

**INNOVATION AWARD**

*Advancing financial inclusion through data innovation*

# Impact and learnings from DataHack4FI Season 2

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An initiative of



Advancing Financial Inclusion



# Contents

1. Executive summary	2
2. Rationale and background	3
3. Season 2 objectives	4
4. Descriptive statistics	5
5. Outcomes and learnings	6
6. Conclusion	15

## About insight2impact

insight2impact is a resource centre that aims to catalyse the provision and use of data by private and public-sector actors to improve financial inclusion through evidence-based, data-driven policies and client-centric product design.

insight2impact is established and powered by Cenfri and FinMark Trust. The programme is funded by Bill & Melinda Gates Foundation in partnership with The MasterCard Foundation.

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# 1 Executive summary

DataHack for Financial Inclusion (DataHack4FI) is an innovation competition from insight2impact that encourages skills development and collaboration to promote the use of data and data analytics to solve financial inclusion challenges, thereby extending valuable financial services to the unserved and underserved. The initiative seeks to create communities of innovation by convening start-ups, data science enthusiasts, innovation hubs, development partners and financial service providers (FSPs) to stimulate the use of data for financial inclusion.

Season 2 of the DataHack4FI competition targeted young innovators and aspiring data scientists from six focus countries across Africa: Ghana, Kenya, Rwanda, Tanzania, Uganda and Zambia. The initiative paired fintech companies with data fellows to enhance their use of data in designing innovative solutions that meet the needs of financially excluded market segments. The competition ran over multiple stages, from January 2018 to May 2018, where teams competed against one another to develop solutions to local financial inclusion challenges. Participating teams developed their solutions while accessing a number of skills development and mentorship opportunities provided during the competition.

Each team presented its solution to a panel of expert judges at one of six in-country finals, with the winning teams invited to showcase their prototype solution at the DataHack4FI Grand Finale in Kigali, Rwanda, on 7 May 2018. Judged on a range of fundamental assessment criteria, WazInsure (a Kenyan fintech) was identified as the DataHack4FI Season 2 overall winner and was awarded the USD25,000 cash prize.

The primary objective of this report is to deliver unique insights regarding the impact of DataHack4FI Season 2 on fintechs, aspiring data scientists and, ultimately, financial inclusion.

*Dumisani Dube, AppLab Head,  
launching DataHack4FI Season 2  
in Rwanda.*



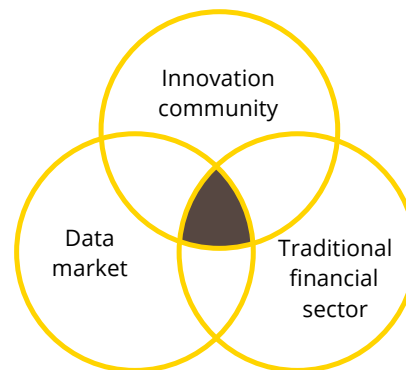
## 2 Rationale and background

The availability of data in financial inclusion has grown tremendously in recent years, deepening our understanding of how access to, and the use of, financial services/products affect welfare outcomes in Africa. Despite the increasing availability of data, a practical disconnect exists between the decisions being made for financial inclusion and the use of relevant data to inform such decisions. This gap restricts the extent to which financial services reach all segments of the population, particularly the unserved and underserved, limiting the ability of FSPs to design products/services that improve financial inclusion.

A key challenge in endorsing a data-driven approach is a distinct lack of data science skills within Africa, as well as a general lack of understanding regarding the value of innovative data use and analytics. The DataHack4FI initiative promotes data science to drive product design and business decision-making, thereby catalysing the development of new financial services driven by customer data. In doing so, the competition aims to contribute to data science skills development and the empowerment of African youths in a field that is increasingly providing opportunities for career advancement throughout Africa.

The initiative seeks to create communities of innovation by convening fintech companies, data enthusiasts, innovation hubs, development partners and FSPs to stimulate the use of data for financial inclusion (Figure 1). DataHack4FI focuses on the use of alternative data sources, big data, small data and new data trends that are traditionally ignored by FSPs but that fintechs can use to design user-centred financial services and products.

**Figure 1: Data-driven financial services innovation ecosystem**



DataHack4FI Season 1 was concluded during the Transform Africa Summit, held in Kigali, Rwanda, on 9 May 2017. The first iteration of the competition took place in seven countries (Ghana, Kenya, Mozambique, Rwanda, Senegal, Uganda and Zambia) and involved a total of 209 participants, representing 58 teams. Season 1 targeted early-stage technology start-ups with an interest in developing solutions that advance financial inclusion through data. These start-ups received data science training, access to datasets, business modelling and pitching training over the course of approximately three months, which culminated in a pitching session to a panel of industry expert judges. The eventual winners were Mobiticket, a Kenyan start-up whose product addressed informal public transport ticketing challenges experienced by customers in Nairobi. Based on the experience gained during Season 1, DataHack4FI Season 2 set out to enhance the extent to which the initiative achieved its objectives.



DataHack4FI is a pan-African innovation competition that encourages finance, technology, and data enthusiasts to collaborate in using data and analytics to solve business challenges and extend financial services to underserved communities.



# 3 Season 2 objectives

Based on the rationale outlined, the following key objectives were outlined for DataHack4FI Season 2. These objectives centre on the provision of skills development and collaboration opportunities that facilitate the design of data-driven solutions that address financial inclusion challenges.

- To create a convening platform for young entrepreneurs, data scientists and other innovators in six focus countries and to connect these platforms
- To build new, and strengthen existing, networks that allow for the continued empowerment of youth and women to design scalable, financial inclusion solutions
- To provide data analysis and entrepreneurial mentoring as well as skills development for participating youth and women
- To provide opportunities for start-ups to access additional skills development, partnership and finance

Season 2 was expected to promote the use of data-driven decision-making in designing and delivering valuable financial services, bridge the data science skills gap and strengthen the community of partnerships within the financial services sector. Ultimately, the innovation competition sought to create opportunities for young data fellows, deepen the data for financial services ecosystem and advance financial inclusion.

*DataHack4FI participants and other interested stakeholders listen on eagerly.*





# 4 Descriptive statistics

A total of **180 individuals** participated in DataHack4FI Season 2, with **38 teams** competing across six in-country finals. Table 1 summarises the number of teams, fintech representatives, data fellows and data experts involved in each country.

**Table 1: Season 2 participant overview**

Country	Teams	Fintech members	Data fellows	Data experts
Ghana	4	12	4	1
Kenya	8	23	8	7
Rwanda	6	13	16	5
Tanzania	5	13	5	5
Uganda	9	30	0	9
Zambia	6	12	12	5
	<b>38</b>	<b>103</b>	<b>45</b>	<b>32</b>
				<b>Total: 180</b>

A total of **103 fintech representatives** competed in Season 2, consisting of **24 females** and **79 males**. The average age of the fintech participants was **29 (±6) years old**. The majority of participating fintechs had been in operation for **three years or less** (77% of fintechs). Most fintechs indicated the development of financial services as their **primary business focus (63%)**, 23% had some experience in developing financial products, while 13% had no history of financial product development.

A total of **45 data fellows** were recruited across the six DataHack4FI focus countries. The data fellows consisted predominantly of **males (80%)**, with **female fellows limited to nine participants (20%)**. The average age of the data fellows was **27 (±5) years old**. Most of the data fellows had obtained a degree from a tertiary institution, with the most commonly held qualification being either a **bachelor's (60%)** or a master's degree (32%). Regardless, more than half of the data fellows had some experience with data and data science (58%).



# 5 Outcomes and learnings

The following section highlights the impact of DataHack4FI Season 2 on participating fintechs and data enthusiasts, as well as financial inclusion. These insights are drawn from in-person interviews conducted with participants from all six focus countries. In total, retrospective interviews (three months post-competition) were conducted with 18 fintechs and 22 data fellows.

## 5.1. Fintechs

### DataHack4FI influenced the way fintechs view data and data science

It is clear from the retrospective interview responses that DataHack4FI Season 2 had a notable impact on fintechs' appreciation of data science. Their understanding of the implications of considering data in driving business decisions and product design evolved over the course of the competition, with the influence of the data fellows and data science experts frequently acknowledged as the key proponent.

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*"It had a massive impact. Prior to the competition our skills and understanding were very limited. The competition changed the company culture to a research focus, as it is the only way to build a successful product. Data is now a key part of everything we are doing."*

– ZedCredit on data-driven focus

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*"The narrative that emerged was so strong and so compelling that we realised this is actually going to be one of our biggest tools for campaigning for our vision."*

– Finplus on data narrative

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*"There's a hunger to want to employ more data-driven decisions, more data-driven thinking. We've come to understand the importance of data."*

– Outsource Now on data science understanding

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*"The biggest benefits were the expertise and the knowledge in using data in our business. We are now a more data-driven business. It has been the opening of our eyes to what opportunities we could be missing."*

– InvestXD on data science skills development

### Fintechs' use of data evolved during the competition

Due to an enriched understanding of data science, fintechs employed innovative analytics methods in the design of their DataHack4FI solutions. Through collaboration with data fellows and data science experts, the way which data was employed evolved during the competition. Fintechs utilised previously unconsidered sources of data, collected new data, and applied novel analysis methods to draw more meaningful and impactful insights.

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*"Data was the epicentre of the solution. There was the creation of new data, and then there was the consolidation of already existing data."*

– Asilima on data sources



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*"Realising that we could create a customer profile using machine learning, all we needed to do was ask a user five or six questions to gain an idea of what their risk appetite is like."*

– A-Trader on innovative analytics

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*"Initially, the concept was made using research papers, then DataHack4FI forced us to actively engage with savings groups. We made a number of assumptions that were not aligned with their needs, but demand-side data allowed us to design a better solution."*

– ZedCredit on demand-side data

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*"We collected all sorts of data on our clients. So [when] a new borrower comes in, we can compare their profile to existing borrowers and, in turn, fine-tune the system to be better."*

– Affordit Loans on innovative data use

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## **Fintechs are ready to adopt a data-driven approach to decision-making**

All 18 fintechs interviewed after DataHack4FI Season 2 indicated that the initiative had a direct impact on their company's use of data. The competition was able to convey the value of adopting a data-centric, evidence-based approach to both product design and business decision-making. Therefore, DataHack4FI Season 2 was effective in imparting a lasting impact on participating fintechs' business strategies and internal operations with regard to data.

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*"Since DataHack4FI, we have refined our product, our approach and strategy. We have a better focus on what kind of data we want to collect, how we want to collect it and what we want to do with it."*

– InvestED on data-driven impact

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*"One thing I realised from the competition is that before you think of in-depth analysis, you have to have data. At this point, we're now trying to build a platform that makes it easy for us to collect structured data from different users."*

– Exuus on data collection

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*"It has changed on an extremely large scale in the sense that before, yes, we had certain indicators. But now this actually shows us that we don't need to look too far to make strategic decisions. So, it's played a huge role in the strategy of the business going forward."*

– Ezeemoney on evidence-based decisions

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*"Yes, it's changed a lot. We are applying data across the board now. You need to make decisions with data. So, it helped us a lot in making decisions before launching a product."*

– Apps:Lab on internal process changes

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## **A data-driven approach positively affects fintechs' potential for success**

As a direct result of their willingness to adopt a data-driven approach, fintechs describe a number of benefits associated with an enhanced data-centricity. Fintechs most commonly report that adopting this approach has allowed them to: (i) better understand their customers and design solutions that more closely meet their customers' needs, (ii) improve the extent to which their models are able to accurately predict an output for a given use case, (iii) gain additional insight that influences the strategic direction of their business, or that reaffirms their current strategy and (iv) identify new market segments to target product innovations. Regardless of the extent to which the competition was able to affect data-driven practices for each fintech, the benefits for both the company and the end user are clear.





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*"If we do research, it cuts down our execution time because we execute on facts and not assumptions. It streamlined the whole product design process."*

– ZedCredit on data-driven product design

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*"Our default rates in the beginning were quite high, looking at 30% to 40%. But as we have gotten better at analysing and have improved the model, we are at 10% now."*

– Affordit Loans on machine learning

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*"If we hadn't participated in DataHack4FI I think we would be a very different company today. For us as a company, we can continue to evolve using decisions based on evidence. The competition gave us a very clear path."*

– A-Trader on business decision-making

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*"We weren't aware of what our customers looked like in terms of gender, but DataHack4FI opened our eyes to the opportunities available because we were excluding women."*

– InvestXD on market segments

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*"We are more customer-oriented and understand how to connect the customer with the technology, so that has been beneficial to the company."*

– MFI on user-centred design

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## **Fintechs have made investments to improve their internal data capacity**

Due to a greater appreciation of data science and realising the benefits that accompany data-driven business practices, 11 of the 18 interviewed fintechs had taken steps to improve their internal capacity for data. These internal capacity changes include (i) enrolling employees in data-science related education programmes, (ii) hiring data scientists as full-time employees or as consultants and (iii) overhauling data collection and storage processes.

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*"Internally we have started looking at capacity training around data for staff, they are doing some basic reporting and dashboards."*

– ProBASE on internal capacitation

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*"Right now, we're engaging the data fellow as a consultant, because during the DataHack4FI competition he did a good job. We are working with him to make sure that we add more dashboards so we can learn more about our product."*

– Finplus on hiring a data science consultant

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*"Now the plan is we want to collect better data."*

– BizFundi on improving data collection methods

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*"We are trying to strengthen our capacity to analyse data and we realised that having people with the right skill set is the first step. The one data fellow is in the process of becoming our CTO. He's very active in the development process. The other has joined us in an advisory role."*

– ZedCredit on data science human capital

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## Fintechs leveraged the stakeholder networks within the DataHack4FI ecosystem

A key element of the DataHack4FI initiative is the networking and collaboration opportunities provided by convening relevant stakeholders within the innovation ecosystem. These connections are expected to assist in enabling the continued development of the fintechs and their solutions after the conclusion of the competition.

The most commonly mentioned connection of value for the fintechs is that with the data fellow and data science experts. Retrospective interview responses highlight the limited extent to which these relationships have been maintained after DataHack4FI, where eight of the 18 fintechs have continued to engage the data fellow (two as consultants, six informally) and eight of the 18 have continued to engage the data science expert (one as a full-time employee, seven informally). In these cases the fintechs attain great value from these sustained engagements.

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*"He is awesome. He was instrumental in shaping our solution and even after the competition we continue to ask him questions."*

– WazInsure on continued data expert engagement

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*"We did learn quite a lot. It did get very technical, but we were able to grasp a lot of the concepts from a high-level perspective. The data fellows and the data expert were very supportive in helping us understand how the system works."*

– Affordit Loans on data science input

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*"I can't downplay the data scientists we had on our team. They played a very critical role because they understood and bought into our vision."*

– ZedCredit on data fellow contribution

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*"We've kept in touch with both our data fellows and the data expert. So, we definitely want to work with the data fellows going forward, and especially the data expert."*

– Outsource Now on data science input

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The fintechs also mention a number of meaningful partnerships established during DataHack4FI Season 2 that continue to contribute to their success, although these sustained connections were limited to five of the 18 fintechs interviewed after the competition.

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*"Our partnerships with FSDZ started because of DataHack4FI. We had meant to reach out to them earlier, but the product wasn't at that stage yet, so the DataHack4FI sped up that process. Now I would say FSDZ is our strongest partner."*

– ZedCredit on post-competition partnerships

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*"We are based in Nairobi garage now because we won the competition. We are very grateful for that because we were able to meet potential investors there. They also have capacity-building programmes on a weekly basis, that's something we benefit from."*

– WazInsure on continued hub engagement

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*"I got into the eFounders training programme because of ICT Chamber and got to know the ICT Chamber because of the DataHack4FI competition."*

– Uplus on networking benefits

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*"We're in the process of finalising an MOU around a data usage partnership. It was really by the fact that we met our data fellow during the DataHack that we are now working together with them."*

– Finplus on post-DataHack4FI partnerships



## 5.2. Data fellows

### Data fellows benefited from skills development opportunities

The data fellows clearly benefited from their involvement in DataHack4FI by expanding their data science skills. Data fellows articulated that the skills development opportunities provided during the competition were crucial in advancing both theoretical knowledge and practical capabilities.

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*"The main benefit was to see how theoretical skills can be applied practically."*

– Data fellow paired with Uplus on skills application

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*"I learned a lot about designing credit scoring models and how different data sources can be used to make business decisions."*

– Data fellow paired with Outsource Now on practical data science skills

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*"I learnt a lot by interacting with the fintechs. I had a lot of programming knowledge but wasn't sure how this knowledge could be used. Before the competition I had a theoretical understanding, but after the competition I was really intrigued and had a fuller understanding of data science."*

– Data fellow paired with ProBASE on developing skills

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DataHack4FI provided data fellows with the opportunity to engage with fintechs to solve real-world problems using data science. Additionally, the data fellows enjoyed the chance to apply their skills in a sector in which they had no previous experience.

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*"Working with Moquid helped me appreciate the environment in which fintechs operate."*

– Data fellow paired with Moquid on fintech environment

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*"I had to learn how to apply my skills practically, in a real-world scenario, because I hadn't interacted with fintechs much."*

– Data fellow paired with WazInsure on applying data science skills to unique use cases

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In particular, the in-country meetups and the data science expert mentorship were identified as key contributors to the skills advancement for the data fellows.

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*"I learned a lot from the mentorship. These sessions were mind-blowing. Having extensive access to data experts and being able to learn from them was great."*

– Data fellow paired with Apps:Lab on mentorship

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*"The meetups were super-helpful. It was a good opportunity to sit down with other really smart people and just hear their perspectives or get exposed to their techniques and tools for data analysis."*

– Data fellow paired with TROTRO Tractor on DataHack4FI meetups

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### DataHack4FI motivated data fellows to pursue further skills development

The skills development aspects presented by DataHack4FI motivated data fellows to pursue further data science education, where 17 of the 22 data fellows had enrolled in some form of data-science-orientated training





following the completion of the competition. The extent to which the data fellows engaged in data science education after the competition varied, with a range of education pathways employed, including formal education through tertiary institutions and online courses, and self-driven education via reading and video tutorials.

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*"I'm currently doing online courses on Coursera and have applied for a MSc degree in data science."*

– Data fellow paired with BizFundi on data-science-related education enrolment

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*"Yes, after DataHack4FI I have continued to focus on data science skills around predictive models."*

– Data fellow paired with Uplus on post-competition skills development

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### **DataHack4FI affected data fellows' career prospects**

All of the data fellows indicated that their involvement in DataHack4FI Season 2 had motivated them to pursue a career in data science. The competition was able to stimulate data fellows' passion for data and follow a career path aligned with data science.

Although the opportunities for employment with fintechs were limited, two data fellows had been employed by teams competing in DataHack4FI Season 2. Alternatively, data fellows were able to incorporate data science principles into jobs not previously involving the use of data. Some data fellows were already in data-science-orientated jobs but were able to improve their capacity due to participation in the competition.

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*"I was offered a full-time position with them but chose to remain at my current job. I've added some data science at work."*

– Data fellow paired with Broadpay on data science principles

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*"It propelled me to pursue a career in data science. The competition made me push myself to continue my data science skills development."*

– Data fellow paired with BizFundi on data-science-related education enrolment

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The networking and collaboration opportunities provided by DataHack4FI Season 2 were of benefit to data fellows looking to create successful careers in data science. The data fellows expressed that interacting with other aspiring data scientists and data science experts, as well as the fintechs themselves, was valuable in developing relevant skills and enhancing career prospects.

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*"The expert helped us to use as many models as possible. After the competition my experience has reached another level."*

– Data fellow paired with Ewawe on data science expert impact

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*"I got a chance to interact with the others, listen to the ideas they have and the data challenges they have. You start seeing different opportunities that you can engage with."*

– Data fellow paired with Finplus on networking with other aspiring data scientists

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*"The competition highlighted a gap between what I know and becoming an actual data scientist."*

– Data fellow paired with TROTRO Tractor on becoming a data scientist

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### 5.3. Financial inclusion

Ultimately, the DataHack4FI innovation competition sought to advance financial inclusion by promoting data-driven decision-making and product design. The following section outlines the extent to which DataHack4FI Season 2 was able to catalyse the development of products that serve to advance access to finance for people previously overlooked by traditional FSPs. Such products have the potential to affect the quality of life for millions of Africans by providing solutions to challenges faced by the unserved and underserved individuals who make up the base of the financial market segment pyramid.

#### Innovative data and analytics were used to design financial inclusion solutions

By employing a user-centred approach to solution design, the DataHack4FI teams were able to design solutions that advance financial inclusion by meeting the needs of their target population. Over the course of the competition the teams were able to clearly identify and articulate who their end customer is, understand the nature of their particular use case, and design innovative solutions that address these unique financial inclusion challenges. The teams commonly employed demand-side data collection to effectively profile their targeted market segment.

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*“During the process of the competition we worked very hard to start interviewing groups and verifying some of the nitty-gritties in relation to our solution. So, in collaboration with data scientists and developers we built a prototype.”*

– ZedCredit on demand-side data focus

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*“Our vision is to promote inclusive insurance; however, the insurance companies have not targeted the mass market in general. But if you know the risk profile of a boda-boda rider, it is easy to provide cover for them.”*

– WazInsure on risk profiling to extend insurance services

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*“After realising the gender gap we were missing out on, we went back out to the field and spoke to the users and came out with our findings. Then with our data fellow, we put all these opinions and ideas into perspective and now we are building a better solution.”*

– InvestXD on addressing a gender gap

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*“The solution was obviously based on data. Based on the needs as a provider of loans, we already knew that we needed a way to determine the risks involved with lending to a particular borrower, especially lending beyond 30 days. We lend up to six or twelve months and that’s something that’s really having an impact.”*

– Affordit Loans on addressing a particular market need

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*“The competition helped us validate that the product that we were actually building was necessary for the market.”*

– Outsource Now on solution validation

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In a number of instances, the adoption of a data-centric approach to product design influenced the number of customers a solution could impact. Moreover, solutions with a foundation in data have a greater potential to reach scale due to a deeper understanding of the market need and the unique context in which the financial inclusion challenge exists.

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*"Initially, we had the entire business plan, we built the solution, but we had a lot of trouble understanding how to deploy the solution. So, then – being part of the DataHack4FI process – it started to make sense. Now we are able to look at it in a bigger scope."*

– MFI on scoping solution impact

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*"At the beginning of the competition we were at 40% activity. We have now increased that to about 50% to 55%, and of course, that is based on analytics. So, we have actually been able to scale a lot faster just by applying what we learned during the DataHack4FI process."*

– Ezeemoney on data-driven impact

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*"We started crafting the solution towards the data we were collecting, we started crafting our messaging towards women who we realised were excluded from our user base. We've been able to nearly hit our target of improving the ratio between genders, we've increased to above 40/60 from 20/80 male bias before DataHack4FI."*

– InvestXD on using data to address a gender gap

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*"Most of the research we have been doing after the competition has opened up more insights about how the interface of our solution needs to look. One of them is that initially we need to target administrators of the savings groups and then through the administrators, it's easier to on-board the rest of the members."*

– ZedCredit on understanding solution context

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### **Promoting data-driven product design and decision-making affects financial inclusion**

The solutions developed during DataHack4FI Season 2 have the potential to, or are already, affecting the lives of financially underserved or unserved Africans across the continent. The competition successfully stimulated the use of data by participating fintech companies, thereby ensuring the solutions developed during the competition have a foundation in data and are designed to meet the needs of their target population. Through this approach, DataHack4FI expects to enhance the likelihood of these solutions reaching market and increases the fintechs' prospects of developing into sustainable and impactful companies within the financial sector.

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*"Our solution is really trying to focus on everyone else who's been ignored by the current system, so to try and provide a credit-scoring model and a system that can be used by everyone, whether they have credit history or not."*

– Affordit Loans on providing credit to the underserved

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*"Before you actually develop solutions, you need to first go to the market and understand their challenges to make sure the solution you're coming up with is actually addressing a need. We've been able to quantify our problem into very fine details, so now when we design a solution, it's very specific. We know exactly where the problem is and how we're going to solve this."*

– MOSE on addressing marketplace needs

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*"We expanded, broadened our perspective on things and got closer to the challenges people are facing. We thought we can help address some of those issues, not just in Rwanda but across Africa."*

– Exuus on impacting people across Africa

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*"We've targeted savings groups and so far we've revealed some findings that we didn't know before, because there's more diversity in the types of savings groups that we are now starting to understand."*

– ZedCredit on understanding community savings group needs

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*"Our business is B to B, but from an impact perspective we are B to C. So this was the first time we really delved down and spoke to the customers at the end of that chain and really saw the quantified impact at the end of the chain."*

– Finplus on financial inclusion value chains

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*Invited guests participate in one of many DataHack4FI panel discussions.*



# 6 Conclusion

DataHack4FI Season 2 encouraged skills development and collaboration to promote the use of data and innovative data analytics to solve financial inclusion challenges. Overall, 180 individuals participated in the pan-African innovation competition, representing 38 teams competing across six countries. The initiative was able to catalyse the development of 38 innovative solutions that seek to address financial inclusion challenges faced by millions of Africans across the continent. Of the 38 solutions, 14 targeted the financial inclusion of women and youth specifically.

The DataHack4FI initiative sought to create opportunities for aspiring data scientists and fintech companies, to deepen the data for the financial services ecosystem and to advance financial inclusion. DataHack4FI Season 2 set out to achieve four core objectives:

## Skills development

The skills development components of DataHack4FI Season 2 were effective in enabling the transfer of key skills that have the potential to affect personal and business success. Both the data fellows and fintechs express the value gained from the competition meetups and data science expert mentorship in particular. However, as the focus was primarily on data-science-related skills development, there is the potential for the initiative to enhance skills development for fintechs in particular through business/entrepreneurial mentorship and support.

*Kenyan DataHack4FI participants attending one of several skills development meet-ups.*







## Networking and collaboration

The DataHack4FI initiative was successful in convening key innovation ecosystem stakeholders to stimulate the use of data for financial inclusion. The competition was effective in connecting fintechs, aspiring data scientists, innovation hubs, FSPs and development partners so that they could better understand and respond to some of the real-world financial inclusion challenges experienced in Africa, and collaborate in the design of innovative solutions that adequately address these needs. Ultimately, insight2impact was able to broker partnerships among key stakeholders which can serve to realise these solutions. However, limited access to funding opportunities remains a difficulty for emerging fintech companies.

## Data-driven decision-making

It is clear that the DataHack4FI initiative affected fintechs' understanding and appreciation of data science and brought about changes in business strategy and operations, with some fintechs making internal investments to improve their capacity for data. Furthermore, a data-centric approach allowed fintechs to better understand their customers, improve the extent to which their models are able to accurately predict an output for a given use case, gain additional insight that influences the strategic direction of their business, and identify new market segments to target product innovations.

## Financial inclusion

The adoption of a data-driven approach led to a greater understanding of financial inclusion markets and catalysed the design of products and services that are designed to meet the needs of financially excluded market segments. Through the scaling and release of these solutions, the DataHack4FI initiative hoped to achieve a sustainable impact on financial inclusion. However, the extent to which the DataHack4FI solutions have reached their target market remains limited. It is clear that further post-competition support, in addition to extending opportunities for funding and equity to fintechs, is required to enhance the impact the DataHack4FI initiative has on financial inclusion by releasing financial services to market that address the needs of individuals who make up the base of the pyramid market segment.

At insight2impact, we believe that the future of financial services in Africa is data driven. We are excited to have worked with more than 180 individuals from six countries, making up 38 DataHack4FI teams, as we seek to advance financial inclusion for millions of Africans. Thank you to all the participants, our partners and country-level stakeholders who have supported our participants throughout their DataHack4FI journey.

*Visit [www.datahack4fi.org](http://www.datahack4fi.org) for more information and for details of upcoming innovation initiatives brought to you by insight2impact.*



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