



Empowering consumers through better communication, information and support



Consumer Protection Briefing Note: Transparency



Executive Summary

Of the six Principles of the Consumer Protection Code, Transparency is particularly key as it underpins others such as responsible sales and pricing, fair and respectful treatment, and data privacy. Ensuring transparent operations may be challenging for off-grid solar companies because of low-literacy levels among consumers, operations in markets with diverse and numerous languages, the growth of the PAYGo model – unique for its complex mix of financial, product and service elements, lack of digital connectivity, and agent-based sales models in which the point of sale (POS) may be far removed from the control of a headquarter office.

This briefing note aims to improve transparency – and by extension, Consumer Protection – in the off-grid solar (OGS) industry by identifying and sharing best practice for consumer-facing off-grid solar companies.

Transparent practices empower consumers to make informed decisions and ensure they are protected from mis-selling, over-indebtedness, and manipulation. For OGS companies, increased transparency in consumer-facing operations can build trust, protect repayments, and increase end-user satisfaction – all of which contribute to profitability, growth and brand reputation.

At the core of transparency is communication and information that is clear, coherent, complete and appropriately timed. OGS companies can apply a three-pillar approach to review their operations and ensure transparency throughout the customer journey:

1. What information is disclosed to the consumer? Companies should ensure that consumers have a complete set of facts and figures in order to make an informed decision.
2. How is the information disclosed to the consumer? Make sure that the consumer understands the information that is shared, and that it is easily available to them.
3. When is the information disclosed to the consumer? Through timely sharing of information companies can support consumer decision making and provide on-going support with well-timed messaging.

The recommendations made in this briefing note are intended to provide guidance for companies that can be adapted based on the characteristics of the organisation and operational market. If for example a company is active in a country where hundreds of different languages are spoken, it is probably not realistic to translate a contract into as many different versions! Companies are advised to take the suggestions into account, but adopt them in a way that is realistic and feasible for their operational context.

Training for staff and agents is important for improved standards of consumer protection. Employees should be made aware of the risks to consumers and the business benefits of adhering to the Consumer Protection Principles. To improve consumer-facing transparency, training may focus on the responsibility to adequately explain information to consumers and ensuring that staff and agents can evaluate levels of consumer understanding.

Lastly, we would like to encourage companies to continue using the assessment framework – including the self-assessment tool and upcoming third-party assessments – as an instrument to review company practices against the indicators of transparency and identify areas of improvement. By doing so, we can ensure that a consumer friendly environment continues to be the basis for a growing, impactful OGS industry.

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Disclaimer

The information in this Briefing Note is designed to provide helpful information on the topic. GOGLA and the authors are not responsible or liable in any manner for any damages resulting from use of information in this Briefing Note.

Introduction

The OGS industry currently serves more than 420m people and aims to power 1 billion lives by 2030.¹ The sector typically serves low-income customers for whom a solar product is a significant investment, and through this purchase they are exposed to financial, product and service risk. On top of this the sector is a fast growing, dynamic industry that depends on customer satisfaction for sustainability.

This is why GOGLA, hand-in-hand with members of the industry, developed the Consumer Protection Code (CP Code). The CP Code aims to safeguard consumers and their rights, whilst at the same time enhancing the impacts of increased energy access for low-income consumers. We believe that widespread industry action on consumer protection is required to mitigate sector risk and accelerate responsible and impactful market growth.² A growing number³ of companies and investors have adopted the CP Code through Commitments or Endorsements, showing that the industry recognises that what is good for customers, is good for businesses and the sector as a whole.

To help the industry further improve standards of consumer protection, GOGLA is developing a series of tools and resources for companies. Using lessons and best practice from other sectors and across the OGS industry, we will share guidance to help companies implement the CP Code, particularly in more challenging areas such as Transparency.

This briefing note makes recommendations for better transparency at each stage of the customer journey; starting with pre-sale materials and ending with after-sales services. The information shared is based on findings from consultations with GOGLA members and lessons learned from other sectors in which consumer protection is more mature, such as microfinance and telecommunications.⁴

Figure 1 - OGS customer journey



1 See [2020 Off-Grid Solar Market Trends Report](#) and [The off-grid sector can 'Power 1 Billion Lives by 2030' - Here's how](#)

2 [GOGLA Industry Opinion on Consumer Protection](#)

3 See [Commitments & Endorsements | GOGLA](#)

4 See Center For Financial Inclusion – Consumer Protection and [SPTF Standard 4b Transparency](#)

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**Transparency and
Consumer Protection**

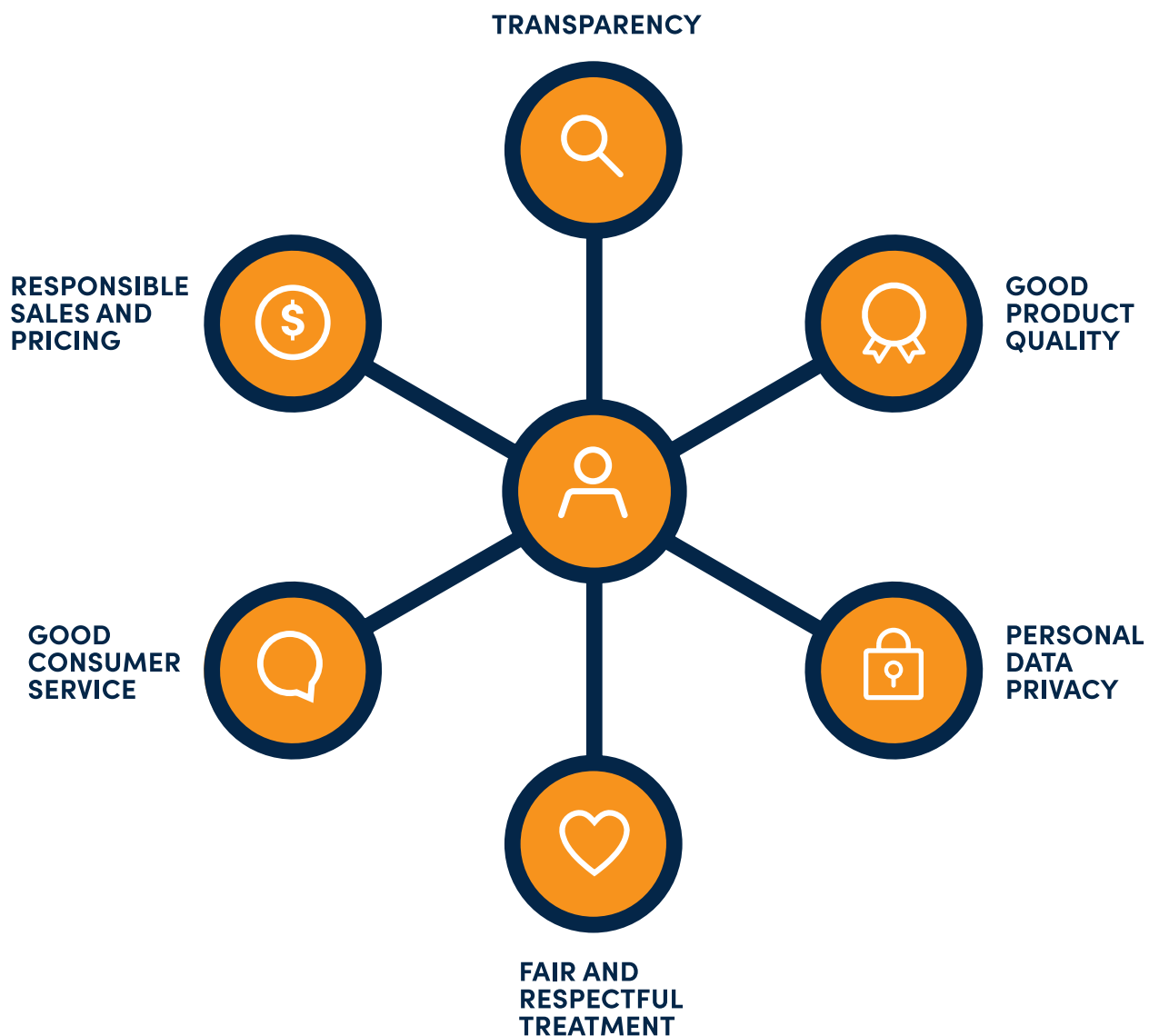
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Transparency and Consumer Protection

The CP Code consists of six principles, each with a set of indicators, and an assessment framework to help companies measure, demonstrate and improve their performance against the Code – regardless of business model. The Code provides investors and other stakeholders with a framework to promote good practice. The six principles are transparency, good product quality, personal data privacy, fair and respectful treatment, good consumer service and responsible sales and pricing. The principles are considered the minimum standard of practice that should be expected of OGS companies.

Transparency underpins other areas of the CP Code. Whilst each principle should be considered of equal importance, transparency is a pre-condition for some. In particular, responsible sales and pricing (see ‘the interest rate dilemma’ on page 15) depends on transparency, enabling consumers to fully understand purchase costs and compare products and/or providers.

Figure 2 - The Consumer Protection Principles



Transparency and Consumer Protection

Figure 3 - The Transparency principle and indicators

The transparency principle

- The company shares clear and sufficient information on the product, service, payment plan and (personal data privacy practices) to enable consumers to make informed decisions.
- The company shares relevant and timely information before, during and after sales.
- The company communicates in a language and manner consumers can understand.

The transparency indicators

- A1 Consumers are informed of key terms and conditions of the contract, including:
- duration of contract
 - circumstances that may result in a change of price or payment plan length (including changes in foreign exchange rates)
 - sanctions for late and non-payment (including penalties system lock-out, repossession policies)
 - if applicable, possibility of reporting a consumer to a credit bureau (for full and partial file reporting)
 - the company's obligations to consumers
- A2 All fees and charges are conveyed clearly and included in the total price (financed or cash).
- A3 The company ensures prospective consumers are advised about all the provider's available products and payment options.
- A4 The company communicates to consumers in the most appropriate language - be it the country's official or other local language(s). The provider communicates in an appropriately clear and simple manner; for less literate consumers, oral and visual communication supplements written information, including reading the contract out loud to the consumer.
- A5 Consumer-facing statements in all sales and marketing materials and packaging accurately reflect the product's features and technical performance (for light output, runtime, etc.). Consumers are provided with a user manual, warranty terms and customer service information (including how to make a complaint). The company always informs consumers if the product is used and/or refurbished.
- A6 Consumers receive payment confirmation and updated remaining balance after making a payment, unless they opt out. Consumers are able to access their transaction history upon request.
- A7 The company informs consumers which of their personal data is collected and stored.

Transparency and Consumer Protection

During the development of the CP Code, ensuring transparent operations was identified as a challenging area for off-grid solar companies. Difficulties are compounded by aspects such as low-literacy levels among consumers, serving markets with diverse and numerous languages, the growth of the PAYGo model – unique for its financial, product and service elements, lack of digital connectivity, and agent-based sales models in which the point of sale (POS) may be far removed from the control of a HQ.

Transparency is equally important for both the protection of consumer rights and for robust credit risk management and revenue growth.⁵

For consumers, transparent practices ensure that they are empowered to make informed decisions. For many low-income consumers, the purchase of an off-grid solar product is a significant investment requiring thorough consideration. Having access to the right product and pricing information supports the decision-making process and can smooth the customer journey. A clear, comprehensible user manual and easy access to customer service improves the consumer experience and avoids unnecessary service costs caused by improper use or poor maintenance.

For companies, transparent engagement with consumers can underpin better payment rates, lower aftersales burden and lead to higher customer satisfaction. A satisfied customer who is well informed about the price they pay, product usage and the aftersales service they should expect, is more likely to repay on time, maintain their product and promote the company to their friends and neighbours.

During the development of the CP Code, GOGLA carried out a study of consumer experiences following the purchase of an off-grid solar product. Where consumers were dissatisfied or faced challenges, a lack of transparency was sometimes identified as a contributing factor:

Elijah is a shopkeeper selling household supplies. Two years ago he bought a solar system from Energy Company Alpha (ECA). Though he was offered to pay in instalments, Elijah believes that it's better to borrow from someone he knows than from a company. So he took an interest-free loan from a friend and bought the system in cash. For over a year he was enjoying the light when suddenly his home went dark. Elijah called customer care and was told that he had not paid instalments on a health insurance policy that was bundled with his system. Elijah was **greatly upset as he had never been told about any such policy when he bought the system, and was especially angry because he had paid for the system in cash and still his lights were now turned off. He told ECA that he wasn't interested in any insurance and just wanted his lights back on. Though ECA turned the lights back on that same day, **Elijah felt mistreated** – not only was he surreptitiously sold a product that he never wanted, but a system he thought he owned in full was interfered with by ECA.⁶**

Findings from our Consumer Insights during COVID-19 research showed a link between higher Net Promoter Score (NPS), lower financial burden of repayments, and lower product challenge rating.⁷ If by supporting consumer decision making, improving communications and ensuring clarity of information shared, companies can help consumers to select the right product for their circumstances and maintain it properly – then they are more likely to boost customer satisfaction and with it, repayment rates.



The [company] agents are very nice to us. And the company itself often notifies us of things by text messages and phone calls. In addition, the solar panel and the battery are useful and durable.

PAYGo Customer – Cote d'Ivoire



⁵ See: [Two Sides, One Coin: Credit Risk Management and Consumer Protection \(cgap.org\)](#)

⁶ Source: Consumer Protection Insights, GOGLA, 2018. Available [here](#).

⁷ The Consumer Insights during COVID-19 survey (2020, GOGLA and 60 Decibels) spoke to more than 5,600 OGS consumers in six key African markets. Customers who experienced a challenge with their product had an average NPS of 14, whilst those who did not experience a challenge had an average NPS of 56. Customers who felt their payments were a 'heavy burden' scored 37 on NPS, whilst those whose payments were 'not a burden' scored 54. You can find out more by watching GOGLA's webinar [here](#) and access the 60 Decibels dashboard [here](#).

Transparency and Consumer Protection

The importance of transparency can be clearly demonstrated by using an adverse rationale: what happens if there is a lack of transparency? Figure 4 shows the effect of poor transparency on consumers and an OGS company – and the benefits of improving transparency in operations.

Better transparency throughout the customer journey can enable better customer service (clear warranty terms and well communicated complaints procedure) and support product quality (simple, effective user instructions to promote usability and product lifespan).

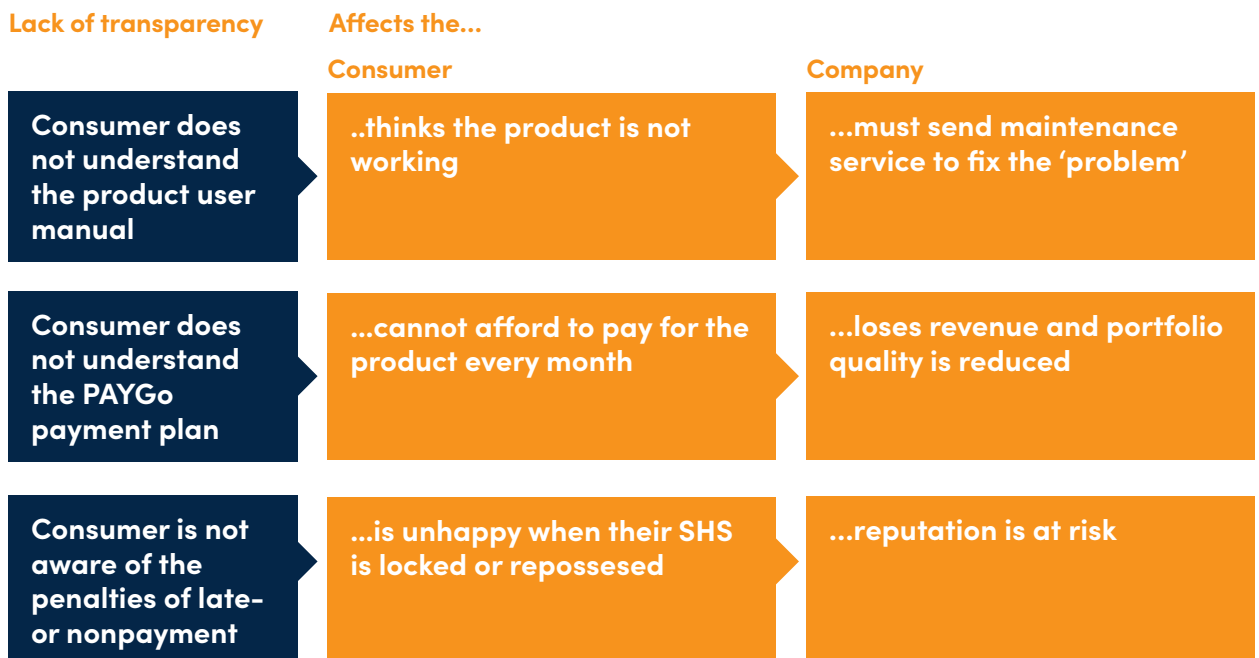


They are very friendly, quick to resolve customer issues, I also enjoy how well they communicate with their customers and that makes me happy and appreciative of their products.

Off-grid solar customer - Kenya⁸



Figure 4 - How a lack of transparency may lead to poor outcomes for both consumers and companies



Alternately, if a company invests in improving transparency throughout its consumer facing operations, the following may hold true.

Figure 5 - Improved transparency can ensure customer satisfaction and company benefits



⁸ Customer quotes throughout this briefing note are from data gathered by 60 Decibels as part of GOGLA's study of Consumer Insights during COVID-19, 2020, unless otherwise stated.

Transparency and Consumer Protection

Transparency and product information

The VeraSol quality assurance standards (IEC TS 62257-9-8) address four core aspects of product quality, including both truth in advertising and consumer protection. VeraSol stipulates that “product packaging should include sufficient and accurate information on performance. Truth in advertising gives buyers the tools they need to accurately compare and choose products that best fit their needs”. In addition, “end-users need to know how to use products and be protected in the event of product failure. Consumer protection requires products to contain a detailed user manual and adequate warranty coverage.”

Transparency indicator A5
Consumer-facing statements in all sales and marketing materials and packaging accurately reflect the product’s features and technical performance.

VeraSol’s consumer information policy requires all manufacturers to accurately present performance metrics on product packaging and other consumer-facing materials. Below is a summary of the product quality standards for SHS Kits that can be linked to transparency for improved consumer protection:

Table 1 - VeraSol standards for product-related transparency⁹

Category	Quality Standard
Truth in Advertising	Manufacturer, Product Name and Model Number accurately specified
	Performance and component ratings accurately specified. Any description of the product that appears on the packaging, inside the package and in any media shall be truthful and accurate. No statements mislead buyers or end users about the utility of the product. Numeric ratings deviate no more than 15% from actual performance (note that it is acceptable for actual performance to exceed advertised performance).
	Port voltage and current specifications, if provided, are accurate. Included appliances function when connected to ports. Power output of ports is sufficient to power appliances that are advertised but not included. Ports that are intended for a function other than providing power, such as data ports, are not required to meet this standard.
User Manual	SHS Kits: User manual must present instructions for installation, use, and troubleshooting of the system. Installation instructions must include appropriate placement and installation of the PV module. Basic electrical safety and system maintenance must also be covered. Installation and operation instructions should be presented using language and graphics that can be understood by the typical consumer.
Warranty Access requirements	The consumer-facing warranty must explain how the consumer can access the warranty (return to point of purchase/distributor/service centre, call or SMS a number, etc.), how the warranty will be executed (repair, replacement, etc.) and should advise the customer to inquire about the warranty terms prior to purchase.
Warranty Availability	The consumer-facing warranty must be available to the consumer in writing in a way that enables the end user to verify and understand the terms of the warranty prior to purchase. The written information should be in a regionally appropriate language. Consumer-facing warranties could be included on the product box or on a user agreement or warranty card that is easily accessed prior to purchase.
PAYG (if reported)	Accurately specified
	All information presented clearly, legibly and with equal prominence
	For both PAYG and non-PAYG versions: energy services provided truthfully advertised for each

⁹ See: VeraSol product certificate and Consumer Information, Performance Reporting, and Component Labelling Requirements

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**Ensuring
transparency
throughout the
customer journey**

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Ensuring transparency throughout the customer journey

Transparency best practice, at a glance:

- Communicate in a simple, adequate and timely way such that it is easily understood
- Use plain language and visual aids, and where possible translate pricing, contractual and product information into local languages.
- Use various communication methods and channels, and adapt to consumer needs (e.g. men and women, or young and old people, may have different levels of understanding).
- Train staff on how to explain important terms and verify consumer understanding at key points during a sale.

At certain interaction points within the customer journey, companies can make small changes to improve their transparency and increase customer understanding and satisfaction. This section will discuss some of the lessons learned and best practices for companies in the off-grid solar sector following the typical consumer journey.

The three-pillar model can be used to ensure transparency throughout the customer journey – from pre-sale marketing interactions, through the onboarding process and onwards to aftersales, warranty and end-of-life.

By following the three-pillar approach below to review consumer interactions, OGS companies can support customer decision-making and ensure consumer friendly operations:

- Content of shared information (what information should we provide?)
- Method of communication (how should it be provided?)
- Timing of communication (when should we provide it?)



Their solar is good but make promises that they don't keep. The company should be honest and give proper information to the customers.

Off-grid solar customer - Kenya



Figure 6 - The three pillars for transparent consumer-facing practices

What?	How?	When?	Why?
<ul style="list-style-type: none"> • What information needs to be disclosed? • What is the most important content for the consumer? 	<ul style="list-style-type: none"> • What is the best way to communicate with different types of consumer? • How can the OGS company ensure information is understood? 	<ul style="list-style-type: none"> • At what point in the customer journey should key information be shared? • How much time do consumers need to digest information? 	<ul style="list-style-type: none"> • Support consumer decision-making and empower them to make informed choices. • Reduce risk of customer default and unnecessary aftersales burden

Ensuring transparency throughout the customer journey

Marketing and pre-sales Material

Marketing materials should serve two purposes – to promote the company and product, and to empower the customer to make an informed decision about the purchase of an off-grid solar product. Information shared via marketing campaigns should therefore be clear, accurate and adequate in order to support, rather than manipulate, customer decision-making.

Pre-sales information that companies share with consumers can be categorised as either cost or non-cost information. Cost information includes product prices (both cash and PAYGo pricing), late payment fees, together with when such costs must be paid and whether these costs can change over time. Non-cost information is outside of the financial scope of the product and covers product description, data privacy, warranty, CRB reporting procedures, repossession policy, client's rights, and customer services.

To avoid misinterpretation, certain parts of the PAYGo business model may require clear explanation to consumers. For instance, our sector has adopted the term PAYGo – a phrase (originating from 'pay-as-you-go') most consumers associate with the mobile phone industry and being able to pay for what they use, when they want it. As pointed out by Jacob Winiiecki at BFA, this can set expectations that the consumer can pay whenever they can or want – and simply not pay whenever they don't have the ability, are traveling or simply don't want to use the product. Companies are advised to consider language such as lease-to-own, rent-to-own or pay-to-own instead, with a key focus on the financial obligation.¹⁰

For consumers, it is particularly beneficial if information about different products is shared in a consistent format to facilitate comparison between products features and pricing structures. Clear information disseminated through marketing materials also reduces the risk of mis-selling products, as there is a risk that agents commissioned on sales may not explain purchase terms.¹¹

Transparency indicator A3

The company ensures prospective consumers are advised about all the provider's available products and payment options.

The critical pre-sales information is best disseminated using visual aids (flyers, brochures, posters, etc.) as well as through oral communication (verbal explanation by sales agent). Companies can make information available to consumers through different channels. For example, messaging available at branches and via agents in booklets and pamphlets can be aligned with text messages, social media posts, and website text.

For many low-income consumers, the purchase of an off-grid solar product is a significant decision they want to consider with their family. To ensure that consumers are given the time to review and compare product and pricing information, marketing and pre-sales materials should be freely available to them without any obligation, for an appropriate amount of time prior to closing a sale. Product and financial documentation that can be taken home to review is very important.



Guide me on the use of the product, the payment method etc. I don't have enough information on how to use the product. The agent didn't explain anything to me.

PAYGo customer – Nigeria



¹⁰ How to design PAYGo operational models to improve repayment | Jacob Winiiecki, BFA Global, January 2020

¹¹ Keeping the lights on: Repayment Challenges in PAYGo Solar, CGAP 2017

Ensuring transparency throughout the customer journey

Case study: Greenlight Planet introduces an additional step in their sales process

After completing their first consumer protection self-assessment, Greenlight Planet developed an action plan to address areas where they had identified gaps. When reviewing transparency indicator A3 (“the provider ensures prospective consumers are advised about all the provider’s available products and payment options”), they realised that it was likely that sales agents were not sharing the ‘up-front’ cash price of SHS products to prospective customers – favouring a PAYGo sale.

To address this, they added a new step in the customer acquisition process to ensure consumers are made aware of the option and price to purchase a SunKing EasyBuy (PAYGo) product upfront. Prospective customers now have a conversation with the central Customer Care Centre, in which all purchase and pricing options are disclosed.

Figure 7 - The three pillars for transparent marketing and pre-sales material

What?	How?	When?	Why?
<ul style="list-style-type: none"> • Cost information i.e. product price, interest rates, late payment fees • Non-cost information i.e. product description, privacy policy, warranty, penalties, clients rights, complaint procedure 	<ul style="list-style-type: none"> • Use different formats e.g. both written, visual and oral communication • Use different mediums e.g. in-print brochures as well digital channels • Well trained agents and call centre staff 	<ul style="list-style-type: none"> • At least 24 hours before a customer confirms the purchase • Allowing sufficient time for a consumer to decline a product, without feeling undue obligation to proceed with the purchase 	<ul style="list-style-type: none"> • To empower a potential customer to make an informed decision • To reduce the credit risk of a new customer

Ensuring transparency throughout the customer journey

Transparency and responsible pricing... the interest rate dilemma

How can the OGS sector support PAYGo consumers by helping them to compare apples with apples? There are different schools of thought on how to present the cost of finance for PAYGo products.

The Social Protection Task Force guide for financial institutions states that customer information should clearly show either the Effective Interest Rate (EIR) or Annualized Percentage Rate (APR) of a financial product. This supports client decision making as they can compare products and providers and better understand the true cost of a loan.

The CP Code states that “for any multiple-payment contracts (PAYG, lease, and similar), the upfront cash value of the product (if offered) and the total cost of ownership (TCO) under the payment contract are presented side-by-side, to enable consumers to make well-informed decisions. If different payment options are offered, the consumer should be presented with representative scenarios (e.g. long-term and short-term, or high-energy usage and low-energy usage) and the TCO of each.” Whilst not offering an interest rate, this does enable a level of transparency such that consumers are able to make an informed decision about the costs for a range of appropriate products. It does not, however, provide information about the representative cost of financing.

Transparency indicator A2

All fees and charges are conveyed clearly and included in the total price (financed or cash).

As pointed out in CGAP’s *Strange Beasts*,¹² calculating interest in PAYGo transactions is more challenging than for financial institutions. A PAYGo sale has a number of variable components which makes it difficult to determine the true cash price: the cost of the physical components making up the SHS hardware (e.g. solar panel, battery, charge controller, bulbs and wiring, remote lock-out hardware); the cost of product warranty and aftersales services; transaction management costs; the value of the intellectual property of a consumer-friendly OGS product; and a profit margin for the operational side of the business.

For the sector to play a positive role in building financial literacy and to enable customers to integrate true pricing comparisons into their decision making, more research is required on how PAYGo companies can calculate interest rates in a standardized way. For instance, what belongs to the principal and what should be considered as interest? For now, companies are advised to disclose the total cost of ownership but work together with the industry to enable disclosure of interest rates in the future.

Ensuring transparency throughout the customer journey

Customer Onboarding

New Customer Welcome Kit

Good practice demonstrated by some OGS companies involves providing a 'Welcome Kit' to new customers, ensuring they have all the relevant information to hand, and are able to review it prior to finalising their purchase by paying a deposit or having the system installed.

A Welcome Kit typically contains:

- Key Facts Statement
- Customer contract with terms and conditions
- Payment and system activation instructions
- User guide
- Warranty information
- Customer Service contact information
- End-of-life disposal information¹³

Customer contracts

Consumer International found that the most significant challenge facing consumers of financial services in low- and middle-income countries is contract terms that are not explained clearly enough at the point of sale.¹⁴

Transparency indicator A1

Consumers are informed of key terms and conditions of the contract.

For PAYGo sales, customer contracts serve a necessary legal purpose, safeguarding both consumer and company. Nevertheless, companies need to be mindful that consumers may not be familiar with such documents, legal language, and/or financial terms. BFA's FIBR team recommend that PAYGo companies design simple contracts: "terms and conditions should be as short and simple as possible – complicated rules in most PAYGo markets are as good as not having them at all."¹⁵

It's important that contracts are written in a way that is understandable to the intended customer, but where legal language is unavoidable, companies can ensure that the key contractual terms are explained in plain language, either via a Key Facts Statement or verbally at the point of sale. Companies may also improve levels of customer understanding by using local languages as much as possible.

Off-grid solar companies can make the contract clearer and more accessible for customers with low literacy levels or with disabilities, such as partial vision. Examples include avoiding fine print, including visual explanations of important information and reading the contract out loud to a customer if requested or deemed necessary. Making these adjustments can ensure that consumers are more likely to observe important terms and conditions, while reducing the risk of misunderstanding.

As a minimum we recommend including a Key Facts Statement (KFS) with the contract, containing the important information that should be clearly disclosed to the customer.¹⁶

The information that should be included in a KFS is:

- Product information, price, and payment method
- Repayment terms and method
- Penalties for late/non-payment
- Warranty terms
- Data Privacy

¹³ Companies can improve rates of recycling /proper e-waste disposal at end-of-life by raising awareness with consumers throughout the customer journey. Refer to [GOGLA's Circularity Toolkit](#), and [Innovations in Solar E-Waste Management, Efficiency for Access, 2021](#)






¹⁴ [The role of consumer organisations to support consumers of financial services in low and middle income countries \(consumersinternational.org\)](#), March 2021

¹⁵ [How to design PAYGo operational models to improve repayment | by Jacob Winiacki, BFA Global, January 2020](#)

¹⁶ The KFS template is downloadable from the GOGLA website, using this [link](#).

Ensuring transparency throughout the customer journey

Figure 8 - Example Key Facts Statement for PAYGo consumers

Key Facts Statement for Off-Grid Solar PAYGo Purchases (Example)	
	<p>The Basics</p> <ul style="list-style-type: none"> You are buying: GOGLA SolarHome Kit2021 The total amount you will pay is: KES 49,500 You will pay by: Mobile Money (#####) or via cash with a GOGLASolar-Agents only
	<p>Your Repayments</p> <ul style="list-style-type: none"> You have paid a down-payment of KES 5,000 on 02/07/2021 You will pay: KES 2,750 every Month for 18 Months Your next payment is due on: 02 August 2021
	<p>Late Payment Penalties and Fees</p> <ul style="list-style-type: none"> If you do not pay in time, after 0 days, your product will be locked so that you cannot use it. It will be unlocked when you next pay a minimum of KES 2,750. If you do not pay for 180 consecutive days, your product will be repossessed.
	<p>Your Warranty</p> <ul style="list-style-type: none"> The warranty on your GOGLA SolarHome Kit2021 is valid for 3 years and ends on 02/07/2024 To claim your warranty, Call Freephone 0800 123 456 789
	<p>Data Sharing and privacy</p> <ul style="list-style-type: none"> Your personal details will only be used for our internal use and will not be shared with other parties. We [will/may] report your data with a Credit Reference Bureau (CRB). If you fall behind on your payments, this may negatively affect your credit profile and affect your ability to obtain further credit.

Confirming consumer understanding

With any new customer, it is important to check and confirm their understanding of the relevant product, financial and service information. One way to do this is through a new customer call-back process, implemented via the customer service centre. During the call, customers are taken through a checklist of essential information (see table 2), review the key facts statement, and discuss any other FAQs. MFR, using lessons from extensive experience assessing consumer protection practices in the MFI industry, recommend that this additional control check happens prior to the completion of a sale or shortly thereafter during a cooling-off period of at least 2 days, during which the customer can return the product for a full refund of the down payment.

Wherever possible, such calls should be carried out using the customer's local language. Companies can train call centre staff on how to verify a customer's understanding of key information, and how they can rectify any aspect that is poorly understood by a customer.

Transparency indicator A5

The provider communicates in an appropriately clear and simple manner.

Table 2 - Customer onboarding checklist for call-centre staff

Customer statements:	Y/N
I am satisfied with my purchase	Y
I know how much I must pay, and when	Y
I know how to use the system/product	Y
I know what happens if I do not pay in time	N
I know the validity and terms of my warranty	N
I know who to contact in case of product issues, complaints/questions	Y

Ensuring transparency throughout the customer journey

Case study: Azuri confirmation process with new customers

Azuri made a commitment to the CP Code in 2019. They adopted the Principles across their operations in Kenya, including dedicated training for staff and agents, and using the self-assessment tool every 6-12 months to assess their performance against the Code.

Azuri is keen that every new customer fully understands the product and their financial obligations, as well as what they can expect from the company. New customers are given the time to review product information, compare product and payment options and ask questions before making a decision. Before any purchase is completed, customers receive a call from their Nairobi-based call centre to go through all the information, including key contractual terms, to confirm it is clear and well understood. If the customer service agent is not satisfied that the customer was fully informed or understood essential contractual terms, the customer is offered the opportunity to return the product.



I love the TV so much because it has helped my children improve their story telling skills. I also loved how the company agents made it easy for me to acquire the products and how they explained all the instructions to me. They were so friendly and professional.

Off-grid solar customer - Kenya



User manuals

Ensuring that consumers know how to use and maintain their off-grid solar product helps to keep after-sales costs down and increase customer satisfaction. A well-designed user manual ensures that consumers are well informed and prevents product misuse, poor maintenance and preventable failures.

A product user manual, or user guide, provides clear instructions for use, maintenance and should inform the customer how they can contact customer



If possible, the company should start translating the user manuals in the local language so that everyone can read and understand.

Off-grid solar customer - Uganda



service or make a warranty claim. As with other written communication, companies can help consumers by using visual aids as much as possible, and translate manuals into local languages wherever appropriate.

Transparency indicator A4

The company communicates to consumers in the most appropriate language.

Ensuring transparency throughout the customer journey

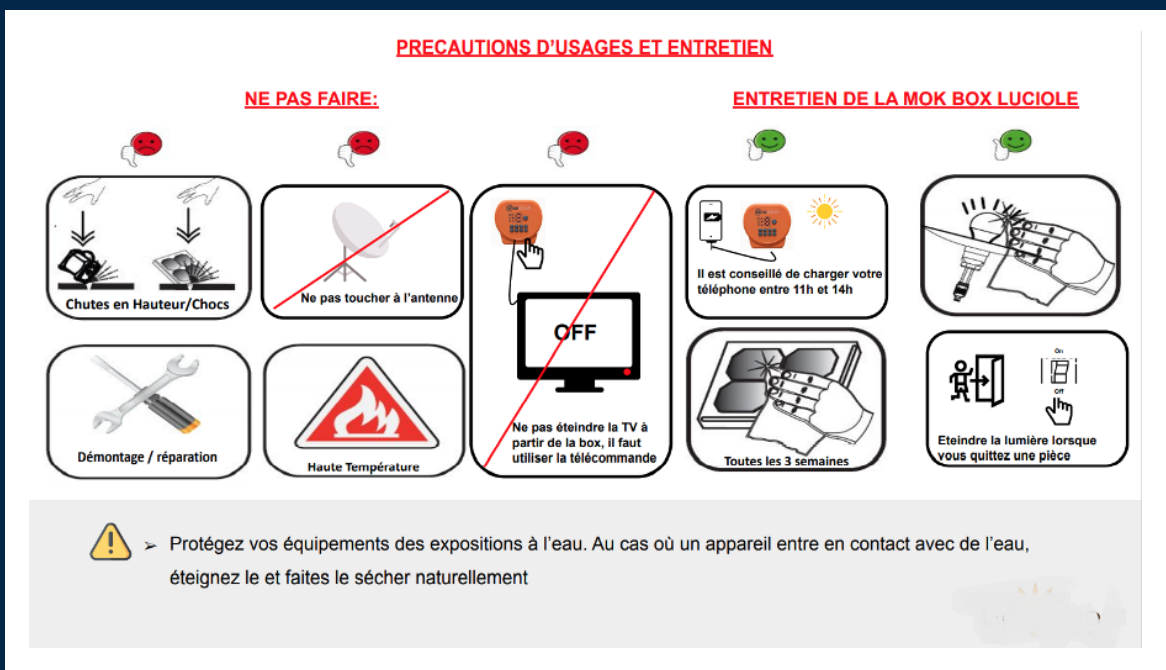
Case study: upOwa user manual

Cameroon is home to at least 250 languages. Providing transparent information and documentation to customers in a country where so many languages are spoken is difficult and impractical. PAYGo company upOwa are making efforts to ensure that key contractual terms and product information can be translated by field agents into the most dominant languages spoken. The main local languages are also spoken by contact centre agents when reaching consumers for after-sales services. Beyond this, upOwa recognise that they still need to support customers with low literacy levels and those who speak one of the many other languages.

Following best practice, upOwa use visual aids wherever possible, including in the product user manual. Making good use of visuals increases the level of transparency in their operations and enhances the levels of customer understanding, to ensure greater satisfaction with the product and the company.

Below is an example of the do's and don'ts for product use and maintenance, included in one of their SHS user manuals. As well as clear imagery, the use of emoticons, arrows and guiding colours make the information comprehensible for customers who do not speak French or have low literacy levels.

Figure 9 – Precautions for use and maintenance – upOwa SHS kit



Ensuring transparency throughout the customer journey

Figure 10 - The three pillars for transparent customer onboarding

What?	How?	When?	Why?
<ul style="list-style-type: none"> • Provide customers with essential information on the relevant financial, product and service information • Verify that the customer understands vital contractual terms and knows how to maintain the product, make a payment and contact customer services 	<ul style="list-style-type: none"> • Talk through the contract with new customers • Call-backs to discuss KFS, FAQ and checklist • Making use of visual aids, local and plain language as much as possible • Avoiding the use of fine print 	<ul style="list-style-type: none"> • After credit assessment, prior to installation and/or contract signing • During a 'cooling-off' period in which the customer can return the product without penalty. 	<ul style="list-style-type: none"> • To ensure the customer fully understands the terms of the purchase, their payment responsibilities and expectations from the product and company. • To reduce the risk of non-payment • To reduce the burden on after-sales of inadequate maintenance.



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Ensuring transparency throughout the customer journey

Customer payment

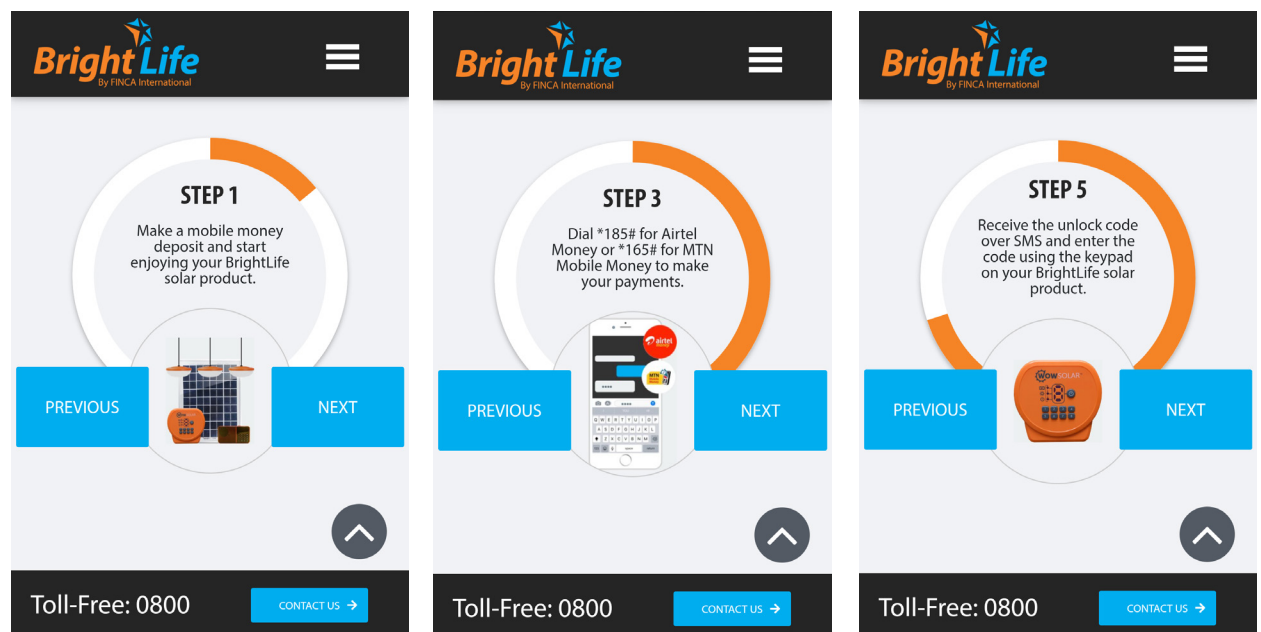
For PAYGo companies, on-time customer payments are considered a cornerstone of a well-operating, healthy and profitable company. Transparent, easy to follow payment processes including provision of clear and timely balance information can be an enabler for a healthy portfolio.

A study carried out by CGAP showed that many customers who had fallen behind in their payments either did not have mobile money wallets or did not know how to use them.¹⁷ From the point of sale, OGS companies should ensure that customers understand how they can pay their PAYGo instalments, and what alternatives exist if the primary method (usually mobile money) is not available to them. If any method of payment incurs transaction costs by a third party or the OGS company, these should be clearly communicated.

Transparency indicator A6
Consumers receive payment confirmation and updated remaining balance after making a payment, unless they opt out. Consumers are able to access their transaction history upon request.

BrightLife demonstrate on their website how clear, simple payment steps can be communicated via digital channels. The customer can follow the payment process through six clear visual steps, of which three of them are included below.

Figure 11 - BrightLife Payment Instructions Step by Step



17 Escaping Darkness: Understanding Consumer Value in PAYGo Solar, CGAP, 2017

Ensuring transparency throughout the customer journey

Best practice for any credit facility is that the consumer receives a balance summary after every payment. For off-grid solar customers making payments via Mobile Money, this balance statement should be received from the OGS company by SMS after each payment is made. Important information shared via this SMS includes:

- Amount received in last payment
- Total paid so far
- Balance due
- Date of next due payment

This information should also be available to customers in other formats (in print or verbally), on request via Customer Services or at a branch/agent.

Timely information and reminders throughout a PAYGo payment period can help build trust with consumers and ensure adherence to payment dates. For longer term payment plans (24 months or more), OGS companies might also consider boosting transparency by implementing bi-annual or annual statements.

Customers have been shown to appreciate regular and transparent payment information throughout their PAYGo journey:



I stopped receiving the text messages that tell me how much left I have to pay on my solar system. I would like to know how much I pay up until now and the remaining I owe them.

PAYGo Customer - Cote D'Ivoire



When I pay, notifications come quickly, the company keeps us updated and always sends SMS reminders...

PAYGo Customer - Rwanda/Zambia



Figure 12 - The three pillars for a transparent customer payment process

What?	How?	When?	Why?
<ul style="list-style-type: none"> • Payment methods and fees • Payment dates • Payment amount • Account balance 	<ul style="list-style-type: none"> • Make use of visuals as much as possible • SMS • Well trained agents and staff at branches • Customer service centre 	<ul style="list-style-type: none"> • Payment instructions: during on-boarding • Payment reminders: A couple of days before the payment is due • Balance statement: After each payment, or at periodic intervals, e.g. monthly 	<ul style="list-style-type: none"> • To improve customer experience • To increase repayment rates and reduce default

Ensuring transparency throughout the customer journey

After-sales and Customer Service

Fostering a long term, supportive relationship with OGS consumers is paramount for increasing impact and safeguarding company revenues. Transparency in aftersales can help companies build trust and satisfaction. Companies can provide easy access to customer services and ensure consumers have an awareness of what to expect if an issue with the product, payment or service arises.

To ensure transparent aftersales, OGS companies may consider the following recommendations:

- Means of contacting customer services should be clearly displayed on the product and/or welcome documentation.
- Where possible, customers should be able to contact customer services free-of-charge. If a freephone number is not available, that fees that will be charged by the mobile network operator (MNO) should be clearly communicated to consumers.
- Expectations for solving issues should be communicated to the customer beforehand. Inform the customer on the expected time towards a response and point them to the Frequently Asked Questions or complaints.
- A complaints procedure should be formally established, actively communicated and consumer friendly. Companies should follow the agreed escalation process and ensure that consumers receive a clear and timely response.

To facilitate communication to the customer, a company can include a Complaints Information Flyer in its welcome kit. An example of such a flyer can be found on the next page, including the following essential information:

- Responsibility of customer to contact in case of questions/complaints
- Contact options – how can the customer contact the company to make a complaint?
- Service promise – how long will a company take to resolve an issue?

Transparency indicator A5
Consumers are provided with... customer service information (including how to make a complaint).



They are very friendly, quick to resolve customer issues, I also enjoy how well they communicate with their customers and that makes me happy and appreciative of their products.

Off-grid solar customer - Kenya



I keep calling customer care to help me fix the battery but no one has ever helped me, I think they should improve on their customer service and respond to customer complaints.

Off-grid solar customer - Kenya






Ensuring transparency throughout the customer journey

Figure 13 - Sample Complaints Information Flyer based on the Smart Campaign example¹⁸

Questions? Complaints? Contact us!
SHS-Co. is here to serve you.
Please contact us with any questions or complaints you may have. Your contact with us is confidential.

Please contact us using any of the following options:

-  **Email: customerservice@SHSCo.com**
-  **Call or text us: 0800 123 456**
-  **Or leave a comment card in the suggestion box at your local branch.**

At SHS-Co., customers deserve the right to quick resolution of their questions and complaints. We aim to respond to your e-mail, phone or text messages within 48 hours, and to your comment cards within 7 business days.

The SHS-Co. Customer Services are open:
Monday to Saturday 07:00-20:00.

All calls and texts are free

Ensuring transparency throughout the customer journey

Figure 14 - The three pillars of transparent after-sales services

What?	How?	When?	Why?
<ul style="list-style-type: none"> • Customer service contact information • Complaints procedure 	<ul style="list-style-type: none"> • Well trained agents and technicians • Leaflets • Via freephone customer service number • Posters • Periodic SMS campaigns 	<ul style="list-style-type: none"> • During onboarding • At key points during the repayment period • On request by customer 	<ul style="list-style-type: none"> • Increase customer satisfaction and repayments • Provide a transparent, effective service • To facilitate expectation management of customer



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**Staff and agent
training for better
transparency**

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Staff and agent training for better transparency

Improving customer documentation and improving access to customer services can help OGS companies increase levels of transparency, but training staff and agents and assessing communication skills during recruitment can ensure that the Principle is embedded across all customer-facing operations.

The SPTF¹⁹ recommends that employees at MFIs are trained to discuss terms and conditions at several points during the sales process and should know how to evaluate customer understanding. The same is true for OGS companies, especially those with a PAYGo model, in which consumers are exposed to financial and service risks.

Companies are encouraged to reaffirm the knowledge and skills required in transparent operations through annual refresher training and an internal verification process to ensure that requirements for transparency are being applied in practice, especially in consumer-facing roles.

Pawame has implemented consumer protection training for all of its sales agents during their onboarding. They include a discussion about the company's commitment to the CP Code, and why it is good for an agent to follow the six Principles. Agents learn that the CP Code is good for customer satisfaction and referrals, increases repayment rates, and is the right thing to do.

For each of the six principles, agents are trained on the practical actions they can take to ensure adherence. For transparency, this includes:

1. Informing a prospective customer what products Pawame sells
2. Explaining the down-payment for each product
3. Communicating the daily instalment amount for each product and PAYGo term
4. Sharing the total price of the products, in cash and via PAYGo
5. Being able to clearly explain what happens if a customer does not pay
6. Explaining how a customer can pay in cash

In addition to the good practice identified above we also recommend the following for effective consumer protection training at OGS companies:

- Make use of case studies in staff training – from your own customer portfolios, or from GOGLAs consumer insights study and other resources on our [CP Hub](#).
- Consider using role play and pop-quizzes to test that staff are able to respond appropriately in (difficult) situations and explain important information in a clear, consistent manner.
- Carry out refresher training. For customer-facing roles, try to include consumer protection in staff training at least on an annual basis, not only to ensure that new staff are made aware of the CP Code, but that existing staff are reminded of the principles and their responsibilities to customers.



It is very important that everyone in the company is aware of consumer protection. It is crucial, especially at sales agents' level, that the principles [of the CPC] are well known, and that people in customer-facing roles can be held accountable if necessary. This would contribute to a better portfolio quality and happier customers. Several aspects of business performance are extremely connected to the Code, at the management level, in customer-facing roles and the impact of the business.

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The Voice of the **Off-Grid Solar Energy** Industry