

# Indonesia - Competition in the Branchless Banking Agent Market: Effects, Strategic 2022-2023

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Gottlieb**

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## Identification

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### SURVEY ID NUMBER

ind-refind-cbbam-2022-2023-v1

### TITLE

Competition in the Branchless Banking Agent Market: Effects, Strategic 2022-2023

### SUBTITLE

Indonesia

### ABBREVIATION OR ACRONYM

CBBAM 2022-2023

### COUNTRY

Name	Country code
Indonesia	inda

### STUDY TYPE

Digital Financial Survey

### ABSTRACT

We partner with one of Indonesia's largest banks to test how increased competition in the market for branchless banking affects the willingness of banking agents to transparently disclose the bank's official prices and refrain from charging illicit fees above the published price list. In the first experiment, the bank's branchless banking agents received randomized information about the expected increase in competition in their local area. Subsequently, they were given an incentivized choice to enroll in a marketing plan that discloses the bank's official prices or an alternative plan that does not require them to disclose official prices to their customers. In a complementary experiment, we will directly provide a randomly selected sample of clients with information about the bank's official prices. From our preliminary analysis using survey data to 3,006 agents and 3,993 clients, we observe the tendency of agents to overcharge and "shroud" information about official transaction fees from clients. Our preliminary findings suggest that providing agents with information about an increase in expected competition significantly increases price transparency.

### KIND OF DATA

Survey data

## Version

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### VERSION DESCRIPTION

Version 1

### VERSION DATE

2023

## Scope

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### NOTES

Digital financial services have expanded rapidly across the developing world. While digital financial services offer many benefits for low-income populations, they also give rise to new consumer protection challenges. One widespread concern is the high prevalence of agent misconduct and illicit extra charges, which reduce consumer welfare and undermine trust in new financial technologies. This is an important concern in many emerging economies including Indonesia. Working with one of the country's largest banks, we are conducting an experiment to (i) measure the consumer demand for price transparency and the extent of financial agent misconduct, (ii) examine whether increased competition — resulting from the rapid growth of Indonesia's branchless banking network — is likely to make branchless banking agents more willing to transparently communicate official prices and less likely to charge illicit fees in an effort to win consumer trust and grow their business, and (iii) estimate the returns to price transparency.

## Coverage

### GEOGRAPHIC UNIT

West Bandung, West Java, Indonesia

## Producers and sponsors

### PRIMARY INVESTIGATORS

Name	Affiliation
Gianmarco Leon-Ciliotta	Pompeu Fabra University and Barcelona School of Economics
Erika Deserrano	Northwestern University and Bocconi University
Firman Witoelar	Australian National University)
Martin Kanz	World Bank
Daniel Gottlieb	London School of Economics and Political Science

### FUNDING AGENCY/SPONSOR

Name	Abbreviation
RETAIL FINANCE DISTRIBUTION RESEARCH INITIATIVE	ReFinD

## Data collection

### DATES OF DATA COLLECTION

Start	End
2022-07	2023-12

### DATA COLLECTION MODE

Face-to-face

## Access policy

### CONTACTS

Name	Affiliation	Email	URL
Head, Data Processing Divisiom	University of Ghana	refind.issuer@ug.edu.gh	www.issuer.ug.edu.gh

### ACCESS CONDITIONS

Licensed access data, available under conditions

### CITATION REQUIREMENTS

producer. production date. dataset title and date [dataset]. version number. Place: Producer name [producer], date of production. Cape Town: DataFirst [distributor], date of distribution. doi:

### ACCESS AUTHORITY

Name	Affiliation	Email	URL
ReFinD, ISSER	University of Ghana	refind.issuer@ug.edu.gh	www.refind-issuer.ug.edu.gh

**Data Dictionary**

<b>Data file</b>	<b>Cases</b>	<b>Variables</b>
<b>cbbam-2022-2023-agent-v1</b>	3007	43
<b>cbbam-2022-2023-client-v1</b>	3994	60



**Data file: cbbam-2022-2023-agent-v1**

Cases: 3007

Variables: 43

**Variables**

ID	Name	Label	Question
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Total: 0

**Data file: cbbam-2022-2023-client-v1**

Cases:	3994
Variables:	60

**Variables**

ID	Name	Label	Question
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Total: 0







## Download related resources

### Reports

#### Competition in the Branchless Banking Agent Market: Effects and Strategic Report

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Title	Competition in the Branchless Banking Agent Market: Effects and Strategic Report
Date	June 2022 - December 2023
Country	Indonesia
Language	English
Description	This is the final report for Competition in the Branchless Banking Agent Market: Effects and Strategic Responses
Filename	cbbam-2022-2023-report.pdf

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### Other materials

#### Competition in the Branchless Banking Agent Market: Effects and Strategic Client Codebook

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Title	Competition in the Branchless Banking Agent Market: Effects and Strategic Client Codebook
Date	June 2022 - December 2023
Country	Indonesia
Language	English
Description	Client Codebook for Competition in the Branchless Banking Agent Market: Effects and Strategic Responses
Filename	cbbam-2022-2023-client-codebook.xlsx

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#### Competition in the Branchless Banking Agent Market: Effects and Strategic Agent Codebook

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Title	Competition in the Branchless Banking Agent Market: Effects and Strategic Agent Codebook
Date	June 2022 - December 2023
Country	Indonesia
Language	English
Description	Codebook for Agent Competition in the Branchless Banking Agent Market: Effects and Strategic Responses
Filename	cbbam-2022-2023-agent-codebook.xlsx

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