

In 2011, the Bill & Melinda Gates Foundation's Financial Services for the Poor program commissioned InterMedia to conduct a three-year panel study of households in Pakistan, Uganda and Tanzania. This study is designed to monitor the uptake, use and market potential of mobile money (m-money) services. As part of this project, three mini-surveys are conducted between waves one and two, and waves two and three of the study. These are the findings from the first mini-survey of the first wave of the Financial Inclusion Tracker Survey (FITS) Pakistan, conducted November–December 2012.

METHODOLOGY AND SAMPLE OVERVIEW

Of the 4,940 households selected for the InterMedia FITS Pakistan study, 2,912 households (59 percent) provided phone contact information and 1,193 households (24 percent) were successfully re-contacted for the mini-survey. Ninety-nine percent of the re-contacted households lived in the same residence as they did when the main survey was taken.

The demographic characteristics of households that responded to the first mini-survey differ from the full FITS household sample. For example, there were more urban (38 percent versus 33 percent of the total sample), banked (14 percent versus 9 percent) and well-off (5 percent versus 3 percent) households in the re-contacted group. Members of these households also had greater access to mobile phones at 100 percent versus 89 percent of the total sample. Therefore, these mini-survey findings do not represent the full FITS household sample.

KEY FINDINGS

M-MONEY REGISTRATION AND DRIVERS OF SERVICE ADOPTION

The primary method for m-money use in Pakistan continues to be over-the-counter (OTC), in which all m-money transactions are facilitated by agents who use their own accounts. The registration of individual m-money accounts remains limited. Among all re-contacted households, only 14 (1 percent) reported a new registered account since the main survey was conducted. Of those, 10 households were unbanked, nine households lived on less than \$2 a day and 12 households did not use m-money at the time of the main survey.

A request from a person to whom a household sent money or from whom a household received money was the leading motivator for m-money registration, reported by 10 out of 14 households.

Telenor Easypaisa is the leading m-money provider. Of the 14 households that reported a newly-registered account, 11 households registered an account with Telenor Easypaisa. In addition, of the 118 re-contacted households,¹ who reported an m-money transaction “in the past four weeks,” 87 percent used Telenor Easypaisa.²

BARRIERS TO M-MONEY ADOPTION

Insufficient understanding of m-money services and the practical value of a personal account appear to be the main barriers to m-money registration and use (Figure 1). Among OTC users of m-money,³ 54 percent said they did not sign up for a personal m-money account because it was more convenient to use an agent. In addition, 36 percent said there was no need to register for an m-money account.

Nearly one-third of households that never use m-money services⁴ said they did not have the need to use them. However, the majority of non-using households (57 percent) said they did not know what m-money service was or how it could be used.

HOUSEHOLDS' REMITTANCE-RELATED BEHAVIORS

Sixteen percent of the re-contacted households sent or received remittances (i.e., financial support) in the past four weeks.⁵ Hand-delivery by self was by far the most common method of remittance delivery, which supports the findings of the wave one main survey conducted May–October 2012 (Figure 2).

¹ Ten percent of the re-contacted group.

² n=104

³ n=113

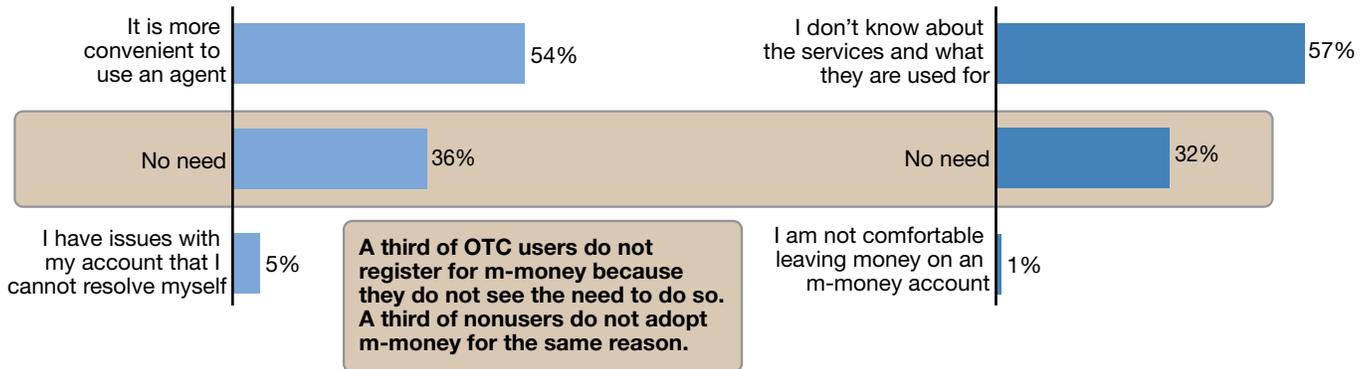
⁴ n=1057

⁵ n=193

Figure 1. Barriers to mobile money registration and use among OTC users and nonusers of the services

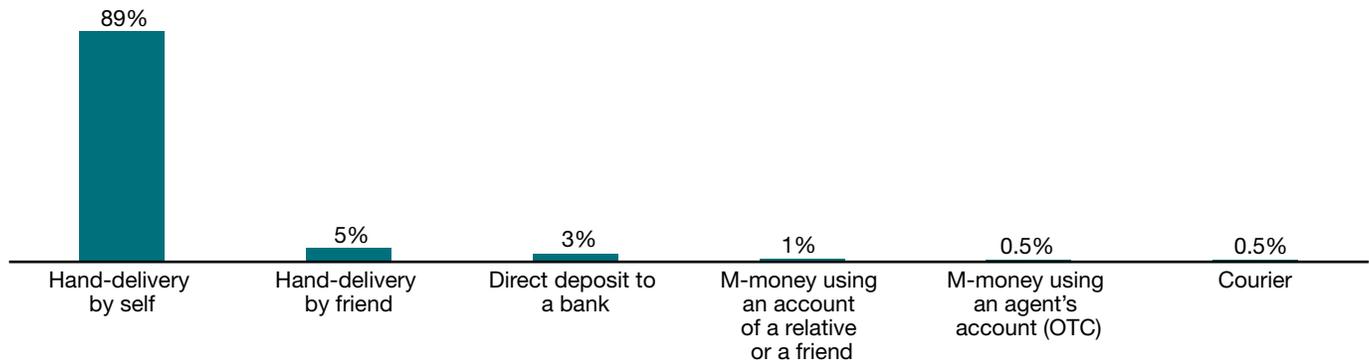
OTC users (n=113): The top three reasons why you do not register for an m-money account?

Nonusers of m-money (n=1,057): The top three reasons why you never use m-money



Source: InterMedia FITS study of households (HH) in Pakistan, November-December 2012; N=1,193

Figure 2. Delivery methods for remittances sent and received in the four weeks prior to the survey (n=193)



Source: InterMedia FITS study of households (HH) in Pakistan, November-December 2012; N=1,193

The full report of the first wave FITS survey in Pakistan, "Mobile Money in Pakistan: Use, Barriers and Opportunities," as well as the FITS mini-survey reports are available at www.audiencescapes.org/FITS.

For more information about the FITS project contact Anastasia Mirzoyants, FITS project director, mirzoyantsa@intermedia.org, or Peter Goldstein, FITS project principal, goldsteinp@intermedia.org.

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Headquarters
Washington, D.C.
Tel: +1.202.434.9310

InterMedia Europe
London, U.K.
Tel: +44.207.831.8724

InterMedia Africa
Nairobi, Kenya
Tel: +254.720.109183

For general inquiries: generalinfo@intermedia.org

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