DIGITAL DATA TRAILS AND CONSUMER PROTECTION

This group considered a range of data types and how researchers might use them for consumer protection research. Digital finance by nature means increased numbers of digital records. Where digital finance is replacing analog approaches, this means more detailed and easily accessed information on customers and accounts than was previously possible. Some examples of this include:

1. Loan data. The Bank of Tanzania analyzed more than 20 million mobile-delivered loans to measure risks such as late payment and default, penalty fees and total cost, and gender and geographic dispersion of borrowers. (Graham, Izaguirre, Mazer, 2018)

2. Payments data. The Central Bank of Kenya has measured consumer response to the removal of fees for mobile money transactions below 1,000 Kenyan Shilling. (Central Bank of Kenya, 2020)

3. Social media data. New channels for consumers to share their voices are being used to identify emerging issues and monitor provider responsiveness. (Nendo, 2018)

This session explored what market monitoring and measurement possibilities these new data trails offer. Beyond that, it sought ideas for how we can move beyond monitoring and measurement to leverage these channels for testing new solutions via rigorous impact evaluations.

Suggested reading:


DIGITAL CHANNELS AND CONSUMER EXPERIENCE

This group set the agenda on how digital delivery changes consumer risks, for good and for bad by shifting the channels and actors involved in product delivery and complaints handling. Issues such
as unexpected fees, fraud, and poor service are not new to financial services. However, the introduction of new channels such as agents or digital banking introduces new channels for risks to affect consumers and new paths to support affected consumers with innovative approaches to customer care and third-party dispute resolution mechanisms. This discussion focused on the ways digital channels shift these risks and how we can better protect digital consumers, with particular emphasis on low-income, low literacy or vulnerable populations.

Suggested reading:


CONSUMER CHOICE

This session explored how information exchange between consumers and financial service providers impacts product choice. We explored these exchanges in both directions: Provider-to-consumer and consumer-to-provider(s). For the former, questions such as how to develop a key facts statement for apps or illiterate phone customers show the need for new research on transparency in digital product models. For the latter, the growing digital records of identity, product usage, and economic activity provide consumers opportunities to increase choice in providers and products. This becomes all the more powerful when linked to online marketplaces and comparison
tools, which raise numerous opportunities for testing the impact of concepts like digital credit information systems and data portability tools.

**Suggested reading:**


