Understanding Digital Financial Inclusion
From the Demand Side

FII Research Program Presentation
Hong Kong
Dec. 2013
A combined 2 billion-plus population representing a mix of more-advanced and early-stage DFS markets

- Multiple nationally representative surveys of adults aged 15+ in 8 countries over 2 years (n = 3,000 to 45,000)
- Lapsed/active/inactive MM user consumer focus groups
- Customer and MM agent transaction monitors
- Digital Financial Service use case deep dives – digitized salary payments – MM saving club tool – G2P payment channels

Track demand-side market trends and market potential in mobile money and other DFS to inform product, technology, marketing and distribution strategies

Provide evidence for supporting policy and regulatory initiatives that drive expansion of DFS generally and among the poor specifically
FII Program Core Questionnaire Elements

- DEMOGRAPHICS
- POVERTY MEASUREMENT (GRAMEEN PPI SCALE)
- ACCESS/USE OF MOBILE DEVICES
- ACCESS/USE/REGISTERED USE OF MOBILE MONEY
- ACCESS/USE OF “FORMAL” FINANCIAL SERVICES (BANK ACCOUNTS)
- SATISFACTION LEVEL WITH FINANCIAL SERVICE PROVIDERS AND PRODUCTS

“Extended” Core in selected countries
- Trust in financial services
- Use of “informal” financial services
- Use of digital/prepaid cards
- Use of savings instruments
- Use of insurance instruments
- Borrowing and lending patterns
- Basic numeracy and literacy

Optional Modules in selected countries
- Influence and drivers of Mobile Money adoption
- G2P payment channels
- Perceptions/Opinions on consumer issues related to interoperability
- Perceptions of fraud in mobile money
Financial inclusion – demographics and potential points of need

<table>
<thead>
<tr>
<th>Gender</th>
<th>Male (49%)</th>
<th>Female (51%)</th>
<th>Active BANK account holders (659)</th>
<th>Active MM account holders (1,999)</th>
<th>Active BANK AND MM account holders (588)</th>
<th>Neither active BANK nor MM account holders (930)</th>
</tr>
</thead>
<tbody>
<tr>
<td>National ADULT population (n=3,000)</td>
<td>67%</td>
<td>51%</td>
<td>68%</td>
<td>32%</td>
<td>66%</td>
<td>45%</td>
</tr>
<tr>
<td>Urban/rural</td>
<td>Urban (26%)</td>
<td>Rural (64%)</td>
<td>60%</td>
<td>43%</td>
<td>51%</td>
<td>77%</td>
</tr>
<tr>
<td>Poverty</td>
<td>Above poverty line (41%)</td>
<td>Below poverty line (50%)</td>
<td>64%</td>
<td>51%</td>
<td>65%</td>
<td>77%</td>
</tr>
</tbody>
</table>

Source: InterMedia Kenya FII Tracker survey (15+)