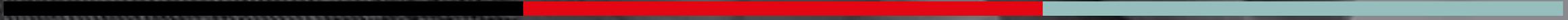




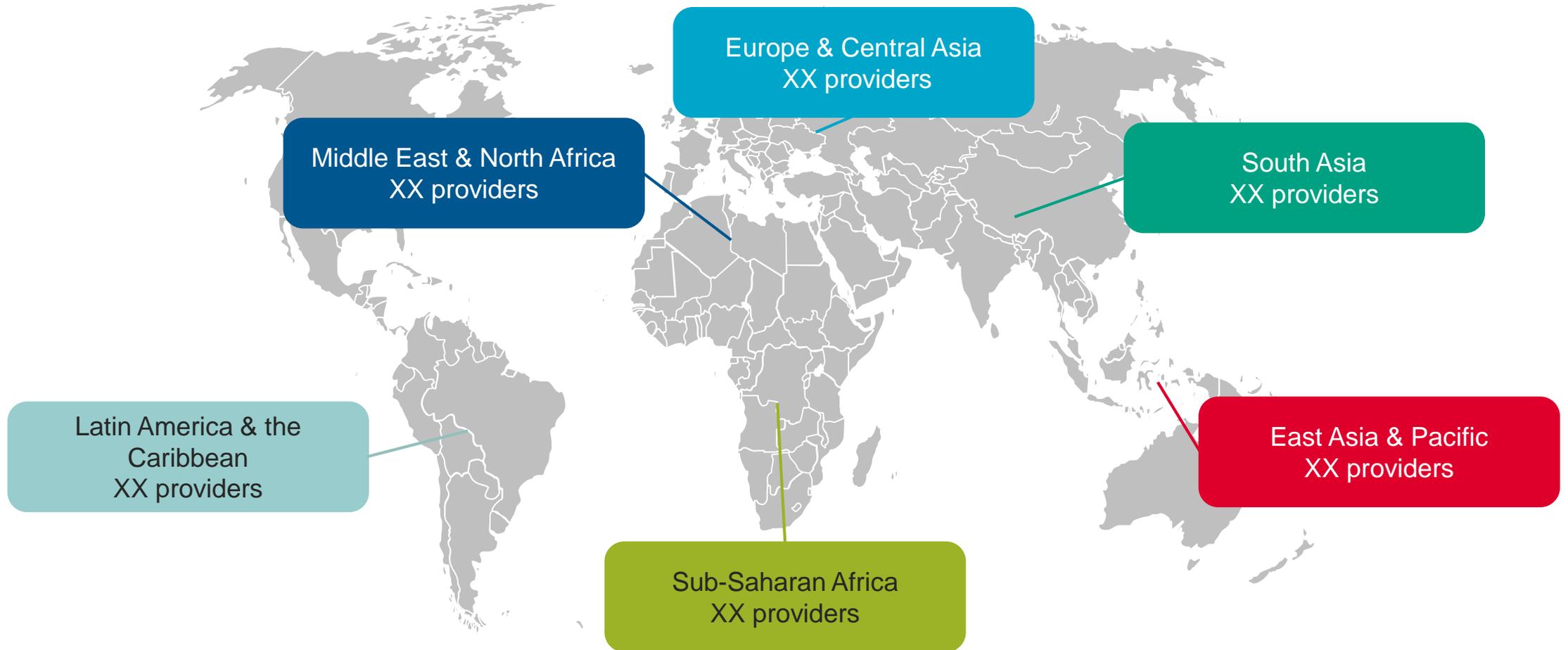
# Custom Benchmarking Report for Mobile Money

Anonymised version – Dummy Data  
March 2017





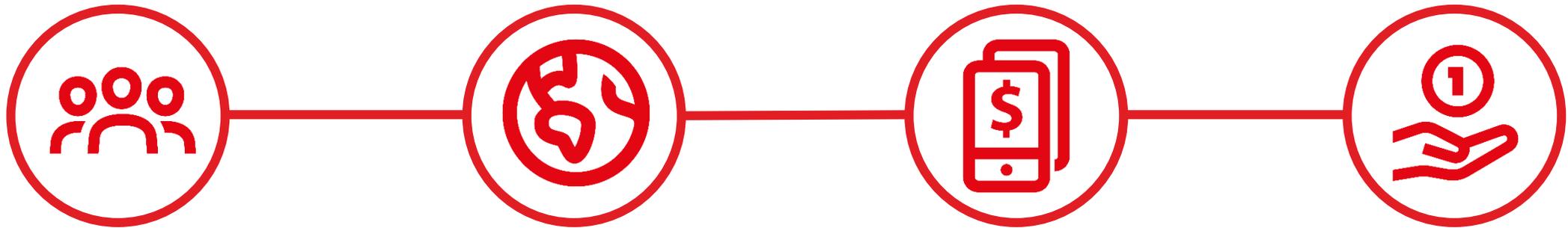
# Analysis is based on 100+ mobile money providers who participated in the 2016 Global Annual Adoption survey



# Introduction to your custom Benchmark Report

This Benchmark Report was produced by the GSMA Mobile Money Programme for MNO X.

Based on findings from the **2016 Global Adoption Survey of Mobile Financial Services**, this report compares your performance across a selection of metrics against regional and global values. This report is split into the following sections:



## ADOPTION

### EXAMPLE KPIs:

- Active 90 day customers
- Customer base composition
- Unregistered customers transacting over the counter

## ACCESSIBILITY

### EXAMPLE KPIs:

- Number of active agents per 1,000 adults
- Agent activity rate
- Transactions per active agent per day

## USAGE

### EXAMPLE KPIs:

- Product mix – transaction volumes and values
- Average number of transactions per active customer
- Average value of transactions per customer

## REVENUES & INVESTMENT

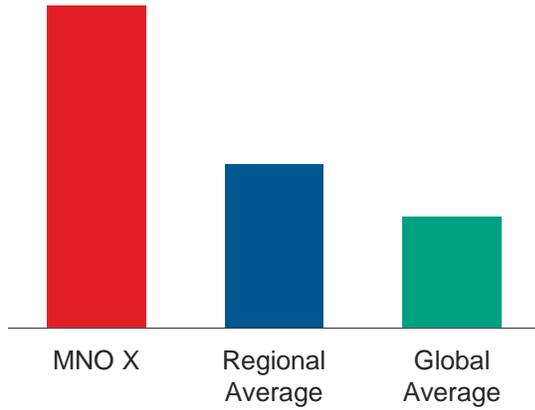
### EXAMPLE KPIs:

- Revenues per active customer
- % of revenues paid as agent commission

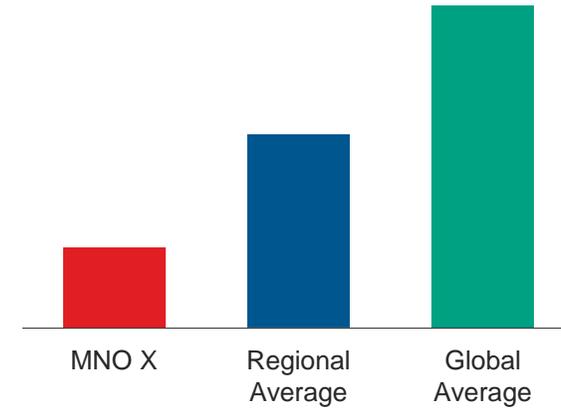


# Global Benchmark Report Overview

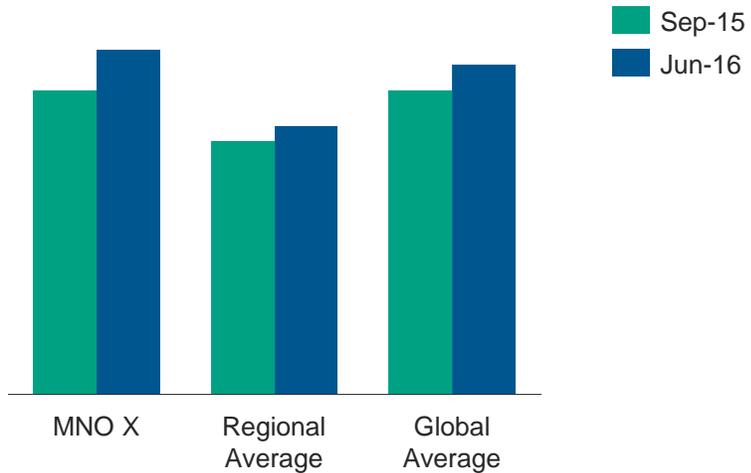
90-DAY CUSTOMER ACTIVITY RATE (JUNE 2016)



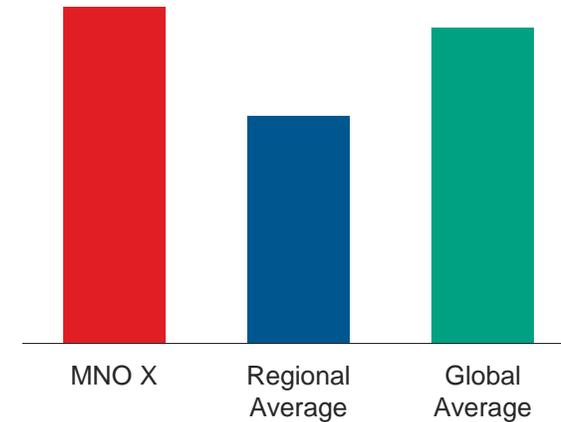
TOTAL ECOSYSTEM TRANSACTION VALUES PER ACTIVE CUSTOMER (US\$) (JUNE 2016)



AGENT ACTIVITY RATE

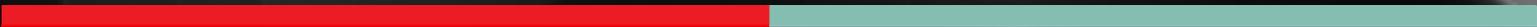


REVENUES PAID OUT AS AGENT COMMISSIONS (%)

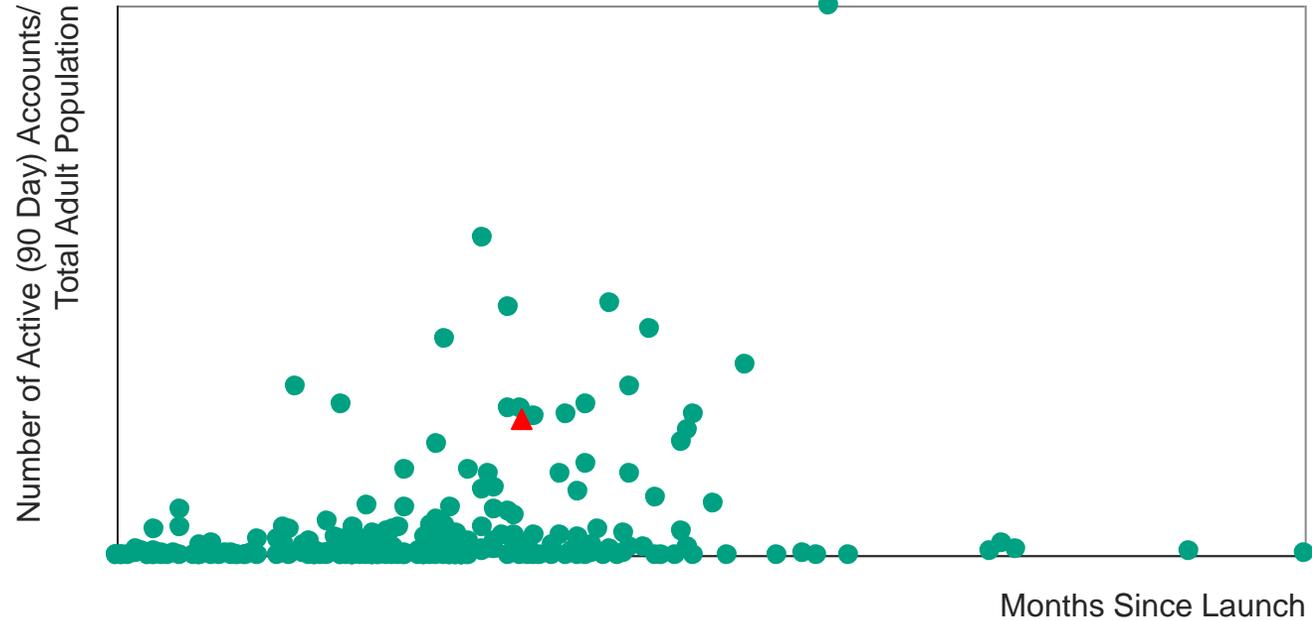




**Adoption**



# Speed at which deployments scaled mobile money in a specific market, in the context of the adult population



This figure illustrates the speed at which a deployment has scaled mobile money in a specific market, in the context of the adult population.

- Best practice shows that XX% of a market’s adult population can be reached in less than XX years after launch, and a large number of over-achieving services have reached between XX% and XX% in less than five years.

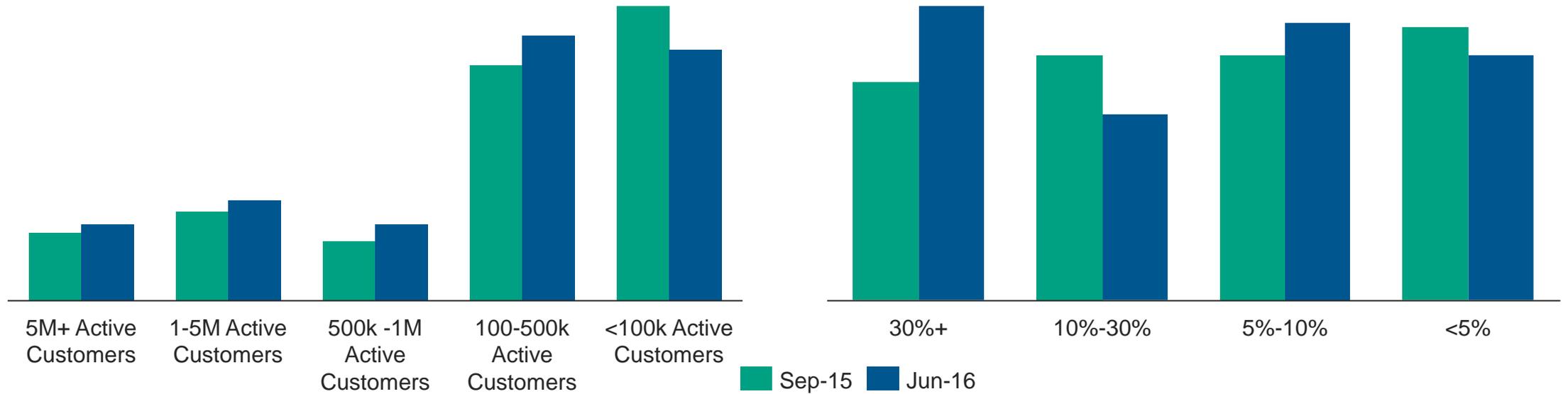


# Mobile Money market penetration: Absolute and relative size of deployment



NUMBER OF GLOBAL DEPLOYMENTS, BY ACTIVE CUSTOMERS (90-DAY)

NUMBER OF GLOBAL DEPLOYMENTS, BY ACTIVE CUSTOMERS / TOTAL MOBILE CONNECTIONS



(✓)

(✓)

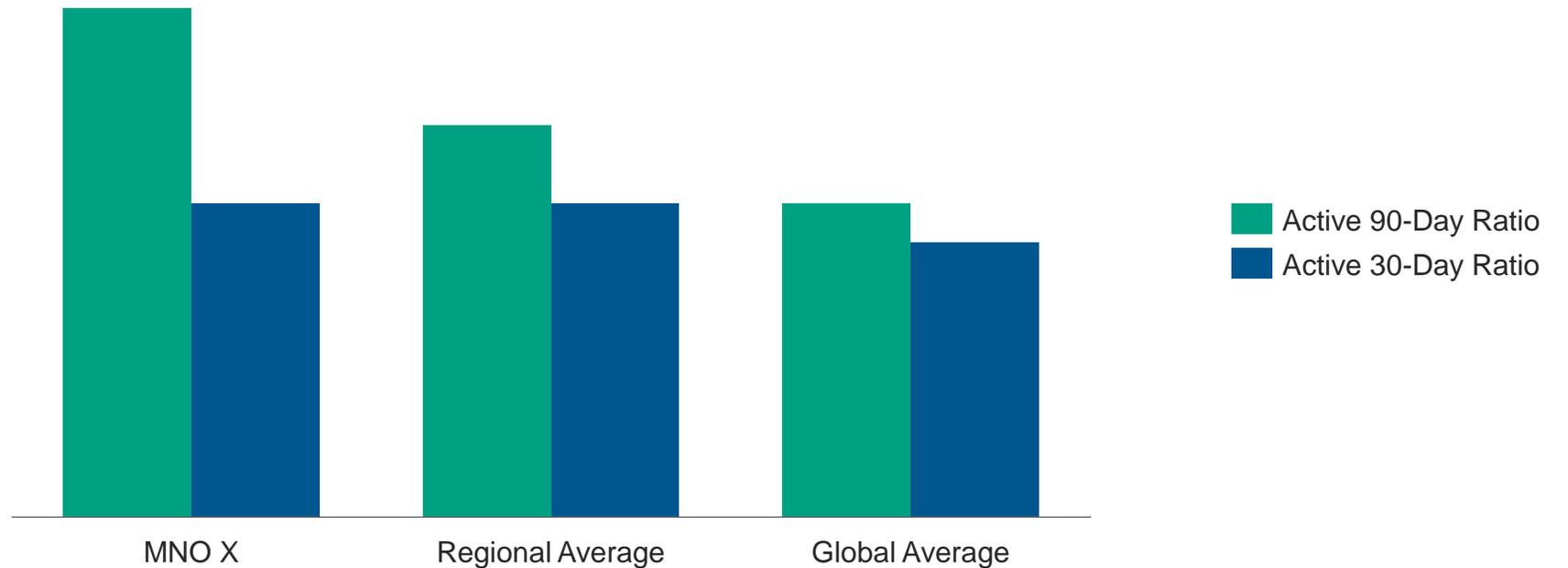
These figures illustrate mobile money providers' market penetration as both the absolute number of active customers and active customers as a proportion of mobile connections of a deployment.

- While some deployments may have a smaller absolute number of customers, they may have a larger penetration in relation to mobile connections. While many deployments have fewer than XX customers, a significant number of deployments are crossed the XX, YY and ZZ active account milestones.



# Customer activity ratio

CUSTOMER ACTIVITY RATE: 90-DAY & 30-DAY (JUNE 2016)



This figure compares the 90-day and 30-day customer activity rates for your deployment, in addition to the regional and global average.

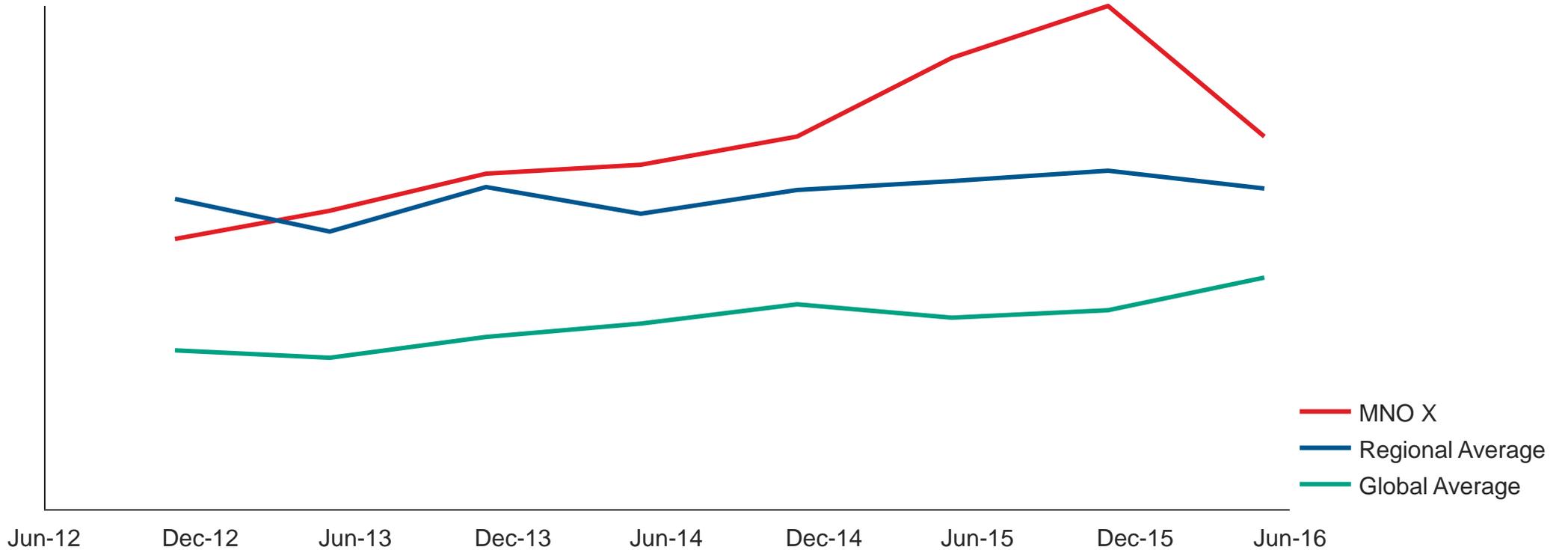
- As customer activity is a direct driver of profitability and a key metric to measure the performance, there is a need to increase the percentage of active 30-day customers in order to grow revenues. While on average, XX% of mobile money customers have made a transaction in the past XX days, there is still room to improve, with the average activity rate in retail banking being well over XX%.



# 90-day customer activity rate: Trend



90-DAY CUSTOMER ACTIVITY RATE: TREND



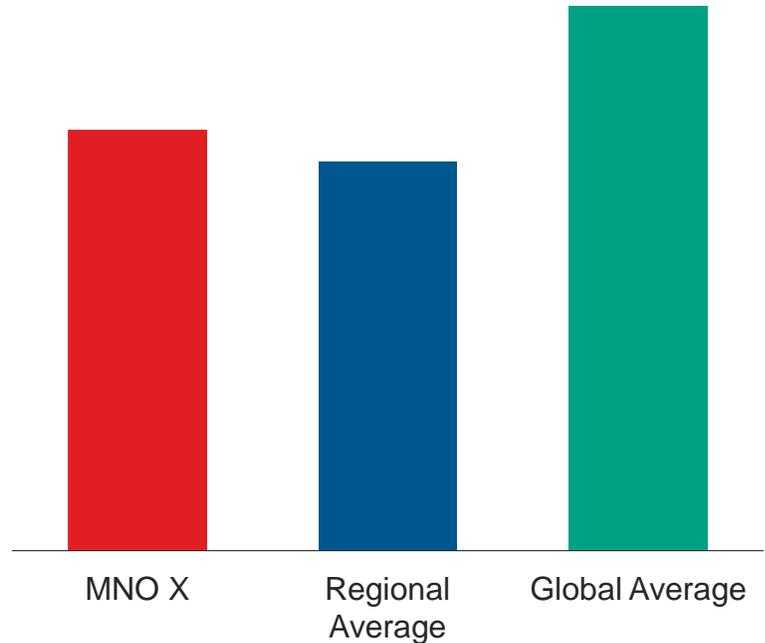
This figure illustrates the percentage of active accounts on a 90-day basis from December 2012 until June 2016.

- While in the past XX years the global average appears to have reached stability, best in class services with activity rates well above XX% show that there are still significant opportunities for growth.

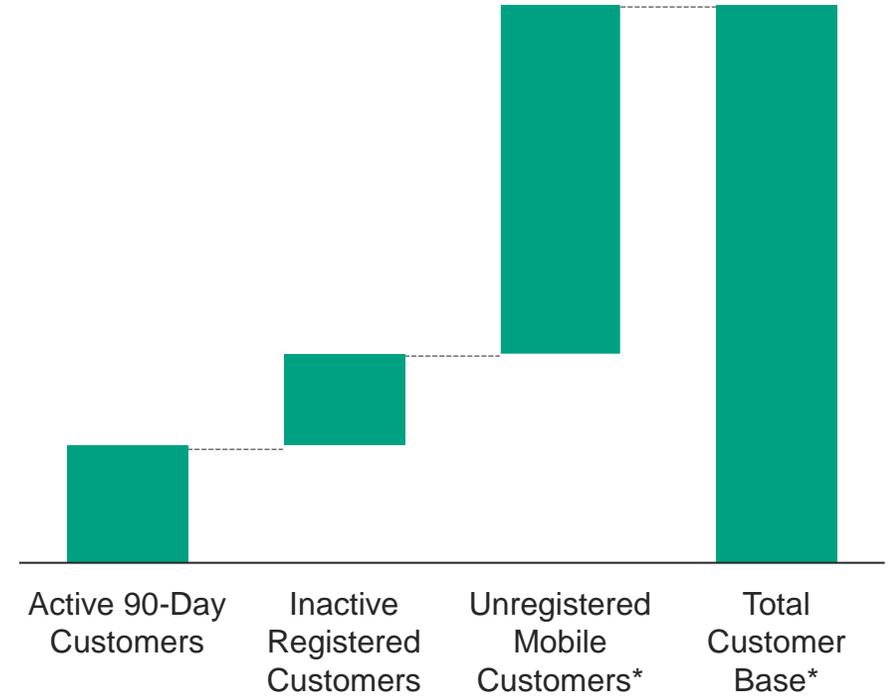
# Year-on-year registered customer growth



REGISTERED CUSTOMER ACCOUNT GROWTH  
(BETWEEN SEPTEMBER 2015 & JUNE 2016)



MISSED MOBILE MONEY OPPORTUNITY (JUNE 2016)



The left figure illustrates the growth of registered customer accounts in the past year. The right figure illustrates the missed mobile money opportunity in the market related to the operator's customer base.

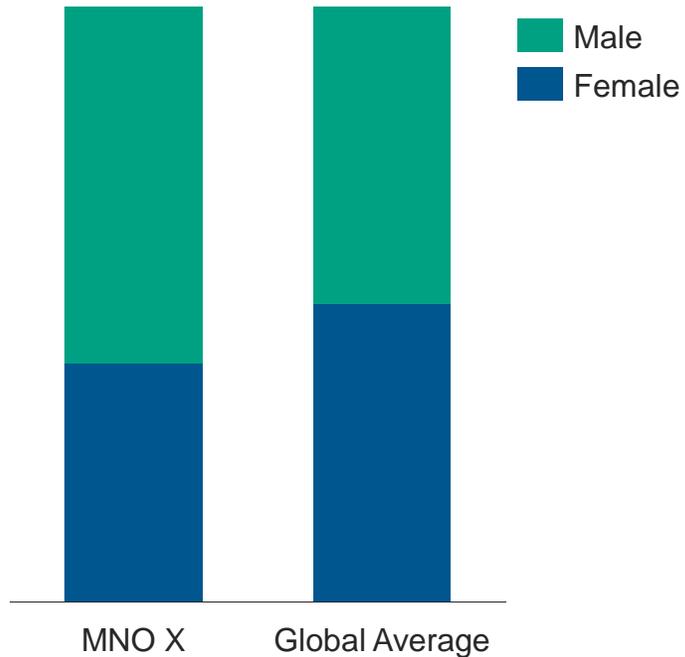
- While a high registered customer growth rate is positive, the starting customer base should be factored. With the missed opportunity, inactive registered customers are the easiest to go after. When looking at the unregistered mobile customers, it is important to keep into mind that in certain markets, only a certain percentage of customers have the possibility to open a mobile money account, so the base may not be a true reflection of the total market opportunity.



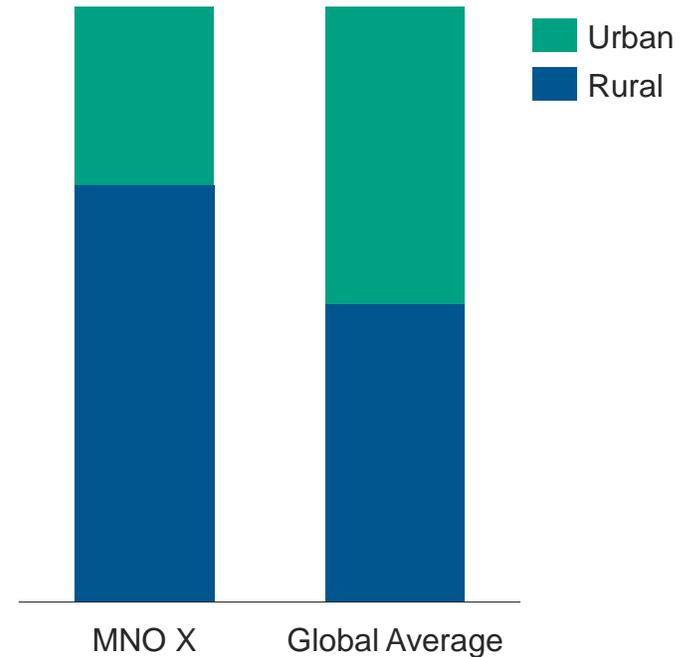
# Customer base by gender and geography



CUSTOMER SPLIT BY GENDER (JUNE 2016)



CUSTOMER SPLIT BY GEOGRAPHIC AREA (JUNE 2016)



These figures illustrate the customer split by gender and by geographic area.

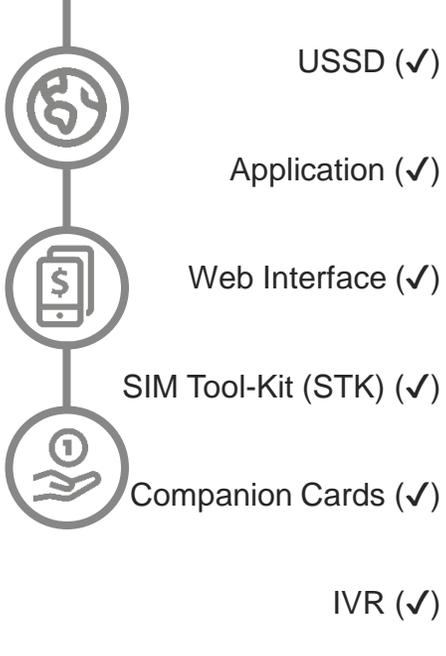
- The left figure illustrates that the global gender gap is still very wide, and there are many factors contributing to the mobile money gender gap. The right figure suggests that the urban/rural split is more balanced. Providers are re-examining their agent network and exploring the opportunities and challenges of expanding into rural areas.



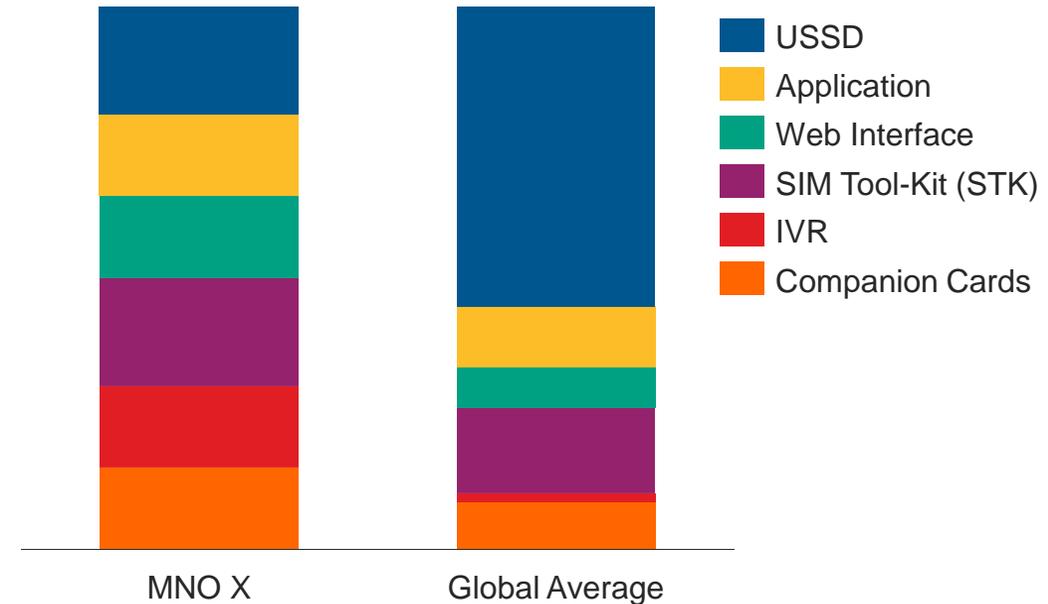
# Mobile Money access channels



PERCENTAGE OF PROVIDERS OFFERING EACH ACCESS CHANNEL (JUNE 2016)



SHARE OF TRANSACTIONS PROCESSED THROUGH EACH CHANNEL (JUNE 2016)



These figures illustrate the percentage of providers offering each access channel (left) and the share of transactions processed through each channel.

- The technical interface will be substantially disrupted by 2020 with the rise of smartphones and greater access to mobile broadband. While app development is increasingly common, usage of mobile money apps remains low, with XX% of total transactions being processed via an app. However, the number of operators processing more than XX% of total transaction volumes through an app is growing from X in 2015 to X in 2016.



# Accessibility

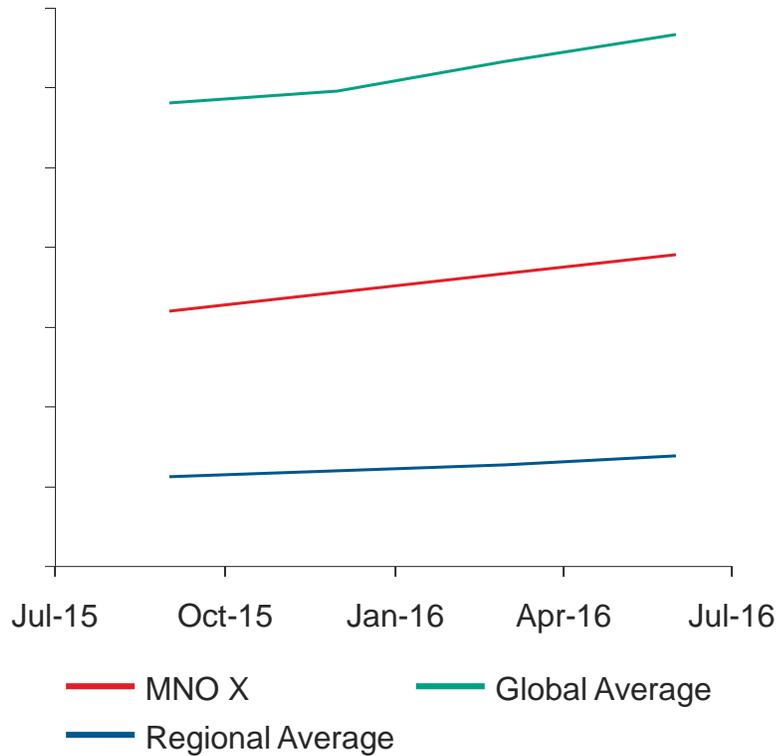




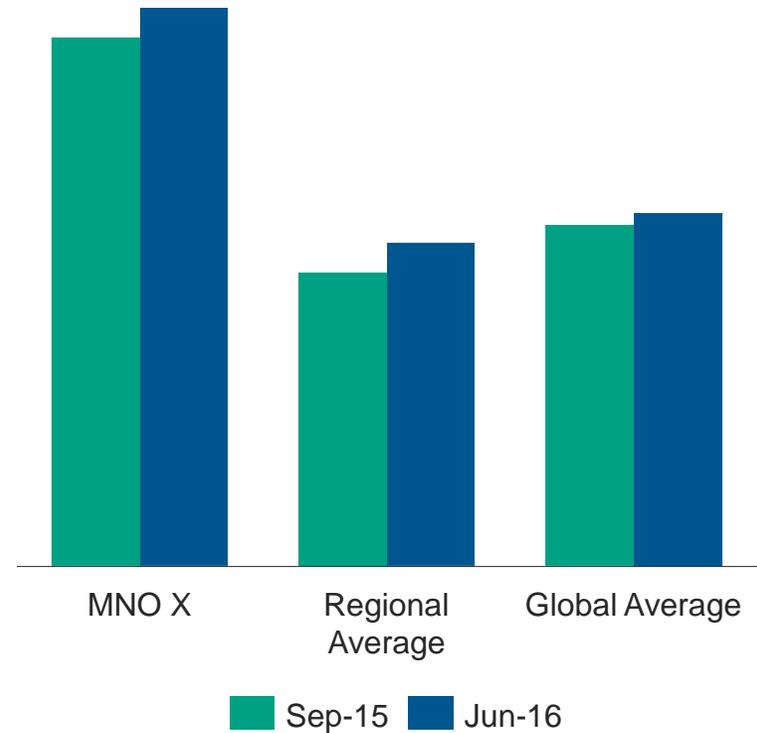
# Global agent activity rate



NUMBER OF REGISTERED AGENTS PER 1,000 ADULTS



AGENT ACTIVITY RATE (% OF REGISTERED)



The left figure illustrates the size of the agent network in the context of the adult population. The right figure illustrates active agents as a proportion of registered.

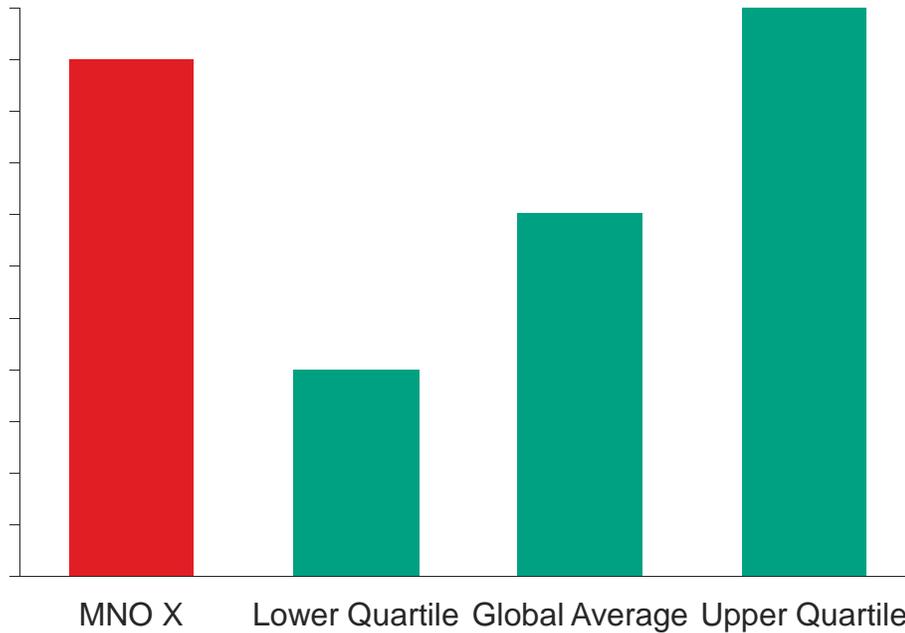
- At the global level, registered agents have grown to approximately X agent per 1,000 adults. The size of the agent network must be assessed alongside the share of active agents. A large agent network with a low activity rate may not be efficient or achieving the goal.



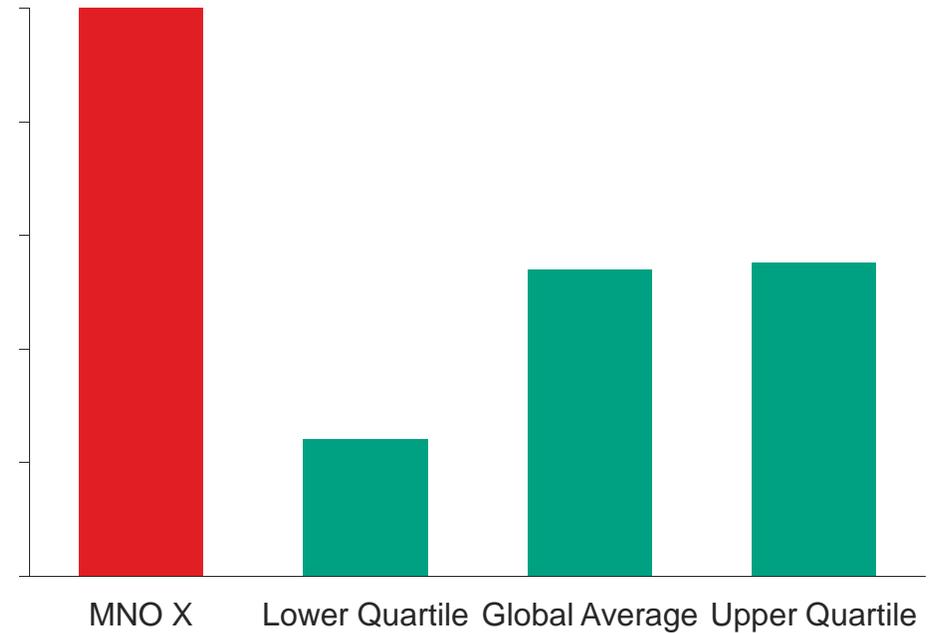
# Transactions and active 90-day customers per active agent



AVERAGE NUMBER OF TRANSACTIONS PER ACTIVE AGENT PER DAY (JUNE 2016)



AVERAGE NUMBER OF ACTIVE 90-DAY CUSTOMERS PER ACTIVE AGENT (JUNE 2016)



These figures illustrate the overall pressure that transactions and customers have on the agent network. The left figure illustrates the number of transactions per active agent per day in June 2016, including cash-in and cash-out (and **excluding OTC transactions**). The right figure illustrates the average number of active 90-day customer accounts per active agent outlets in June 2016.

- When both ratios are too high, quality of service will decrease as agents won't have enough time to serve existing customers and educate new ones about the service. In addition, agents may struggle to manage liquidity. When the ratios are too low, agents will not earn enough to justify the business



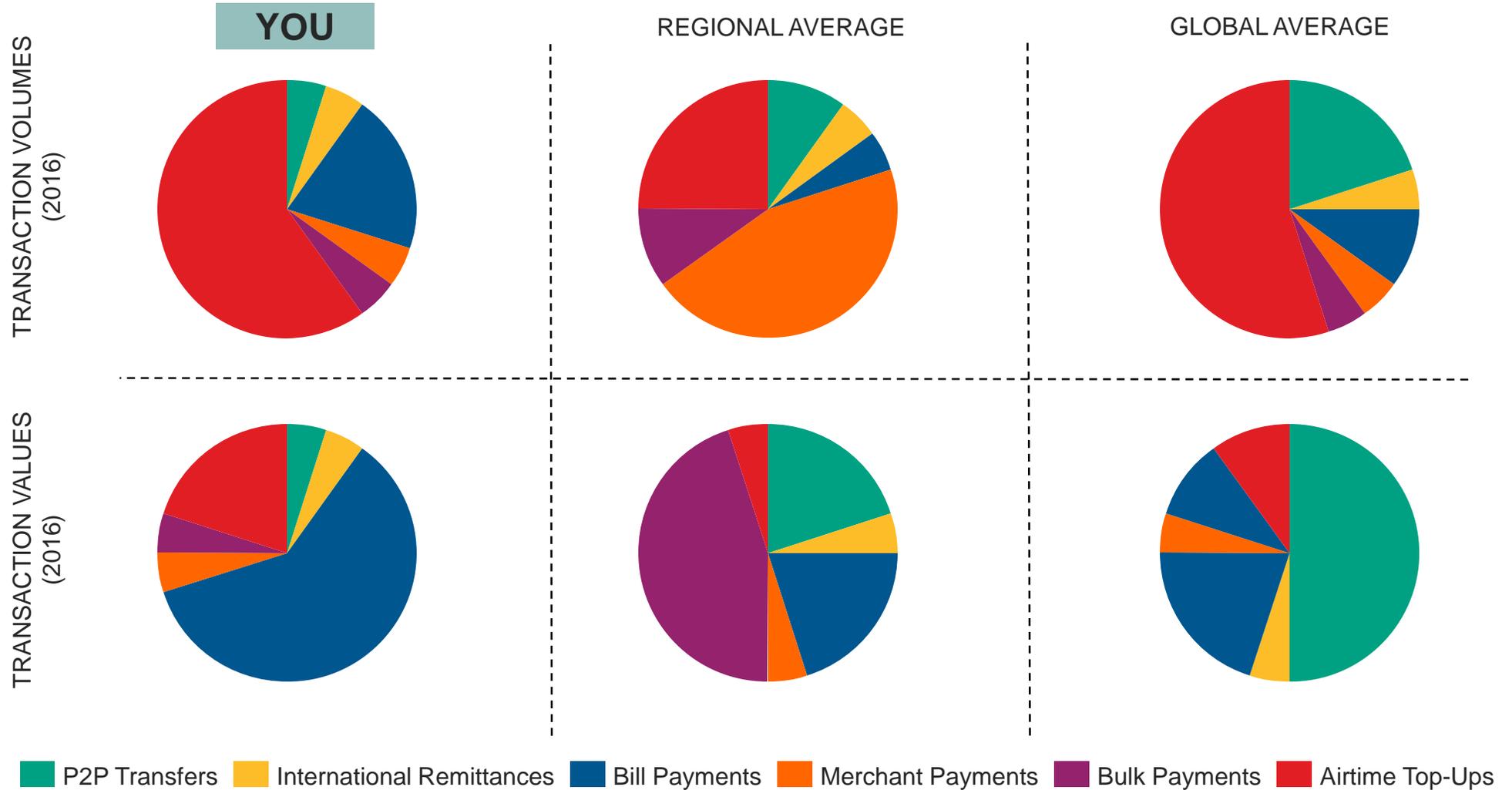


**Usage**





# Transaction volume and value mix

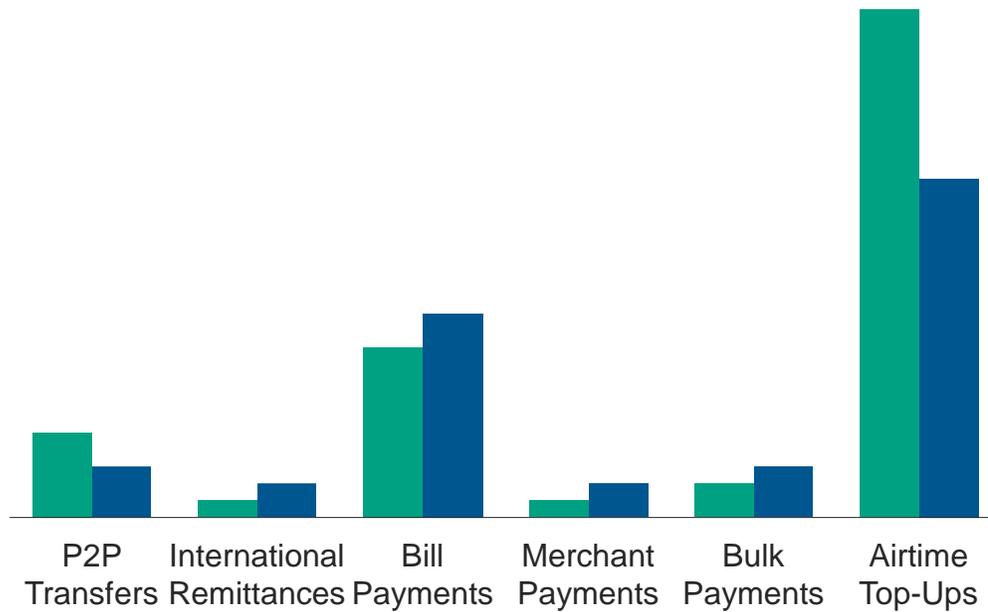




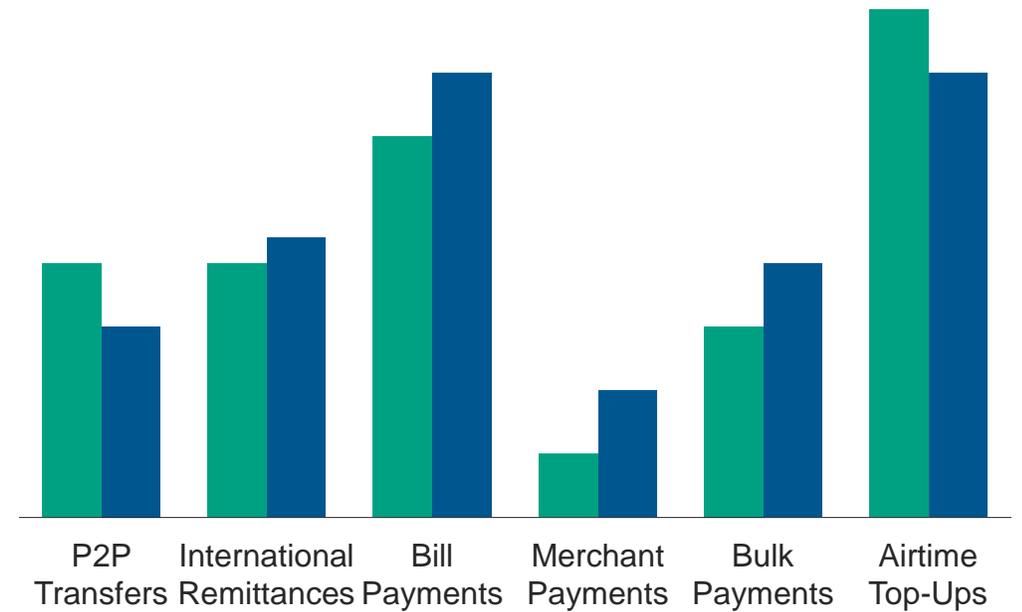
# Your products: A snapshot of transaction growth



TRANSACTION VOLUME ('000) GROWTH BY PRODUCT  
(BETWEEN SEPTEMBER 2015 & JUNE 2016)



TRANSACTION VALUE (USD '000) GROWTH BY PRODUCT  
(BETWEEN SEPTEMBER 2015 & JUNE 2016)



■ Sep-15 ■ Jun-16

These figures illustrate the growth of each of your products, in absolute values and volumes for each product, between September 2015 and June 2016. While operators are actively monitoring such metrics, this can help contextualise the growth and the size of such transactions.

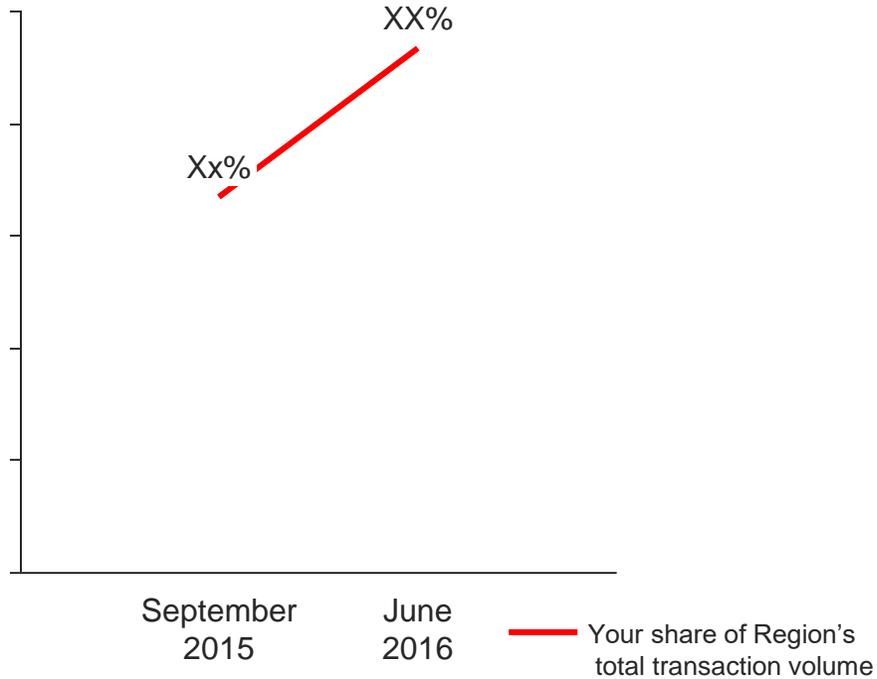




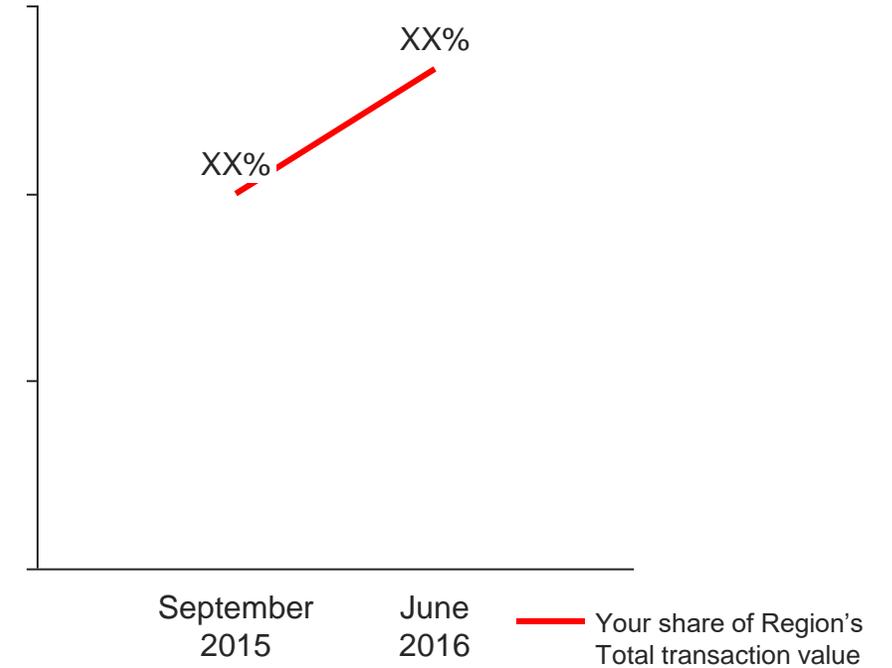
# Share of regional transaction volumes and values



**YOUR SHARE OF REGIONAL TRANSACTION VOLUMES**  
(%, BETWEEN SEPTEMBER 2015 & JUNE 2016)



**YOUR SHARE OF REGIONAL TRANSACTION VALUES**  
(%, BETWEEN SEPTEMBER 2015 & JUNE 2016)

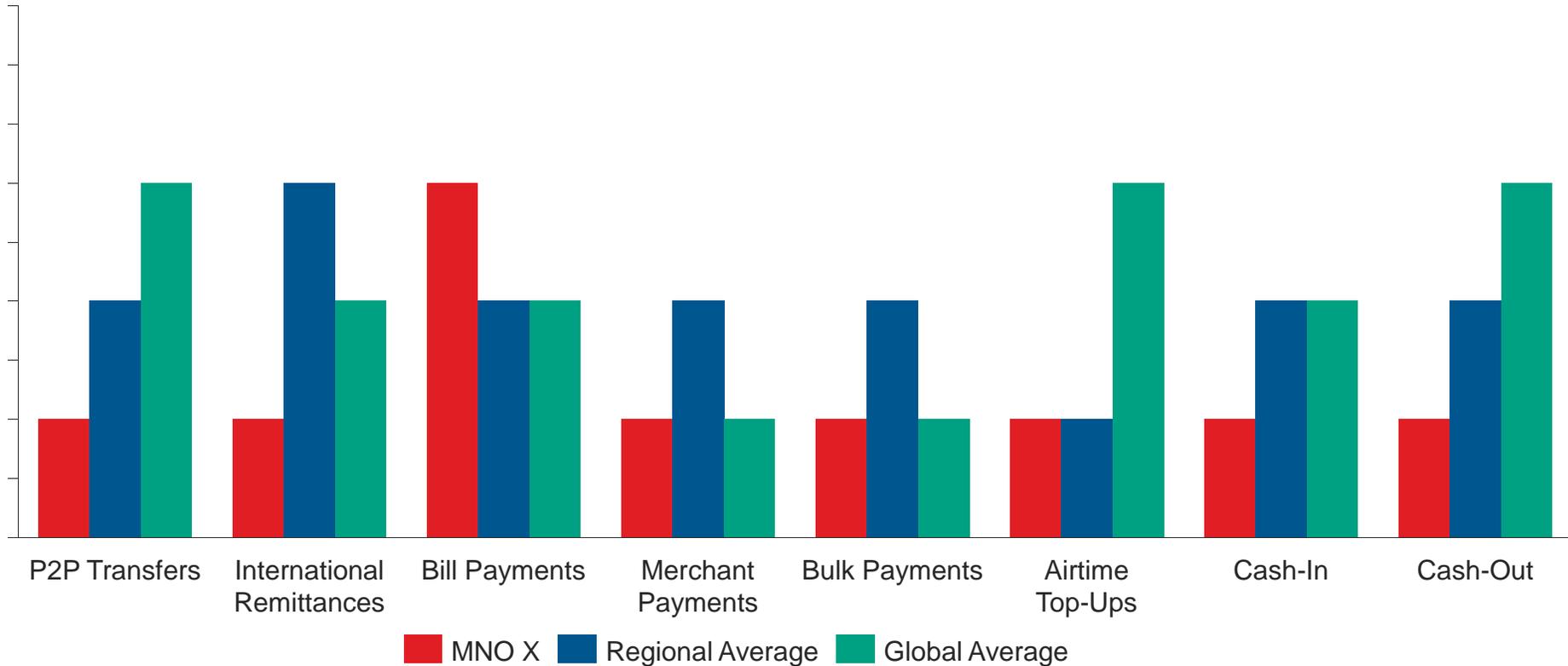


These figures illustrate your share in percentage points of total regional transaction volumes and values in June 2016 as compared to September 2015.

- An increase indicates that you are processing a greater share of regional transactions as compared to the previous year. A decrease indicates that you are processing a smaller share of regional transactions as compared to the previous year or your peers have grown faster than you.

# A month in the life: Average number of transactions per active customer

AVERAGE NUMBER OF TRANSACTIONS PER ACTIVE 30-DAY CUSTOMER (2016)



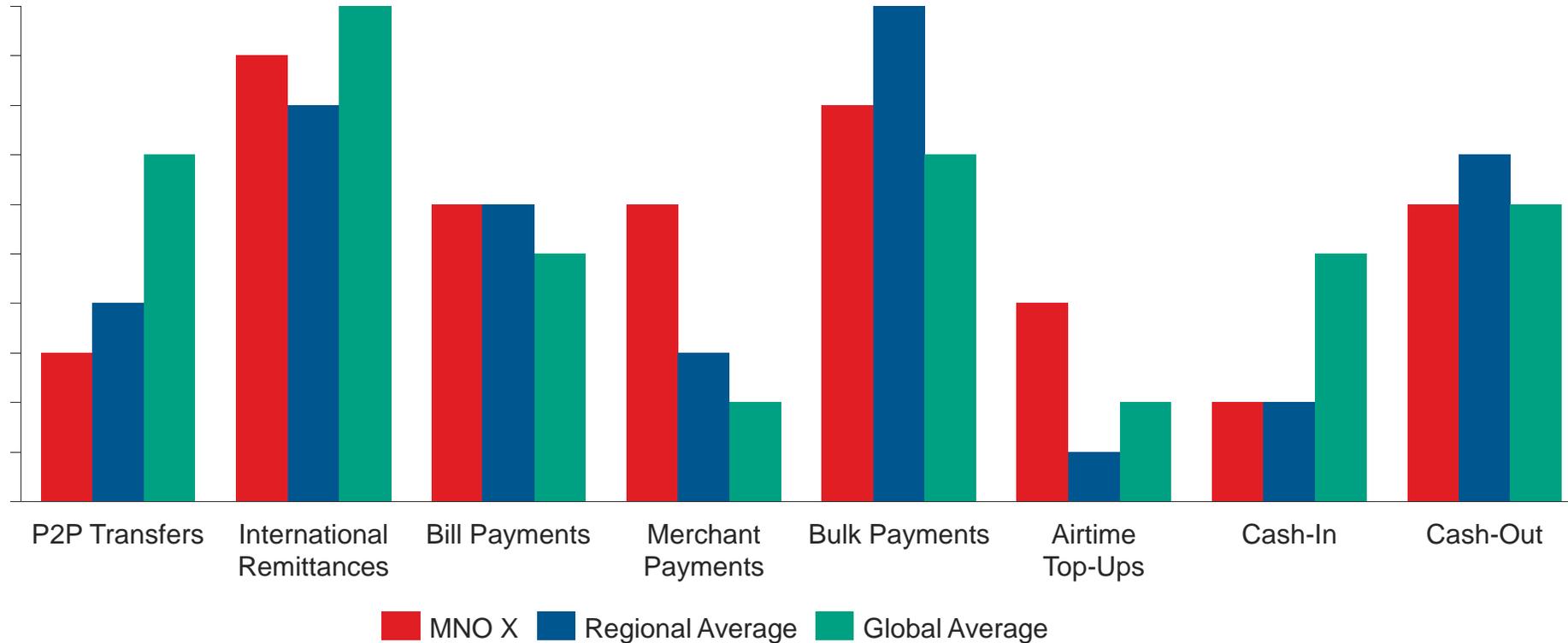
This figure illustrates the average number of transactions conducted by a customer in the past XX days and excludes all OTC transactions.

- While XX represent the highest number of transactions, these are typically of low value and represent more of a saving to the operator than a direct revenue driver. The higher number of XX compared to XX at a global level indicates that customers are inclined to keep money in their wallets and spend more digitally.

# A month in the life: Average value of each transaction



AVERAGE VALUE OF TRANSACTIONS (2016)



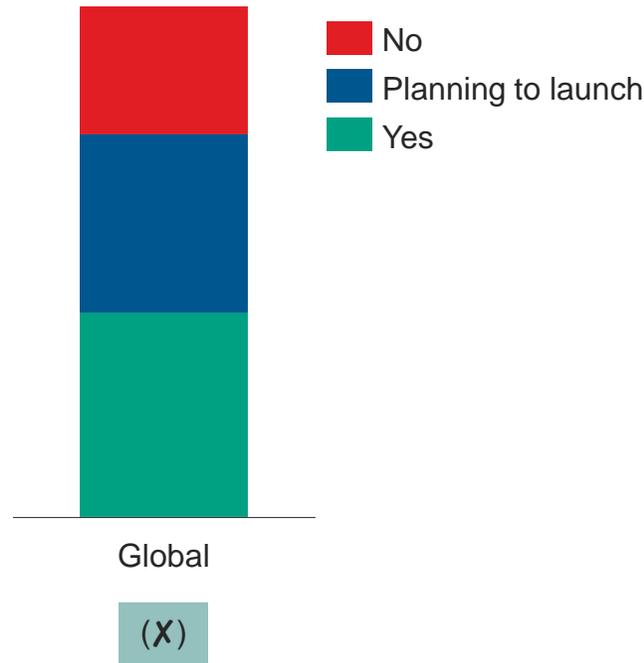
This figure illustrates the average transaction size in US\$ for every transaction in June 2016.

- As an example, the average P2P transfer at a global level is over \$X. Unsurprisingly, the highest value per transaction is associated with international remittances, with an average ticket size over \$X.

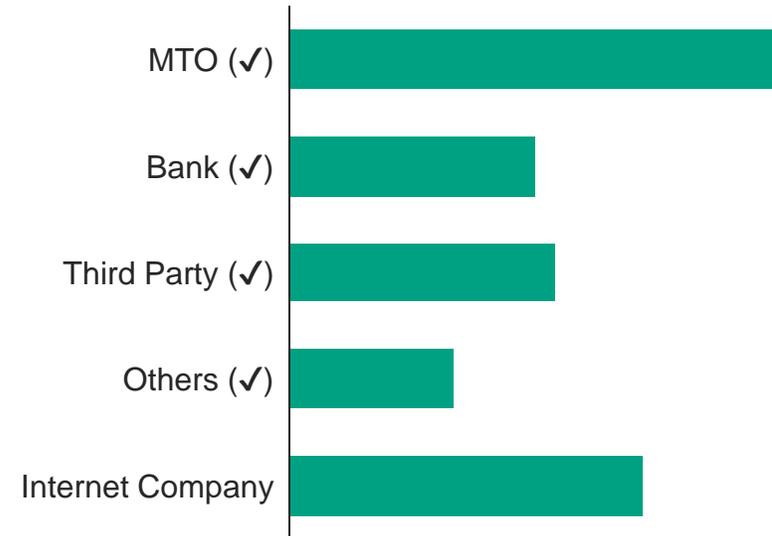
# International remittance services



DO YOU OFFER A2A INTERNATIONAL REMITTANCE SERVICE?



PARTNERSHIPS TO OFFER INTERNATIONAL REMITTANCES (GLOBAL AVG.)



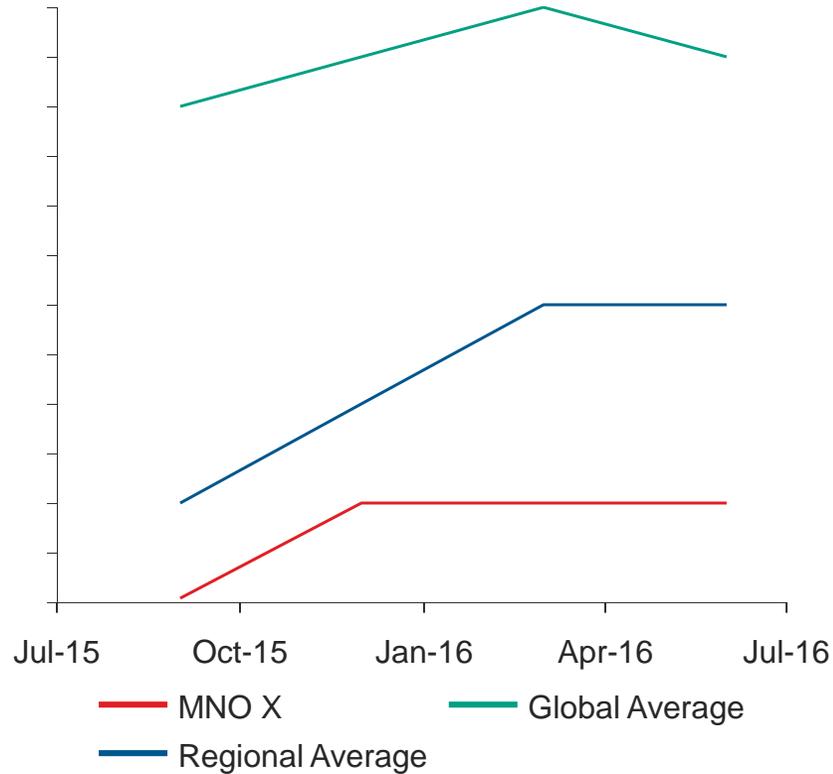
These figures illustrate whether respondents offer account-to-account international remittances and who they partner with to offer international remittances.

- At the end of 2016, there were XX live international remittance corridors across XX countries where mobile money was both the sending and receiving channel. Most of these corridors are in XX.

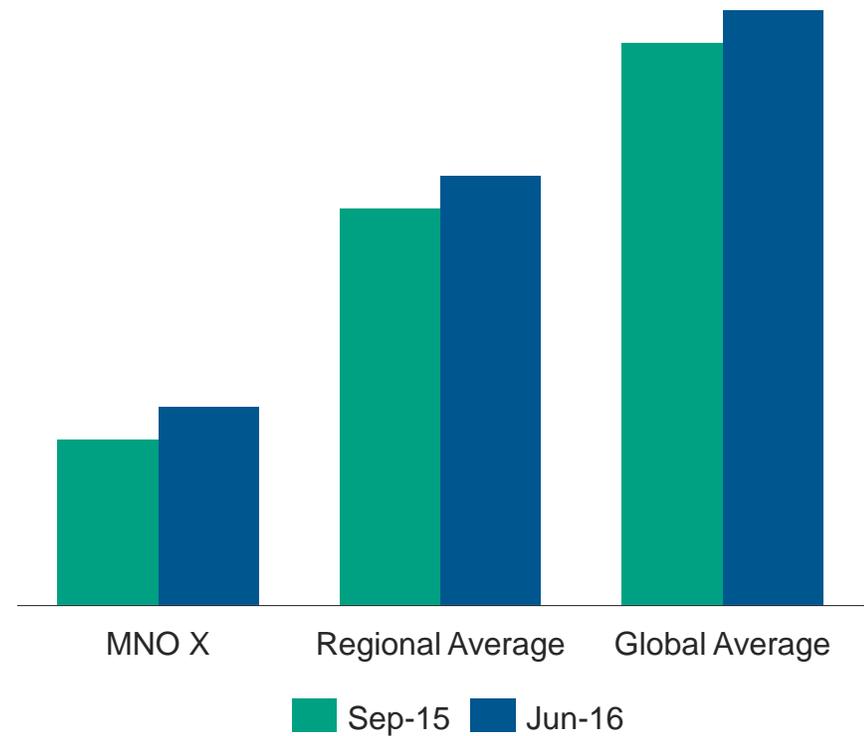
# Merchant payments: transactions per merchant and number of merchant per active customers



NUMBER OF MERCHANTS PER 1,000 ACTIVE CUSTOMERS



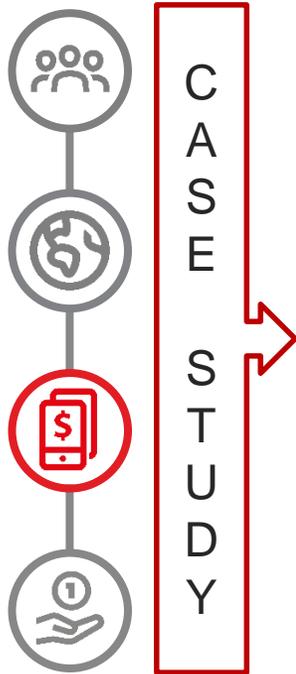
NUMBER OF TRANSACTIONS PER ACTIVE MERCHANT



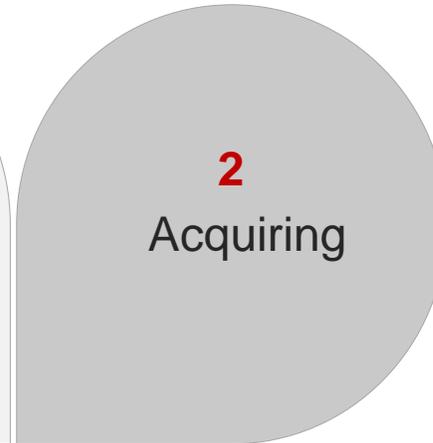
These figures illustrate the number of merchants per 1,000 active customers and the number of transactions per active merchant.

- Merchant payments is one of the more complex use cases of mobile money and may be viewed as comprising of four fundamental dimensions (Issuing, Acquiring, Pricing, and Scheme). Operators engaged in merchant payments across XX, YY and ZZ are currently following a fragmented approach on nearly every single parameter of merchant payments.

# Merchant Payments: Defining key dimensions

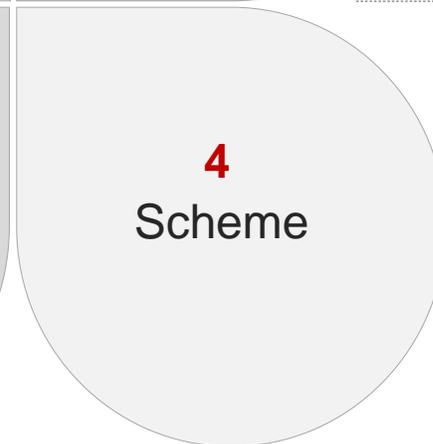


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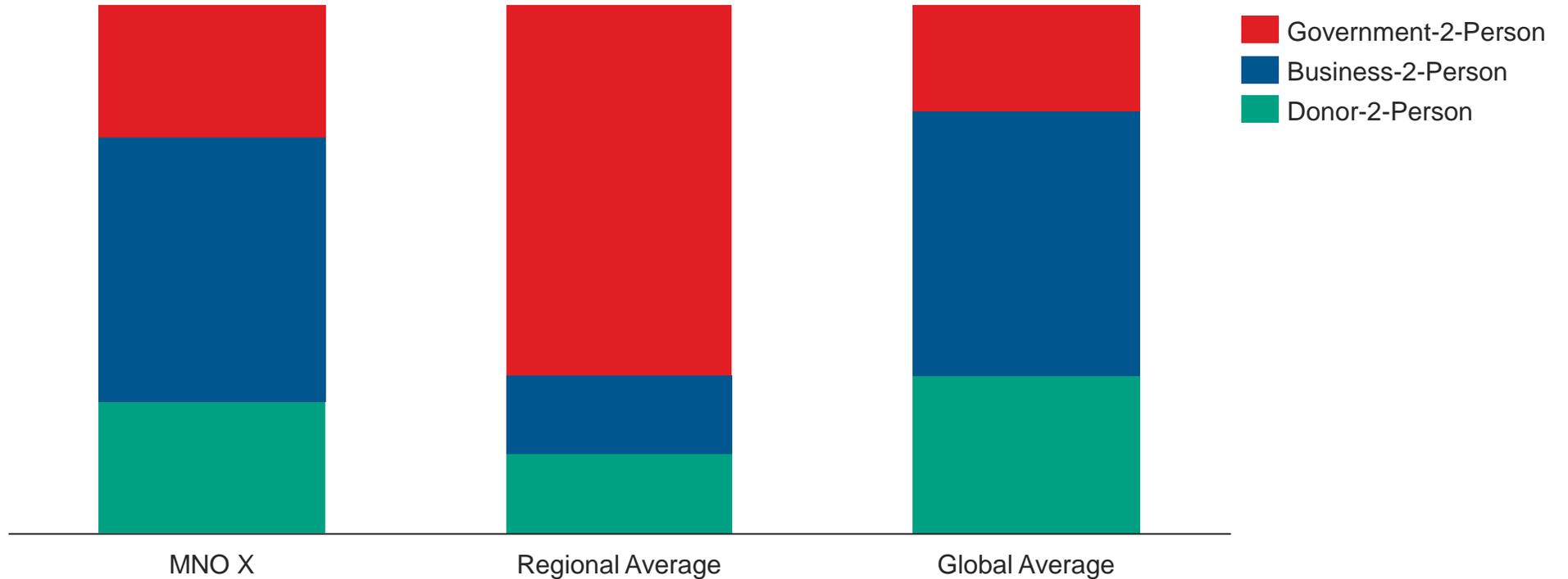
- xxx
- xxx
- xxx
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All merchant payment offerings can be considered to be a combination of the above four dimensions, tweaked to accommodate the context in each market.

# Bulk payments transaction mix



BULK PAYMENT TRANSACTION MIX

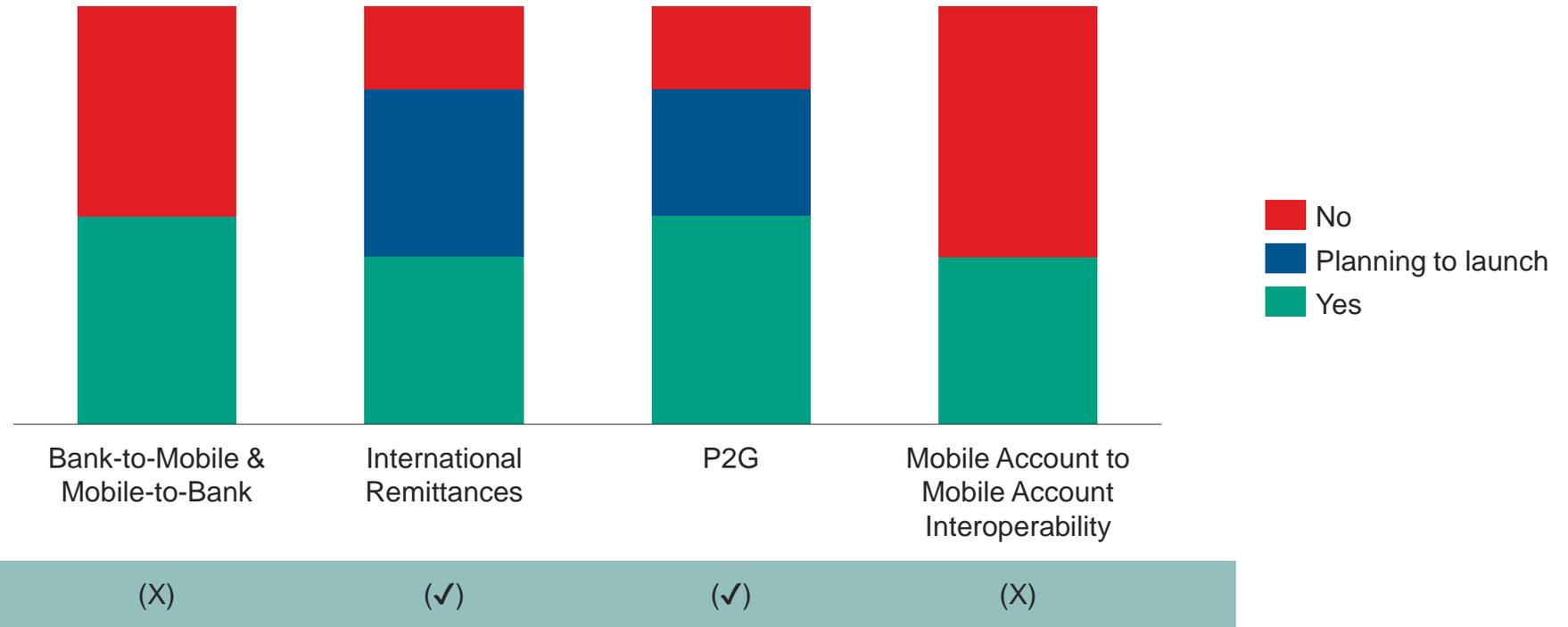


When looking at bulk disbursements, business payments are leading the way: XX% of bulk disbursements were business-to-person (B2P), followed by government-to-person (G2P) at XX%, and donor-to-person (D2P) at XX%. B2P disbursements experienced a strong growth from the previous year, when they represented XX% of the mix. This was driven by an increasing number of companies integrating with mobile money providers to pay their employees.

# Innovative Partnerships



RANGE OF ECOSYSTEM PRODUCTS OFFERED, GLOBAL AVERAGE



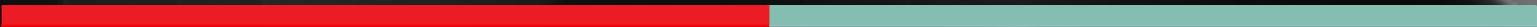
This figure illustrates the percentage of services who currently offer, are planning to offer, or do not offer a specific service.

- P2G payments are the service which is offered by XX number of operators. While bank-to-mobile collaboration is still behind, it is important to collaborate with the formal financial sector as GSMA research illustrates that mobile money is not only for the unbanked – banked customers are also using agents to cash-out.





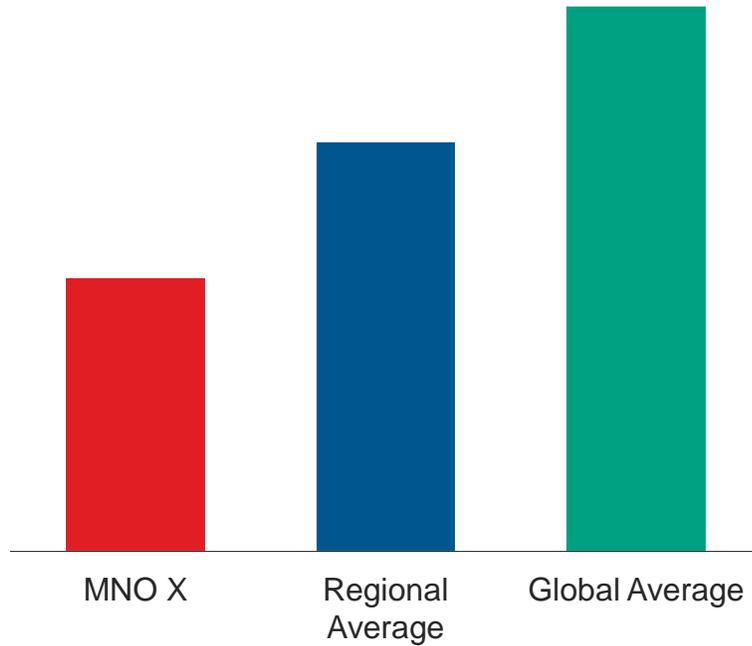
# Revenues & investments



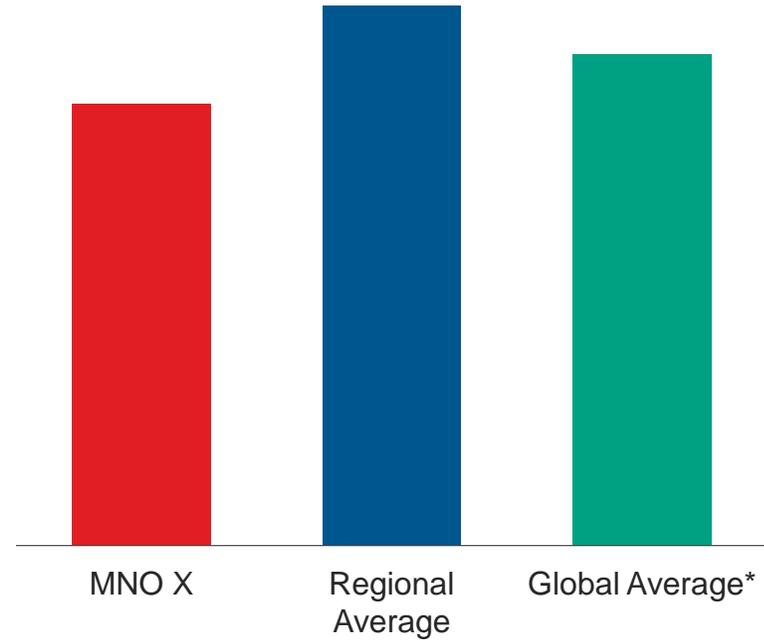
# Revenues per active customer and agent commissions



REVENUES PER ACTIVE 30-DAY CUSTOMER PER MONTH, USD



REVENUES PAID OUT AS AGENT COMMISSIONS (%)



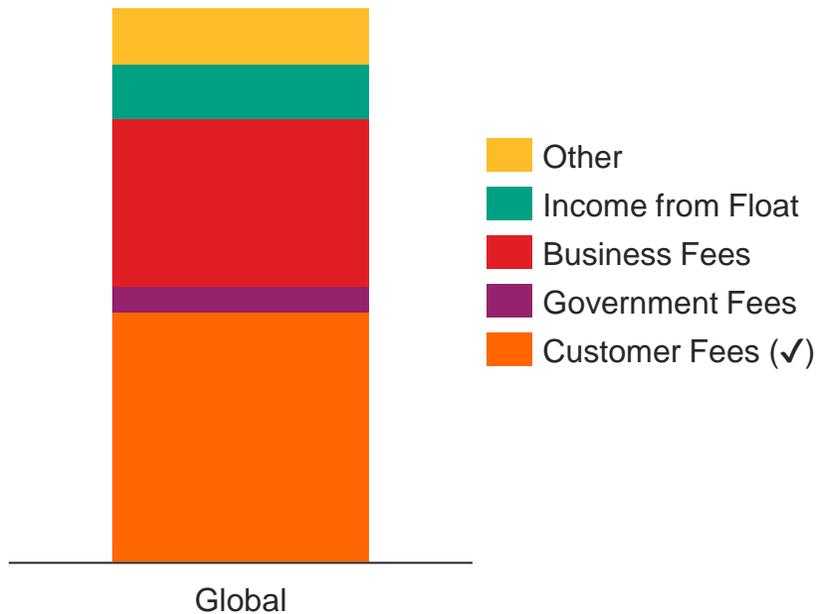
These figures illustrate revenues per active 30-day customer per month in USD and the percentage of revenues paid out as agent commissions.

- Agents remain the physical backbone and face of mobile money, accounting for a significant cost of doing business, with an average of XX% revenues going to agent commissions. While agent commissions should decline as a percentage of revenue as mobile money matures, agents continue to play a critical role in enabling mobile money transactions.

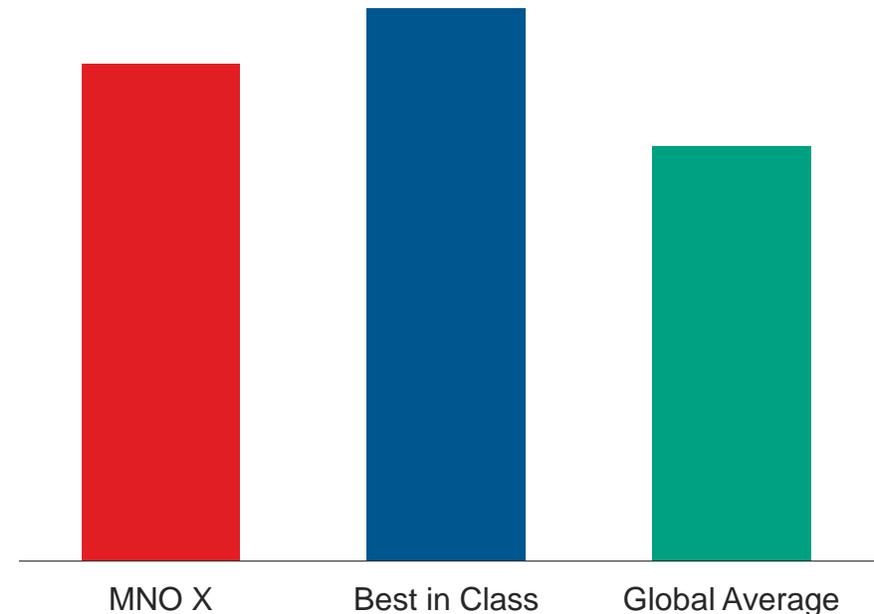
# Source of revenues



WHERE DO MOST OF YOUR REVENUES COME FROM?  
(JUNE 2016)



MOBILE MONEY REVENUES AS A PERCENTAGE OF  
TOTAL MNO REVENUES



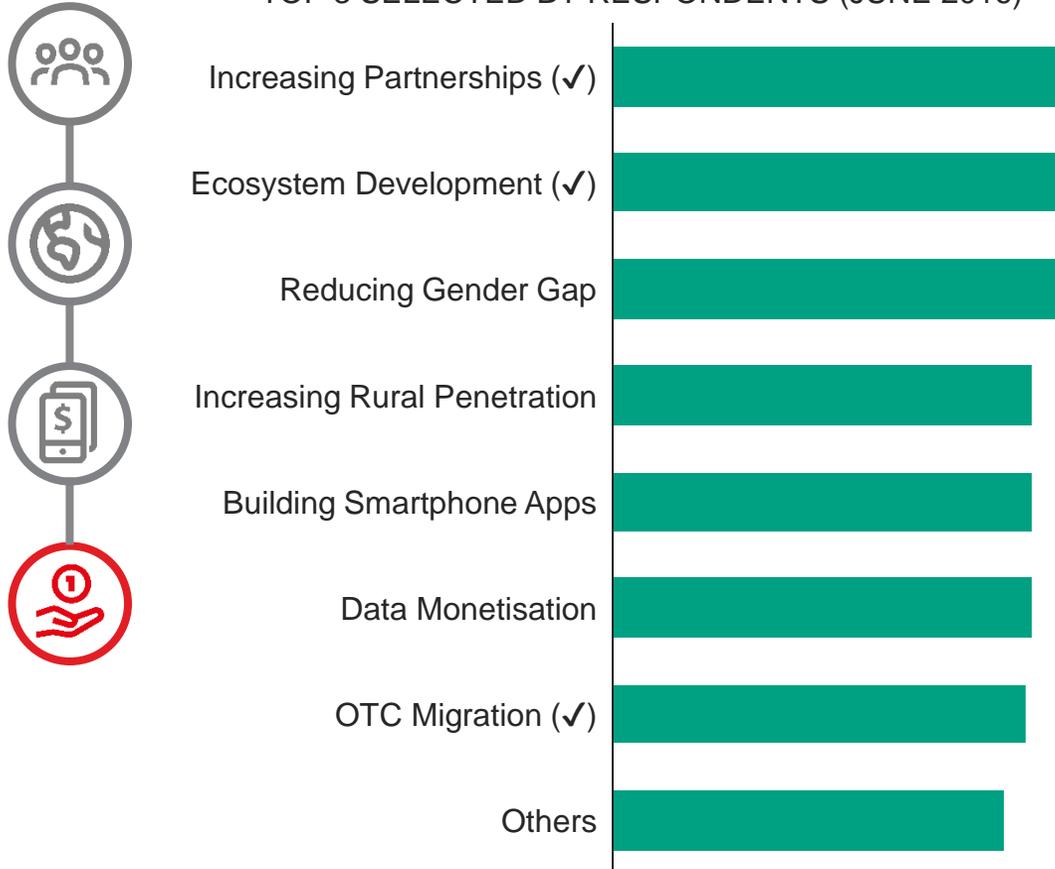
These figures illustrate the breakdown of revenue sources as reported and the percentage of mobile money revenues as a proportion of total MNO revenues.

- While globally, the majority of respondents (XX%) still derive most of their revenue from customer fees, this is less pronounced in XX and YY, where a greater proportion of respondents report obtaining the majority of revenues from business fees. As mobile money services continue to mature, sources of revenues will further diversify and institutional users of mobile money will provide a growing revenue stream.

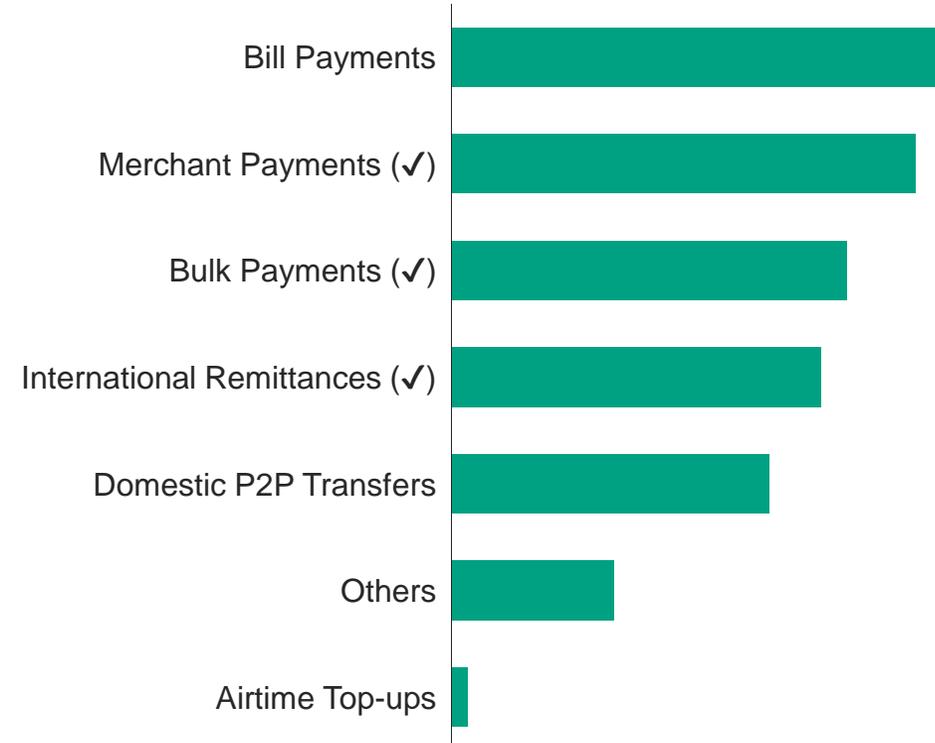


# Strategic and product priorities in next 12 months

STRATEGIC PRIORITIES NEXT YEAR:  
TOP 3 SELECTED BY RESPONDENTS (JUNE 2016)



PRODUCT PRIORITIES IN NEXT YEAR:  
TOP 3 SELECTED BY RESPONDENTS (JUNE 2016)



These figures illustrate the strategic and product priorities based on the top three selected by respondents.

- The left figure illustrates how operators are willing to accelerate their path to profitability increasing partnerships and ecosystem development. The right figure illustrates that bill payments, merchant payments and bulk disbursements are the products that operators see as key to develop the ecosystem.

# Planned investments per deployment and cost breakdown

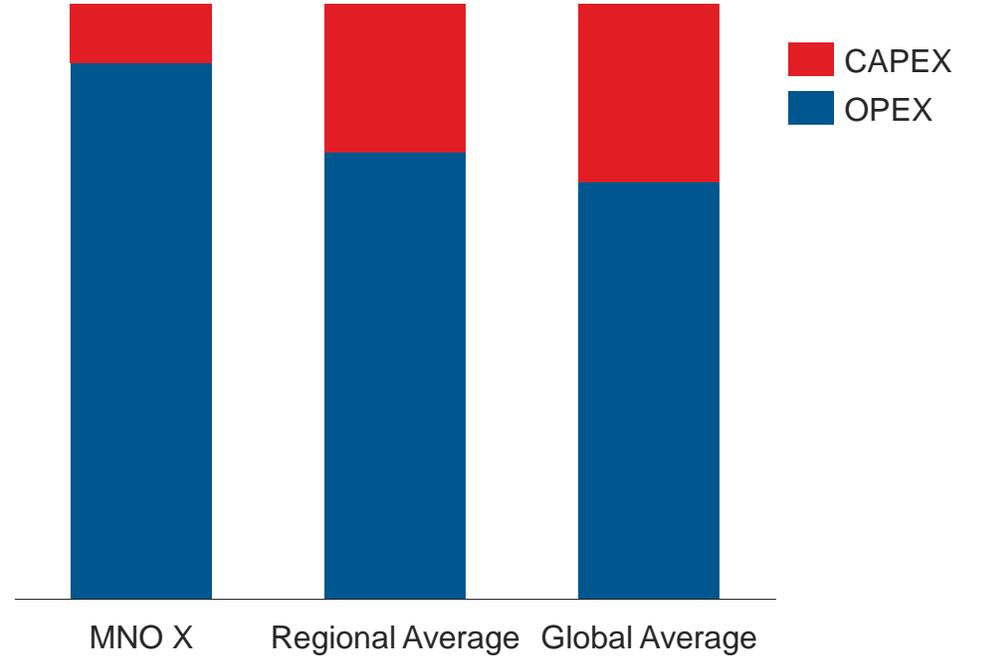


INDUSTRY PLANNED INVESTMENT IN MOBILE MONEY FOR 2016 (JUNE 2016)

- Invested Less than Last Year
- Invested About the Same as Last Year (✓)
- Invested up to 20% More than Last Year
- Invested up to 50% More than Last Year
- Invested 50% or More than Last Year



COST BREAKDOWN: OPEX VS. CAPEX COSTS

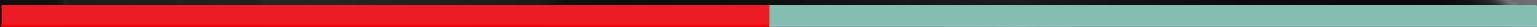


These figures illustrate investment as compared to last year, and the breakdown of costs between operating and capital expenditures.

- Most mobile money providers recognise the need to continue investing in the service long term. Over XX% of respondents maintained or increased their investment in mobile money in 2016 over the previous year. Investment in mobile money tends to be driven by operational expenditures, including agent commission costs, marketing, and personnel expenditures. Agent commissions, in particular, represent a large cost category for providers.



# Appendix





# About the GSMA mobile money Programme

Our **mission** is to support our members and industry stakeholders to increase the utility and sustainability of mobile money services and increase financial inclusion.

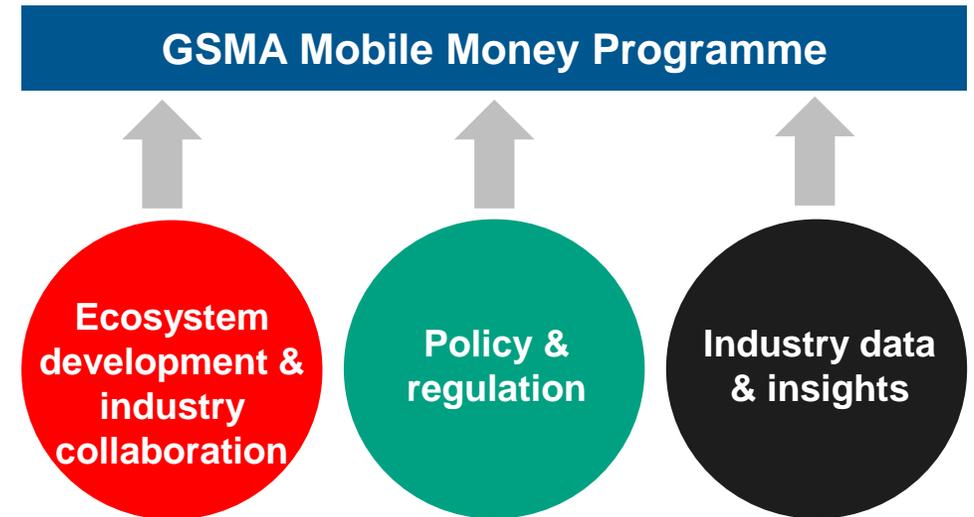
We **support the industry** across three main areas:

- Ecosystem development and industry collaboration
- Policy and regulation
- Industry data and insights

The GSMA Mobile Money Programme is supported by the Bill & Melinda Gates Foundation, The MasterCard Foundation and Omidyar Network.

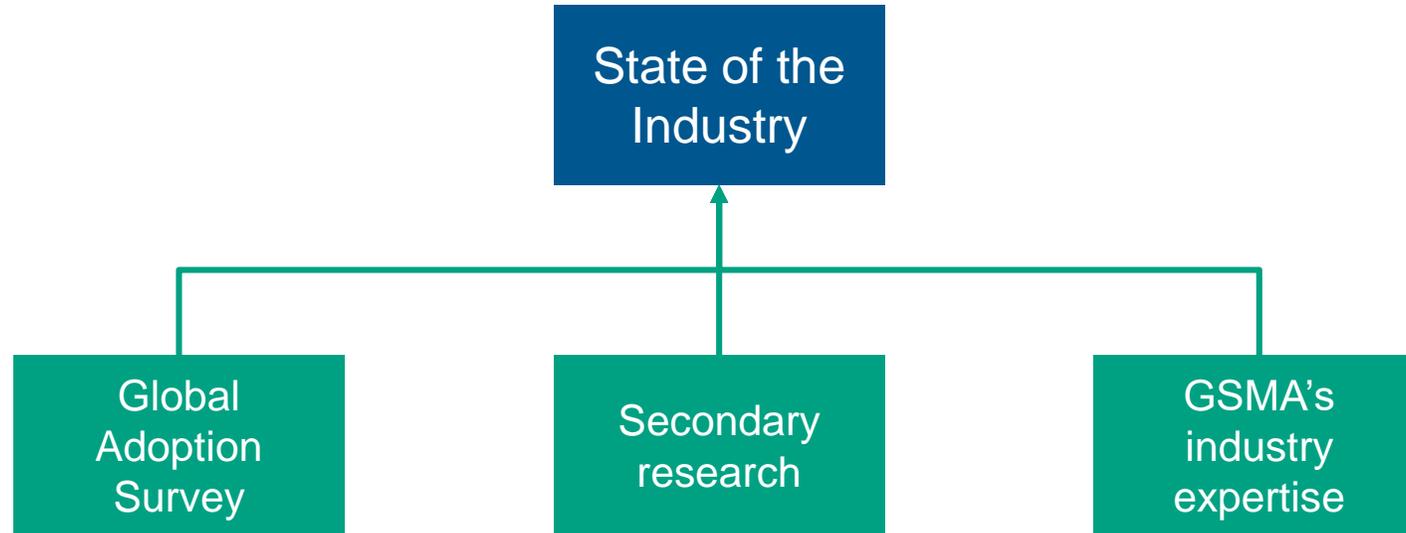
Email: [mobilemoney@gsma.com](mailto:mobilemoney@gsma.com)

Website: [www.gsma.com/mobilemoney](http://www.gsma.com/mobilemoney)





**This report is based on State of the Industry data, which includes our 2016 Global Adoption Survey as a key source**





# The 2016 Global Adoption Survey captured data across five main areas

CUSTOMERS	DISTRIBUTION	PRODUCTS	INVESTMENT & REVENUE	REGULATION
Registered customer accounts	Registered agents	P2P transfer	Mobile money revenue	KYC
Active customer accounts	Active agents	International remittance	Commissions paid to agents	Regulatory barriers
Unregistered customers	Bank branches	Bill payment	Trust account balance	
Interface used	ATMs	Merchant payment	Investment in mobile money	
		Bulk payment		
		Airtime top-up		
		Cash-in & cash-out		

Area  
Data collected



# Glossary [1/3]

Term	Description
Mobile money account – registered	An e-money account which is primarily accessed using a mobile phone and which is held with the e-money issuer. In some jurisdictions, e-money accounts may resemble conventional bank accounts, but are treated differently under the regulatory framework because they are used for different purposes (for example, as a surrogate for cash or a stored value used to facilitate transactional services).
Mobile money account – active	An active mobile money account is a mobile money account which has been used to conduct at least one transaction during a certain period of time (usually 90 days or 30 days).
Unregistered mobile money customer	Unregistered users include both people transacting over-the-counter in the case of OTC services, and unregistered recipients of off-net P2P transfers in the case of account-based services.
Interface used	To access mobile money services via a mobile handset, users can usually use interfaces such as USSD, SIM toolkit (STK), interactive voice response (IVR) and applications.
Agents - registered	In the case of mobile money, an agent outlet is a location where one or several mobile money agents are contracted to facilitate transactions for users.
Agents - active	An active agent outlet is an agent outlet that facilitated at least one transaction within the last 30 days.



# Glossary [2/3]

Term	Description
Bank branches	Bank branches that customers can use to access mobile money services.
ATMs	ATMs that customers can use to access mobile money services.
P2P transfer	A domestic transfer made from one person to another person.
International remittance	Cross-border fund transfer from one person to another person. This transaction can be a direct mobile money remittance, or can be completed through the use of an intermediary organisation such as Western Union.
Bill payment	A payment made by a person from either their mobile money account or over-the-counter to a biller or a billing organisation via a mobile money platform in exchange for services provided.
Merchant payment	A payment made from a mobile money account via a mobile money platform to a retail or online merchant in exchange for goods or services.
Bulk disbursement	A payment made by an organisation via a mobile money platform to a person's mobile money account. For example: salary payments made by an organisation to an employee's mobile money account (B2P: business-to-person), payments made by a government to a recipient's mobile money account (G2P), or payments made by development organisations to beneficiaries (D2P).



# Glossary [3/3]

Term	Description
Airtime top-up	Purchase of airtime via mobile money, funded from a mobile money account.
Cash-in	The process by which a customer credits their account with cash. This is usually via an agent who takes the cash and credits the customer's mobile money account with the same amount of e-money.
Cash-out	The process by which a customer deducts cash from their mobile money account. This is usually via an agent who gives the customer cash in exchange for a transfer of e-money from the customer's mobile money account.
KYC	Financial institutions and regulated financial services providers are obligated by regulation to perform due diligence to identify their customers. The term is also used to refer to the regulation which governs these activities. The FATF (Financial Action Task Force) recommends a risk-based approach to due diligence for AML/CFT (anti-money laundering and counter-financing of terrorism) controls. Due to the lack of formal identity documents in some markets, solutions such as tiered KYC and adjusting acceptable KYC documentation can help mobile money providers facilitate customer adoption and increase financial inclusion, especially in rural areas.



# Citation policy and Disclaimer

## Citation policy

- All reports have been prepared to ensure confidentiality of each individual deployment. This is a confidential report prepared by the GSMA Mobile Money Programme for MNO X exclusively.
- Should you wish to cite this report, please reference it as follows: 'MNO X 2016 mobile money Benchmarking Report, GSMA Mobile Money'

## Disclaimer

- This report has been prepared based on the data collected through the **2016 Global Adoption Survey of Mobile Financial Services**, and data is accurate as of 15/01/2017. Additional data submitted by mobile money providers after this date could not be included in this report; additional data may change the value of averages or medians. However, we believe that it would not substantially change the meaning of this benchmark report.
- Please contact us and let us know of any information that we have may have missed or needs correction: [mobilemoney@gsma.com](mailto:mobilemoney@gsma.com).



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