

KHALTI

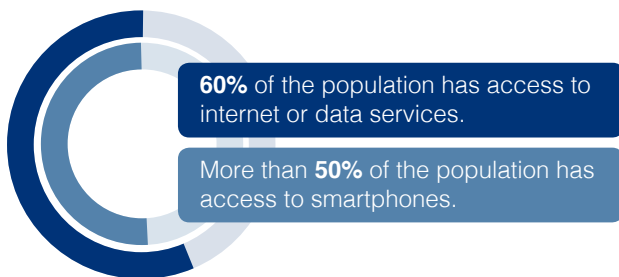
Business that participated in Cohort 4 of SPRING

SPRING is a business accelerator programme funded by DFID, USAID and DFAT. It works with businesses to develop products that impact girls' lives in 9 countries.

Coffey is the independent evaluator of SPRING. Coffey's Business Performance Evaluation is part of the overall evaluation and examines the effects of SPRING on business performance. It also looks at how businesses are reaching adolescent girls.

In Nepal, consumers face difficulties in making certain payments, such as utility bills, often having to wait in line for hours to do so. In addition, people living outside of Kathmandu have to face a long and difficult commute to make these payments.

Mobile and internet penetration in Nepal is high.



Khalti is a digital wallet that facilitates payments for goods and services through digital financial transactions.

Khalti has partnerships with banks and with merchants which have already digitalised their services. This allows users to transfer money from their bank accounts to the digital wallet.



SPRING Prototype and Business Goals

With SPRING support, an online digital financial learning platform, called **Smart Chhori**, was created within the Khalti app to teach girls and women how to use the digital wallet. In addition to the online platform, Khalti aims to:

- Create a network of **Smart Chhoris**, girls who have completed the online learning modules within the app. Smart Chhoris are connected virtually to provide peer support, encourage each other to use the app, and become brand influencers.
- Increase its reach, mainly through improving its focus on girls.
- Empower girls by providing knowledge on digital financial transactions and management.

SPRING Support



Business Focused Support

This included technical assistance to develop Khalti's **Smart Chhori** programme, to strengthen Khalti's financial model, and to provide investment readiness support. Khalti also received support to develop the logo and branding for **Smart Chhori**.



Financial Support

Khalti received Prototype Development Funding to develop the content for its **Smart Chhori** e-learning modules, to develop and launch the **Smart Chhori** feature on the app, and to market the campaign.



Girl Focused Support

Without SPRING support, Khalti's focus on girls would have not progressed. SPRING helped the business realise that girls are an untapped market, and that by increasing their capabilities, they could become future Khalti users.

Use of Human Centred Design

The introduction to Human Centred Design (HCD) was crucial. In applying HCD, Khalti:

- Realised that it needed to understand the needs of girls better, therefore it changed its strategies, such as its sales agent model, to reach more girls.
- Discovered that there was demand among girls to learn about financial literacy.
- Improved and structured its research procedures.

Girl Insights and Emerging Signs of Impact

Initial reach and early signs of girl impact are limited, as Smart Chhori has **mainly reached girls who were already financially literate and tech savvy.**

While girls enjoy learning, retaining girls' interest was challenging. Simply creating the feature and promoting it on the app, through social media, and events was not enough to get girls interested.

Targeting and engaging with girls through technology is difficult, particularly as girls are a diverse group. Girls face different barriers depending on their social, technological and financial constraints.



Smart Chhoris

About **200 girls** have completed the five online modules and are considered to be **Smart Chhoris.**

Only **20%** of girls who register on the app become **Smart Chhoris.**

Overcoming Challenges

Smart Chhori is a unique feature in Khalti, setting it apart from other digital wallets, financial institutions, and training institutions. Additionally, there are some women-focused programmes and groups that focus on digital/ financial literacy which have expressed interest in partnering with Khalti for the **Smart Chhori** programme. However, Khalti still faces some challenges:

- Many girls do not realise or understand the potential benefits of **Smart Chhori.**
- The fact that **Smart Chhori** is a girls' empowerment platform, yet Khalti is a for-profit organisation makes it difficult to attract donor funding and support its activities.
- Currently, there are not sufficient partner banks or merchants (including those that might appeal to girls) to attract more clients, or more specifically girls.

Further Reading

Coffey (2019). Case Study Report – Khalti. SPRING Evaluation, BPE – Cohort 4