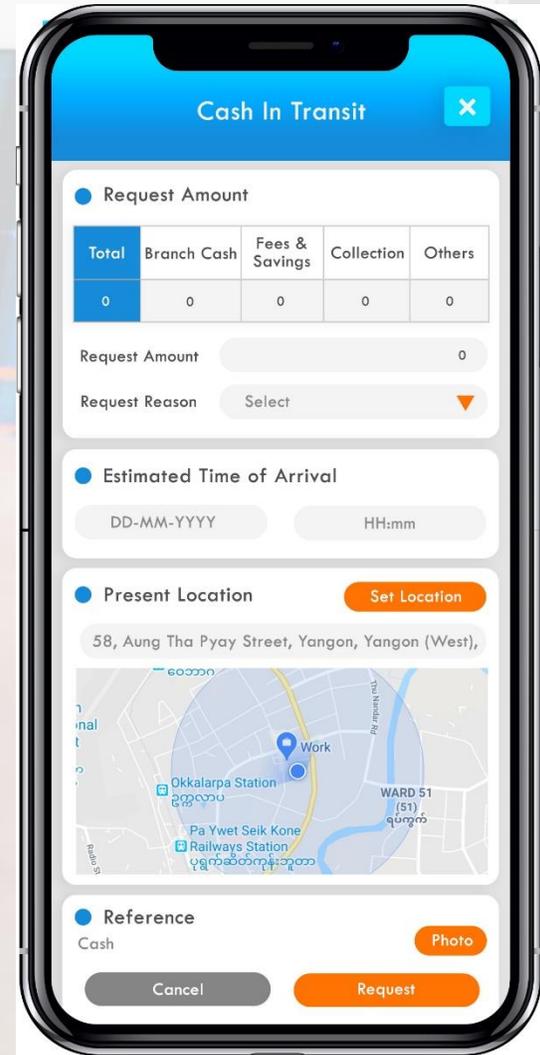
Agent Log-In Screen



Agent's Personalized Screen



Cash Management Screen



Cash In Transit Screen

## 2. MFI Digital Frontend Solution : Customer Mobile App (1/2)



Digital Frontend Solution (Customer Mobile App) is a specially designed for Customers. To provide seamless and convenient Customer Service, the solution is customized to contain features and functions for customer's digital experience.

From Smart Alarm/Notice (News, New Products, Promotions), Communication with Agents (SNS, Email, Live Chat, etc.), Repayment Management; Digital Frontend Solution aims to enhance Customer Satisfaction throughout.

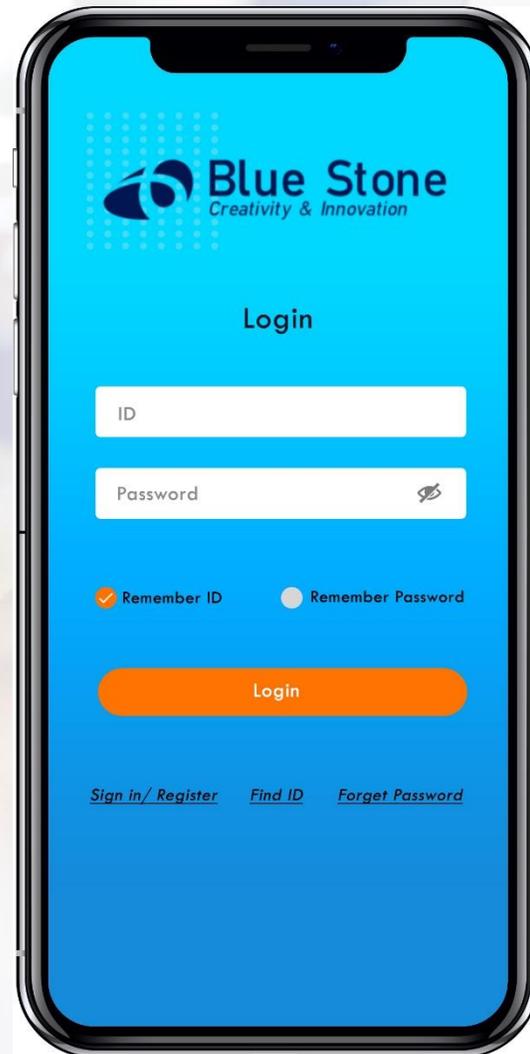
### Digital Frontend Solution (Customer Mobile App)

- Loan Product Catalog
- My Loan
- Loan Application
- Loan Calculation
- Loan Payment
- Agent Chat/Message
- Campaign/Notification
- Claim/Complaint

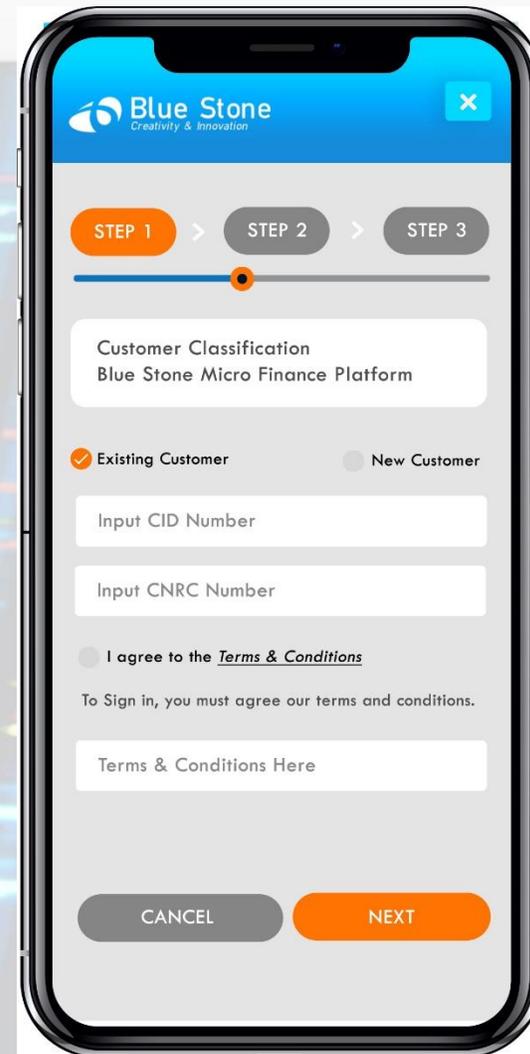
# 2. MFI Digital Frontend Solution : Customer Mobile App (2/2)



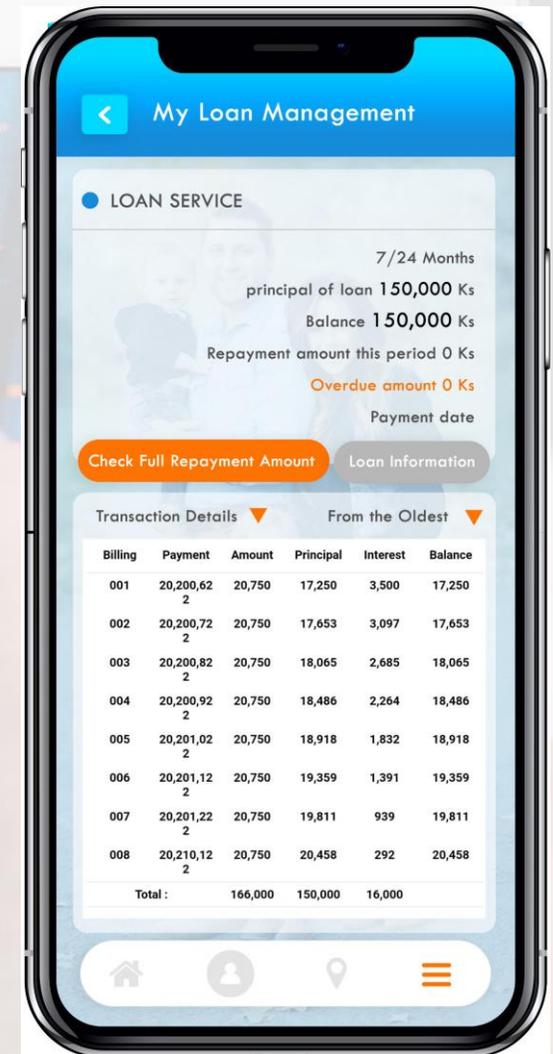
Landing Screen



Customer Log-In Screen



Customer Registration Screen



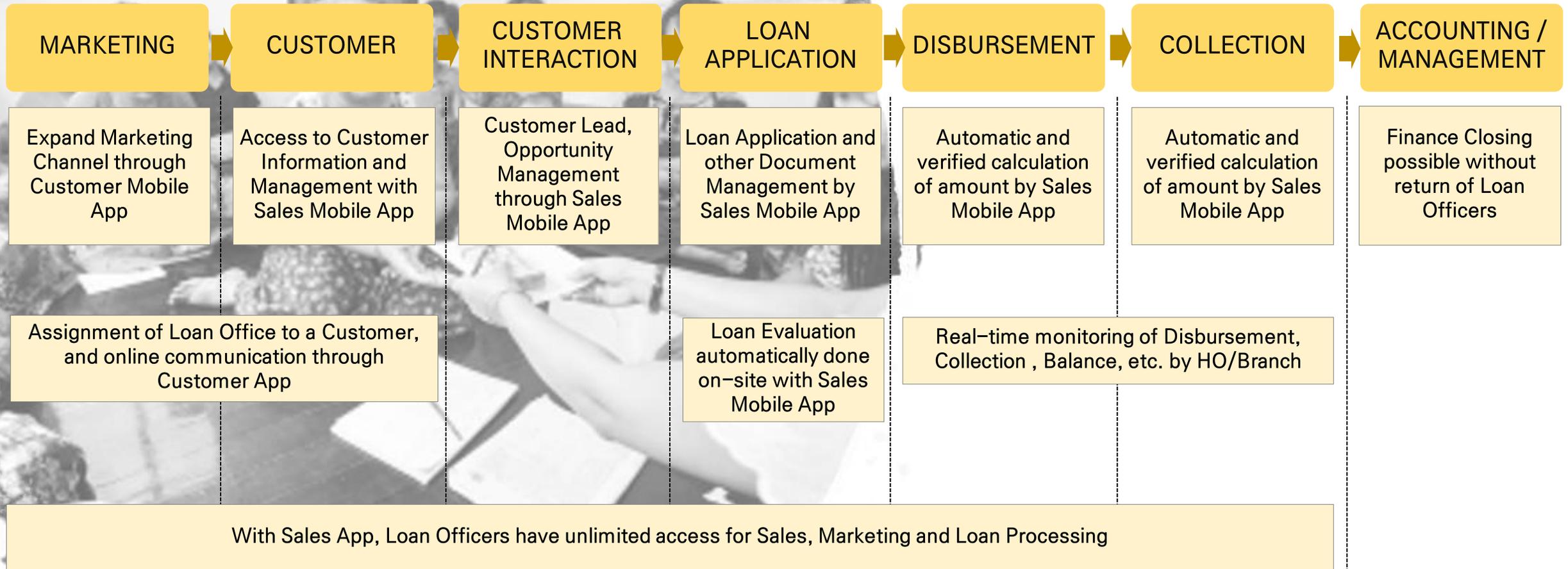
My Loan Screen

# 3. Overcoming Challenges with MFI Digital Frontend Solution (1/4)



To overcome current challenges in Myanmar's MFI market, Blue Stone would like to propose as follows.

– Please refer to next slide for details –



# 3. Overcoming Challenges with MFI Digital Frontend Solution (2/4)



## Access to Customer Information

AS  
- IS



Before/after Customer Interaction, accessing Customer Information is limited or not possible during after work hours



## Anytime, Anywhere Access to Customer Information

TO  
- BE



Based on LOs given access rights, Customer Information can be access by Mobile App anytime; also allowing unpredicted Sales and Marketing



## Preparing Sales Documents and Document Management



A lot of offline documents need to be prepared before Customer Interaction; chances of mistake and mismanagement are increased



## Easy Preparation of Document & Collection of Customer Information



All documents are prepared and systematically offered by the Mobile App; preventing human error



## Collecting and Storing Customer Information



After collecting Customer Information, LOs must return to office and re-enter into system or manually manage



## Automatic and Secure Storage of Customer Information



All Customer Information are stored securely in Mobile App, real-time basis

# 3. Overcoming Challenges with MFI Digital Frontend Solution (3/4)



## Access to Disbursement / Collection Status

AS  
- IS



As Disbursement and Collection status are not aggregated real-time, LOs need to return to office and report (additionally, HO/Branch Managers are not able to monitor status real-time)



## Loan Officer Not Able to Return to Office



When LOs are unable to return to office during work hours, Collection/Disbursement data cannot be aggregated; making Daily Closing inaccurate



## Calculation of Amounts



Disbursement / Collection Amounts against Balance, are calculated manually



## Real-time Statistics

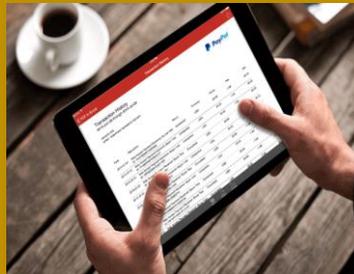
TO  
- BE



LOs activities are captured and stored by Mobile App on real-time basis; allowing LOs and HO/Branch Managers to monitor status and retrieve statistic reports real-time



## Cash-in-Transit Feature



Even though LOs are not able to return to office, all Collection/Disbursement data are managed by the Mobile App. Cash-in-Transit allows Daily Closing to be possible and accurate



## Automatic Calculation and Verification of Balance



Disbursement / Collection against Balance, and actual Cash-on-Hand is systematically compared for verification

# 3. Overcoming Challenges with MFI Digital Frontend Solution (4/4)



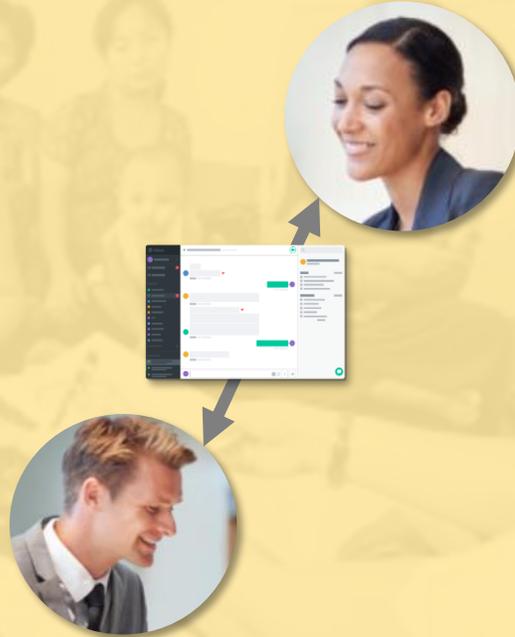
“No Internet / No Network” Area



In “No Service Area” Mobile App automatically activated “OFFLINE MODE” to enable all On-Site features and functions (ex. Loan Application, Home Visit, etc.)



Seamless Communication between LO and Customer



Customer is able to communicate with his/her LO anytime by Live Chat, SMS, Email, etc.



Convenient Online Repayment



Mobile App is integrated with 3<sup>rd</sup> Party PGs like KBZ Pay, Wave Pay, etc. to support Customer’s convenient choice of payment



Alarm and Notice for Customers



Mobile App sends alarms and notification that benefits Customers (repayment due date, promotions, news)



# 4. Blue Stone's MFI Digital Solution : Frontend VS Backend

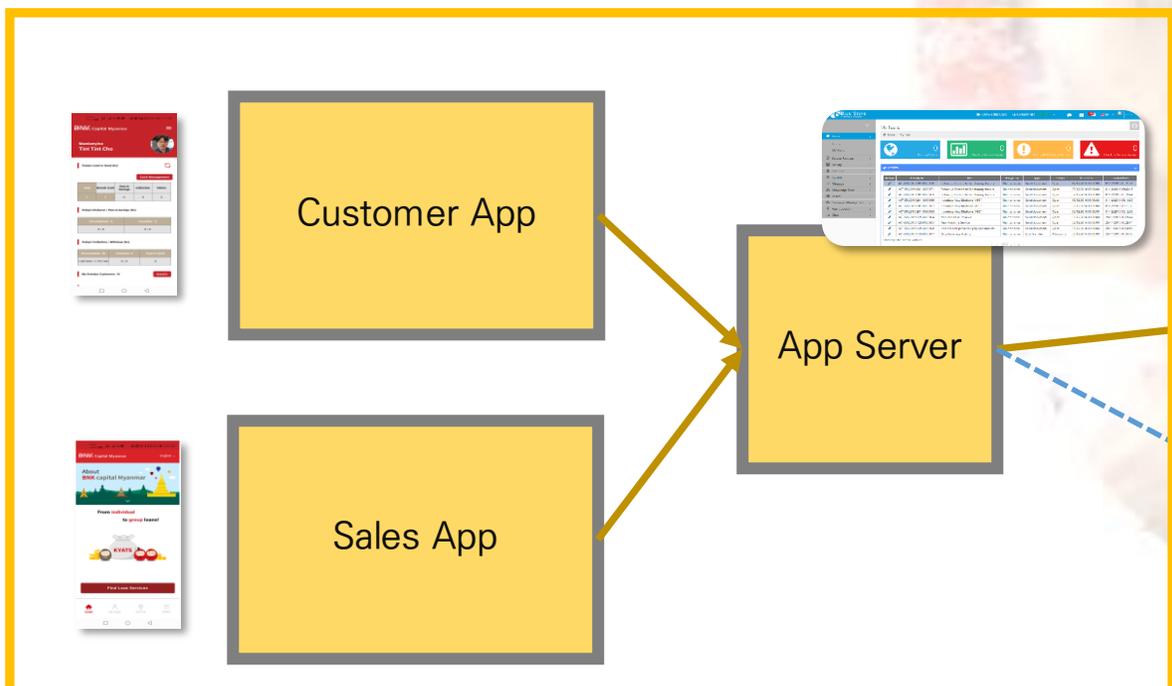
Blue Stone's MFI Digital Solution consists of two areas: Frontend Solution and Backend Solution.

Based on customer requirements, each area can be implemented Standalone, or as a Package.

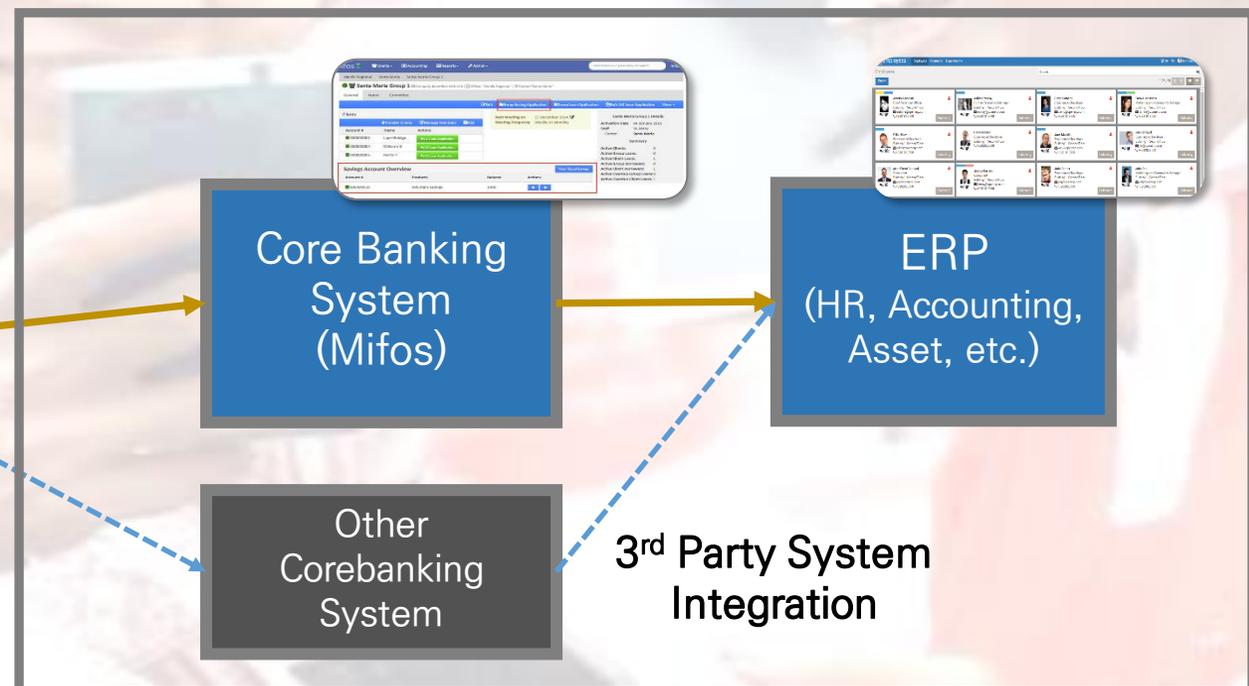
1) MFI Digital Frontend Solution (Sales, Customer Mobile App), 2) MFI Digital Backend Solution (Core-Banking, ERP)

Regardless of Package or Standalone, our solution is designed to allow flexible integration to other systems (3<sup>rd</sup> Party Solution), and module-by-module implementation is also possible.

## 1) MFI Digital Frontend Solution



## 2) MFI Digital Backend Solution





# Thank You Very Much

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