

Mobile Money: In Search of Scale

Gavin Krugel





[1] GSMA MMU 2011 Global Mobile Money Adoption Survey
[2] Fundamo clients reported growth and forecast.

June 2011

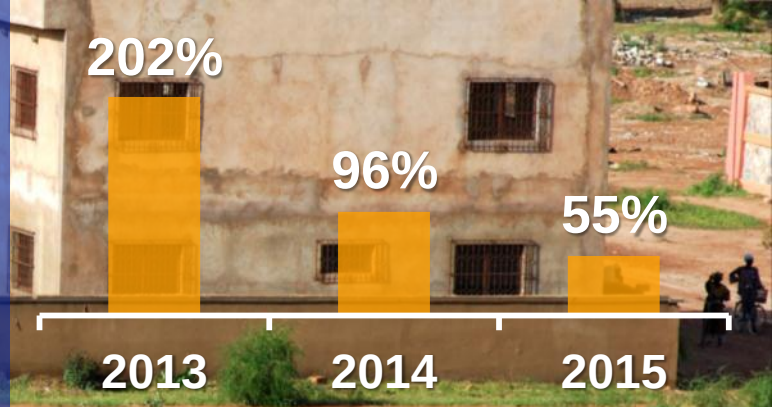
60 million
customers[1]

49% growth
in MM in 2011[1]

September 2012

70% growth
in registration[2]

86% growth
in active accounts[2]



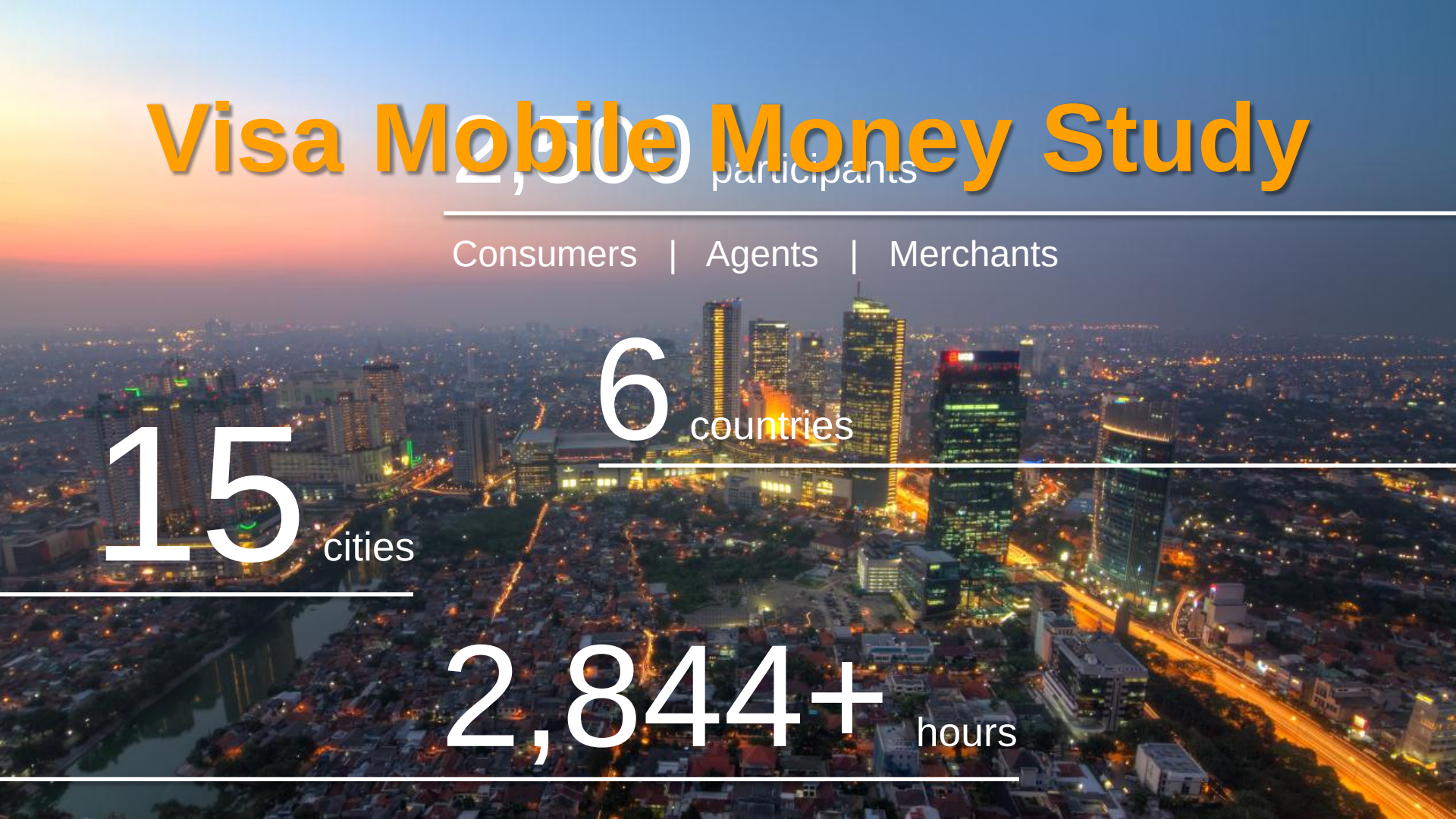
Forecast registered growth

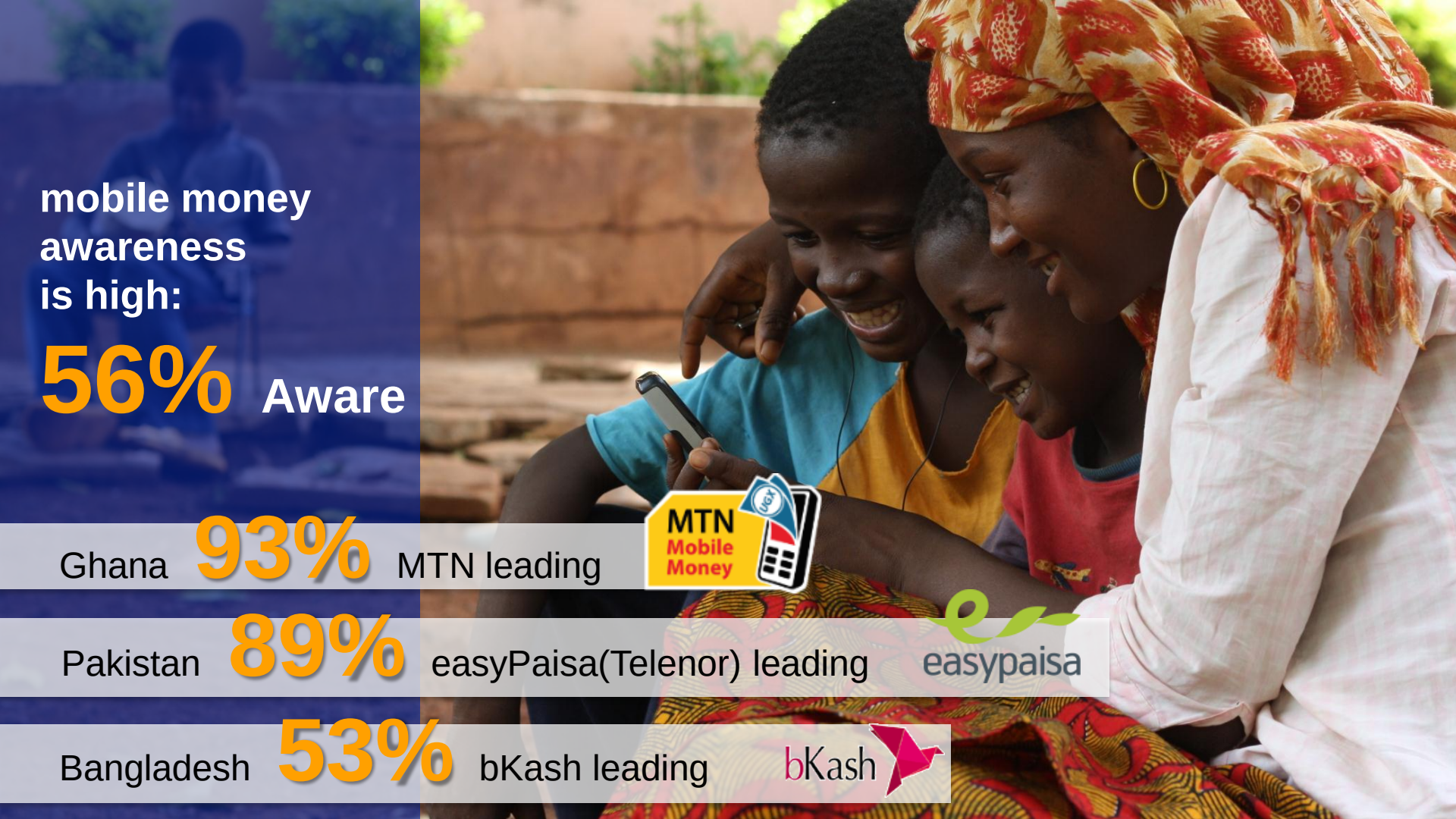
Forecast active in 3 years is only 40%

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[1]www.thenewstribe.com
[2]bKash reported data
[3]Unbanked yet economically active adult population with Mobile Phones. Visa Analysis.


Visa Mobile Money Study
2,500 participants
Consumers | Agents | Merchants
6 countries
15 cities
2,844+ hours



mobile money awareness is high:

56% **Aware**

Ghana **93%** MTN leading

Pakistan **89%** easyPaisa(Telenor) leading

Bangladesh **53%** bKash leading



Unbanked consumers …

- **have sophisticated financial behaviors**
- **articulate their payment needs clearly**

Perceived benefits of MM

- **80%** cite safety of not carrying cash
- **63%** cite speed of getting money to family

Intended use

- **56%** to pay utility bills
- **52%** to save money for families

Extensive mobile money agent network

- Prevalent **accessibility** to mobile money agents ranked as **key barrier to adoption**
- **54%** of consumers cited quick, easy access to cash as key benefit of MM



240 sodas = US $40.39

Fruit & Veg = US $9.35

20 packs of batteries = US $59.84

40 tins = US US $7.48

40 loose candles = US $ 3.74

300 cartons = US $ 93

400 bottles of water = US $46.75

10 bags of rice = US $37.40

Mobile Money = ?



Barriers to adoption

73% cited ease of use,

43% lack of mobile network reliability

34% lack of interoperability as the primary barriers to adoption

Security concerns do not appear to be a barrier to adoption

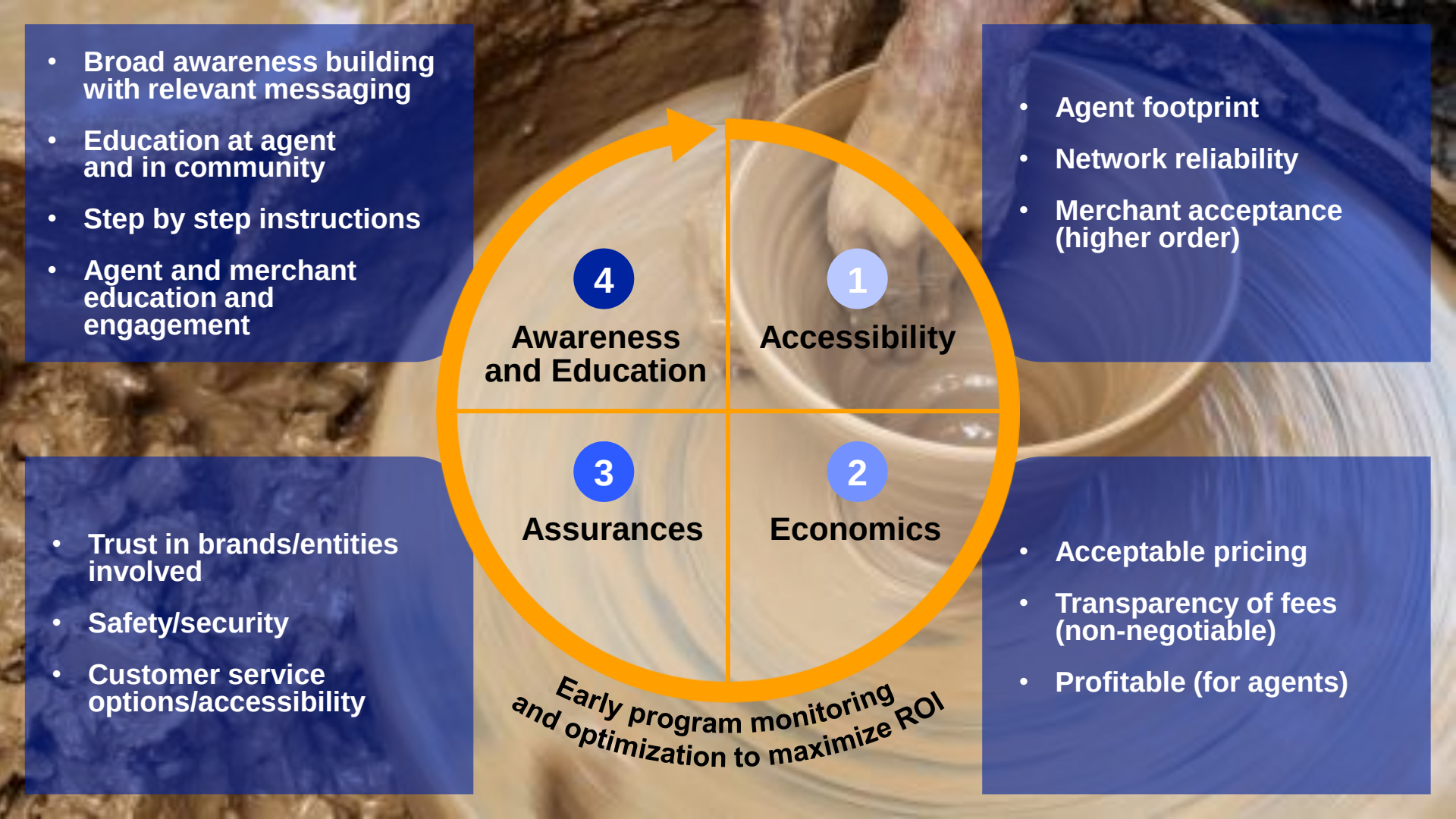




If anything, take this away.

It’s not what you say, it’s how you say it!

MM service vernacular does not, in most instances, match the consumers.


Broad awareness building with relevant messaging
Education at agent and in community
Step by step instructions
Agent and merchant education and engagement
4
Awareness and Education
1
Accessibility
Agent footprint
Network reliability
Merchant acceptance (higher order)
3
Assurances
2
Economics
Trust in brands/entities involved
Safety/security
Customer service options/accessibility
Acceptable pricing
Transparency of fees (non-negotiable)
Profitable (for agents)
Early program monitoring and optimization to maximize ROI



Thank You

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