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Mobile Money Use in Zambia: mobiles reaching more low-income Zambians, but slow progress extending m-money to the “unbanked,” according to new research from InterMedia's *AudienceScapes* project

Washington, D.C. —The use of mobile phones has seen significant expansion among lower-income Zambians in the past year, but cost and other factors remain barriers to regular use for many, [a new report from InterMedia's AudienceScapes team reveals](#).

The report also looks at the recent arrival of mobile money services in Zambia, which shows that, for the time being, their use is dominated by those who are already “banked”; i.e., using formal banking services such as bank accounts.

How people in different social and demographic groups access and use mobile communications, as well as mobile financial services (mobile money), is the focus of the 54-page report, *Mobile Communications in Zambia*, a demand-side analysis the 2010 AudienceScapes National Survey. This is one of several [AudienceScapes](#) reports InterMedia is releasing in the wake of extensive research conducted in the Southern African country earlier this year. The reports draw on unique survey data which provides an in-depth view on citizens' use of media, communication technologies and word-of-mouth information sources. Similar surveys have been conducted recently in Ghana, Kenya and Tanzania.

“There is great interest in the power of mobile phones to support development goals, but less understanding of how people of different demographic groups are using mobiles,” said David Montez of InterMedia, author of the report. “This and other AudienceScapes reports start to fill the knowledge gap.”

Some key findings from the mobile use report:

- **Use of Mobile Money Services:** Seventeen percent of respondents had used a money transfer service of some kind in the past 12 months, but only about a quarter of this group had used a mobile phone-based money transfer service. This points to growth potential for mobile money in Zambia.
- **Mobile Money and the “Unbanked”:** Nearly 80 percent of those who had used mobile money services were already “banked”; i.e., they have access to traditional financial services. Reaching the “unbanked” remains a challenge.
- **Mobiles and Young Zambians:** Those 15-29 are often assumed to be leaders in mobile phone use, but this is not entirely the case in Zambia. Although youth and young adults represent the largest segment of overall mobile users, those 30-44 showed the highest rate of regular (weekly) use.
- **Cost remains an impediment** to mobile use, despite declining prices for handsets and for calling plans. Sixty-three percent of respondents agreed with the statement: “Mobile phones are expensive.”
- **Mobile radio:** In a classic case of convergence of “old” and “new” media, one-third of regular mobile phone users said they listen to the radio via their handset at least once a week.
- **Use of SMS:** About one-fifth of mobile phone users access news and information sources via SMS at least once a month; 12 percent do so weekly. Trust in news and information delivered via SMS is proportional to the person’s length of experience using SMS.
- **Service Providers:** Among those surveyed, 78.5 percent said they use the Zain service, versus 38.5 percent for MTN and 7.4 percent for Cell Z. Nearly one-quarter of respondents said they use more than one service provider, ostensibly to avoid cross-service calling fees.
- **Mobile Adoption:** Adoption—that is, use of mobile phones—has progressively expanded to economically less-privileged demographic groups.
- **Phone Sharing:** About one-quarter of mobile phone owners said they lend their phone to someone else at least once a month. Lending is common within all income groups.
- **How Non-Owners of Phones Obtain Access:** About one-third of regular mobile phone users do not have their own phone, but have SIM cards for use in other people’s phones.

The report is based on InterMedia’s AudienceScapes nationally-representative survey of 2,000 Zambians 15 and older, conducted in April-May, 2010. It includes comprehensive modules on access to mobile devices, use patterns of SMS and other functions, barriers to mobile use, access to financial services, use of mobile money services, and more.

Other InterMedia AudienceScapes reports look at:

- Gaps in health information in Zambia.
- A national mass media overview (radio, television and print), including in-depth analysis of the reach and popularity of community and religious radio stations.
- A study of the “policy information environment” in Zambia, based on in-depth interviews with senior Zambian officials about their habits of gathering, sharing and disseminating information.

InterMedia (www.intermedia.org) is a research-based consultancy providing strategic guidance and insight into the behaviors and views of people globally, especially among hard-to-reach populations. We provide counsel on effective engagement strategies in an increasingly complex media and communication environment, helping a diverse clientele map and measure how people gather, share and shape information. Based in London, U.K., and Washington, D.C., InterMedia also works with partners across the developing world to strengthen local research capacity. On the ground in 60 countries annually, its 40 research experts use innovative techniques to understand how information, communication and media resources can deliver impact. InterMedia created [AudienceScapes](http://www.audiencescapes.org) (www.audiencescapes.org), an integrated research program and online resource center that improves development outcomes through knowledge sharing and dissemination of research and analysis in a user-friendly format. Clients include the World Bank, USAID, the Bill and Melinda Gates Foundation, UNESCO, the BBC World Service, the Department of State, Deutsche Welle, Sesame Workshop, AED and major U.S. public international broadcasters.

The AudienceScapes project, launched in 2009 with support from the Bill & Melinda Gates Foundation, applied InterMedia's core research competencies to the needs of development practitioners worldwide. A dedicated research program and an online resource center (www.audiencescapes.org) provide in-depth, user-friendly data and analysis on media use, information flows and communication habits in Africa and other regions.

Access report here:

[Mobile Communications in Zambia](#)

<http://audiencescapes.org/intermedia-africa-research-reports-mobile-communications-zambia-phone-sharing-banking-barriers-access-demand-side-survey>

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