

Analysis of the ownership of financial products: Evidence to contribute to financial inclusion in Bolivia

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Abstract

This paper analyzes the determinants of keeping financial products regarding to non-tenure, depending on variables such as households' socioeconomic level, education, and financial literacy. Likewise, household's ownership of informal products and formal ones together with informal ones was assessed, for the same set of socioeconomic variables.

In Bolivia, financial products' holding mostly depends on households' socioeconomic level. Also, it was observed that women compared to men are more likely to own informal products. Moreover, households with low socioeconomic level and adults with primary education use these products frequently. In what refers to financial literacy, the likelihood of using informal products was similar for people with medium to high literacy. As for holding both products, a greater and significant probability for households with lower-middle and upper-middle socioeconomic level was observed. Adults with only a secondary education level are more likely to acquire formal and informal products at the same time, just like people with medium and high financial literacy.

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