



# Mobile Money for the Unbanked

## State of the Industry: Results from the 2012 Global Mobile Money Adoption Survey

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# Executive summary

Last year, Mobile Money for the Unbanked (MMU) launched the Global Mobile Money Adoption Survey to allow mobile money service providers to benchmark their performance against their peers in the industry. The release of the 2011 Survey marked the first time the mobile industry had access to global figures on how many customers were using mobile money. With the 2012 Adoption Survey, MMU is able to share deeper insights on not only the number of customers, but also on how customers are using the service and, perhaps more importantly, how successful operators are positioning and managing mobile money to meet the needs of their customers.

MMU gathered these insights with the participation of 78 mobile money service providers. This figure, representing more than 60% of the total number of live deployments globally, reflects a vast range of deployments that are geographically dispersed, at various stages of development, and which use different business models. With this in mind, we believe this survey to be the most comprehensive assessment of mobile money for the unbanked services available today. Moreover, we hope it will be used by mobile money managers as a tool to evaluate their current progress and strategic objectives for 2013.

This report is a synopsis of our key findings based on aggregate data supplied by 78 mobile money operators. Highlights include:

- **The mobile money industry is continuing to grow rapidly.** There were 150 live mobile money services for the unbanked at the time of writing, 41 of which were launched in 2012. There are almost 30 million active users of mobile money services who performed 224.2 million transactions totalling \$4.6 billion during the month of June 2012. We also counted 81.8 million registered customers globally and, in June 2012, there were twice as many mobile money users than Facebook users in Sub-Saharan Africa. With over 520,000 registered agent outlets, there are now just as many mobile money outlets globally as Western Union points of sale.
- **There is also an increasing number of business success stories in this industry.** Mobile money is a two-tier landscape. 14 mobile money services have grown quickly since launch, while others have struggled to get traction. Interestingly, half of these 14 “sprinters” were less than two years old in June 2012. In addition, we identified six mobile money services with more than 1 million active customers and three of them reached this scale between June 2011 and June 2012.
- **Mobile money is contributing significantly to financial inclusion.** There are now more mobile money accounts than bank accounts in Kenya, Madagascar, Tanzania and Uganda. There were more than half a million mobile money agents in June 2012, and there are now more mobile money agent outlets than bank branches in at least 28 countries.
- **Demographics and socio-economic forces have an impact on mobile money services, but regulation seems to be the only external factor that can keep a service from succeeding.** We have discovered the commonalities among sprinters are striking, particularly their strategies around investments, organizational structure, distribution, customer acquisition, and marketing. However, there are interesting variations in how they implement those strategies. Following best practices is critical, but being able to adapt them to the local context is the key to success.



# Introduction

## Background

The GSMA Mobile Money for the Unbanked (MMU) programme has been tracking the progress of the mobile money industry for the past few years using our Mobile Money Deployment Tracker and annual Global Mobile Money Adoption Survey. In this report, we share our analysis of the state of the mobile money industry in 2012, illustrated with key findings from the Tracker and the 2012 edition of the Survey.

## MMU Mobile Money Deployment Tracker

The MMU Mobile Money Deployment Tracker is a database that monitors the number of live and planned mobile money services for the unbanked across the globe. Information about live deployments, including the name of the mobile money provider and the service, its launch date, products offered, and the list of partners involved are available on our website.<sup>1</sup> The first part of this report is based on the findings from our Mobile Money Deployment Tracker.



## MMU Global Mobile Money Adoption Survey

This is the second year of the MMU Global Mobile Money Adoption Survey. We have developed the survey to assess, in quantitative terms, the state of the mobile money industry and to enable mobile money providers to benchmark their performance. Mobile money deployments meeting the following criteria were invited to participate:

- The mobile money service offers at least one of the following products: bill payments, P2P transfers, bulk payments, value storage (whether interest-bearing or not), credit, or insurance.
- The service relies heavily on a network of transactional agents outside of bank branches.
- The service offers an interface that agents or customers can use to perform transactions on basic mobile devices.
- Customers must be able to use the service without having been previously banked.

Deployments that offered mobile phone services as just another channel to access a traditional banking product were not included in the survey.

Our sample included 78 providers of mobile money services from 49 countries. The full list of participants is in Appendix. We believe that our sample is representative of the mobile money industry as it includes:

- 60% of the mobile money services that were live in June 2012, including the most well-known services in the world;
- long-established mobile money services as well as services just launched in 2012;
- a mix of services provided by MNOs, banks, and third-party players;
- over-the-counter services as well as wallet-based services; and
- a healthy geographic representation.

All of the survey participants supplied standardised operational metrics. The full questionnaire, including the list of metrics and their definitions, can be found in Appendix. Survey responses were checked for internal consistency, but all data were self-reported and have not been verified independently by the GSMA. Each participant received a confidential, customised benchmarking report that compared its performance to indicators from aggregated mobile money services, both global and regional.

# 78

Number of mobile money service providers participating in the MMU 2012 Global Mobile Money Adoption Survey

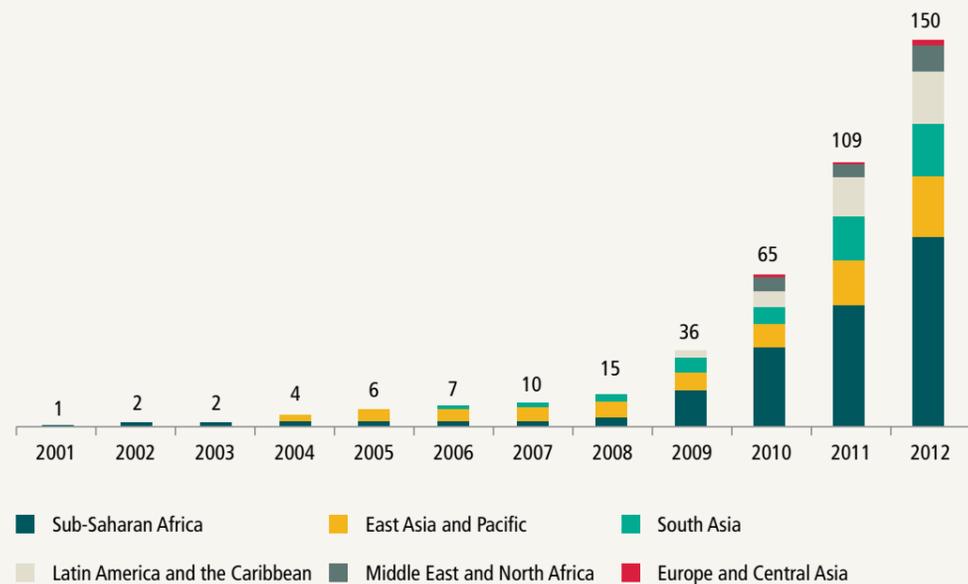
# Part 1 – How is mobile money spreading globally?

## Key findings

- The growth of mobile money deployments continues to gather speed. There were 150 live mobile money services for the unbanked at the time of writing, 41 of which were launched in 2012.
- Mobile network operators (MNOs) still drive the industry, supplying over 70% of mobile money services.
- The industry is becoming increasingly competitive: 40 markets offer at least two different options for mobile money services.

The mobile money industry is continuing to expand rapidly around the world. At the time of writing, there were 150 live mobile money services for the unbanked in 72 countries, 41 of which were launched in 2012. This growth is showing no signs of abating, with 109 additional deployments planned.<sup>2</sup> This growth has been driven largely by mobile network operators (MNOs), which operationally run 72.0% of live deployments and 72.5% of the deployments launched in 2012.

Figure 1: Number of live mobile money services for the unbanked by region, 2001–2012 (year end)



**72%**  
Percentage of mobile money deployments operated by MNOs

<sup>2</sup> The MMU team keeps track of the number of planned mobile money deployments, which we usually learn about through conversations with mobile money providers and from press releases. We regularly check and update the status of the planned deployments in our database. However, care must be taken when interpreting the aggregate number of planned deployments. First, "planned deployment" does not give any indication of when a service will be launched. A planned deployment may be in a pilot phase and launch one week after we learn about it, or it may be a plan that is never implemented (for all sorts of reasons). Second, we simply may not be aware of all planned deployments. Nevertheless, the aggregate number of planned deployment still gives us a good overall picture of the growth of the mobile money industry.

In terms of geographical distribution, most live deployments (56%) are centred in Sub-Saharan Africa. 37% of the 166 MNOs in the region have already launched mobile money, making this service available in 34 of 47 countries. Sub-Saharan Africa will continue to see expansion in mobile money services since the majority of planned deployments (43%) are slated for this region.

Sub-Saharan Africa continues to lead the globe in terms of number of live deployments. However, there are other regions which are gaining ground quickly. For example, Latin America and the Caribbean currently account for just over 10% of live deployments and over one-fifth of planned deployments.

**40**  
Number of countries with at least two mobile money services for the unbanked

Table 1: Percentages of live and planned deployments by region

Region	East Asia and Pacific	Europe and Central Asia	Latin America and the Caribbean	Middle East and North Africa	South Asia	Sub-Saharan Africa
% of live deployments	14.0%	1.3%	10.7%	5.3%	12.7%	56.0%
% of planned deployments	3.7%	3.7%	22.0%	13.7%	13.8%	43.1%

As the number of mobile money deployments grows, the industry is becoming increasingly competitive. In each of the markets where mobile money exists, there is usually more than one live mobile money service. Today, 40 markets have at least two kinds of mobile money services (compared to 33 one year ago), 18 have more than two, and 10 have more than three.

## Launching, re-launching, merging, and closing down mobile money deployments

Mobile money is a challenging industry, and although there has been net growth in the number of mobile money services in every region, we have seen some mobile money providers re-launching their service or others who have decided to exit the market entirely.

- 8 of the 41 launches in 2012 were actually re-launches of existing mobile money services. Re-launches usually happen when the provider revamps its marketing, product offerings, or distribution strategy.
- Four mobile money services closed or merged with other deployments in 2012.

## Part 2 – How do the performances of mobile money deployments compare?

### Key finding

- Mobile money is a two-tier landscape. Some services have grown quickly since launch while others have struggled to get traction.

Comparing the performance of mobile money services is complex. It is difficult to find a common indicator that works for services at different stages of maturity, that use different delivery models (over-the-counter vs. wallet-based), and which target addressable markets of different sizes. Last year we developed a methodology that allows us to compare the performance of mobile money services in spite of these differences.

Figure 2 (opposite) illustrates this approach, showing how customers have adopted mobile money services since launch. The horizontal axis represents time since launch (in number of months), and the vertical axis shows the ratio of transactions to the size of the addressable market.

### Measuring the success of mobile money deployments

In order to compare the success of mobile money deployments, we looked at their ratio of transactions to the size of the addressable market.

#### Transactions

We looked at the total number of transactions, excluding airtime top-ups, cash-ins, and cash-outs.

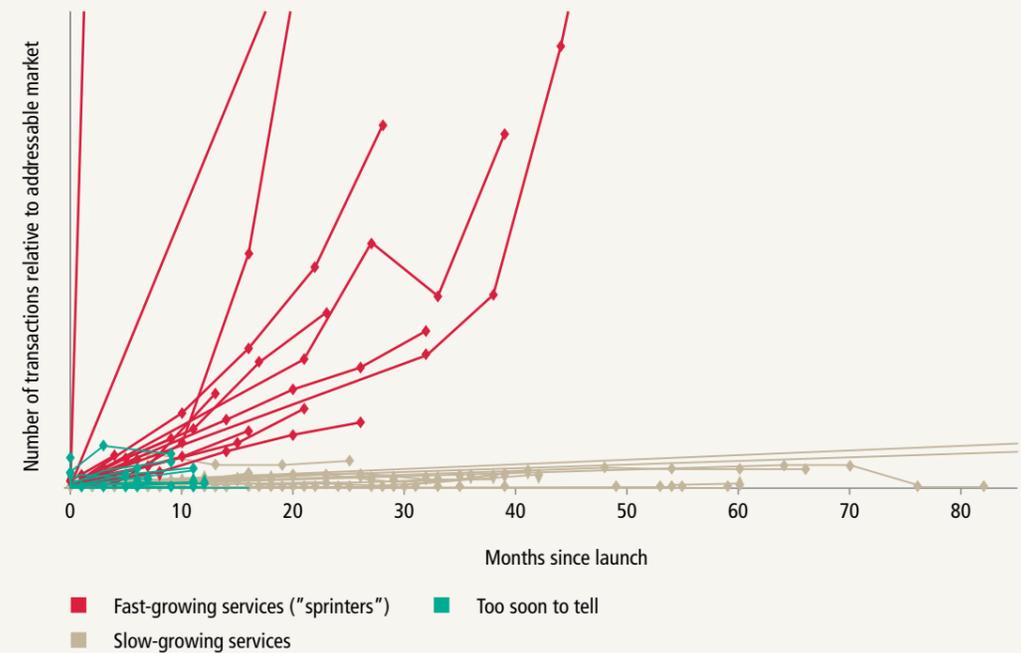
- We chose to measure the number of functional transactions rather than the number of customers so that we could accurately compare wallet-based services and over-the-counter services.
- We did not include conversion transactions – namely cash-ins and cash-outs – because these kinds of transactions are often performed as a requisite first step by customers in order to perform other transactions.
- We did not include airtime top-ups as we found that this number is often strongly biased by promotions and bonuses encouraging customers to buy airtime via mobile money, and therefore does not accurately reflect how mobile money services are actually performing.

#### Addressable market

- For MNOs, we used the number of GSM subscribers as a proxy for their addressable market.
- For non-MNOs, we used the number of unique mobile subscriptions in their country.

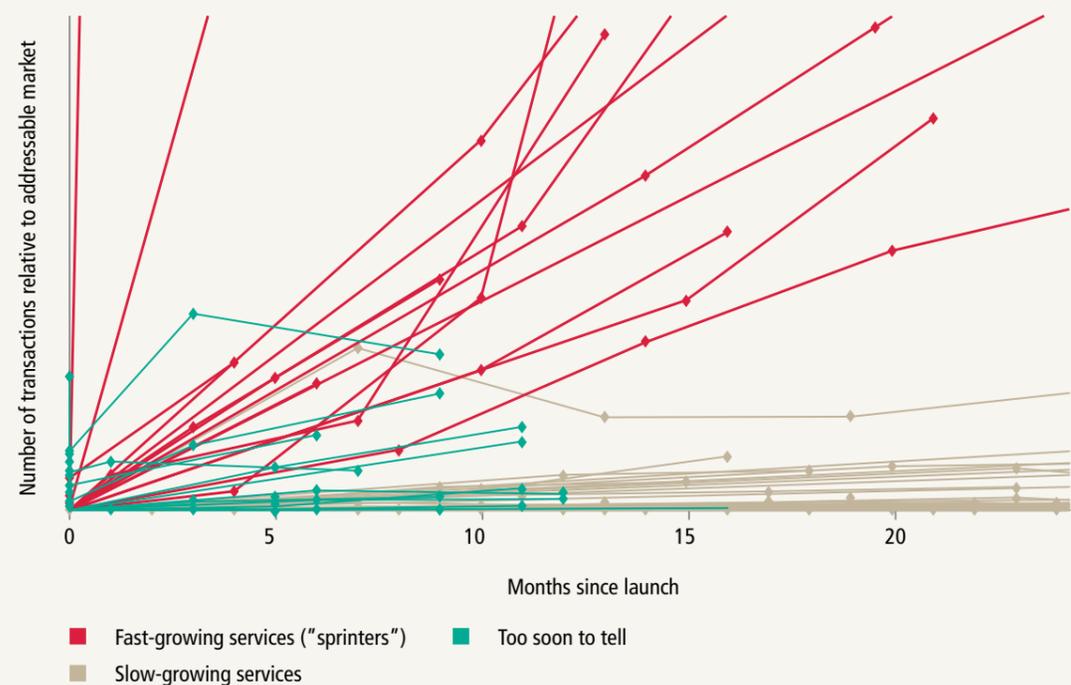
The sharply diverging lines in the chart clearly illustrate that the mobile money industry is a two-tier landscape. Our survey revealed 14 fast-growing deployments, known as the “sprinters” (represented by the red lines). The rest of the industry has either been struggling to get significant traction (brown lines), or they are young services launched after June 2011 (green lines) and it’s too early to tell which performance trajectory they will follow.

Figure 2: Mobile money is a two-tier landscape



Mobile money is not an industry of average performers – it is a two-tier landscape

Figure 3: Mobile money is a two-tier landscape – a focus on the first 24 months



# Part 3 – What makes the fastest growing deployments succeed?

## Key findings

- Mobile money can succeed in markets with diverse demographic and socio-economic circumstances, provided operators design the service to fit local needs.
- The vast majority of fast growing deployments, or “sprinters,” are operated by mobile network operators (MNOs).
- These “sprinters” show a number of commonalities around certain internal factors, such as the level of investment made into each service, their organisational structure, marketing strategy, or distribution system, which we believe have much more influence over the success of these deployments.

To gain a better understanding of why the fastest growing mobile money deployments succeed, we conducted a deep analysis of the 14 mobile money sprinters. We looked at both external factors that might influence success, such as the regulatory environment and level of mobile penetration, as well as internal factors, such as the level of investment in mobile money, customer acquisition and marketing strategies, and distribution.

## Section A – External factors influencing success

### Socio-economic factors and level of infrastructure

MMU examined a number of socio-economic factors that could be influencing the success of mobile money deployments:

- 1) Geographic distribution – Most sprinters are from East Africa, but we found a handful in other parts of the world as well. Mobile money is not a regional phenomenon – it can reach scale outside of East Africa.
- 2) GDP (PPP) per capita<sup>3</sup> – Among the 49 countries represented in our sample, there was no statistical linear relationship between success in mobile money and GDP (PPP) per capita<sup>4</sup>. In fact, there are sprinters in countries with a GDP (PPP) per capita lower than US\$1,000 and in countries where it is more than \$5,000. However, the needs in these countries may be quite different.
- 3) The level of financial inclusion – Across a range of indicators, including the percentage of the adult population with an account at a formal financial institution, the number of commercial bank branches per 100,000 adults, and the percentage of the population living under \$1.25 (PPP)<sup>5</sup>, no strong statistical correlation was found between the level of financial inclusion and the success of mobile money deployments in these markets<sup>6</sup>. This means that the level of financial inclusion within a market has no clear linkage to whether a mobile money service will succeed. However, mobile money providers operating in countries with lower levels of financial inclusion may find customer education more challenging, as the level of understanding of financial services will be lower. Mobile money providers which operate in countries with fewer bank branches will also have to create more innovative solutions for how to manage agent liquidity, given that there are fewer bank branches at which agents can rebalance their float.

<sup>3</sup> We used data from the World Bank, available at <http://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD>.

<sup>4</sup> The coefficient of determination  $r^2$  is equal to 0.0034.

<sup>5</sup> We used data from the Global Findex, available at [http://data.worldbank.org/data-catalog/financial\\_inclusion](http://data.worldbank.org/data-catalog/financial_inclusion).

<sup>6</sup> The coefficient of determination  $r^2$  is equal to 0.020 for each of these indicators.

4) Level of GSM penetration – There was no statistical correlation between the percentage of the population that had access to mobile services in a given market and the ability of a mobile money provider to succeed<sup>7</sup>. Sprinters operate in very different markets, with percentages of GSM penetration as low as 28% and as high as 103%.

These findings are important because they reveal that mobile money could succeed in many different markets. Socio-economic factors and the level of infrastructure in a market certainly have an influence on how a mobile money provider will develop its service; however, they do not determine or predict the degree of its success.

### Operator market share

MMU’s data showed no statistical correlation between the GSM market share of an MNO and the success of its mobile money service<sup>8</sup>. In fact, three sprinters have less than 25% GSM market share within their countries. Mobile money can be a viable business even for small operators.

### Competitive landscape

We then looked at the number of other mobile money services available in the countries where sprinters are operating. The survey reveals that there can be several fast-growing services in one market. In fact, the 14 sprinters represent just 10 countries. The development of a successful mobile money deployment can create a positive dynamic for competition. One of the sprinters told us that they attribute some of their success to the success of their competitors. Their market was “very competitive, which is positive for us: it stimulates teams internally and allows us to leverage some of the work already done in mobile money by our competitors”. We also found that, of the 14 sprinters, only eight were the first to launch mobile money in their market.

This indicates that the most successful mobile money service in a market will not necessarily be the dominant MNO or the first company to launch mobile money, and that there is room for more than one sprinter in a market.

### Regulatory landscape<sup>9</sup>

The vast majority of sprinters are MNOs, rather than by banks or third-parties. MNOs have proven especially capable in growing mobile money services. This highlights the importance of creating more enabling regulatory environments which allow MNOs to offer mobile money services along with banks, in order for mobile money to extend the reach of financial services successfully within more markets.

## Spotlight on Dialog (Sri Lanka)

### In Sri Lanka, the regulator creates a level playing field between banks and MNOs and mobile money takes off

In August 2007, the National Development Bank, a licensed commercial bank, and Dialog Axiata, the main MNO in Sri Lanka, launched a mobile money product called eZ Pay. Governed by Central Bank regulations, eZ Pay required customers to open a bank account before they could sign up.

This bank-led service did not gain traction. In By March 2012, more than four 4 years after it was launched, Dialog had registered only 15,000 eZ Pay customers out of its 7.4 million GSM subscribers and a population of just over 20 million. Driving customer adoption also proved challenging.

Following the launch of eZ Pay, the Central Bank began to develop a regulatory framework for mobile money that allowed both banks and MNOs to operate mobile money services. These guidelines were approved in 2011 and, in 2012, the Central Bank relaxed its KYC (Know Your Customer) requirements adopting a more proportionate approach to customer due diligence. This created an open and level playing field for both banks and MNOs to launch mobile money deployments and offer a competitive set of products.

In April 2012, Dialog was awarded a license from the Central Bank and, two months later, launched a telco-led mobile money service under the name eZ Cash. Customers can sign up for a “Basic Account” on their mobile phone using the ID already stored in Dialog SIM card registration database. The maximum transaction allowed with this account is 10,000 rupees (US\$80), but customers can make more transactions by upgrading to a “Power Account”; they simply need to reconfirm their identity at a mobile money agent.

This regulatory change had significant implications for Dialog. In June 2012, more than 370,000 customers had signed up to eZ Cash, reaching 810,000 by early 2013. 4,000 of these customers have already signed up for a “Power Account”.

<sup>7</sup> The coefficient of determination  $r^2$  is equal to 0.024.

<sup>8</sup> The coefficient of determination  $r^2$  is equal to 0.020.

<sup>9</sup> For more details, see Simone di Castrì (2013), “Mobile Money: Enabling Regulatory Solutions”, GSMA Mobile Money for the Unbanked. Available at <http://www.gsma.com/mmu/regpaper>

## Section B – Internal factors

Using the In-Depth Interview (IDI) methodology, MMU interviewed heads of mobile money services within our sprinter sample. A standard set of questions was used to help us develop a much more thorough understanding of the characteristics of these deployments. MMU developed the questions to test hypotheses in four areas we believe to have significant bearing on the success of mobile money: level of investment, organisational structure, customer acquisition and marketing strategy, and distribution. Participants were also invited to identify the factors they thought were contributing to their growth and success. The qualitative findings from these discussions were analysed alongside certain quantitative findings from the sprinters' adoption survey data in order to identify trends.

We did not conduct interviews with managers of slow-growing services, and as such, we are not able to assess whether or not there is a strong statistical correlation between level of success and ability to implement those factors that have been reported by sprinters as key to their success. However, we did see a number of similarities among the sprinters which are described in this section, and in many cases, these factors corroborate with best practices that have been previously identified by MMU.

### 1. Levels of investment and mobile money profitability

The MMU programme has had a long-standing view that mobile money takes meaningful upfront investment and ongoing financial support to drive growth<sup>10</sup>. This year's research findings have created a more nuanced story.

Our analysis showed that upfront investments to launch mobile money were relatively low – less than \$1 million for most sprinters. Operational expenditures (OpEx), however, can be significant, indicating that mobile money is an OpEx business, not CapEx (capital expenditures).

*"What's important is not how much you invest; it's investing in the right places like distribution."*  
– Mobile money sprinter

As of June 2012, nine of the sprinters were breaking even and five were still operating at a loss. Of the nine breaking even, the vast majority had positive cash flow within the first two years of operation. Interestingly, sprinters tended to focus on growth rather than profitability and tended to re-invest the money they made.

Nearly all sprinters see mobile money as a product which is able to generate significant direct revenues to their company's bottom line. For most sprinters, mobile money already contributes between 1% and 5% to their companies' revenues, and for four sprinters it represents at least 10% of total revenues.

*"The business case was to diversify our operations from the pure telecommunications business. With mobile money, we are looking at the long-term future of our company. We are clearly more excited about direct revenues than indirect revenues"* – Mobile money sprinter

Moreover, the sprinters are ambitious about the future revenue potential of their mobile money service, with most indicated they will reach the same level as Safaricom – about 18% of total revenues – at year five of their deployment.

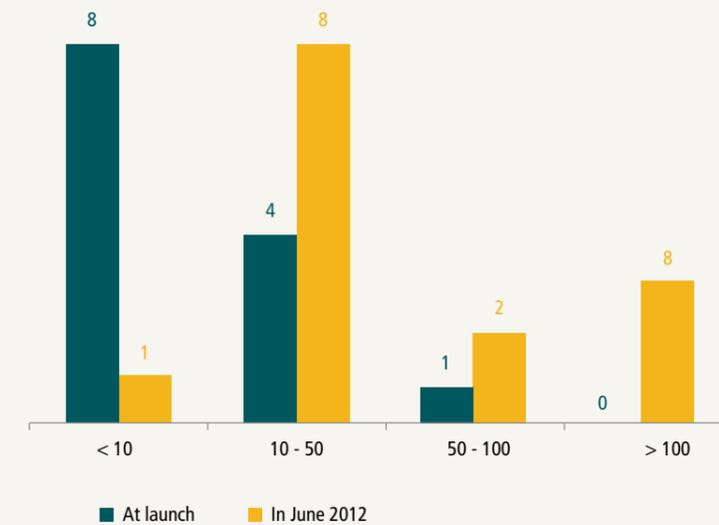
### 2. Organisational structure

In 2012, MMU presented its research<sup>11</sup> on how organisational structures can influence the success of mobile money services. This findings reinforced many of the success factors we identified in this research.

First, every sprinter had a strong commitment to mobile money from its CEO, which resulted in a significant strategic focus on mobile money within these organisations. Most sprinters (79%) have developed mobile money as a separate business unit. The heads of mobile money in sprinter companies also report to the CEO in most cases (62%). Significant human resources are often dedicated to this business unit.

*"Mixing up mobile money with the traditional telecommunications business would not give it enough strategic attention. We wanted to create drive and innovation through innovative resources. This is why we set up a separate business unit."* – Mobile money sprinter

Figure 4: Number of FTE dedicated to mobile money for sprinters



*"GSM is very CapEx intensive while mobile money is very OpEx. Being part of the main business would have held us to account against different numbers, which would have been a problem."*  
– Mobile money sprinter

*"Without the direct reporting line to the CEO, we would be nothing. This has been a key success factor and the CEO played a critical role."* – Mobile money sprinter

Our analysis confirmed that mobile money businesses require significant personnel. Most of the sprinters launched mobile money with a team of less than 10 full-time employees (FTE) fully dedicated to mobile money. However, by June 2012, only one still had a team of less than 10 FTE. Eight had teams of 10 to 50 people, and four teams had more than 50 people. The majority of sprinters indicated that distribution and customer care required the most staff.

While mature deployments tend to adjust staff numbers based on performance, having a high number of FTE during the growth phase was cited as crucial for early stage deployments.

### 3. Customer acquisition and marketing strategy

All of the sprinters in our survey relied on similar strategies to drive customer activity on their mobile money platforms: effective above-the-line (ATL) campaigns to raise customer awareness, frequent below-the-line (BTL) activities to push customer activation, and a strong focus on one or two core products to drive usage.

- ATL campaigns are primarily used to increase awareness of the service. Most sprinters have invested less than \$1 million in these kinds of campaigns.
- Nearly all sprinters used field agents to register new customers during the launch phase and relied strongly on BTL to drive adoption. In several cases, the majority of mobile money customers were registered by field agents.

*"The aim of the ATL is to create awareness of service. All advertising is closely monitored to gauge customers' reaction to the message, and we adjust messaging as required. We also tried a variety of BTL, but ultimately our BTL focuses more on processes, in terms of identifying the pain points for our customers"* – Mobile money sprinter

- Sprinters tend to focus on just one or two core products rather than a broad range of products. Most have opted to focus on P2P transfers, but not all; some pushed bill payments, bulk payments, or merchant payments. It appears that the keys to success are choosing the right product for a market and then focusing on this product.

<sup>10</sup> Paul Leishman (2010), "Is there Really any Mobile in Mobile Money?", GSMA Mobile Money for the Unbanked. Available at <http://www.gsma.com/mobilefordevelopment/is-there-really-any-money-in-mobile-money>

<sup>11</sup> Philip Levin (2012), "Organisational Design to Succeed in Mobile Money", GSMA Mobile Money for the Unbanked. Available at <http://www.gsma.com/mobilefordevelopment/organisational-design-to-succeed-in-mobile-money>

*"We focused on too many products in the beginning. One of our key learnings is focus on one or two core services which will resonate more with what the customer needs." – Mobile money sprinter*

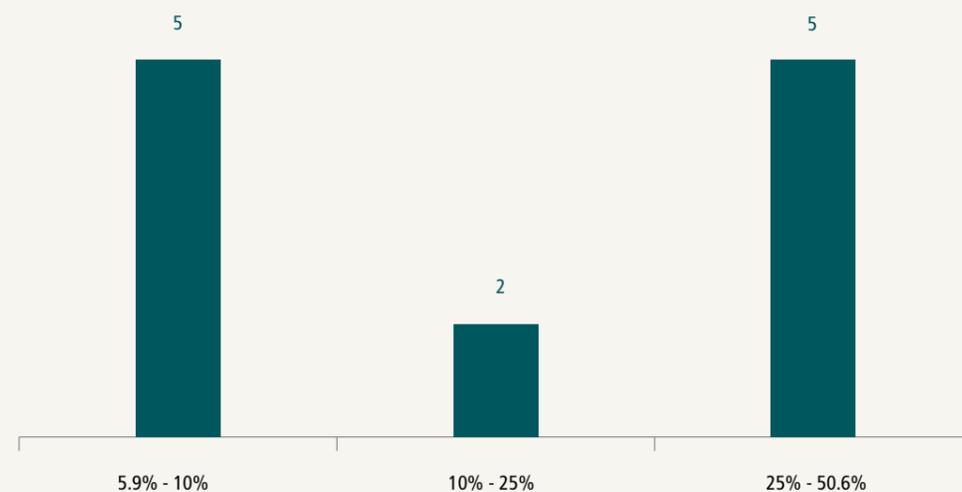
- To drive customer usage, it is crucial to make it easy for customers to transact soon after they register. All but one of the sprinters allowed customers to make a transaction immediately. In most cases, accounts are activated instantly, while in a few cases activation takes longer but customers are allowed to transact limited amounts before their account is activated.
- In some markets where literacy barriers are high, some sprinters have chosen to provide over-the-counter services, which allow a mobile money agent to perform a transaction on behalf of the customer.

MMU's 2011 publication, "Driving Customer Usage of Mobile Money for the Unbanked"<sup>12</sup>, highlighted the importance of BTL, the need for narrow product messaging at launch, and the importance of reducing the time between registration and activation. These marketing strategies have delivered significant gains for the sprinters in driving customer adoption. On average, 4.3% of a sprinter's GSM base was active using mobile money 6 months after the launch of the service (compared to 0.7% for other deployments), and 8.9% after 12 months (compared to 0.9% for other deployments). In June 2012, MNO sprinters had activated between 5.9% and 50.6% of their GSM base. MNO mobile money sprinters also had higher customer activation rates on average than other deployments (43.2% versus 24.2%).

#### 4. Distribution

Sprinters tend to have higher performing agents than other mobile money service providers. On average, active agents in sprinter companies perform 14.3 transactions per day compared to an average of 1.8 for other deployments, and they serve 275 active customers while other deployments serve 95 on average.

Figure 5: Percentage of GSM base actively using mobile money for sprinters (June 2012)



Sprinters have achieved these high performance levels by developing solutions for agents to easily manage their liquidity and rebalance. They also closely monitor the performance of their agents and manage the active agent rate.

- **Easy access to float** – Sprinters have implemented a number of innovative systems to make it easy for their agents to rebalance their float, such as using master agents, super agents, and rebalancing via internet banking. More important though, the majority of sprinters have created multiple ways for agents to access liquidity, which is the key to allowing agents to get float in a couple of hours or less.
- **Active agent management** – Most sprinters closely monitor the activity of their agents, assessing both the volumes of their transactions and the quality of their service. Seven sprinters have already dismissed some of their agents and/or master agents, and three others are planning to do so. Reasons for dismissal include KYC infringements and fraudulent activities, but also low performance (based on their volume of transactions and revenues) and branding infringements. Master agents can be cut if they fail to keep adequate levels of float or have too many underperforming agents.
- **Managing active rates** – On average, the rate of active agents in sprinter companies is 73% compared to 56% for other deployments. Five sprinters had active agent rates higher than 80%.

*"There is no "deadwood" – after 3 months of no commissions, agents are put on a warning list. Then, if there are 3 more months of no activity, they are cut. Any issues of compliance will be dealt with severely – even small issues of customer overcharging." – Mobile money sprinter*

It is striking how much sprinters have in common in terms of their organisational structure and strategies for investment, customer acquisition and marketing, and distribution. However, there are interesting variations in how they implement these strategies. Following best practices is critical, but adapting them to the local context is the key to success.

<sup>12</sup> Neil Davidson and M. Yasmina McCarty (2011), "Driving Customer Usage of Mobile Money for the Unbanked", available at <http://www.gsma.com/mobilefordevelopment/driving-customer-usage-of-mobile-money-for-the-unbanked>

# Part 4 – How many people are using mobile money?<sup>13</sup>

### Key findings

- There are now almost 30 million active users of mobile money services.
- More deployments are reaching scale: six services reported more than 1 million active customer accounts, three of which reached this milestone in the last 12 months.
- 81.8 million mobile money customers were registered in June 2012. In Sub-Saharan Africa alone, 56.9 million people have opened mobile money.

In our survey, mobile service providers reported the number of both registered and active customer accounts. It is interesting to note that providers have been shifting their attention from registered customer accounts to active customer accounts. Some have reduced their number of inactive accounts year-on-year, while a few others did not report their number of registered accounts because they now track only active accounts. The business case for this shift is clear – active customers perform transactions and drive revenues, while inactive customers only incur costs.

One of the key findings from this year’s survey is the impressive growth in the number of active customer accounts. These accounts have almost tripled from 6 million in June 2011 to 17.8 million in June 2012. These numbers do not include active customers of Smart or Safaricom, but in September 2012, Safaricom announced they have 9.7 million active customers,<sup>14</sup> bringing our estimate of the total number of active mobile money customers to almost 30 million.

An increasing number of deployments are achieving significant scale, which we roughly define as having 1 million active customers. Our survey identified six mobile money services with more than 1 million active customer accounts, three of which crossed this threshold in the last 12 months and two within 24 months of launch. Five of these six services are operated by MNOs and one by a third-party player.

**30m**  
The estimated number of active mobile money accounts in 2012

The number of active customer accounts is growing significantly faster than registered customer accounts, with an annualised growth rate of 167.6% compared to 84.1% for registered accounts.<sup>15</sup> Two key factors are driving this growth. First, the number of mobile money services keeps rising, which in turn increases the size of our sample. Second, the number of active customers using existing services is also expanding rapidly. 65% of the service providers that participated in our survey in 2011 and 2012 have seen their number of active customer accounts more than double between June 2011 and June 2012.

The 78 mobile money service providers that participated in our survey registered a total of 81.8 million customer accounts in June 2012, and 16 reported registering more than 1 million customer accounts alone. In Sub-Saharan Africa, 56.9 million people had a registered mobile money account in June 2012, more than twice the number of Facebook users in this region.<sup>16</sup>

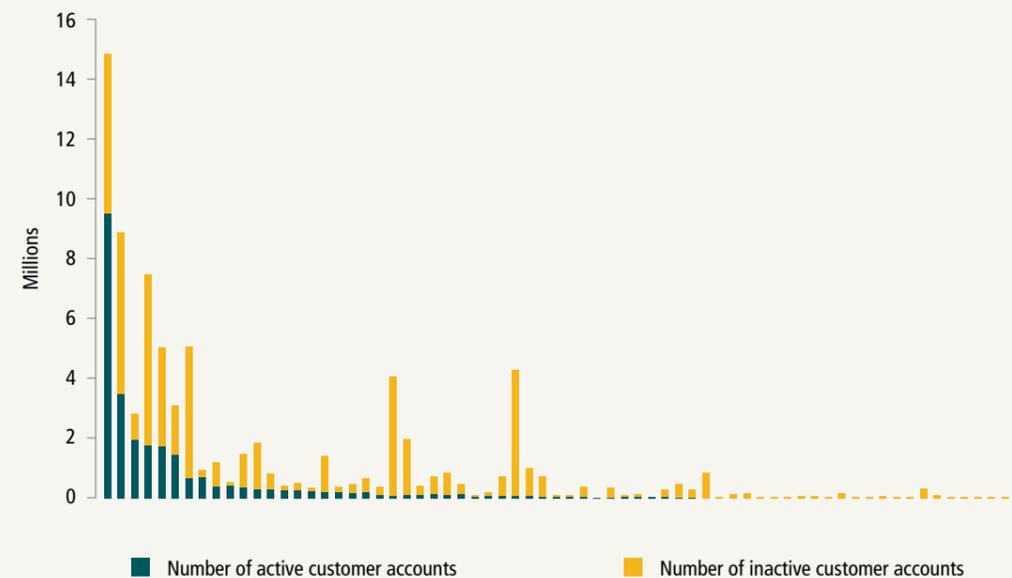
**6**  
Number of mobile money services with more than 1 million active customer accounts

### Defining active customer accounts

Survey participants were asked to report their number of active customer accounts, which we defined as the number of accounts used to perform at least one P2P transfer, bill payment, bulk payment, airtime top-up, cash-in, or cash-out, in at least one of the following time periods: 30 days, 60 days, or 90 days.

Not all providers reported their number of active customer accounts for the same time period, but several shared numbers for two or even all three time periods. For the purposes of this report, we used the broadest definition provided to calculate the aggregate number of active accounts. For example, if a participant reported the number of active customer accounts for both 30 days and 60 days, we used the 60 day number to calculate the aggregate number of active customer accounts. Our estimate of 17.8 million active customer accounts was reached using this methodology. By contrast, if we use the 30 day numbers we count 13.0 million active customer accounts.

Figure 6: Total number of active and inactive customer accounts by mobile money provider (June 2012)

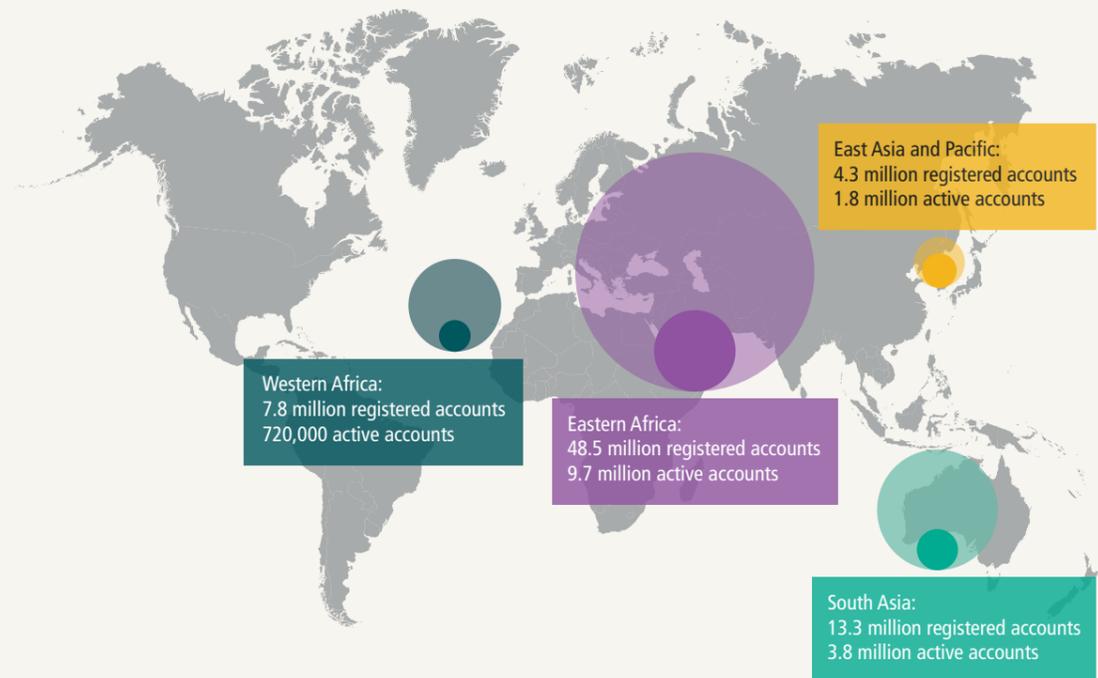


**x2**  
In June 2012, there were twice as many mobile money users than Facebook users in Sub-Saharan Africa

<sup>13</sup> This section does not include data from Smart. Safaricom’s number of active customer accounts is as of the end of September 2012.  
<sup>14</sup> Safaricom Ltd H1 FY13, available at: [http://www.safaricom.co.ke/images/Downloads/Resources\\_Downloads/Half\\_Year\\_2012-2013\\_Results\\_Presentation.pdf?itembanner=31](http://www.safaricom.co.ke/images/Downloads/Resources_Downloads/Half_Year_2012-2013_Results_Presentation.pdf?itembanner=31)

<sup>15</sup> These growth rates do not include data from Safaricom.  
<sup>16</sup> <http://www.socialbakers.com/facebook-statistics/>

Figure 7: Number of registered and active customer accounts by region (June 2012)



The survey also revealed important variations in the customer active rates – namely, the ratio of active customer accounts to registered customer accounts. In our sample, customer active rates vary between 0.3% and 79.4%, but the majority of deployments surveyed had an active rate of less than 25%. Customer active rates must be interpreted carefully. For example, a low and/or declining active rate may seem to be a bad sign, but it may instead be the result of a recent large-scale customer registration campaign. In addition, in some countries, customers who register for a SIM are also automatically signed up for mobile money, pushing customer active rates in these markets to a lower than average level. In cases such as these, active rates reflect a particular customer registration strategy rather than the success of a deployment.

#### Counting mobile money accounts is not the same as counting mobile money users

In our survey, we asked mobile money service providers to report their number of mobile money accounts – both registered and active. However in most cases, the number of accounts underestimates the number of people actually using the service. Why?

- It is common for mobile money providers to allow their customers to send money to people who are not registered account holders; these transfers are called off-net transfers. Since recipients of an off-net transfer do not have a mobile money account of their own, they have not been included in the Figures above.
- Five of the mobile money services in our sample are being offered primarily “over-the-counter”, whereby a mobile money agent performs a transaction on behalf of the customer, who does not need to register for the service in order to use it. Usually, these kinds of deployments combine “over-the-counter and wallet-based approach and a proportion of their customers will have registered mobile money accounts. However, the proportion of unregistered customers can be as high as 90%, so the number of mobile money accounts reported in the survey is significantly lower than the actual number of customers. Therefore, the numbers of registered and active accounts in this report underestimate the number of people currently using mobile money.

## Part 5 – How are customers using mobile money?

#### Key findings

- New products such as international remittances and merchant payments are generating interest among operators, but there has been little traction of these products.
- 224.2 million transactions were processed on mobile money platforms, totalling \$4.6 billion.
- Most mobile money transactions are airtime top-ups, but P2P transfers represent most of the value transacted.

In December 2011, 182.0 million transactions were processed on the platforms of our 78 survey participants, totalling US\$3.8 billion. Six months later, in June 2012, 224.2 million transactions were processed, totalling \$4.6 billion. These transaction volumes are comparable to PayPal, which processed approximately 196.3 million transactions per month during Q3 2012.<sup>17</sup>

Airtime top-ups remain the most commonly used mobile money service in the world (61% of total transactions<sup>18</sup>). However, P2P transfers account for 82% of the total value transacted on mobile money platforms in June 2012. According to our survey, the use of airtime top-ups has dropped somewhat since last year, when it represented 68% of total volume in June 2011.

The fact that other products are starting to take the place of airtime top-ups is a positive sign for the evolution of the mobile money industry. Indeed, P2P transfers, bill payments and bulk payments, rather than airtime top-ups, are the core offerings of mobile money deployments and, for many unbanked people, mobile money is the only way to access these services.

In our survey, we asked participants to report the number of transactions processed on a monthly basis, as well as the value of their various products. This year we decided to look at a broader range of products than last year. In addition to P2P transfers, bill payments, bulk payments, and airtime top-ups, we asked participants to report information about merchant payments, international remittances, and payments of micro-insurance premiums.

Interestingly, new products are generating interest among operators, but we have not seen much traction in customers. 58% of the participants offered merchant payments and 22% had launched international remittances via mobile money accounts. However, these services have not gained much traction and they represent only 0.2% of transactions and 1.5% of total value.

# \$4.6b

Total amount of money transacted over mobile money platforms in June 2012

# 82%

of the total value transacted on mobile money platforms in June 2012 were P2P transfers

<sup>17</sup> <https://www.paypal-media.com/about>  
<sup>18</sup> Unless otherwise stated, we included all types of transactions except cash-ins and cash-outs to calculate product mixes.

Some mobile service providers reported data for products that we did not include in the survey questionnaire, including ticketing (using mobile money to buy airline, railway or bus tickets), online payments via mobile money accounts, transfers between mobile money accounts and bank accounts, loan disbursements and repayments, ATM cash-ins and cash-outs, and others.

As the range of mobile money products is expanding quickly, MMU has defined five categories of products to help classify them:

- **Transfers** – remittances, both on-net and off-net, and domestic (also called P2P transfers) and international.
- **Payment transactions** – bill payments, merchant payments, micro-insurance premium payments, airtime top-ups, online payments, ticketing, loan repayments, and others.
- **Disbursement transactions** – bulk payments, including salary payments and G2P payments,<sup>19</sup> as well as loan disbursements.
- **Conversion transactions**<sup>20</sup> – transactions that allow customers to deposit money into and withdraw money from their mobile money account, thus “converting” digital currency to hard currency. These include cash-ins and cash-outs through a mobile money agent or an ATM, as well as transfers between bank accounts and mobile money accounts.
- **Administrative transactions**<sup>21</sup> – PIN resets and balance inquiries.

Mobile money service providers tend to focus on just one of these product categories to drive transactions. In the following sections, we present key figures and trends for the first four categories: transfers, payment transactions, disbursement transactions.

Table 2: Global product mixes

	P2P transfers	Bill payments	Bulk payments	Merchant payments	International remittances	Micro-insurance payments	Airtime top-ups
Number of services in our sample offering	73	63	55	45	17	1	73
Percentage of services in our sample offering	94%	81%	71%	58%	22%	1%	94%

Figure 8: Global product mix by volume (June 2012)

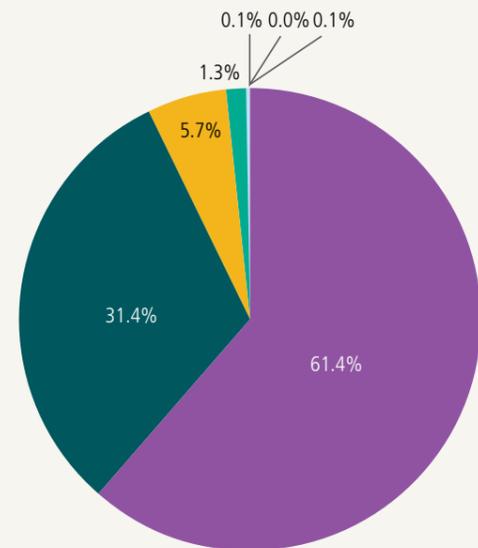
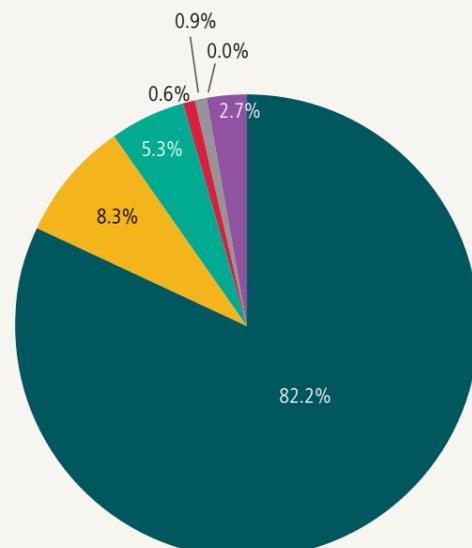


Figure 9: Global product mix by value (June 2012)



19 G2P = Government to Person  
20 In most cases, cash conversion transactions are used to fund money wallets (allowing users to perform transfers or payment transactions) rather than serving as a stand-alone savings product. For that reason, we did not include cash conversion transactions in our analysis of product mixes.  
21 For the purpose of this survey, we did not track data on the volumes of administrative transactions conducted by customers.

Figure 10: Average number of transactions per active customer account, globally and for sprinters (June 2012)<sup>22</sup>

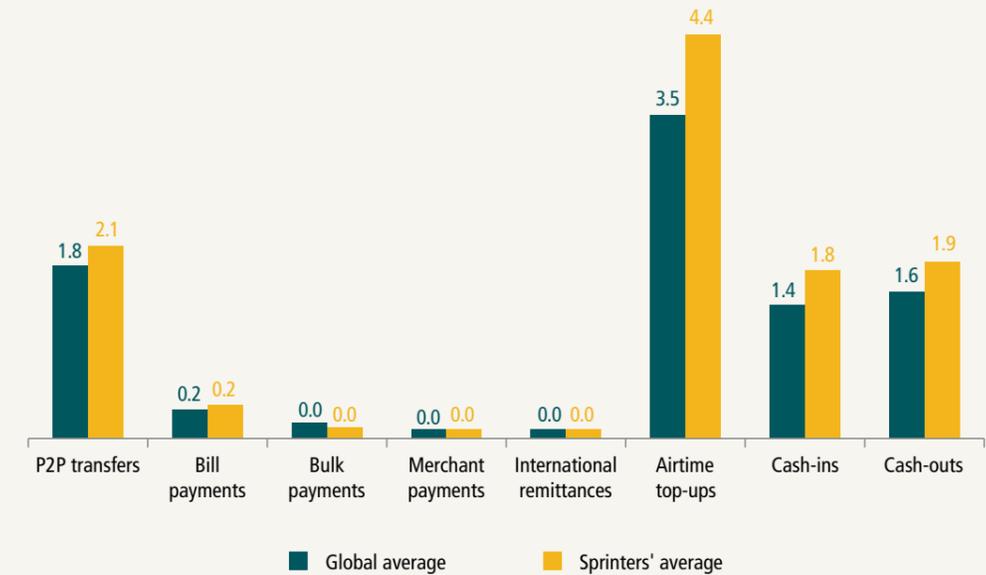
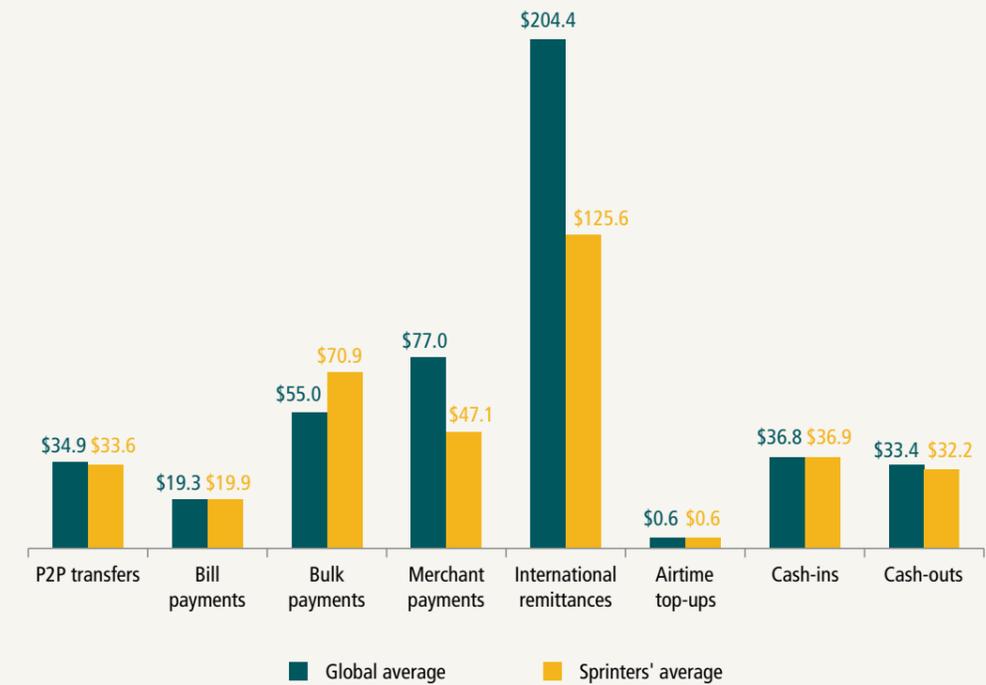


Figure 11: Average value of transactions (USD), globally and for sprinters (June 2012)



<sup>22</sup> Includes Safaricom numbers as of September 2012

### Product category 1 – Transfers

In June 2012, transfers represented 31.5% of total transactions and 83.1% of the total value moved on mobile money platforms. P2P transfers are often the first product a mobile money provider chooses to launch. Our survey revealed that the absolute number of P2P transfers is continuing to grow rapidly at an annualised rate of 42.7%. Customer usage is also on the rise: on average, active customers in our sample made 1.9 P2P transfers in June 2012. This number is significantly higher than in June 2011, when the average customer made just over 0.7 transfers.

International remittances had the highest average transaction size of all transaction types, at \$204.4 per transaction on average. This is becoming a particularly popular way to send money in East Asia and Pacific, where half of the service providers in our survey already offer this service. International remittances represented 1% of the total product mix in the region and 6.3% of its total value.

### Product category 2 – Payment transactions

More and more customers today are using their mobile money accounts to make payments. Providers are beginning to move beyond traditional service options like airtime top-ups to allow their mobile customers to pay for water or electricity bills, to buy goods in shops and supermarkets, or public transport tickets. Almost every service provider in our survey allowed airtime top-ups using mobile money, and this is still the most common type of transaction (61% globally). On average, active customers made 3.6 airtime top-ups in June 2012. However, the average top-up is very small – just \$0.6 – which is why these transactions represented a very small proportion of the total value (2.7%) transacted on mobile money platforms in June 2012.

An increasing number of mobile money service providers also offer bill payments: 81% of our sample this year compared to 69% last year. 58% of survey participants also offer merchant payments. Interestingly, bill payment volumes are on the rise (from 5.2% in December 2011 to 5.7% in June 2012) while airtime top-ups have dropped slightly (from 62.1% to 61.4%). Bill payments are particularly popular in South Asia, accounting for 53.1% of the overall product mix in the region and 32.5% of total value (June 2012).

### Product category 3 – Disbursement transactions

Although an increasing number of mobile money providers offer bulk payments, including salary payments and G2P transfers, growth is slow (annualised growth rate of 7.4%) and they remain marginal products (only 1.3% of the global product mix in volume and 5.3% in value). Nevertheless, a few providers have focused their efforts on disbursement transactions, and bulk payments are already starting to drive activity on their platform. In June 2012, bulk payments represented more than half of the total value transacted by five of the mobile service providers in our survey.

## Spotlight on Telesom Zaad Mobile Financial Services (Somaliland)

In early 2012, the Bill & Melinda Gates Foundation, the World Bank, and the Gallup World Poll found that one-third of adults in Somalia had used mobile money in the past 12 months. Our 2012 MMU Global Mobile Money Adoption Survey revealed that Somalia had one of the highest rates of customer uptake. It appears that most mobile money activity in Somalia has been in the Somaliland region via a service called Telesom Zaad Mobile Financial Services.

Zaad is a mobile money service launched by Telesom in Somaliland in June 2009. Since then, the service has gained significant traction: in June 2012, almost 40% of Telesom GSM subscribers were active users of Zaad. But what is most striking about Zaad is the degree of activity on its mobile money platform. The average number of transactions per customer is extremely high and well above global averages: in June 2012, 8.3 million transactions were performed by just 240,000 active mobile money customers, adding up to more than 34 transactions per customer every month. The graph below shows the types of transactions active users are performing, and how often.

Average number of transactions per active Zaad account in June 2012



These numbers do not tell the full story, however. According to Abdikarim Mohamed Eid, GM of Telesom, most of the transactions that were counted as P2P transfers were in fact informal merchant payments.

The fact that financial institutions were virtually non-existent in Somaliland when the service launched certainly helped mobile money to thrive. Telesom also focused its efforts on serving two key groups:

- informal businesses that let customers pay for goods and services using Zaad; and
- employers that pay salaries via Zaad.

This seems to have been a successful strategy; businesses and employers in Somaliland tend to encourage people to use Zaad to make and receive payments. Since the beginning, Telesom's objective has been to get customers to keep a healthy balance in their e-wallet and then use the account rather than cashing in and out repeatedly. Today, mobile money is effectively replacing cash in Somaliland, and people use it on a daily basis for a broad range of transactions.

#### Product category 4 – Conversion transactions

In most cases, conversion transactions are a necessary first step for customers to use other products. For example, customers must conduct a cash-in transaction before they can make transfers or payments, and cashing out allows them to withdraw money they may have received from disbursement transactions or transfers. For this reason, one of the key indicators that service providers track is the ratio of P2P transfers to cash-ins (if they use P2P transfers to drive customer adoption). Mobile money providers try to have a ratio equal or superior to 1, so that every cash-in leads to at least one P2P transfer.

However, in a small number of cases, conversion transactions are considered a stand-alone product and overshadow all other product categories in both volume and value. Four of the participants in our survey had cash-in and cash-out values in June 2012 that were more than nine times higher than the total value of all transfers, payments, and disbursement transactions combined. This is the result of two main factors:

1. **Savings** – Customers cash-in to deposit money in their mobile wallet and save it there until they need to use it and cash-out.
2. **Direct deposits** – In some countries, direct deposits are commonplace. Direct deposits are deposits of money made into the mobile money account of another person. Direct deposits are actually P2P transfers, but since they look like cash-ins they are counted as such. These deposits allow customers to avoid paying transfer fees since cash-ins are usually free of charge.

#### Spotlight on MiCash (Papua New Guinea)

MiCash is a mobile money service that was launched in March 2012 by NationWide Microbank (NM), a microfinance institution in Papua New Guinea. NM was created with a clear mission: to ‘bank the unbanked’, and MiCash was launched as a tool for unbanked people to save money. In June 2012, conversion transactions represented 96.3% of the value of MiCash’s product mix in value (compared to a global average of 58.8%). The average value of its cash-in transactions is also significantly higher than the global average: \$125.1 compared to \$37.1. Today, the average balance of MiCash mobile wallets is \$123.0.

These figures are particularly impressive given that Papua New Guinea has significant barriers to financial inclusion. About 40% of the population lives on less than \$1 per day and, according to the Central Bank, up to 90% of Papua New Guineans do not have access to financial services. Interestingly, 70% of MiCash customers are not previous customers of NM, a signal that this new savings product is gaining traction in Papua New Guinea.

NM relied on a clear, two-pronged strategy to achieve these results: create a major marketing campaign around savings and training customers on financial literacy.

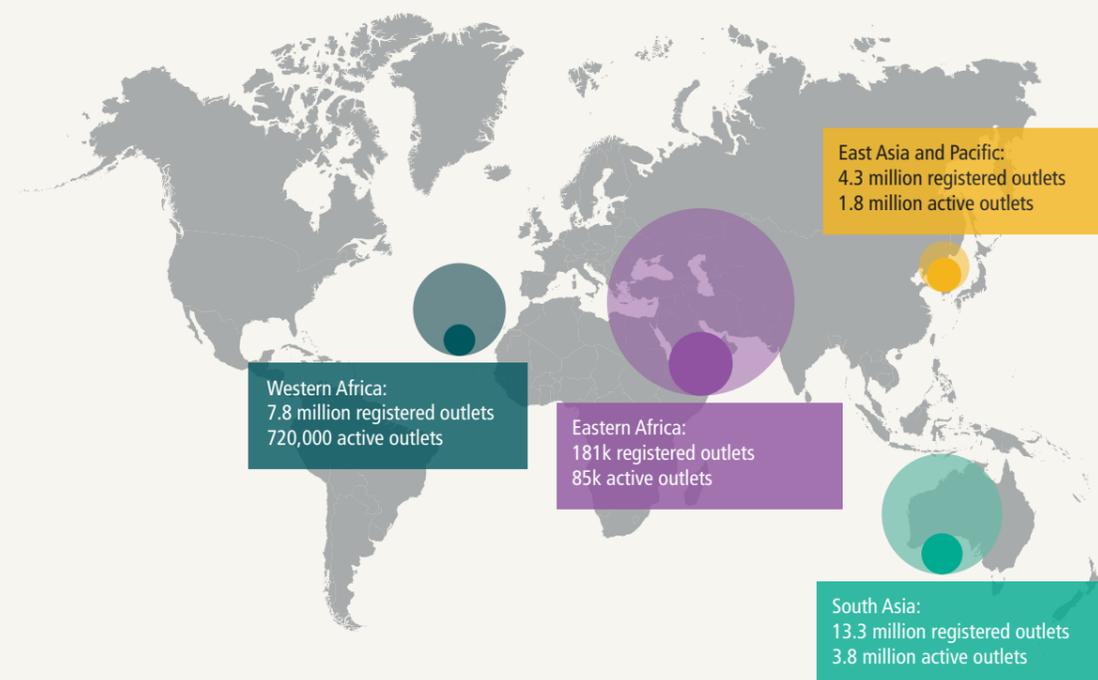
- **Marketing campaign:** NM decided to market the MiCash mobile wallet as a bank account and deliberately downplayed the benefits of using it for domestic remittances. Marketing campaigns emphasised that saving money with a MiCash mobile wallet was the same as having money in the bank.
- **Financial education:** NM wanted to encourage people to save, and quickly realised that this would require significant effort in terms of marketing and customer education. They decided to add financial literacy training to the registration and account opening process, focusing their efforts on educating new customers about savings rather than on the mass registration of new accounts. “Whilst we understand scale is important for profitability and sustainability we also believe having active wallets rather than inactive wallets is also important, and that is why we take the effort to train our new customers on not only how to utilize the functions on the wallet, but also why saving is important.” – Tony Westaway, Managing Director of Nationwide Microbank.

## Part 6 – How is the distribution of mobile money evolving?

#### Key findings

- With 520,000 registered agent outlets, there are now just as many mobile money outlets as Western Union points of sale.
- The rapid expansion of agent outlets has made agent management a central issue for the mobile money industry.

Figure 12: Number of registered and active agent outlets by region (June 2012)



Mobile money distribution networks have changed the way formal financial services can be accessed. By rolling out large networks of agents across developing countries, the mobile money industry has managed to offer basic financial services to unbanked people.

The global footprint of mobile money is expanding as the number of touch points continues to grow. The number of registered mobile money agent outlets is increasing rapidly at an annualised rate of 82.5%, and by June 2012, the 78 mobile money providers in our survey had registered over 520,000 agent outlets. There are now just as many mobile money agent outlets as Western Union points of sale.<sup>23</sup> However, some mobile money services have larger footprints than others. Five survey participants reported registering more than 40,000 agent outlets, while the majority of participants registered less than 2,000.

The number of active agent outlets has also grown dramatically from 226,000 in December 2011 to 330,000 in June 2012 – a 91.3% annualised growth rate.<sup>24</sup>

A key trend in mobile money distribution this year is the development of new distribution channels beyond agent outlets. These include ATMs that perform both cash-ins and cash-out transactions, the use of cards for cash-in transactions, and the use of online platforms to cash-in from and cash-out to an existing bank account.

#### Defining active agent outlets

Agent performance is key to the success of a mobile money service. Yet, the definition of an active agent outlet varies across services. For this survey, we asked mobile money service providers to report the number of agent outlets they considered “active”, and to provide their definition of an active outlet. Because these definitions differ, care must be taken in comparing the numbers.

The most common definition – used by more than 60% of survey participants – is “an agent who has done at least one financial transaction within the past 30 days”. However, this definition can vary in terms of the actions, number of transactions, and time period the service providers take into account.

#### Actions considered:

- A few participants consider active agents as registered and “able to” perform transactions, but in most cases, the definition takes into account the action of “performing a transaction”.
- Usually, only “financial transactions” are considered; definitions usually exclude responding to inquiries and registering new customers.
- Some definitions include the requirement that agents have a sufficient balance to conduct transactions. We believe that a mobile service provider should monitor this closely and we encourage them to include float levels in agents’ KPIs.
- In a few other cases, definitions also include sufficient branding of the agent outlet and quality of service at the point of sale.

#### Number of transactions and time period:

- In most cases, participants look at “1 transaction within the past 30 days”.
- Other definitions consider “1 within the past 90 days”, “1 within the past 7 days”, “1 within the past 9 days”, “1 per day”, “3 per day”, “1 per month for the past 12 months”, and “1 transaction since their registration as an agent”.

Beyond differences in definitions, indicators such as agent activity rates are useful for assessing the performance of the distribution network. Mobile money services benefit greatly from regularly segmenting their agent base by geography, level of investment, volume of transactions, types of transactions, product mix, and other variables. These analytics can help distribution teams to understand how to allocate their financial and human resources most effectively, keep top performers loyal, and deal with underperformers.

# 520k

Total number of registered agent outlets in June 2012

<sup>23</sup> <http://it.westernunion.com/News/Press-Releases/Press-Release-Details/2012/Western-Union-Reaches-500000-Agent-Location-Milestone1129121/default.aspx>  
<sup>24</sup> The number of active mobile money agent outlets of Safaricom is not included.

## Part 7 – How is mobile money contributing to financial inclusion?

#### Key findings

- In Kenya, Madagascar, Tanzania and Uganda, there are more mobile money accounts and agent outlets than bank accounts.
- A large proportion of the GDP of in Uganda, Tanzania and Kenya moves through mobile money platforms.

The data we collected through the 2012 Adoption Survey provide interesting insights into the contribution mobile money is making to financial inclusion globally:

- In some markets, mobile money has already become more widespread than the traditional banking sector and there are more mobile money accounts than bank accounts.
- The amount of money transacted over mobile money platforms represents a large proportion of the GDP of several countries, an indication of the importance of mobile money to these economies.

#### Section 1 – Countries with more mobile money accounts than bank accounts

We have identified four countries where there are more mobile money accounts than bank accounts: Kenya, Madagascar, Tanzania, and Uganda. In these countries, the total number of registered mobile money accounts in June 2012 was higher than the number of commercial bank accounts estimated by the IMF in their 2011 Financial Access Survey.<sup>25</sup> This number may even be higher as data on the number of bank accounts were not available for a number of countries.<sup>26</sup> In addition, not all of the mobile money providers from the 47 countries in our sample participated in the survey.

#### Section 2 – Countries with more mobile money agents than bank branches

We also compared the number of registered mobile money agent outlets in a country to the number of commercial bank branches.<sup>27</sup> Again, information was missing for some countries,<sup>28</sup> and we did not have access to all of the data on agent outlets for others. However, it appeared that there were at least 28 countries where there were more mobile money agents than bank branches.

The two figures above give a sense of the penetration of the mobile money industry compared to the traditional banking industry. Countries with more mobile money accounts than bank accounts are a clear example that mobile money is now allowing more people to access financial services than the banking industry has ever managed to. In countries where there are more mobile money agents than bank branches, agents rather than banks are becoming the face of the financial service industry.

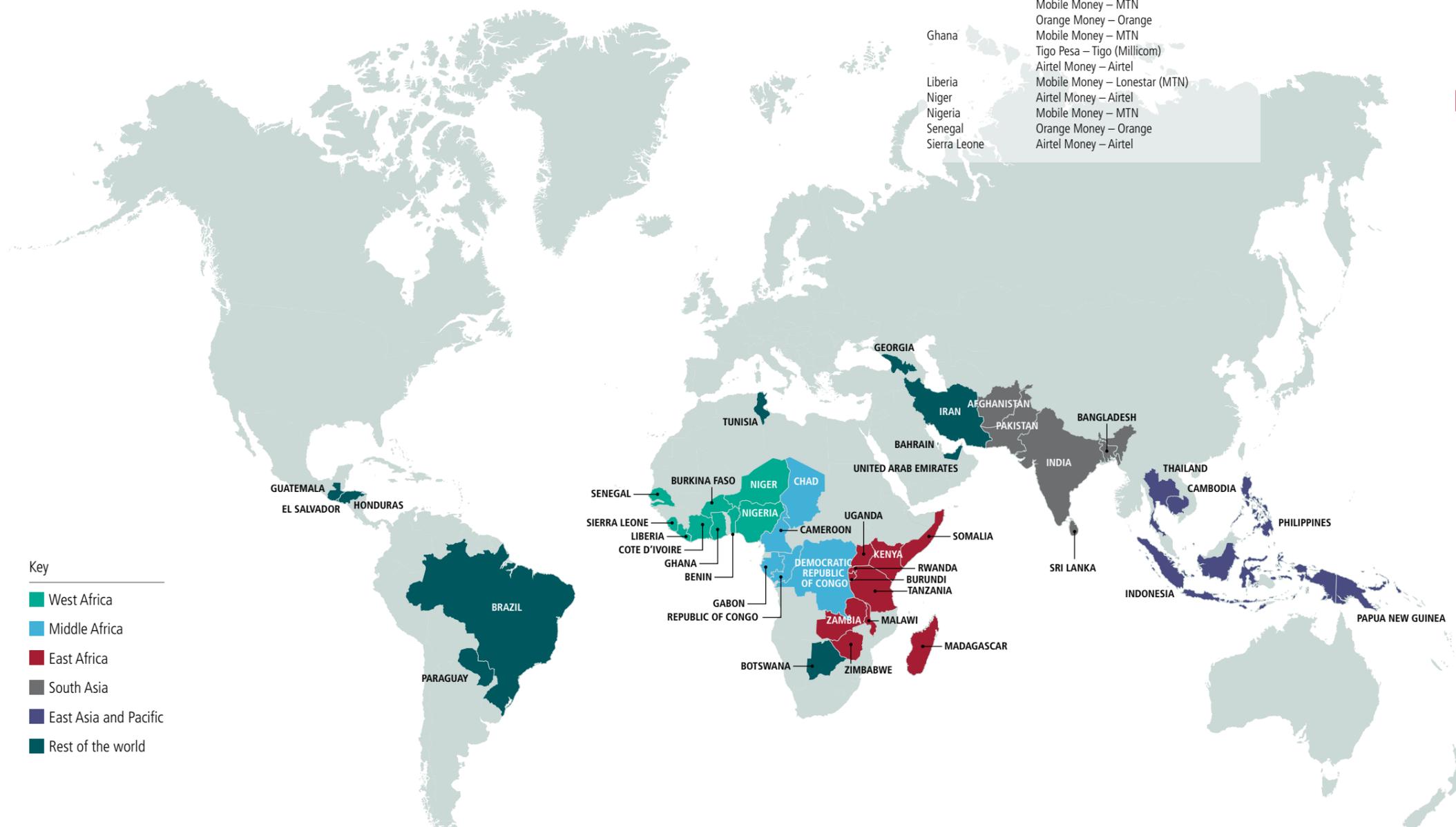
# 4

Number of countries with more mobile money accounts than bank accounts

<sup>25</sup> Available at: <http://fas.imf.org/>  
<sup>26</sup> Benin, Burkina Faso, Cameroon, Chad, Congo, Cote d'Ivoire, El Salvador, Gabon, Iran, Niger, Nigeria, Papua New Guinea, Paraguay, Senegal, Somalia, Somaliland, Sri Lanka, Tunisia, Zimbabwe  
<sup>27</sup> Financial Access Survey Data (IMF), 2011  
<sup>28</sup> Benin, Burkina Faso, Cote d'Ivoire, El Salvador, Iran, Niger, Senegal, Somalia, Zimbabwe



# Appendix A — List of participants



Key

- West Africa
- Middle Africa
- East Africa
- South Asia
- East Asia and Pacific
- Rest of the world

WEST AFRICA	
Benin	Mobile Money – Areeba (MTN)
Burkina Faso	InovaPay – Inova
Cote d'Ivoire	Airtel Money – Airtel CelPaid – CelPaid Mobile Money – MTN Orange Money – Orange
Ghana	Mobile Money – MTN Tigo Pesa – Tigo (Millicom) Airtel Money – Airtel
Liberia	Mobile Money – Lonestar (MTN)
Niger	Airtel Money – Airtel
Nigeria	Mobile Money – MTN
Senegal	Orange Money – Orange
Sierra Leone	Airtel Money – Airtel

MIDDLE AFRICA	
Cameroon	Mobile Money – MTN Orange Money – Orange
Chad	Airtel Money – Airtel
Republic of Congo	Airtel Money – Airtel
Gabon	Airtel Money – Airtel
Democratic Republic of Congo	Airtel Money – Airtel

EAST AFRICA	
Burundi	EcoKash – Econet Wireless
Kenya	Iko Pesa – Orange M-PESA – Safaricom Tangaza Pesa – Mobile Pay Ltd yucash – yu Airtel Money – Airtel
Madagascar	Orange Money – Orange mVola – Telma Airtel Money – Airtel
Malawi	Airtel Money – Airtel
Rwanda	Mobile Money – MTN Tigo Cash – Tigo (Millicom)
Somalia	E-MAAL – Nationlink Telecom Zaad – Telesom
Tanzania	Tigo Pesa – Tigo (Millicom) M-PESA – Vodacom Airtel Money – Airtel ezyPesa – Zantel
Uganda	Mobile Money – MTN M-Sente – UT Mobile Warid Pesa – Warid Telecom Airtel Money – Airtel
Zambia	Zoona – Zoona Mobile Money – MTN
Zimbabwe	Airtel Money – Airtel EcoCash – Econet Wireless

REST OF THE WORLD	
Bahrain	Me2U – Zain
Botswana	MyZaka Mascom Money – Mascom (MTN)
Brazil	Oi Paggo – Oi
El Salvador	Tigo Pesa – Tigo (Millicom)
Georgia	MobiPay – Geocell
Guatemala	Tigo Money – Tigo (Millicom)
Honduras	Tigo Money – Tigo (Millicom)
Iran	Jiring – MCI
Paraguay	Giros Tigo – Tigo (Millicom)
Tunisia	Mobiflouss – Tunisiana
United Arab Emirates	Etisalat Mobile Commerce - Etisalat

EAST ASIA AND PACIFIC	
Cambodia	Wing Money – Wing
Fiji	Mobile Money – Digicel
Indonesia	Dompektu – Indosat
Papua New Guinea	Cellmoni – Digicel MiCash – Nationwide Microbank
Philippines	GCash – Globe Telecom Smart Money – Smart (Pldt)
Samoa	Mobile Money – Digicel
Thailand	mPay – AIS
Tonga	Mobile Money – Digicel

SOUTH ASIA	
Afghanistan	mHawala – Etisalat M-Paisa – Roshan
Bangladesh	Mobile Banking – DBBL BillPay – GrameenPhone
India	Suvidhaa Money and Suvidhaa POS – Suvidhaa Beam Money – Beam
Pakistan	easypaisa – Telenor Omni – UBL Bank
Sri Lanka	eZ Cash – Dialog

# Appendix B – Copy of the Survey Questionnaire

## General information

### Your mobile money service:

Name

Date of launch (mm-yyyy)

### What are the pre-requisites to use mobile money?

	Yes	No
Do customers need to register to use mobile money?	<input type="text"/>	<input type="text"/>
Do customers need an electronic wallet to make transactions?	<input type="text"/>	<input type="text"/>
Do customers need to have a bank account to use mobile money?	<input type="text"/>	<input type="text"/>
Can customers link their wallet to an additional financial product (current account, savings account, etc)?	<input type="text"/>	<input type="text"/>

## Registered customer accounts

Please enter the cumulative number of customer accounts that have been opened as at the end of the months indicated.

Customers who have not been registered but perform transactions over the counter SHOULD NOT be counted.

	Dec 11	Jan 12	Feb12	Mar 12	Apr 12	May 12	Jun 12
Number of Registered customer accounts	<input type="text"/>						

## Active customer accounts

The number of customer accounts that have been used to perform at least one P2P payment, bill payment, bulk payment, cash in to account, cash out from account, or airtime top-up from account for at least one of the time periods indicated below.

Balance inquiries, PIN resets, and other transactions that do not involve the movement of value SHOULD NOT qualify a customer account as active.

	Dec 11	Jan 12	Feb12	Mar 12	Apr 12	May 12	Jun 12
Number of Active customer accounts - 90 days	<input type="text"/>						
Number of Active customer accounts - 60 days	<input type="text"/>						
Number of Active customer accounts - 30 days	<input type="text"/>						

## Registered agent outlets

The cumulative number of transactional outlets that have been registered as at the end of the months indicated.

	Dec 11	Jan 12	Feb12	Mar 12	Apr 12	May 12	Jun 12
Number of Registered agent outlets	<input type="text"/>						

## Active agent outlets

The cumulative number of transactional outlets that are active as at the end of the months indicated.

Please also provide your definition of an active agent outlet.

	Dec 11	Jan 12	Feb12	Mar 12	Apr 12	May 12	Jun 12
Number of Active agent outlets	<input type="text"/>						
My definition of an active agent outlet is	<input type="text"/>						
	<input type="text"/>						
	<input type="text"/>						

## Transactions

In this section, we'll be asking questions about the number of transactions performed during a month and about the value of transactions performed within a month. Could you please first select the currency that you will use for your responses.

Please select a currency from the list

## P2P payments

P2P transfers that were made between customers during the month, regardless of whether they originated from or terminated in an account or over the counter.

	Dec 11	Jan 12	Feb12	Mar 12	Apr 12	May 12	Jun 12
Number of P2P transfers	<input type="text"/>						
Value of P2P transfers	<input type="text"/>						

## Bill payments

Bill payments that were made during the month, regardless of whether they originated from an account or were made over the counter.

	Dec 11	Jan 12	Feb12	Mar 12	Apr 12	May 12	Jun 12
Number of Bill payments	<input type="text"/>						
Value of Bill payments	<input type="text"/>						

## Bulk payments

Bulk payments, such as salaries or government transfers, that were made during the month, regardless of whether they terminated in an account or over the counter.

	Dec 11	Jan 12	Feb12	Mar 12	Apr 12	May 12	Jun 12
Number of Bulk payments	<input type="text"/>						
Value of Bulk payments	<input type="text"/>						

## Merchant payments

Movements of value that were made during the month from a customer to a merchant to pay for goods or services at the point of sale.

	Dec 11	Jan 12	Feb12	Mar 12	Apr 12	May 12	Jun 12
Number of Merchant payments	<input type="text"/>						
Value of Merchant payments	<input type="text"/>						

## International remittances

Transfers made to a customer account coming from a different country during the month, regardless of how the sender transmitted funds.

	Dec 11	Jan 12	Feb12	Mar 12	Apr 12	May 12	Jun 12
Number of International remittances	<input type="text"/>						
Value of International remittances	<input type="text"/>						

## Mobile microinsurance

Payments of insurance premiums made during the month from a mobile wallet through the mobile money platform.

	Dec 11	Jan 12	Feb12	Mar 12	Apr 12	May 12	Jun 12
Number of Mobile microinsurance transactions	<input type="text"/>						
Value of Mobile microinsurance transactions	<input type="text"/>						

## Airtime top-ups

Airtime top-ups funded from customer accounts that were made during the month.

Purchases of airtime that are funded by OTC payments SHOULD NOT be included.

	Dec 11	Jan 12	Feb12	Mar 12	Apr 12	May 12	Jun 12
Number of Airtime top-ups	<input type="text"/>						
Value of Airtime top-ups	<input type="text"/>						

## Cash-ins to account

Cash-ins to customer accounts that were made during the month.

Over-the-counter P2P payments, bill payments, or airtime top-ups SHOULD NOT be included.

	Dec 11	Jan 12	Feb12	Mar 12	Apr 12	May 12	Jun 12
Number of Cash-ins to account	<input type="text"/>						
Value of Cash-ins to account	<input type="text"/>						

## Cash-outs from account

Cash-outs from customer accounts that were made during the month.

Over-the-counter collection of bulk payments or P2P payments SHOULD NOT be included.

	Dec 11	Jan 12	Feb12	Mar 12	Apr 12	May 12	Jun 12
Number of Cash-outs from account	<input type="text"/>						
Value of Cash-outs from account	<input type="text"/>						

## If you offer other services please enter them below:

Please use the rows below to tell us about any other services that you offer.

	Dec 11	Jan 12	Feb12	Mar 12	Apr 12	May 12	Jun 12
Other service 1 - Number of transactions	<input type="text"/>						
Other service 1 - Value of transactions	<input type="text"/>						
Other service 2 - Number of transactions	<input type="text"/>						
Other service 2 - Value of transactions	<input type="text"/>						

## Organizational structure

How many full time employees are dedicated to mobile money?

FTE can include outsourced contractors if they are fully dedicated to mobile money.

	At launch	Jun 12
The number of FTE staff dedicated to mobile money	<input type="text"/>	<input type="text"/>

## How is mobile money organized in June 2012?

	Yes	No
Is mobile money a separate business unit?	<input type="text"/>	<input type="text"/>

## Who does the head of mobile money report to?

The position/title the head of mobile money reports to

# Appendix C – Key indicators by region

	Global	East Asia and Pacific	South Asia	Eastern Africa	Western Africa
Sample size (number of respondents)	78	10	9	26	15
<b>Customer accounts</b>					
Number of active customer accounts, June 2012	17,768,864 <sup>31</sup>	1,822,715 <sup>32</sup>	3,843,130	9,650,466 <sup>33</sup>	717,364
Annualised growth rate of active customer accounts	167.2%	39.7%	210.2%	167.1%	174.2%
Number of registered customer accounts, June 2012	81,828,592 <sup>32</sup>	4,292,843 <sup>32</sup>	13,265,335	48,518,850	7,796,894
Annualised growth rate of registered customer accounts	61.1%	22.8%	126.4%	46.2%	27.1%
Active rate (active customer accounts divided by registered customer accounts), June 2012	26.6% <sup>34</sup>	42.5% <sup>32</sup>	29.6%	28.8% <sup>35</sup>	9.2%
<b>Agent outlets</b>					
Number of active agent outlets, June 2012	330,438 <sup>36</sup>	110,380 <sup>36</sup>	114,271	84,629	11,261
Annualised growth rate of active agent outlets	91.3%	29.8%	115.1%	194.1%	82.8%
Number of registered agent outlets, June 2012	520,389	135,547	161,016	180,641	27,903
Annualised growth rate of registered agent outlets	82.5%	32.7%	118.2%	88.8%	136.0%
<b>Transactions</b>					
<b>Transfers</b>					
Number of domestic P2P transfers, June 2012	46,594,574	3,520,219	2,200,329	40,267,874	86,383
Annualised growth rate of number of domestic P2P transfers	42.7%	13.8%	179.1%	41.0%	48.9%
Value of domestic P2P transfers (USD), June 2012	\$1,624,692,537	\$171,215,082	\$93,269,675	\$1,329,225,320	\$3,134,986
Annualised growth rate of value of domestic P2P transfers	32.5%	3.1%	135.5%	32.3%	86.5%
Number of international remittances, June 2012	88,772	54,524	9,291	23,523	320
Annualised growth rate of number of international remittances	15.6%	-21.6%	41.0%	265.2%	1075.2%
Value of international remittances (USD), June 2012	\$18,140,663	\$13,869,004	\$2,767,069	\$1,351,236	\$7,367
Annualised growth rate of value of international remittances	9.1%	-4.0%	39.1%	173.5%	106.3%

	Global	East Asia and Pacific	South Asia	Eastern Africa	Western Africa
<b>Payment transactions</b>					
Number of bill payments, June 2012	8,524,277	87,117	4,805,020	3,448,098	49,613
Annualised growth rate of number of bill payments	67.9%	-0.1%	59.5%	73.7%	920.8%
Value of bill payments, June 2012	\$164,155,860	\$1,826,763	\$60,436,470	\$98,300,662	\$649,940
Annualised growth rate of value of bill payments	74.8%	-2.5%	64.1%	78.2%	478.6%
Number of merchant payments, June 2012	147,926	29,824	50,640	45,646	4,393
Annualised growth rate of number of merchant payments	6.7%	9.4%	17.5%	31.0%	92.6%
Value of merchant payments, June 2012	\$11,394,645	\$5,695,690	\$1,442,976	\$1,806,611	\$299,919
Annualised growth rate of value of merchant payments	26.9%	-6.0%	30.6%	-3.2%	1033.5%
Number of airtime top-ups, June 2012	91,029,470	991,339	1,615,774	86,961,022	814,432
Annualised growth rate of number of airtime top-ups	37.5%	16.9%	42.4%	36.0%	160.6%
Value of airtime top-ups, June 2012	\$54,150,227	\$1,584,418	\$1,226,844	\$49,385,089	\$770,925
Annualised growth rate of value of airtime top-ups	41.4%	6.9%	86.9%	37.1%	128.9%
<b>Disbursement transactions</b>					
Number of bulk payments, June 2012	1,909,061	663,016	363,408	842,197	33,380
Annualised growth rate of number of bulk payments	7.4%	-8.6%	-38.6%	62.3%	1099.4%
Value of bulk payments, June 2012	\$104,959,781	\$24,862,065	\$26,584,619	\$51,989,880	\$649,446
Annualised growth rate of value of bulk payments	67.1%	-29.0%	861.2%	60.9%	345.2%
<b>Conversion transactions</b>					
Number of cash-ins, June 2012	37,743,989	690,867	1,121,858	35,330,483	522,671
Annualised growth rate of number of cash-ins	50.2%	7.8%	21.0%	51.7%	136.3%
Value of cash-ins, June 2012	\$1,389,300,697	\$16,968,329	\$25,805,358	\$1,309,237,839	\$29,768,164
Annualised growth rate of value of cash-ins	39.1%	82.1%	159.9%	35.0%	126.8%
Number of cash-outs, June 2012	47,435,939	420,992	9,409,652	36,736,377	420,171
Annualised growth rate of number of cash-outs	114.9%	1.3%	662915.4%	47.3%	148.0%
Value of cash-outs, June 2012	\$1,276,238,054	\$41,558,810	\$30,606,946	\$1,150,601,315	\$26,076,621
Annualised growth rate of value of cash-outs	39.7%	18.5%	236.9%	36.7%	122.6%

31 27,485,256 including Safaricom's active accounts in September 2012. Does not include data from SMART.

32 Does not include data from SMART.

33 19,366,858 including Safaricom's active accounts in September 2012.

34 33.6% including Safaricom's numbers in September 2012. Does not include data from SMART.

35 39.9% including Safaricom's numbers in September 2012.

36. Does not include data from Safaricom



The MMU programme is supported by The Bill & Melinda Gates Foundation,  
The MasterCard Foundation and Omidyar Network



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