CONSUMER RESEARCH IN MICROFINANCE AND AGRICULTURAL DEVELOPMENT..?

FINANCEMENT ET SÉCURISATION DU FINANCEMENT DE L’AGRICULTURE DANS LES PAYS EN DÉVELOPPEMENT

CERGY

HAYYAN ALIA – 21/01/2016
INTRODUCTION

**Context:** Microfinance and its mechanisms:
- The poor **not the rich**
- The women **not the men**
- The rural **not the urban**
INTRODUCTION

CONTEXT: Microfinance and its mechanisms:
• No overall consensus on microfinance impact.
• The qualitative approach for impact evaluation aims at studying the processes through which microfinance affects clients’ economic portfolios e.g. the financial diaries of Collins et al. (2009).

PROBLEM: These diaries failed to explain the dynamics of microfinance for alleviating financial poverty (Khandker, 2011).

RESEARCH OBJECTIVES: Investigating and developing the diary method as a qualitative non-experimental impact evaluation tool.
TIME DIARIES AND FINANCIAL DIARIES
A MODIFIED HEP MODEL

**Problem:** Microfinance diaries failed to construct a complete economic portfolio. The HEP model offers a comprehensive structure of the portfolio but suffers from complexity.

**Inquiry:** Can we benefit from the advantages of both of the HEP model and the diary method, for constructing a more complete economic portfolio?

**Findings:**
- We propose a modified version (M-HEP).
- Financial and time diaries are suggested for implementing the model.
- A case study from Cairo testing the proposition confirms its potential.

Authors: Hayyan Alia, Arvind Ashta, Zaka Ratsimalahelo
TIME DIARIES AND FINANCIAL DIARIES
A MODIFIED HEP MODEL
FOR ASSESSING IMPACT OF MICROFINANCE USING DIARIES

Authors: Hayyan Ali, Arvind Ashta, Zaka Ratsimalahele
TIME DIARIES AND FINANCIAL DIARIES
HOW DOES THE MODIFIED HEP MODEL
LOOK LIKE IN FAMILY AGRICULTURE?

Authors: Hayyan Alia, Arvind Ashta, Zaka Ratsimalahelo
## Comparative Evaluation of Three Studies on Microfinance Clients

<table>
<thead>
<tr>
<th>Experimental Games</th>
<th>Propensity SM</th>
<th>Combined Diaries</th>
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</thead>
<tbody>
<tr>
<td>statistically valid even for samples of small size</td>
<td>statistically valid but requires big samples</td>
<td>no statistical validity</td>
</tr>
<tr>
<td>cheaper compared to randomized control trials</td>
<td>no cost (if a survey has already been done)</td>
<td>cheaper compared to long-term financial diary studies</td>
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<tr>
<td>selection bias problem is not solved</td>
<td>selection bias problem is not completely solved</td>
<td>selection bias problem is not solved</td>
</tr>
<tr>
<td>useful for studying impact on behavior</td>
<td>useful for evaluating impact using secondary data</td>
<td>useful for studying consumer behavior and understanding impact</td>
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<tr>
<td>attribution problem is not solved</td>
<td>attribution problem is partially solved</td>
<td>attribution problem is not solved</td>
</tr>
<tr>
<td>do not explain impact creation mechanisms</td>
<td>doesn't explain impact creation mechanisms</td>
<td>explains impact creation mechanisms</td>
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Thank You