

# State of the Industry Report on Mobile Money

2019

## Speakers



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# GSMA maintains the most comprehensive global supply-side database of mobile money indicators



## Mobile Money Deployment Tracker

Monitors the number of live mobile money services across the globe, collated using both primary and secondary sources on a monthly basis.



## Global Adoption Survey

An annual survey designed to capture quantitative & qualitative information about the performance of mobile financial services around the world.

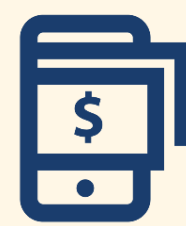


## Mobile Money Estimates & Forecasts

Proprietary modelling approach to fill gaps in participation in the annual Global Adoption Survey and to estimate mobile money indicators at a global, regional and country level.

2019 marked a major milestone for the industry

Surpassing  
**1bn**  
accounts



**290**

LIVE SERVICES IN



**95**

COUNTRIES



Mobile money services are available in

**96%**

COUNTRIES



where less than a third of the population have an account at a formal financial institution.

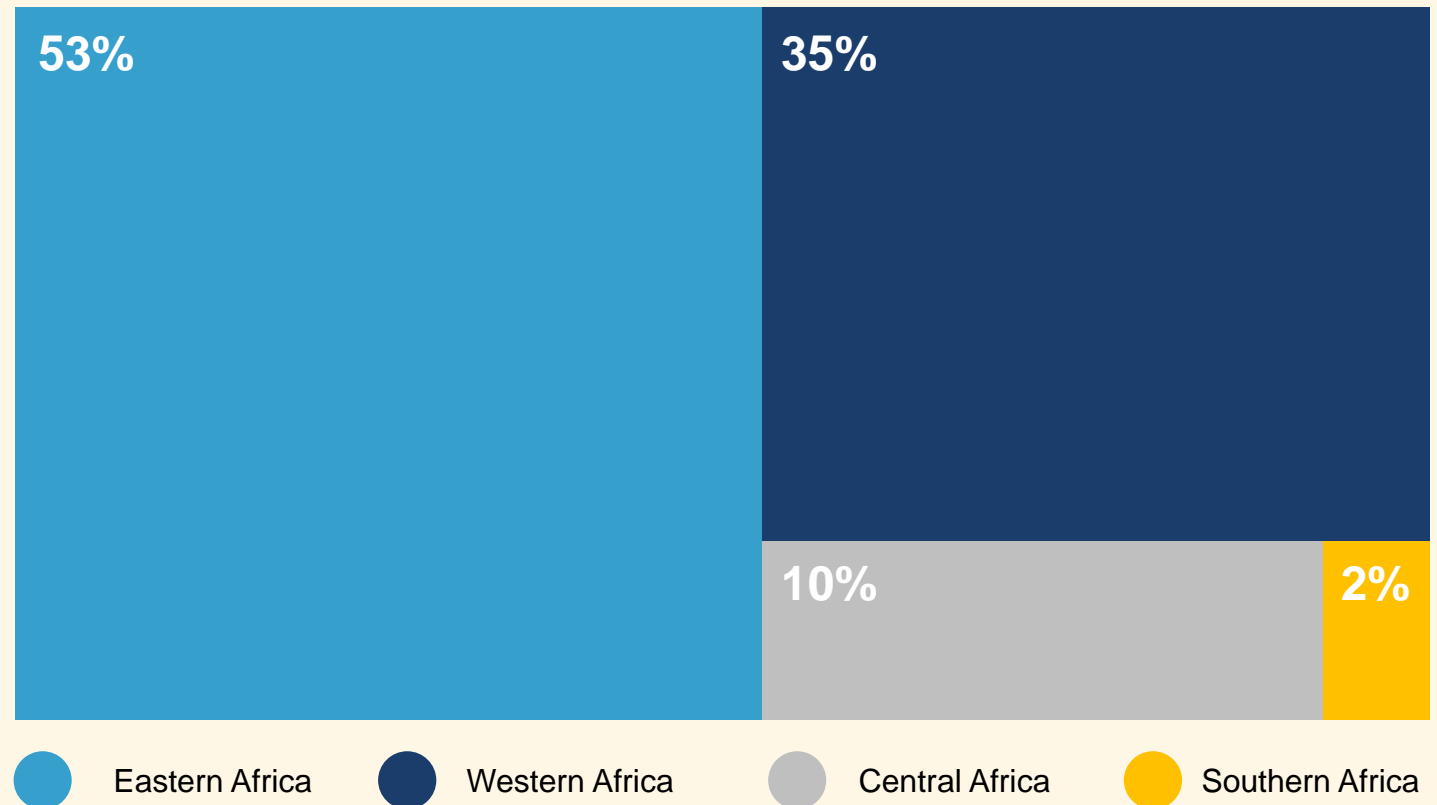
# Sub-Saharan Africa is the enduring epicentre of mobile money

# 50m

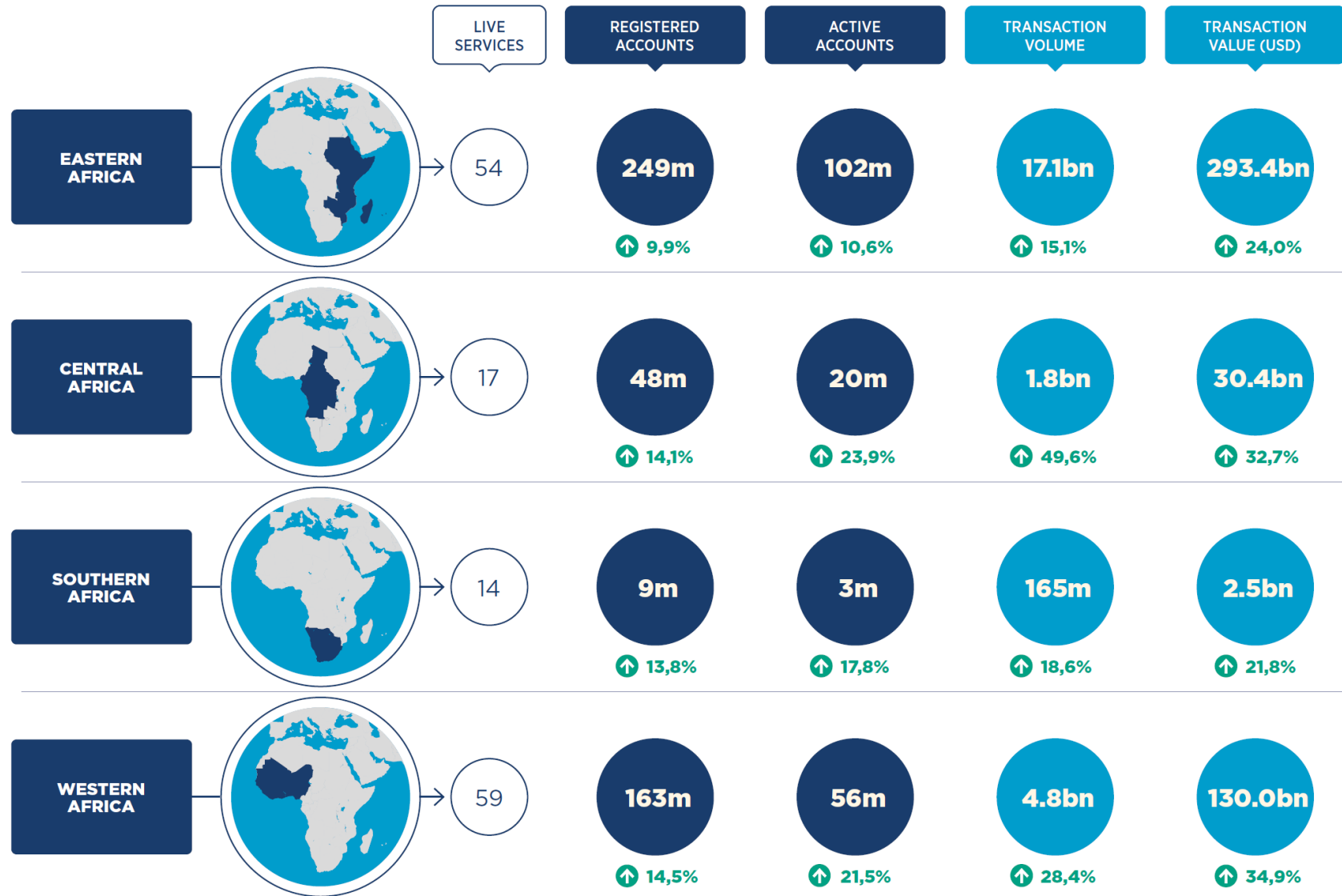
New registered accounts in 2019

The region will surpass **half a billion** accounts by the end of 2020

Distribution of registered mobile money customers in Sub-Saharan Africa (December 2019)



# Sub-Saharan Africa growth 2019



Mobile money adoption in Asia made a significant contribution to global growth



East Asia and Pacific

**30 million** new accounts



South Asia

**14.1 million** new accounts

# Agents remain the backbone of the mobile money industry



**7.7m** Registered agents



**54%** Active (30-day)

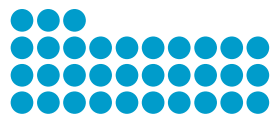
Mobile money agents have 7x more reach than ATMs and 20x more reach than bank branches

Per 100,000 adults:

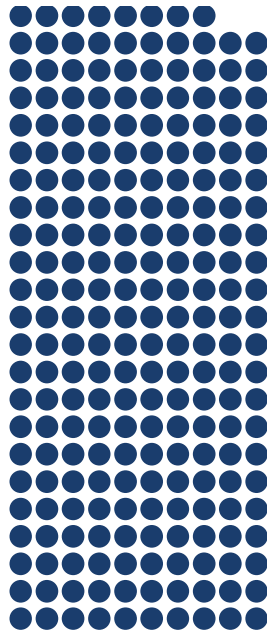
- 11 Banks
- 33 ATMs
- 228 Mobile money agents



Banks



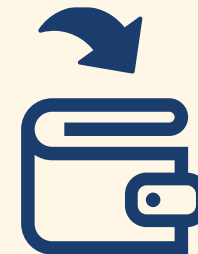
ATMs



Mobile Money Agents



**\$1.1bn** commissions

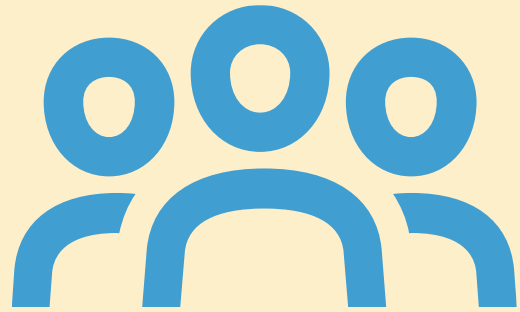


**\$841** per year



**1.4m** agents

## Mobile money is increasing user trust and relevance



372m

Active accounts (90-day)

27

2014

77

2019

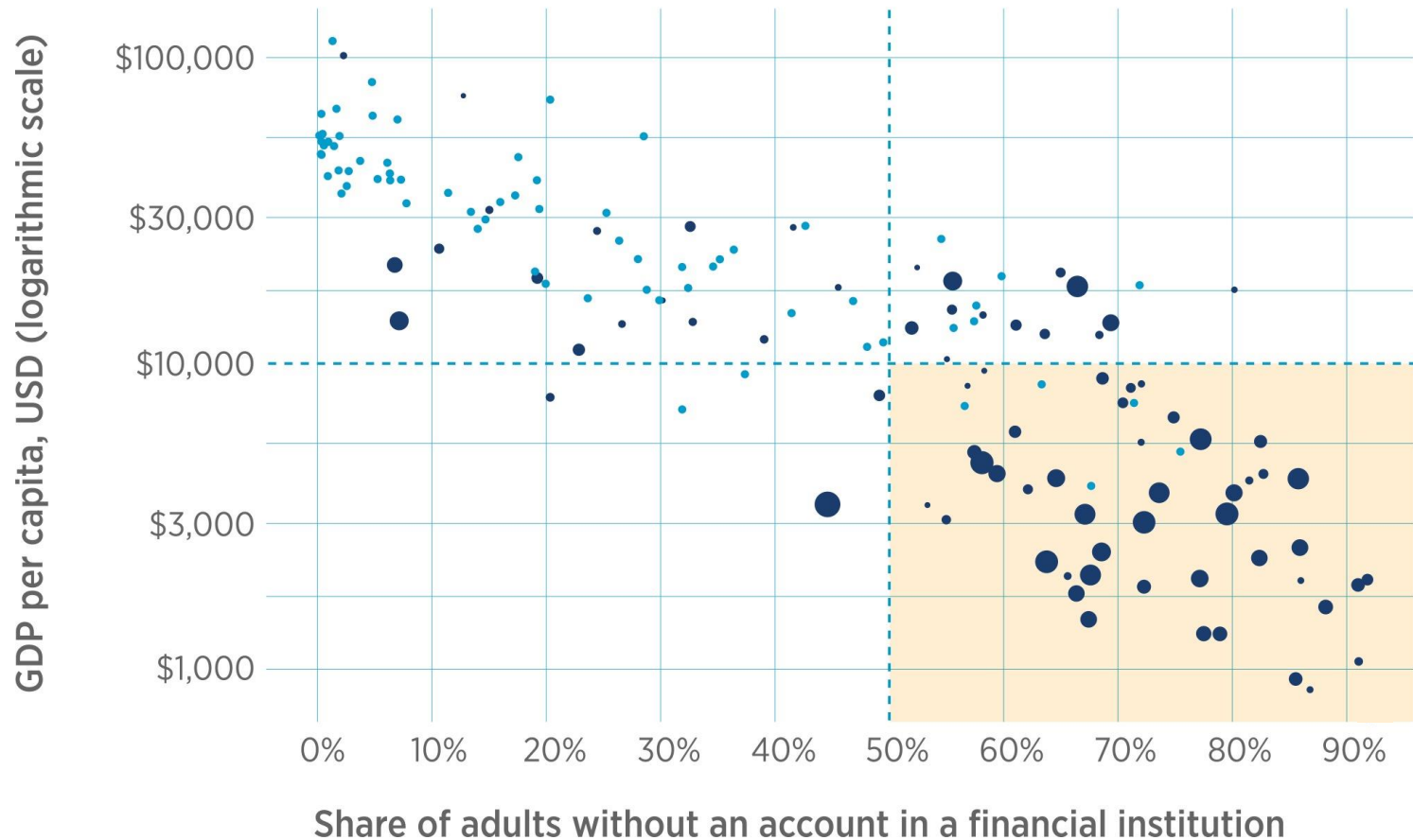
77 deployments have over 1m active accounts (90-day) compared to 27 in 2014.

21

services have over 5m active accounts



# Reaching the poorest people with mobile money



GDP per capita and share of population without an account in a financial institution in 151 countries in relation with mobile money penetration:

## Countries

- Mobile money
- No mobile money

## mobile money penetration

- 25%
- 50%
- 75%
- 100%

(Active 90 days / adult population) in 67 out of 95 mobile money countries

# Mobile money became a 'two billion-dollar-a-day' industry in 2019



## Daily transactions:

2019

Over

**\$1.9bn**

2023

Over

**\$2.8bn**



## Value of mobile money transactions:

2019

**\$690bn**

2023

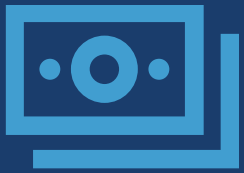
**\$1 trillion**



# Commercial sustainability and the shift to a 'payments as a platform' model



**60% of respondents have a positive EBITDA**



**Reliance on customer fees significantly dropped: 2/3 of respondents in 2019, 80% of respondents in 2018**

**21%**

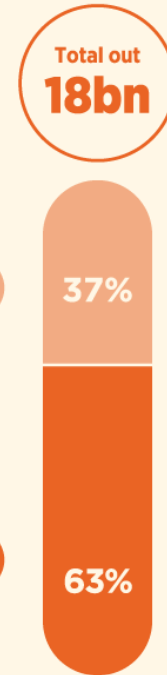
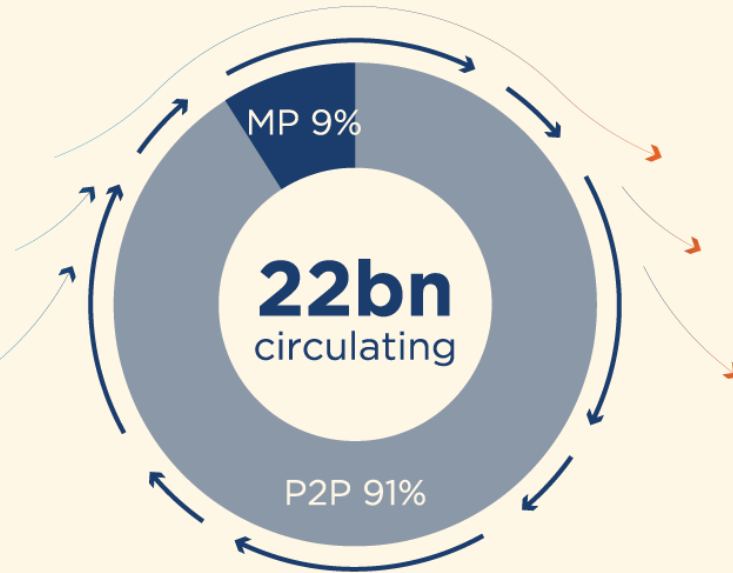
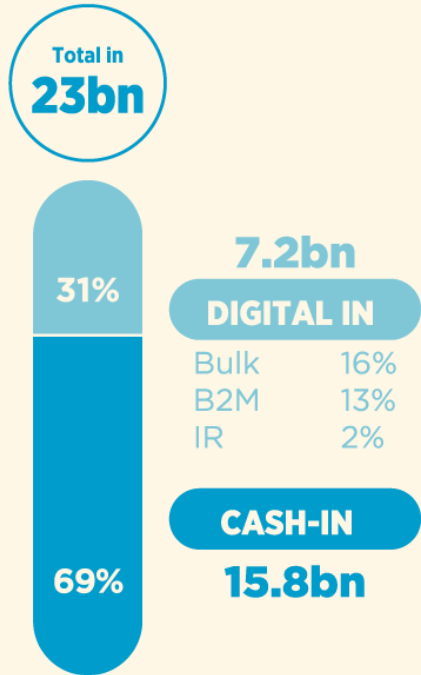
**of respondents reported business fees drive majority of revenue**

# Two key trends in 2019 indicate that the industry has reached a digital threshold

**INDUSTRY FIRST**

**1**

Digital transactions make up the majority of mobile money flows



**2**

More value is circulating in the mobile money system than exiting

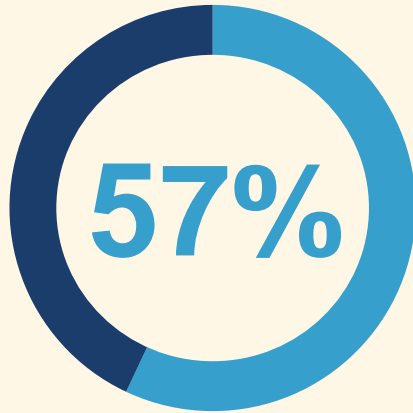
Transaction values, USD, December 2019

\*Digital transactions:  
Digital in + Digital out + Circulating value

TREND

1

For the first time digital transactions make up the majority of mobile money flows



INDUSTRY FIRST

OF TRANSACTIONS  
WERE DIGITAL

exceeding cash-in/out values

Driven by

Interoperability

API adoption

TREND

1

# Mobile money is increasingly integral to the financial ecosystem

48

95

48 of 95 markets are interoperable

## Interoperability with banks



On average mobile money services with bank integration are connected to 13 banks

## Mobile money account-to-account (A2A) interoperability



Interoperable P2P transfer volumes grew by nearly 40%

## Beyond domestic interoperability and integrations with banks



\$7.3 billion mobile money-enabled international remittances processed

1

## Seamless integration with third parties is on the rise



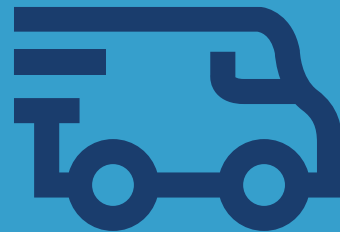
20

Almost 20% providers published mobile money APIs. As a result, on average providers are integrated with



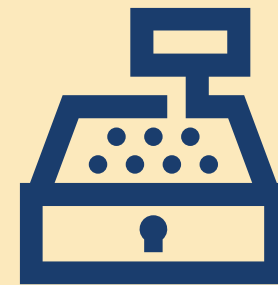
98

billers, including 17 government agencies and 11 utility companies



52

organisations for bulk disbursements



Over

13k

merchants

TREND

2

More value is circulating in the mobile money system than exiting

INDUSTRY FIRST



**\$22bn**  
IN CIRCULATION

P2P transfers



THE VALUE  
IN 2017

34% year on year growth for merchants



TREND

2

## Mobile money value proposition is becoming more compelling for MSMEs

29%

of respondents offer credit lines to agents

74%

of respondents offer additional management tools to MSMEs

19%

of respondents offer credit to merchants

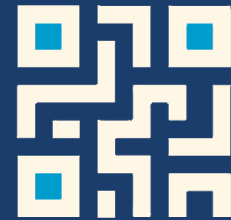


2

# The promise of QR codes for retail payments

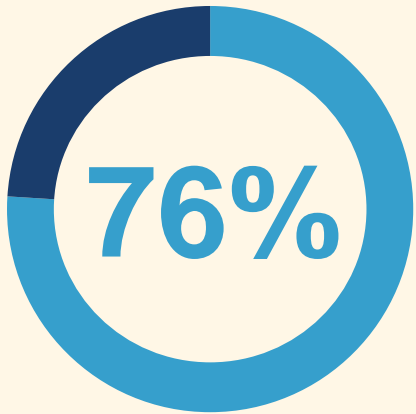


USSD is still the most common acceptance technology for merchant payments



X3

Merchants using QR codes transacted three times more in value



Providers only offer USSD for merchant payments

Gaps in smartphone adoption & mobile internet access

Harmonised & interoperable QR codes

TREND

2

## Bridging the gap between offline customers and online merchants



E-commerce transactions doubled in value



Mobile money providers have a variety of roles to play in social commerce and can contribute to the growth of the sector



Social interactions



Transactions



'Intelligent shopping'

## Regulatory and policy trends



Shift towards “payments institution” licensing regimes



Mobile money taxation

77% of mobile money providers responding to our Global Adoption Survey reported paying such taxes, whether on fees, transaction values or total revenue.

23% report negative impact



Data localisation

Strict data localisation requirements limit the ability of providers

## Beyond one billion accounts: the foundation for many impactful services



**33%**

gender gap in mobile money account ownership, down from 36% in 2014



**44%**

of the total value of mobile money bill payments are for utilities



**2.7M**

Digital cash assistance delivered to over 2.7m unique mobile money accounts



**10%**

of mobile money providers partner with agribusinesses and cooperatives

# MOBILE MONEY IN 2019



**Over 1bn**

REGISTERED MOBILE MONEY ACCOUNTS



OVER

**\$1.9bn**  
processed daily



by the  
mobile money  
industry



**77**

Mobile money deployments  
Have more than

**1m**

90-day active  
accounts

Compared  
to 27  
in 2014



INDUSTRY FIRST

**57%**  
DIGITAL

Digital transaction values now  
exceeding cash-in/out values

INDUSTRY FIRST



**\$22bn**  
IN CIRCULATION

More money is circulating than  
exiting the mobile money system



**290**

MOBILE MONEY DEPLOYMENTS



ARE LIVE IN

**95**

COUNTRIES



SUB-SAHARAN AFRICA

**50m**

NEW  
REGISTERED  
ACCOUNTS



# Q&A

## Speakers



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