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MyChama

Connecting Savings Groups to Smart Financial Tools

School of Science and Technology, United States International

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APT3065 Mid-Term Project

Data Gathering Summary

1. Introduction

To understand the feasibility, user needs, and market potential of the MyChama digital platform, both primary and secondary data were collected. This dual approach ensured a combination of direct user feedback and validated, existing data sources. The aim was to uncover challenges, expectations, and technological readiness among savings groups (chamas), as well as assess the regulatory and market environment for digital financial tools in Kenya.

2. Primary Data Collection

2.1 Methodology

For this study, primary data was collected using a structured survey designed to gather insights from chama members and leaders. The survey was created using Google Forms and distributed via WhatsApp to ensure accessibility and convenience for respondents. The questionnaire focused on understanding current chama practices, challenges, and user needs related to digital group management tools.

2.2 Participants and Sample Size

A total of 11 individuals participated in the survey. Respondents were members and leaders of various chama groups based in Nairobi. Their feedback provided initial insights into how savings groups operate, the challenges they face, and the digital features they would value in a chama management application.

2.3 Key Insights from Primary Data
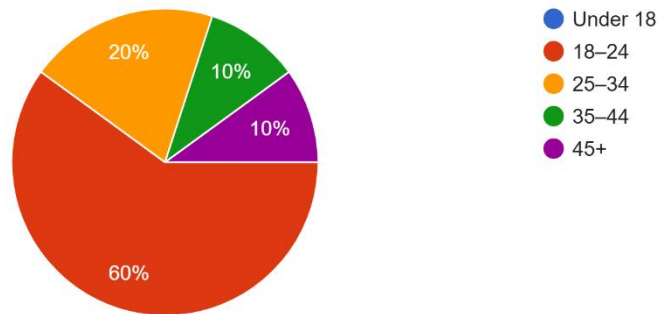
What is your age group?
10 responses

Figure 1:Age Group

The pie chart illustrates the age distribution of survey respondents who participated in the MyChama user research. A majority of respondents (60%) fall within the 18–24 years age bracket, indicating strong interest in chama participation among younger adults. The 25–34 years group accounts for 20%, while the 35–44 and 45+ age groups each represent 10% of the respondents.

This trend suggests that young adults are the primary target audience for digital chama management tools. Their familiarity with mobile and web technologies makes them likely early adopters of the MyChama app. However, the presence of respondents in the older age brackets also indicates a potential for wider adoption across multiple age groups, especially with proper training and user-friendly design.
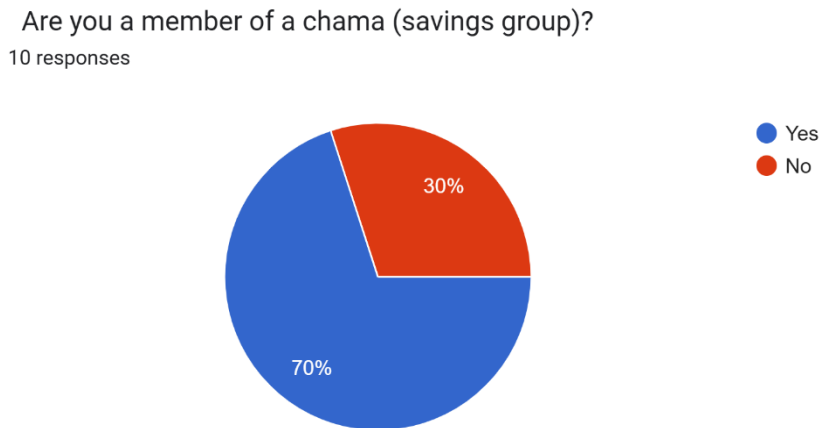
Are you a member of a chama (savings group)?
10 responses

Figure 2: Membership

Figure 2 displays the proportion of survey respondents who identified as members of a chama (savings group). Out of the 10 total respondents, 7 individuals (70%) reported being current members of a chama, while the remaining 3 respondents (30%) indicated that they are not members.

This finding demonstrates that the survey reached a relevant audience, with the majority having firsthand experience in chama operations. The participation of non-members is still valuable, as it reflects external interest and potential future users who may be considering joining or forming savings groups. These insights are crucial for shaping the app to serve both existing and prospective chama members.
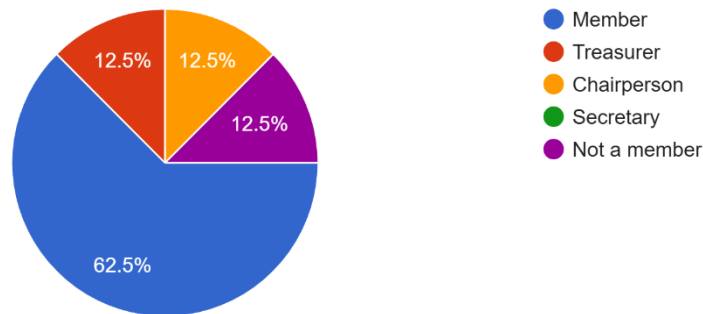
What is your role in the chama?

8 responses

Figure 3: Role

Figure 3 illustrates the roles of respondents within their chama groups. Out of the 8 individuals who provided role-related responses:

- 5 respondents (62.5%) identified as Members.

- 1 respondent (12.5%) was a chairperson.

- 1 respondent (12.5%) was a Treasurer.

- 1 respondent (12.5%) selected "Not a member".

This distribution reveals that the majority of participants are regular chama members, making them a key user group for the MyChama application. The inclusion of leadership roles such as Chairperson and Treasurer indicates administrative insights are also represented. The single "Not a member" response shows that there is interest in the concept even from individuals not currently in a savings group. The findings support the need for a digital solution that balances usability for members with functionality for chama leaders.
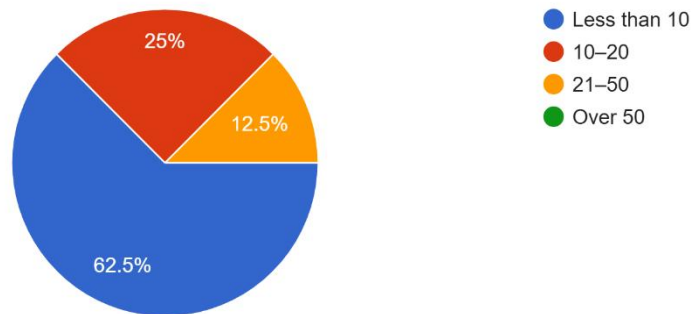
How many members are in your chama?
8 responses

Legend:
- Less than 10
- 10–20
- 21–50
- Over 50

Pie chart values: 25%, 12.5%, 62.5%

Figure 4:Chama Group Size

Figure 4 presents a pie chart showing the number of members in the chama groups represented by the survey respondents. Out of the 8 valid responses:

- 5 respondents (62.5%) reported that their chama has less than 10 members.

- 2 respondents (25%) indicated their chama has 10–20 members.

- 1 respondent (12.5%) stated their chama has between 21–50 members.

This data indicates that a majority of chamas in the sample are small-sized groups, often consisting of fewer than 10 members. The prevalence of such small groups suggests that the MyChama app should be designed to support lightweight, user-friendly features suited for intimate group dynamics. However, the presence of larger chamas in the data also highlights the need for scalable solutions that can accommodate mid-sized and potentially growing groups, ensuring flexibility in membership and financial tracking capabilities.
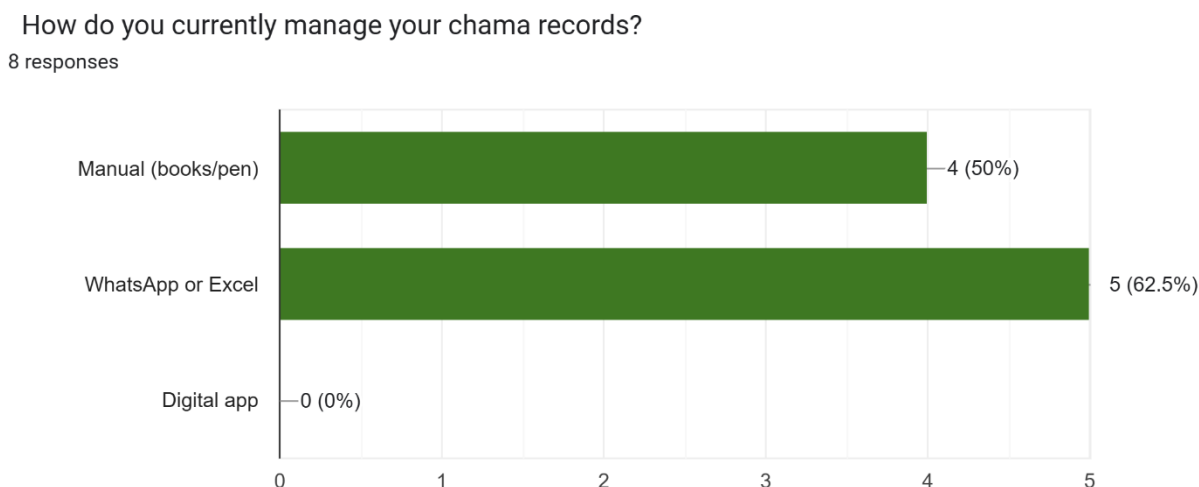
How do you currently manage your chama records?

8 responses

Figure 5:Record-keeping methods

Figure 5 illustrates the tools currently used by respondents to manage their chama records. The results reveal that:

- The majority, 5 respondents (62.5%), use WhatsApp or Excel, indicating a preference for simple, familiar digital tools.

- 4 respondents (50%) still rely on manual methods such as notebooks and pens, highlighting a continued dependence on traditional approaches.

- Notably, 0 respondents reported using a dedicated digital application for managing chama records.

This trend shows that while many chama members are beginning to adopt semi-digital practices, no group in this sample has fully transitioned to a purpose-built digital platform. The data underscores a significant opportunity for MyChama to fill this gap by offering a tailored, user-friendly digital solution that combines the structure of formal systems with the accessibility of tools like WhatsApp and Excel.
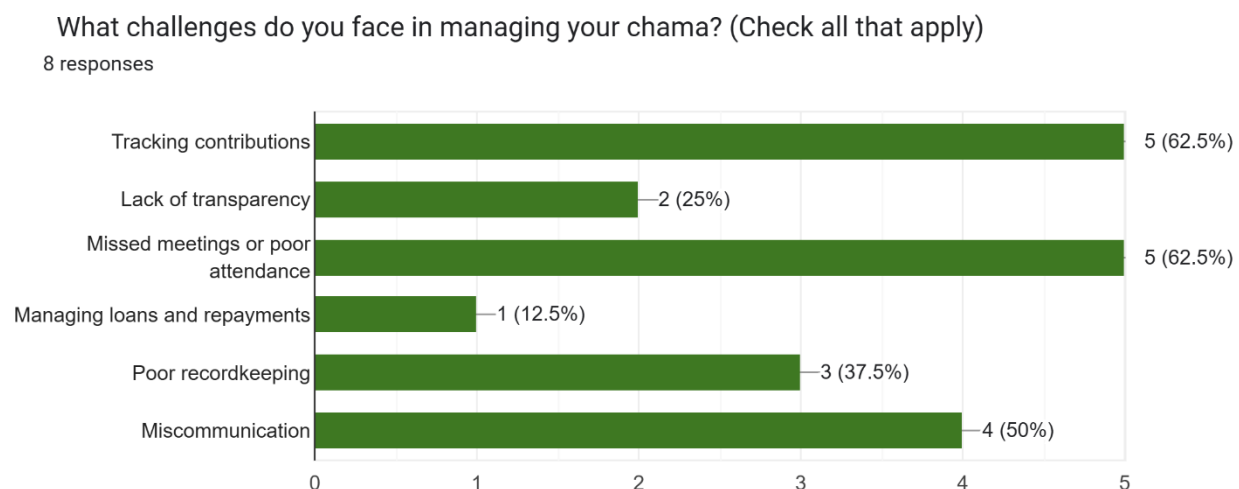
What challenges do you face in managing your chama? (Check all that apply)

8 responses

Figure 6: Challenges Faced

Figure 6 presents a graph illustrating the key challenges faced by respondents in managing their chama activities. Multiple responses were allowed, and the most commonly reported issues are:

- Tracking contributions – 5 respondents (62.5%)

- Missed meetings or poor attendance – 5 respondents (62.5%)

- Miscommunication – 4 respondents (50%)

- Poor recordkeeping – 3 respondents (37.5%)

- Lack of transparency – 2 respondents (25%)

- Managing loans and repayments – 1 respondent (12.5%)

The graph highlights that tracking financial contributions and attendance issues are the most prevalent challenges among chama groups. Additionally, communication breakdowns and inadequate recordkeeping were also significant concerns. These issues reflect the limitations of manual and semi-digital management methods.

The findings strongly justify the need for a digital solution like MyChama, which can offer features such as automated contribution logs, meeting reminders, real-time updates, and centralized

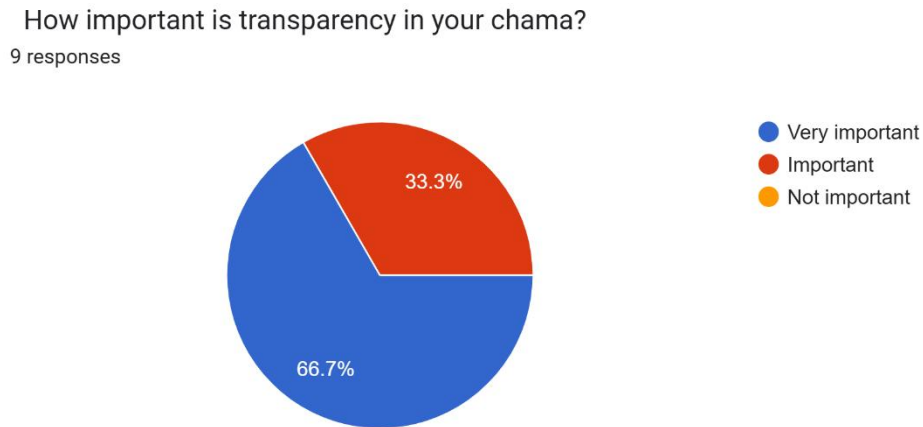communication tools to enhance efficiency, transparency, and member accountability within chama operations.

How important is transparency in your chama?
9 responses

33.3%

● Very important
● Important
● Not important

66.7%

Figure 7: Importance of Transparency

Figure 7 represents how respondents rated the importance of transparency in the management of their chama. According to the data:

- 6 respondents (66.7%) indicated that transparency is very important

- 3 respondents (33.3%) stated it is important

- 0 respondents (0%) considered it not important

The responses clearly demonstrate that all participants (100%) value transparency, with the majority viewing it as critical. This reflects the essential role of openness in managing group finances, contributions, loans, and decision-making within savings groups.

These insights affirm that transparency-focused features: such as real-time financial tracking, shared reports, open member activity logs, and accessible records; should be core components of the MyChama app to promote accountability and trust across all members.
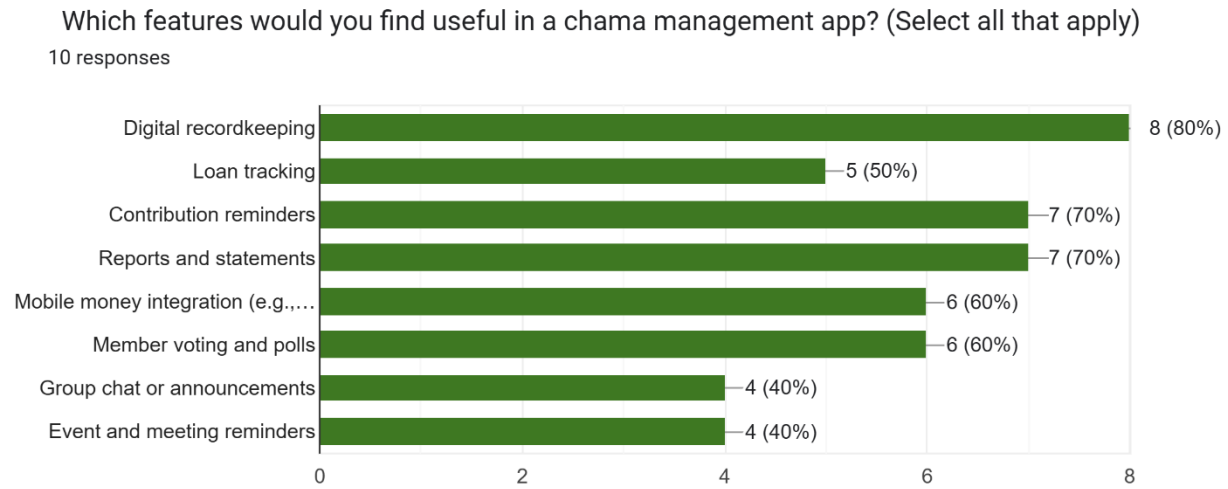
Which features would you find useful in a chama management app? (Select all that apply)

10 responses

Figure 8: Useful Features in a Chama App

Figure 8 displays the features that respondents would find most useful in a chama management application. Participants were allowed to select multiple features. The breakdown is as follows:

- Digital recordkeeping – selected by 8 respondents (80%)

- Contribution reminders – 7 respondents (70%)

- Reports and statements – 7 respondents (70%)

- Mobile money integration (e.g., M-Pesa) – 6 respondents (60%)

- Member voting and polls – 6 respondents (60%)

- Loan tracking – 5 respondents (50%)

- Group chat or announcements – 4 respondents (40%)

- Event and meeting reminders – 4 respondents (40%)

The results reveal that respondents prioritize core financial and organizational tools, with digital recordkeeping, reminders, and report generation emerging as the top three most valued features. Additionally, a strong interest in mobile money integration and member engagement tools (such

as polls and chat) suggests that chama members are looking for a well-rounded digital solution that enhances both operational efficiency and group collaboration.

These findings indicate that the MyChama app should emphasize financial accuracy, automated tracking, mobile payments, and transparent reporting, while also providing communication and scheduling tools to strengthen member participation.

2.3.1 Summary of Key Insights from Primary Data

The primary data collected through the structured survey provided valuable insights into the needs, challenges, and expectations of chama members regarding digital group management. Below is a summary of the key findings based on responses from 10 participants:

- Young adults dominate chama participation – a majority (60%) of respondents were aged 18–24, suggesting that younger individuals are more actively involved or interested in savings groups and are likely early adopters of digital solutions.

- Most respondents are active chama members - 70% of the participants reported being members of a chama, with various roles including chairperson, treasurer, and regular members. This provided a well-rounded perspective on both administrative and member-level needs.

- Chama groups tend to be small - 62.5% of respondents indicated that their chama has fewer than 10 members. This shows that savings groups are typically close-knit and may require tools that are simple, intuitive, and tailored for small group dynamics.

- Record-keeping remains largely manual or semi-digital - 62.5% of respondents use WhatsApp or Excel, while 50% still rely on manual methods like books and pens. Notably,

no respondent reported using a dedicated digital app. This underscores a gap in the market and an opportunity for a purpose-built chama management platform.

- The biggest challenges are attendance and financial tracking - the most commonly reported issues were missed meetings (62.5%) and tracking contributions (62.5%), followed by miscommunication and poor recordkeeping. These challenges highlight operational inefficiencies that can be solved through automation and better coordination.

- Transparency is highly valued. All respondents agreed that transparency is either important (33.3%) or very important (66.7%) in chama operations. This suggests that members desire visibility into group finances, decisions, and individual contributions.

- Users want features that automate and simplify management - the most desired features include digital recordkeeping (80%), contribution reminders (70%), and reports and statements (70%). Other valued features are M-Pesa integration, voting and polls, loan tracking, and communication tools such as group chat and event reminders.

Overall, the findings confirm a strong need for an all-in-one digital solution that enhances financial tracking, improves transparency, supports communication, and streamlines chama administration. These insights will directly inform the feature design and user experience of the MyChama platform.

3. Secondary Data Collection

3.1 Sources Used

We consulted a broad range of credible sources:

- Academic literature on digital transformation in informal finance (e.g., Kariuki & Omwenga, 2019; Mburu & Ouma, 2020).

- Government data from the Kenya National Bureau of Statistics (KNBS, 2023) and Central Bank of Kenya (FinAccess 2021 Survey).

- Industry reports from FSD Kenya, PwC (2022), and GSMA (2021) covering fintech adoption and mobile money trends.

- Market news outlets, such as TechTrendsKE, highlighting user trends and digital savings app usage in Kenya.

- Regulatory documentation, including the Data Protection Act, 2019 and guidelines by the Office of the Data Protection Commissioner (ODPC, 2023).

3.2 Summary of Insights from Secondary Data

Kenya presents a significant market opportunity for digital financial platforms targeting informal savings groups. According to the Kenya National Bureau of Statistics (KNBS, 2023), there are over 300,000 active chamas in the country, collectively managing an estimated KES 100 billion annually, most of which is handled through informal means. This volume of financial activity underscores the potential impact that digitization could have in improving efficiency, transparency, and accountability within these groups.

In addition, the widespread adoption of mobile money in Kenya, with over 32 million active users as of 2021 (GSMA, 2021), provides a strong foundation for mobile-based financial management tools. Users appear increasingly ready to embrace digital solutions. Reports by FSD Kenya and PwC (2022) indicate that many individuals are willing to adopt fintech platforms if they are user-friendly, transparent, and trustworthy. This readiness is a key driver of innovation and suggests high adoption potential for platforms like MyChama.

At the policy level, the government is actively supporting digital inclusion through frameworks such as the Digital Economy Blueprint (Kenya ICT Authority, 2022). Data protection and user privacy are being addressed through laws and standards implemented by the Office of the Data Protection Commissioner (ODPC, 2023). Despite these advances, studies by Kariuki and Omwenga (2019) and Wambua and Mutisya (2021) reveal ongoing challenges among chamas, including weak governance structures, limited accountability mechanisms, and gaps in digital literacy. These issues must be carefully considered and mitigated by any digital solution aiming for long-term success in this space.

4. Conclusion

The primary and secondary research phases revealed consistent patterns of inefficiency, mistrust, and poor record-keeping within chamas. These challenges are compounded by a lack of digital tools designed specifically for group financial management. However, the readiness of users to transition to digital solutions; especially mobile-first tools is evident. MyChama is well-positioned to address these gaps by providing an easy-to-use platform that supports contribution tracking, financial transparency, digital communication, and data security. The findings from both data streams will directly inform system design, features prioritization, and implementation planning.

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Appendix

Appendix A: MyChama App User Survey Questionnaire

This appendix contains the structured questionnaire used to gather insights from current and potential members of Chamas (savings groups) for the development of the MyChama application. The survey was administered via Google Forms and aimed to identify user needs, pain points, and desired features for a digital chama management platform.

Section 1: Introduction

> *Hello! We are developing MyChama – a mobile and web app designed to help Chamas (savings groups) manage their contributions, meetings, loans, and communication more easily. Your feedback will help us design a solution that meets your needs. Thank you for your time!*

Section 2: Demographic Information

1. What is your age group?

    ☐ Under 18

    ☐ 18–24

    ☐ 25–34

    ☐ 35–44

    ☐ 45+

2. Are you a member of a chama (savings group)?

☐ Yes

☐ No

3. What is your role in the chama?

☐ Member

☐ Treasurer

☐ Chairperson

☐ Secretary

☐ Other: _____

4. How many members are in your chama?

☐ Less than 10

☐ 10–20

☐ 21–50

☐ Over 50

Section 3: Current Practices and Challenges

5. How do you currently manage your chama records?

☐ Manual (books/pen)

☐ WhatsApp or Excel

☐ Digital app

☐ Other: _____

6. What challenges do you face in managing your chama? *(Check all that apply)*

    ☐ Tracking contributions

    ☐ Lack of transparency

    ☐ Missed meetings or poor attendance

    ☐ Managing loans and repayments

    ☐ Poor recordkeeping

    ☐ Miscommunication

7. How important is transparency in your chama?

    ☐ Very important

    ☐ Important

    ☐ Not important

Section 4: Feature Preferences

8. Which features would you find useful in a chama management app? *(Select all that apply)*

    ☐ Digital recordkeeping

    ☐ Loan tracking

    ☐ Contribution reminders

    ☐ Reports and statements

    ☐ Mobile money integration (e.g., M-Pesa)

    ☐ Member voting and polls

☐ Group chat or announcements

☐ Event and meeting reminders