

Highlights of the discussion

Soap operas in the desert: The power of stories to change behavior

24 November 2015



This brown bag is part of a knowledge-sharing series that the DER Project Communication group regularly conducts for operations staff. Project leaders share practical strategies on how communication strategies can be effectively designed and used to engage stakeholders, change behavior, and mitigate risks - for better project results.

Speaker:

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Case for discussion:

MON Promoting Inclusive Financial Services for the Poor (approved in 2011 and signed by the Government of Mongolia in January 2012)

- US\$2.9 million total project cost of which US\$2.5 million was financed by the Japan Fund for Poverty Reduction as a grant
- The project's objective is to provide access to financial services for poor and vulnerable non-poor households (those currently living above the poverty line but at risk of returning to poverty) in Mongolia through market strengthening and capacity building of savings

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and credit cooperatives (SCCs), and provision of basic financial education to households.

- Communication is one of the three project components:
 1. Savings and Credit cooperative Regulation, Supervision and Capacity Building
 - 2. Media-Based Adult Financial Education**
 3. Project Management, Logistics, and Evaluation
- To implement the communication component, the project used “entertainment-educate” as an approach to conduct financial education. Selected communication performance indicators from the Design and Monitoring Framework (DMF) include:
 - 30% of television-watching adults (male and female) watching series
 - 50% of those surveyed or texting in (male and female) correctly respond to multiple choice questions on financial education messages
 - Longitudinal results of financial behavior changes by 35th month (baseline zero)

Communication context of project:

- The intersection of climate change and a subsistence economy pushed the most vulnerable and disadvantaged Mongolian households deeper into debt:
 - 2008-2009: Global financial crisis caused the shrinking of public investments in Mongolia; two banks closed
 - 2010: Mongolia’s herders and poor households were hit hard by a dry spell and another *dzud* (a long, severe winter)
 - Thick snow blanketed 60 percent of Mongolia leaving animals unable to graze for months. In some *aimags* (*first-level administrative subdivision*), up to 90% of animals perished
 - 769,106 people (almost 30% of the population) were affected
 - Poverty levels increase to over 38 percent; inflation rate rose due to supply shock
 - 30% of the state budget was allotted for Small and Medium Enterprises to tide them over the crisis
- ADB conducted a survey in 2010 on Mongolians’ access to financial services and savings behavior. The World Bank (WB) also conducted another survey in 2013. Results showed that:
 - Many Mongolians have a limited understanding of the basic financial concepts required to make savings and investment decisions
 - They have limited awareness about services offered by non-bank financial sector
 - Around one third of respondents (ADB survey) struggle to understand what interest rates are and more than 60 percent do not know how inflation affects their savings
 - 70% of households have difficulty matching their income and expenses
 - 31% of all households and 13% of poor households use formal financial services
 - While respondents know about the financial services of commercial banks, they are not aware of the other services offered by microfinance organizations, insurance companies and other financial institutions
 - 10% of businesses have regular access to formal financial services
- Based on the results of these surveys, ADB and WB recommended that projects promoting financial services should:
 - target specific interventions to build the capacity of vulnerable segments of the population to manage a variety of financial risks over their life cycle

- these interventions should complement governments' financial inclusion and consumer protection agendas

Setting up the Project Communication component:

- In addition to the ADB and WB baseline research (above), the project conducted the following surveys to input into the development of the communication strategy:
 1. 2014 Survey to determine the media behavior of poor and vulnerable households, and identify information channels. Results showed that:
 - Over 80% of Mongolians cite TV as their main source of information; TV is the media most widely viewed in Ulaanbaatar city and in rural areas
 - TV sets are the second most purchased household items for the last three years (39.2%)
 - Television serial soap operas (i.e, questions referred to the Mexican and Korean teledramas which were being aired at the time of the survey) have the highest demand (22.9%) and attract a wide audience:
 - stories are based on real-life experiences and tied to the local culture
 - viewers are able to identify and learn from the main characters, who gradually evolve in their thinking and behavior as the stories unfold
 2. 2014 Survey to identify the specific information needs of poor and vulnerable households to increase their financial capability, and test sample messages on financial literacy. As part of the survey, five focus groups were formed in two provinces and in Ulaanbaatar. Results showed that:
 - Information on the following areas are needed by the target households:
 - Credit – understanding terms and conditions about loan applications and contracts; selective use of credit and borrowing
 - Savings – how to save and invest; need for regular cash savings; ways of choosing between alternative options for savings, loans and other services
 - Social financial services – the importance of social insurance
 - Non-bank financial sector – financial services offered by savings and credit cooperatives, insurers and other financial institutions
 - Basic economics – the connection between currency exchange rates and inflation with personal finance; what to do in cases of financial troubles
- TV serial dramas were identified as the most effective vehicle to incorporate financial literacy messages to reach the target viewers.
 - Based on the analysis of survey results, target viewers who most needed financial capacity were the poor and vulnerable households in (i) Ulaanbaatar city and its *ger* (a circular domed dwelling that is portable and self-supporting) districts and (ii) 21 *aimags* and 329 *soums* (a sub-unit of an aimag)
 - Under Government Decree No. 404, Mongolia's "poor" is categorized in six (6) categories living below the poverty line (those with less than a monthly income of US\$119)
 - To address the information needs of poor and vulnerable households, 23 issues were identified, translated as behavioral messages and included in the scripts for the TV series

Implementing the Communication Strategy:

- A task force was established which consisted of the Financial Regulatory Commission of Mongolia, independent film critics and ADB consultants to regularly review the scripts and

TV series episodes, and oversee the implementation of the communication component for seven months.

- The TV drama, entitled “The course that could make you a millionaire,” revolves around the lives of five characters who are attending a financial education course. Coming from different age groups, gender and circumstances, their lives intersect with all of them facing different financial challenges.

For a total cost of US\$239,000, the following were implemented:

- A scriptwriter was recruited to develop the scripts, initially, for the pilot episodes
 - These initial scripts were used as selection tool for three studios to produce two pilot episodes each. The task force including a professional film critic awarded the contract to DX Studio to produce the target 24 episodes.
 - They were broadcast during the following periods in 2015: January to February and June to July.
- A mobile-based strategy was also developed to complement the TV dramas, reinforce the financial literacy messages and assess whether the messages are absorbed:
 - For every episode, 800 text messages were randomly sent to every 1,000 mobile phone users. Questions about the financial literacy message highlighted during a particular episode were asked with multiple choices provided for answers.
 - Assessments showed that more questions were answered incorrectly during the first ten episodes but by the 15th episode, majority of the answers were correct.
 - The TV serial drama with English subtitles was also uploaded in YouTube to multiply reach; newspapers and journals were used to market the TV series and reinforce the financial literacy messages

Results and Communication Lessons:

- An evaluation of the implementation of the TV series showed that:
 - the series has become one of the most anticipated local television programs with high rating (out of 57 channels aired in Ulaanbaatar) and the second most watched in Ulaanbaatar because of the following factors:
 - pragmatic treatment of plot
 - relatable – people saw themselves in the characters and the financial challenges they face
 - the audiences who watched the series were primarily students and youth (below 34 years old), women with higher and/or complete secondary education, self-employed, and private sector workers. Most have a monthly household income below MNT 600.000 (approximately US\$301)
- Sound and meticulous research was critical in coming up with a communication strategy and appropriate channels that strongly fit Mongolia’s context and audience behavior
- It is important to strike a balance between changing behavior about financial planning and saving with existing financial services and choosing a communication approach and medium that could carry complicated messages
 - The TV serial did not focus on financial services that were not widely available in Mongolia (i.e., pension fund, etc.) so as not to raise demand and not be able to satisfy it
 - Although surveys indicated that Mongolians expressed interest in information about capital markets, TV dramas are not the right platforms for complicated messages