

# FINANCIAL INCLUSION **insights**

APPLIED RESEARCH FOR  digital financial inclusion

## GHANA

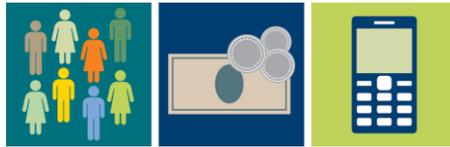
### SUMMARY REPORT NATIONAL SURVEY

Conducted December 2014 - January 2015

December 2015



## GHANA



## PUTTING THE USER FRONT AND CENTER

The Financial Inclusion Insights (FII) program responds to the need identified by multiple stakeholders for timely, demand-side data and practical insights into digital financial services (DFS), including mobile money, and the potential for their expanded use among the poor.

The FII team conducts regular survey and qualitative research in **Rwanda, Ghana, Kenya, Tanzania, Uganda, Nigeria, India, Pakistan, Bangladesh and Indonesia** to:

- **Track access to and demand** for financial services generally, and the uptake and use of DFS specifically;
- **Measure adoption and use** of DFS among key target groups (females, BOP, rural, unbanked, etc.);
- **Identify drivers and barriers** to further adoption of DFS;
- **Evaluate the agent experience** and the performance of mobile money agents; and
- **Produce actionable, forward-looking insights** to support product and service development and delivery, based on rigorous FII data.

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The FII program is managed by InterMedia. Visit the FII Resource Center to learn more: [www.finclusion.org](http://www.finclusion.org).

## THE GHANA NATIONALLY REPRESENTATIVE SURVEY - DETAILS

### Survey summary

- Nationally representative survey (N=3,002) of Ghanaian adults aged 15+
- Face-to-face interviews lasting, on average, 64 minutes
- Conducted from Dec. 1, 2014 to Jan. 3, 2015
- Provides baseline measurements. Subsequent annual surveys will measure trends and track market developments in DFS

### Data collected

- Basic demographics
- Poverty measurement (Grameen Progress Out of Poverty Index)
- Access/use of mobile devices
- Access/use of mobile money
- Access/use of formal financial services (e.g., bank accounts)
- Access/use of semi-formal and informal financial services (e.g., SACCO, MFI, SUSU, cooperatives, self-help groups)
- Financial literacy and preparedness
- Technical literacy

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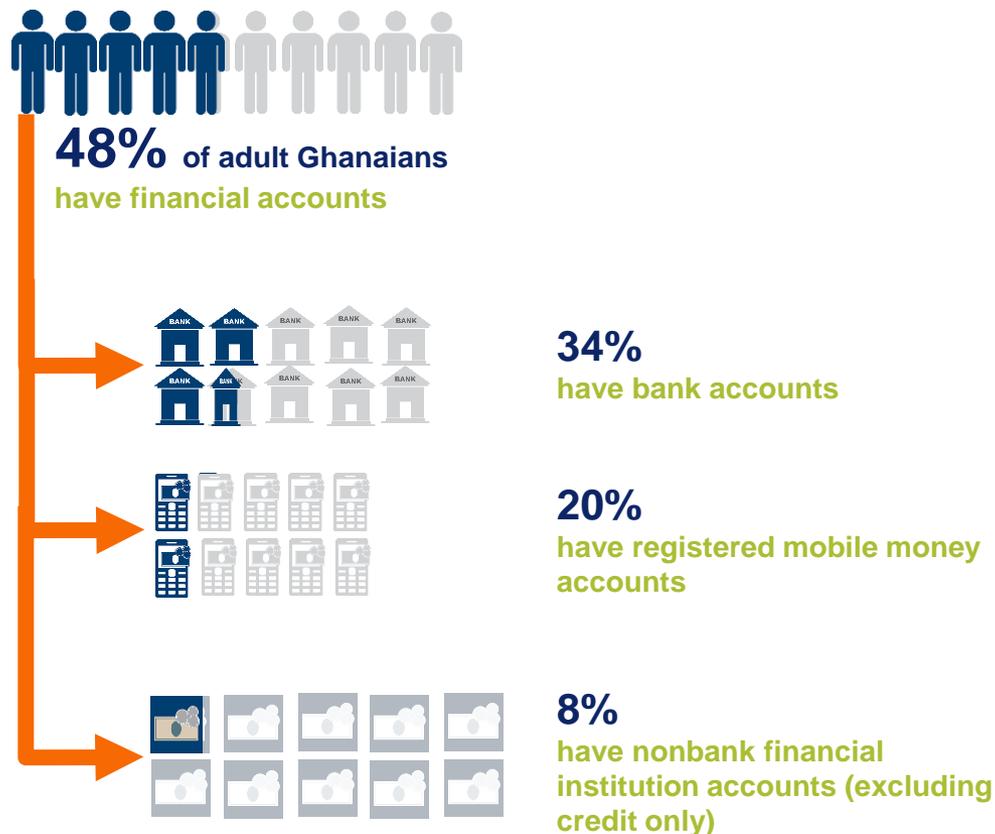
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# **EXECUTIVE SUMMARY**

## GHANA

### Almost half of Ghanaian adults have registered accounts with banks, mobile money or nonbank financial institutions

- Banks are the key drivers of registered use of financial services.
- One in five Ghanaians report a registered mobile money account, however half of them also have a registered bank account.
- While the reported registered use of nonbank financial institutions is low, unregistered/informal use of such agencies is likely higher.



\*Overlap representing those who have multiple kinds of financial accounts is not shown.

## GHANA

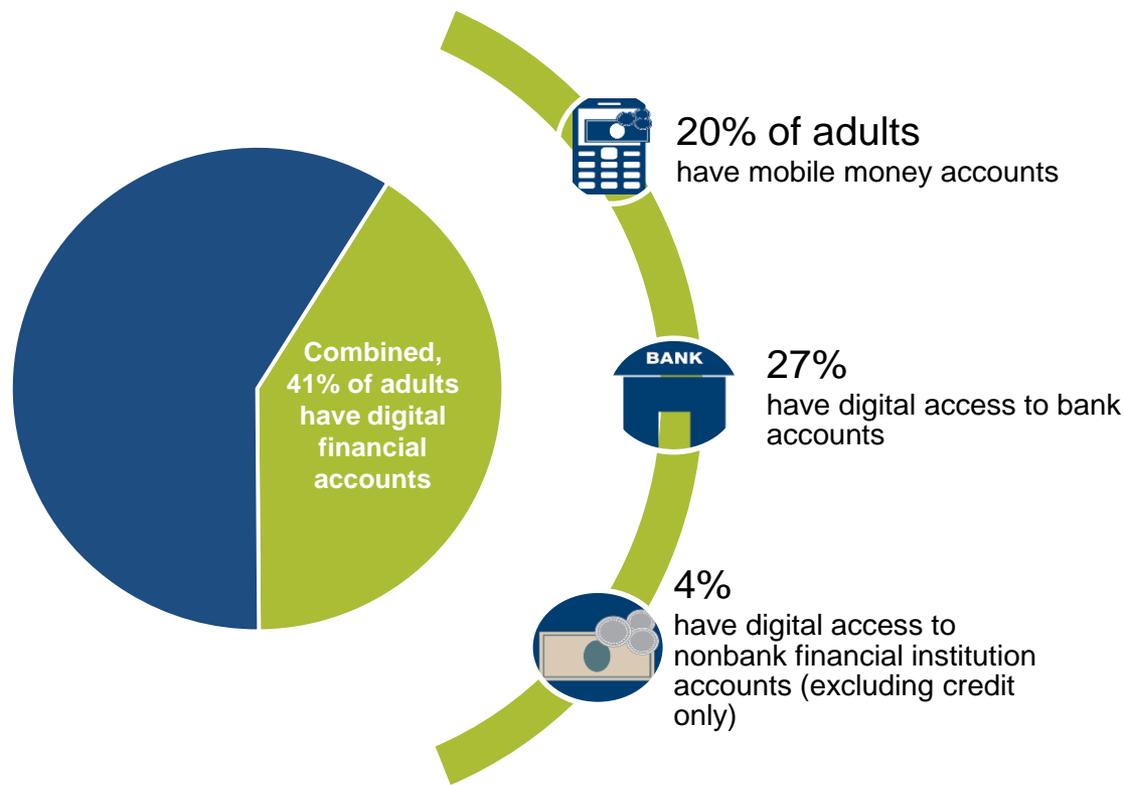
**Ghana shows the lowest reported rate of mobile money registration among the five FII countries in Africa, but it has the highest rate of registered bank accounts**

Indicators	Kenya (n=2,995)	Tanzania (n=3,000)	Uganda (n=3,001)	Rwanda (n=2,003)	Ghana (n=3,002)
% of adults with registered mobile money accounts	63%	38%	33%	23%	20%
% of adults with a bank account registered in their own name	28%	21%	14%	16%	34%
% of adults with an account at nonbank financial institutions (excluding credit only)	8%	3%	5%	16%	8%

## GHANA

### Forty-one percent of Ghanaians have digital access to their financial accounts

- Bank accounts with digital access are by far the most common form of digital financial access: 80% of bank account holders report at least one form of digital bank account access.
- Mobile money accounts are the second most common.
- Digital access to accounts at nonbank financial institutions (NBFIs) is less common; about half of these account holders say their NBFIs offer a digital card, a mobile app or website account access.



\*Overlap representing those who have multiple kinds of financial accounts is not shown.

## GHANA

## Ghana's DFS market offers many opportunities for scaling up; barriers might be more subtle than just the lack of exposure to digital financial products

### OPPORTUNITIES ← → CHALLENGES

- **Financially stable population:** 73% of adults live above the poverty line and 75% say their income allows them to cover basic expenses, save a little bit every month and buy some expensive goods.
- **High level of preparedness for DFS:** Almost all Ghanaian adults own a mobile phone, have basic numeracy and have the necessary ID to register for a formal account. Most are also aware of mobile money services.
- **High consumer engagement in advanced financial activities:** 59% of Ghanaian adults purchase insurance, 67% save and 40% invest. Yet few of these activities are channeled through banks, mobile money or NBFIs.
- **Dynamic P2P market:** 60% of adults send and/or receive remittances. P2P transfers are the key driver and one of the top uses of DFS; however, DFS only accommodates 34% of remitting adults.

- **High reliance on personal delivery of cash:** 98% of all Ghanaians who engage in any type of financial activity (99% of Ghanaian adults conduct any financial activities) mostly conduct their activities in cash and deliver the money themselves.
- **Bank and mobile money expansion might be hindered by insufficient understanding:** Bank and mobile money accounts are most actively used for P2P transfers. Many say banks/mobile money are not a good fit for their savings and borrowing activities.
- **Income and saving/borrowing activities:** 22% of those who borrow and a half of those who save report doing so to meet their day-to-day expenses. This might mean that financial activities are built around agricultural cycles; financial products will have to be sensitive to this cycle.

# **GHANAIAN FINANCIAL INCLUSION ECOSYSTEM**

## GHANA

## Financial Market Overview

### Key Regulations

- Banking (Amendment) Act, 2007
- Non-bank Financial Institutions Act, 2008
- New regulation on mobile payment systems in the pipeline (Bank of Ghana)
  - The BoG is in the process of replacing current regulation on branchless banking with new regulations on mobile financial services.

### Mobile Money

- Mobile money services were first introduced in Ghana in 2009.
- There are three mobile-money service providers (MTN Mobile Money, Airtel Money and Tigo Cash).
  - However, there are six mobile phone operators, three of which do not offer mobile money services (Expresso, Glo and Vodafone).
- Mobile money is used to: pay utility bills, buy goods and services, make direct payments for loans and savings contributions, buy airtime and data bundles, send to/receive money from other mobile money users, and send money to and withdraw money from a bank (MTN Money and Airtel Money, Ghana).
- Despite their heavy investment in technology and awareness building, mobile-money service providers have reported slow adoption of mobile money usage with high numbers of inactive customers (MTN Money, CGAP).

### Other E-Money Services

- Mobile money has grown in parallel with other financial electronic payment services (e.g., e-zwich, Afric Xpress, eTransact Ghana) that enable loading and sending of electronic cash, and allow remittance transactions via phone, among other services.

## GHANA

### Mobile Money Sector Landscape

DFS Player	Mobile Money Services Offered	New Developments
MTN Mobile Money (Launched July 2009)	<p>The 3 service providers offer similar services that include but are not limited to:</p> <ul style="list-style-type: none"> <li>• Depositing and withdrawing money;</li> <li>• Paying utility bills;</li> </ul>	<ul style="list-style-type: none"> <li>• Xpress Money, a global money transfer company, has partnered with MTN to enable its customers remitting to Ghana to transfer money directly into the mobile wallets of registered MTN Mobile Money users (April 2015).</li> <li>• MTN Ghana launches <b>Mobile Money ATM Cash-Out Service</b> in Kumasi (August 2014).</li> <li>• MTN Ghana launches <b>Mobile Money Month Campaign</b> to run this and every August to promote national discussion on cashless economy (August 2014).</li> </ul>
Tigo cash (Launched April 2011)	<ul style="list-style-type: none"> <li>• Buying goods and services;</li> <li>• Mobile banking;</li> </ul>	<ul style="list-style-type: none"> <li>• Tigo Ghana has signed a USD2 million agreement with the International Finance Corporation (IFC) and the MasterCard Foundation with a view to expanding its mobile financial services in the country (June 2014).</li> </ul>
Airtel Money	<ul style="list-style-type: none"> <li>• Buying airtime and data bundles.</li> </ul>	<ul style="list-style-type: none"> <li>• Airtel Ghana and VeriFone have teamed up to introduce new contactless near field communication (NFC) technology to users of Airtel's mobile money service to increase the speed with which transactions take place (May 2015).</li> <li>• Users of Airtel Ghana's Airtel Money service were responsible for a record 1 million transactions in the month of March, surpassing the monthly average of 500,000 in 2014 (April 2015).</li> </ul>

## GHANA

### Banking Sector Landscape

Banks	Key DFS linkages/partnerships
<ul style="list-style-type: none"> <li>• Ghana has 30 banks licensed by the Bank of Ghana (BoG):                             <ul style="list-style-type: none"> <li>✓ 29 commercial banks</li> <li>✓ 1 development bank</li> <li>✓ 137 rural and community banks</li> <li>✓ 409 microfinance institutions</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Mobile money is gaining traction in Ghana albeit very slowly. The BoG has provided policies that are enabling banks to conduct m-banking in a bid to support the development of branchless banking. Banks in Ghana are integrating their mobile banking operations with mobile money service providers to ensure enhanced financial inclusion for the unbanked.                             <ul style="list-style-type: none"> <li>✓ Ecobank is collaborating with Airtel to provide mobile money to unbanked subscribers of Airtel services.</li> <li>✓ Zenith Bank, United Bank of Africa (UBA) and Standard Chartered Bank have also partnered with Airtel to offer Bank to Airtel money services in Ghana.</li> </ul> </li> </ul>

# CONSUMER PROFILE

## GHANA

### The Ghanaian adult population is young and mostly urban; three-quarters live above the poverty line

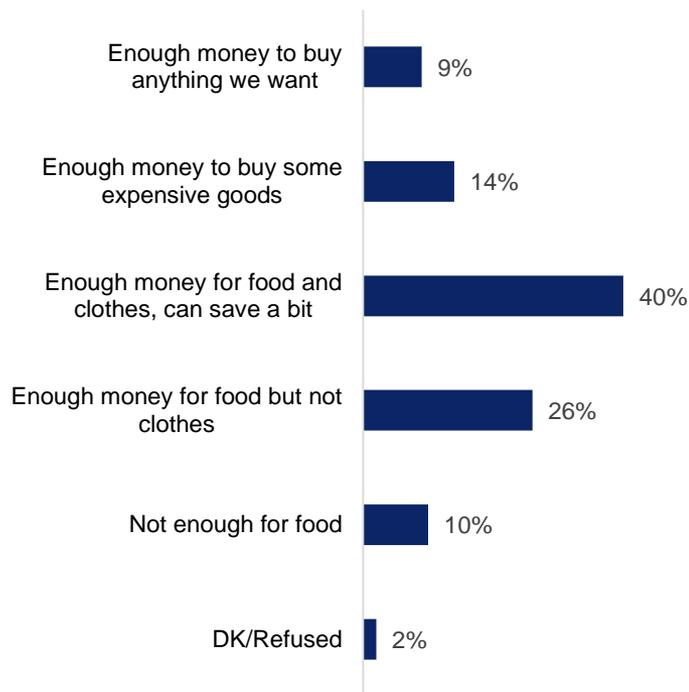
Survey demographics	% of sample (N=3,002)
Male	48%
Female	52%
Urban	54%
Rural	46%
Above the \$2.50/day poverty line	73%
Below the \$2.50/day poverty line	27%
Ages 15-24	32%
Ages 25-34	25%
Ages 35-44	17%
Ages 45-54	12%
Ages 55+	14%

## GHANA

### The population shows signs of financial stability and active financial lives

#### Ghanaian households' self-reported purchasing power

(Shown: All adults, N=3,002)

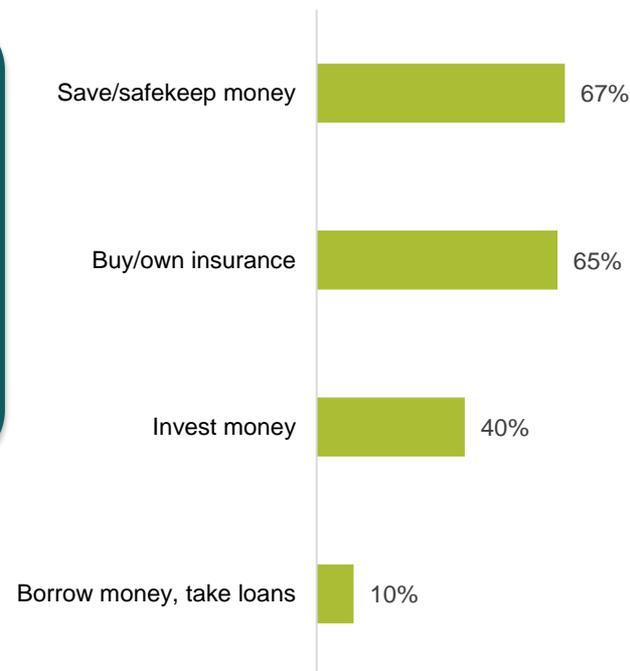


Most make enough every month to pay routine expenses and save.

Borrowing is not common, but large numbers invest and buy/own insurance.

#### Adults' financial activities

(Shown: All adults, N=3,002)



*\*Due to rounding, the total does not add up to 100%.*

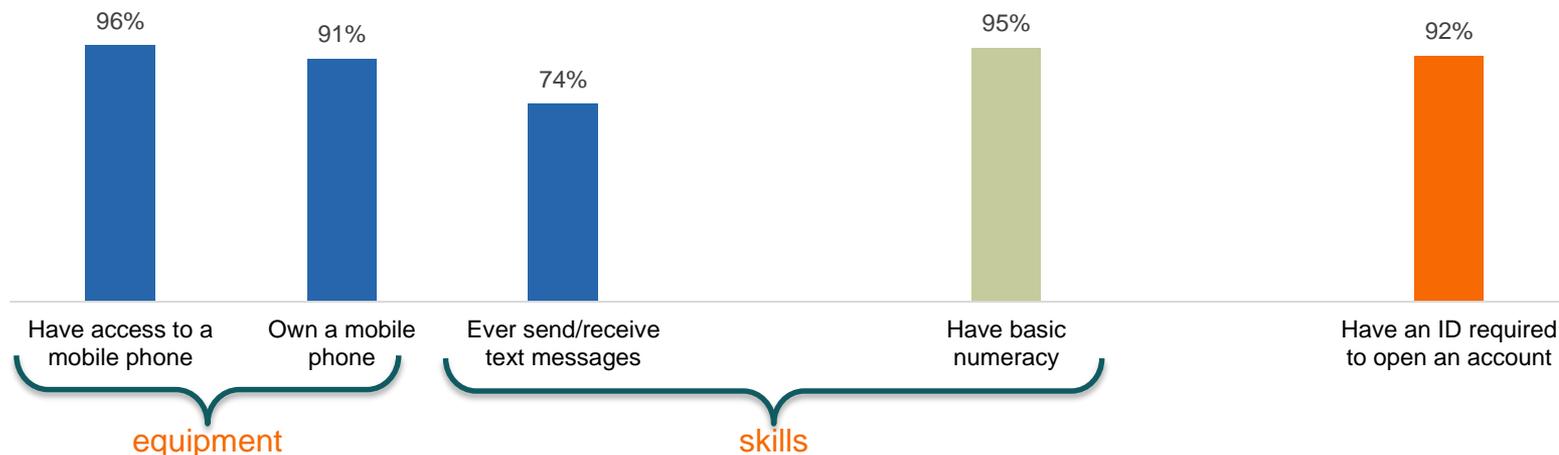
Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014 - January 2015.

## GHANA

**Ghana is not held back by any of the typical constraints in DFS development; the country ranks the highest among other FII countries in skills and equipment ownership necessary for DFS uptake and use**

### Key indicators of preparedness for digital financial services

(All adults, N=3,002)



Indicators	Kenya (n=2,995)	Tanzania (n=3,000)	Uganda (n=3,001)	Rwanda (n=2,003)	Ghana (n=3,002)
% have required ID	81%	64%	61%	87%	92%
% with basic numeracy	90%	93%	79%	87%	95%
% own a mobile phone	74%	72%	58%	47%	91%
% ever send/receive text messages	69%	61%	49%	37%	74%

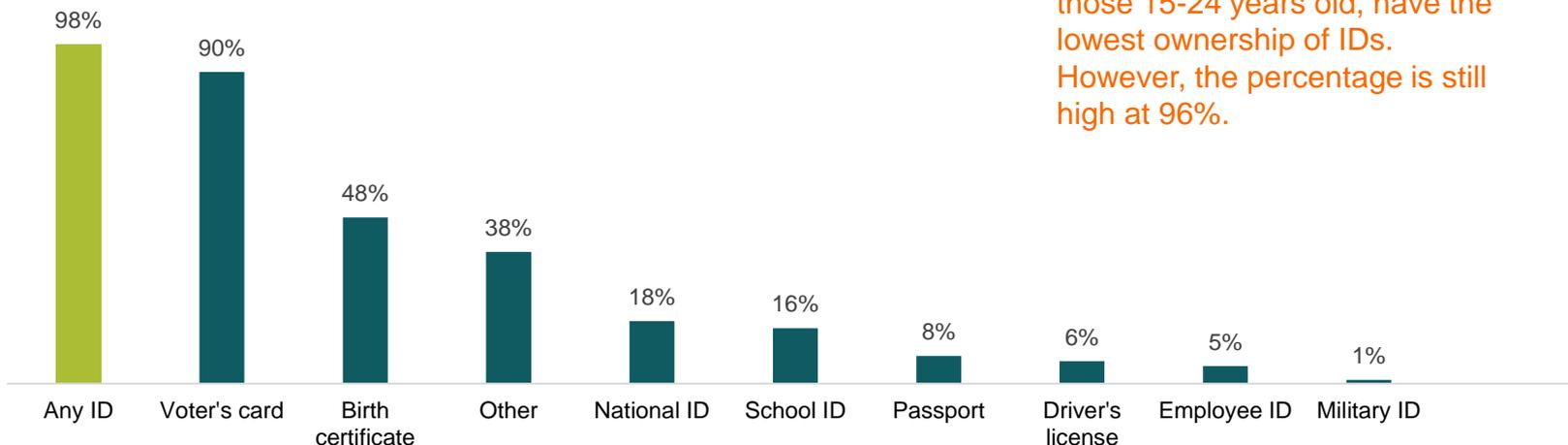
Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014 - January 2015.

## GHANA

### Ghanaians universally report at least one form of ID

#### Type of identification reported by Ghanaian adults

(Shown: Percentage of Ghanaian adults, N=3,002)



- The youngest group of adults, those 15-24 years old, have the lowest ownership of IDs. However, the percentage is still high at 96%.

IDs required for registering an account include a passport, national ID, driver's license, and voter's card.

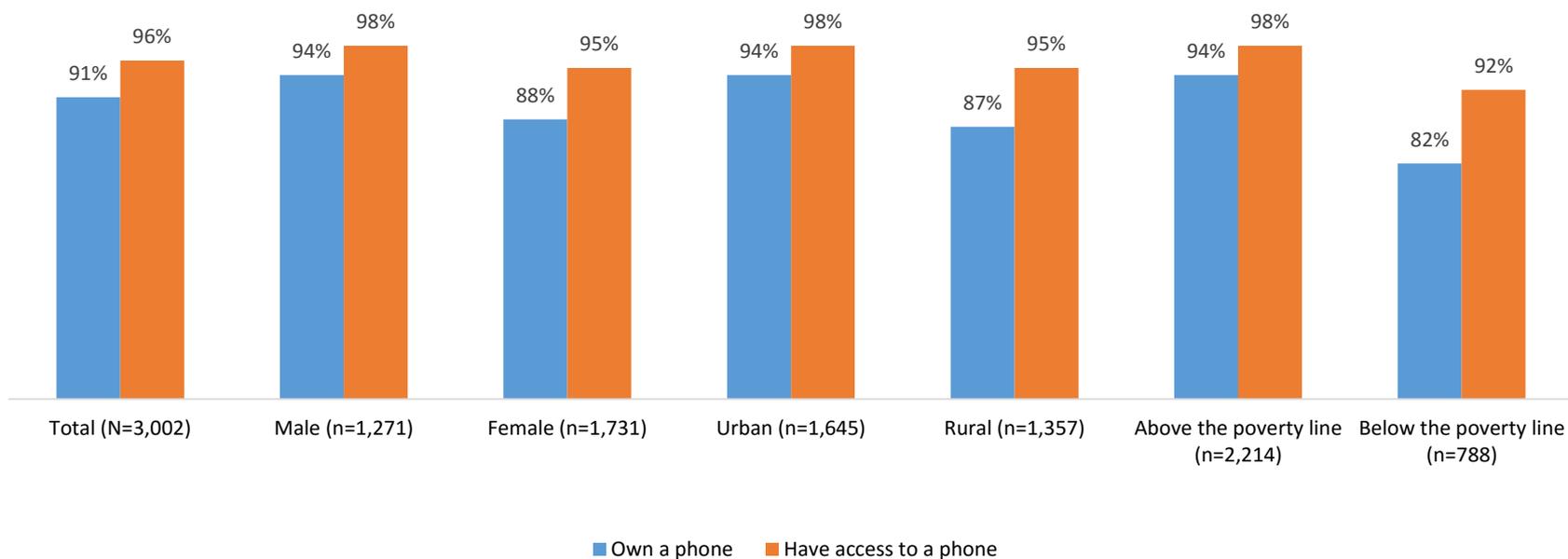
# MOBILE PHONE USE

## GHANA

### Nine in 10 own a phone; those below the poverty line show the lowest ownership and access rates

#### Mobile phone ownership and access, by demographic groups

(Shown: Percentage of each demographic group who owns and can access a mobile phone)

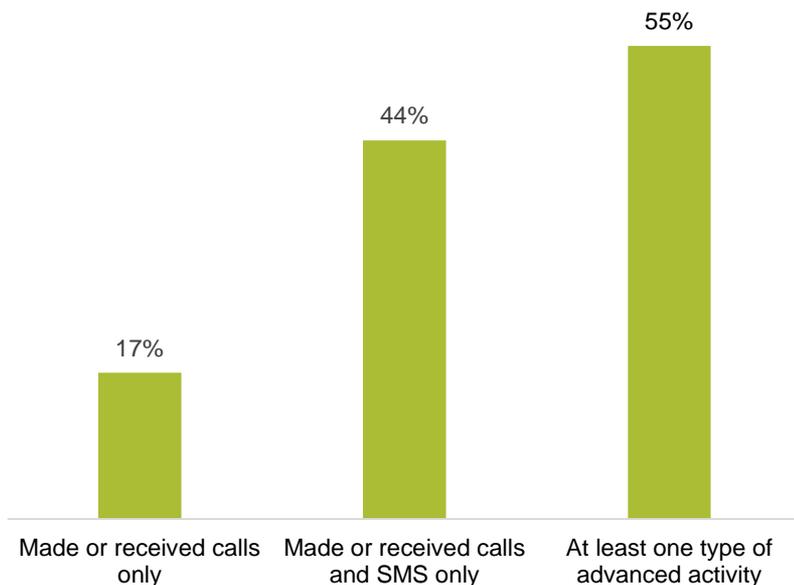


## GHANA

### Ghanaian mobile phone users are fairly sophisticated; over half use at least one advanced function on a mobile phone

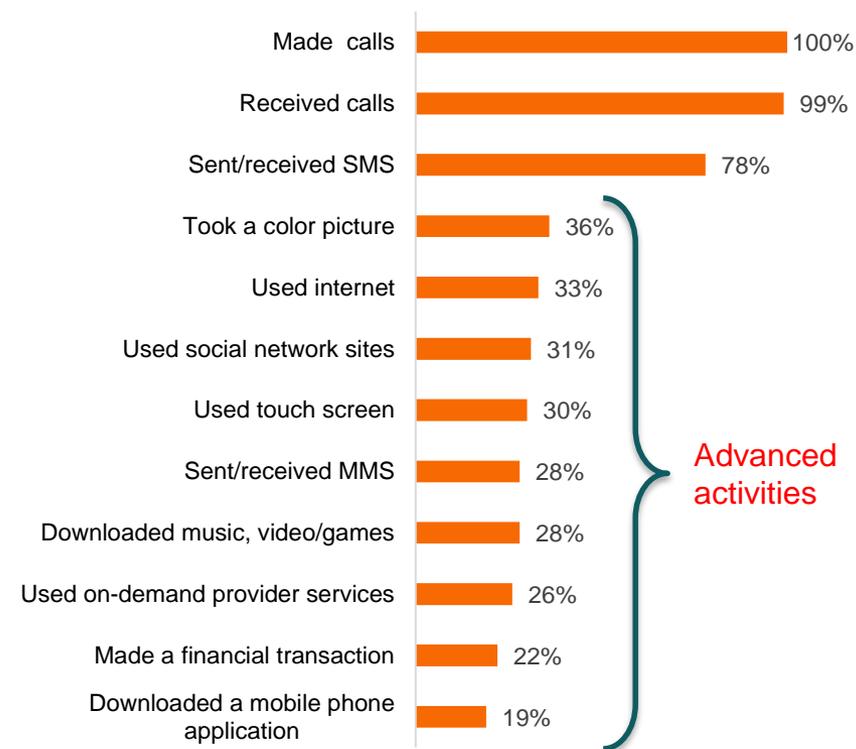
#### Mobile phone uses

(Shown: Percentage of adults with access to mobile phones, n=2,897)



#### Mobile phone uses

(Shown: Percentage of adults with access to mobile phones, n=2,897)



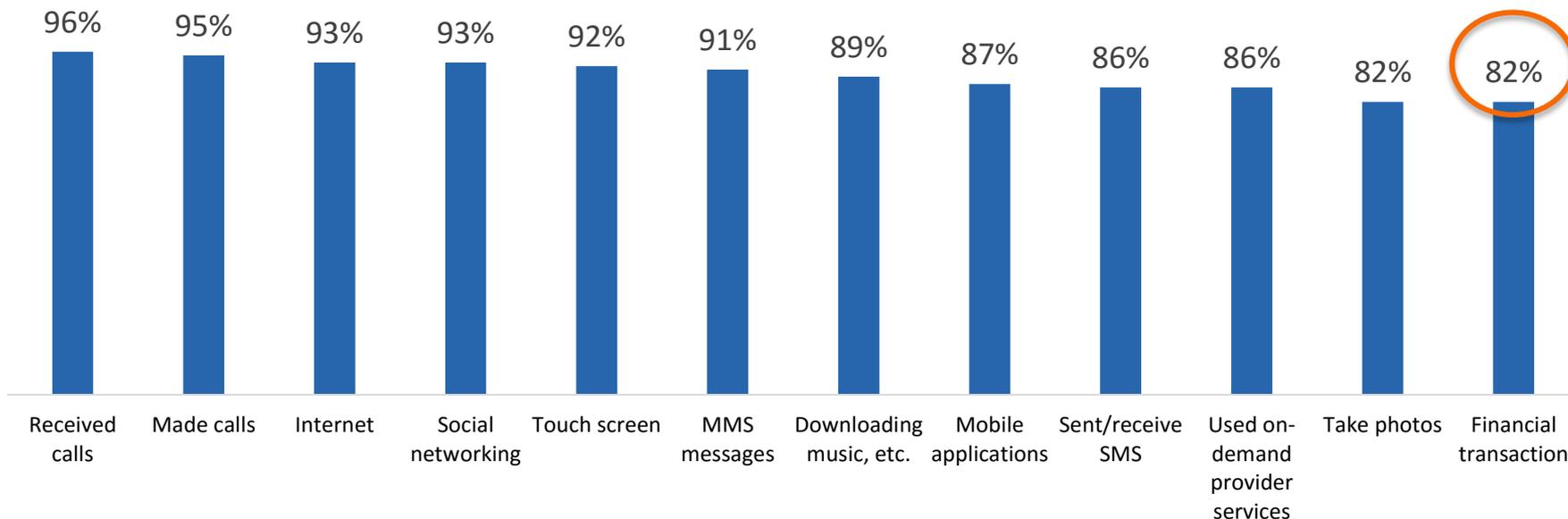
Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014 - January 2015.

## GHANA

### Financial transactions are the type of mobile activity that Ghanaians find hardest to perform without help; still 4 in 5 can do it themselves

#### Mobile phone users performing each activity without assistance

(Shown: Percentage of those who ever performed a specific activity)



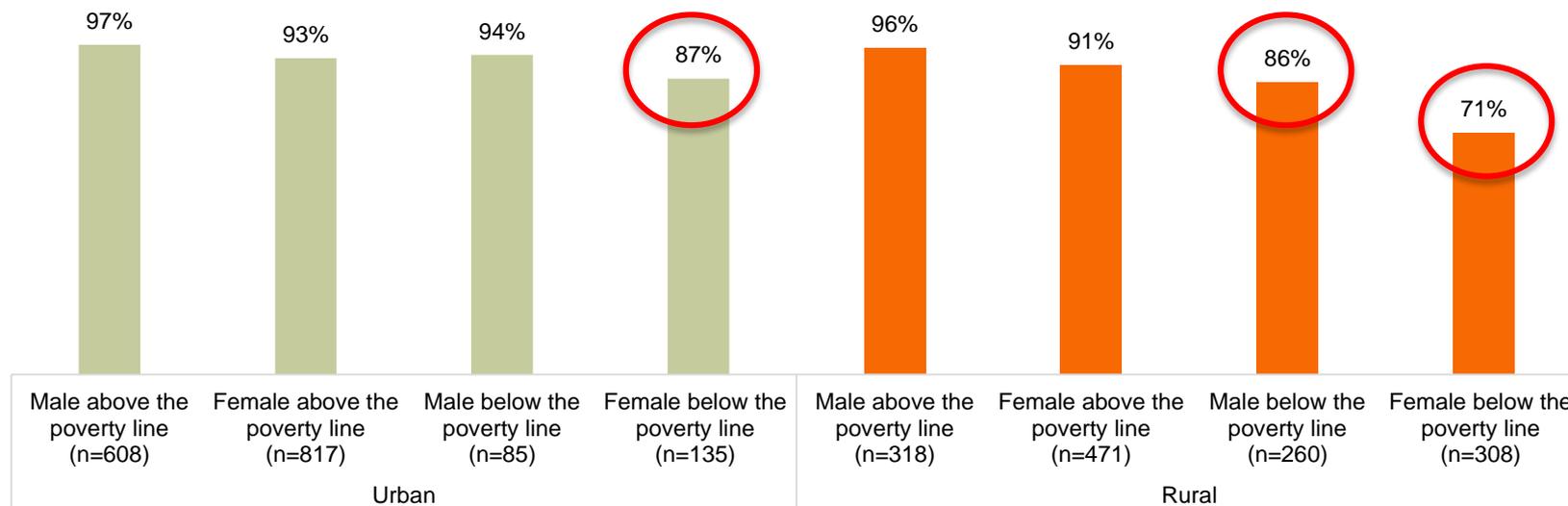
Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014 - January 2015.

## GHANA

Poor females, regardless of their location, and poor males in rural areas are the least likely to own a mobile phone, which is a barrier to uptake of DFS

### Mobile phone ownership by demographic group

(Shown: Percentage of each demographic group)

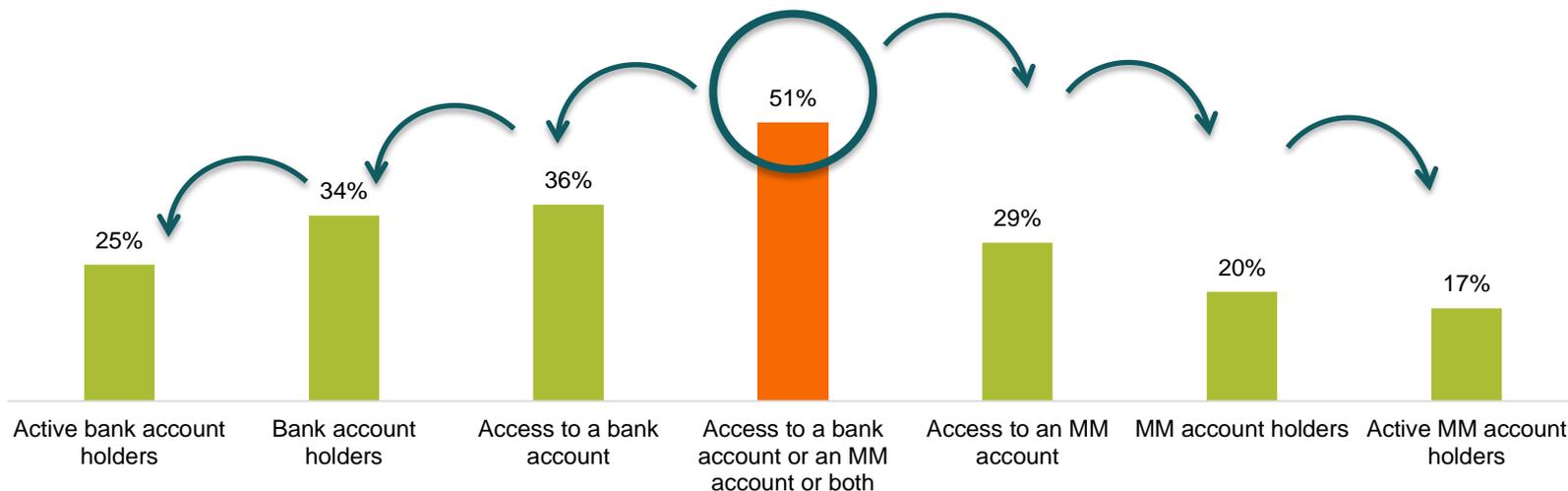


# **FINANCIAL SECTOR HIGHLIGHTS**

## GHANA

### Half of Ghanaians have access to financial services through a bank or mobile money

**Bank and mobile-money (MM) account access and use**  
 (Shown: Percentage of Ghanaians adults who fall into each category, N=3,002)



Access to a bank account or mobile money account means a respondent can use bank/mobile money services either via their own account or via an account of another person. Account holder is a user who has an account registered in their name.

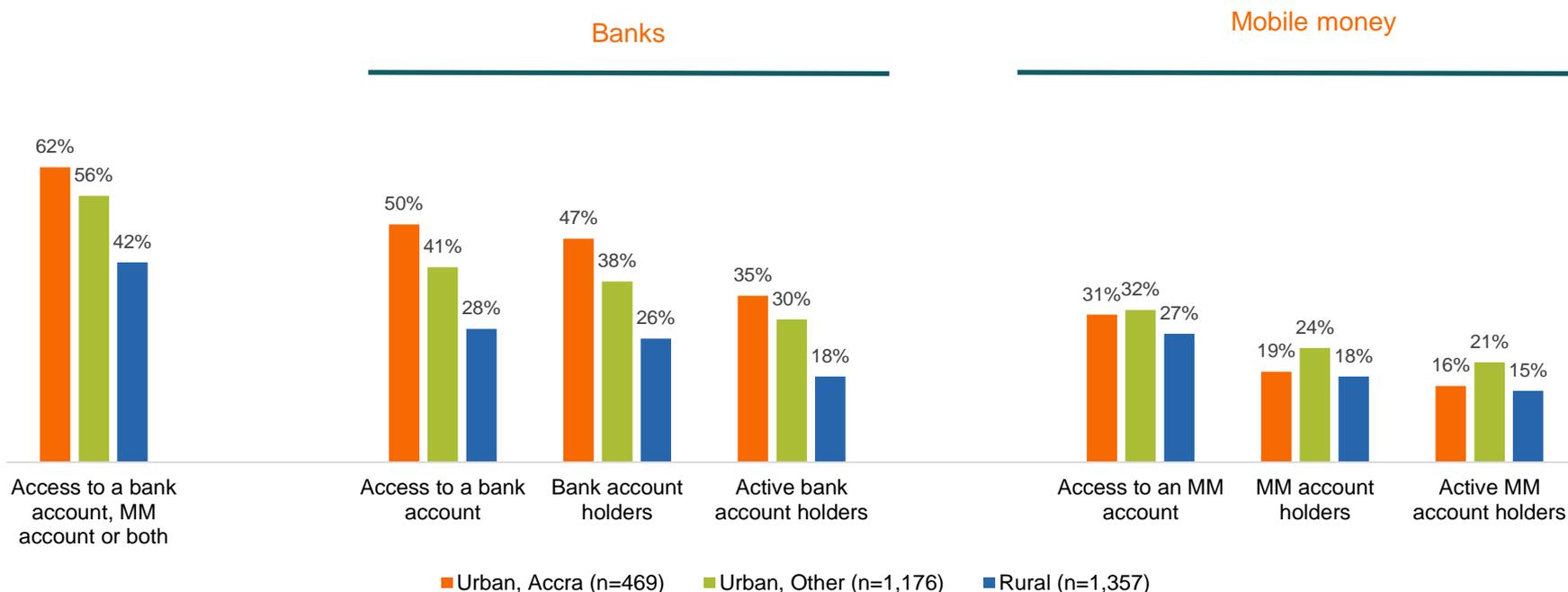
Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014 - January 2015.

## GHANA

**A gap in access to and use of financial services exists between urban and rural residents; residents of Accra are slightly ahead of those living in other urban areas in bank usage but not mobile money**

### Bank and mobile-money (MM) access and use

(Shown: Percentage of Ghanaian adults who fall into each subgroup)

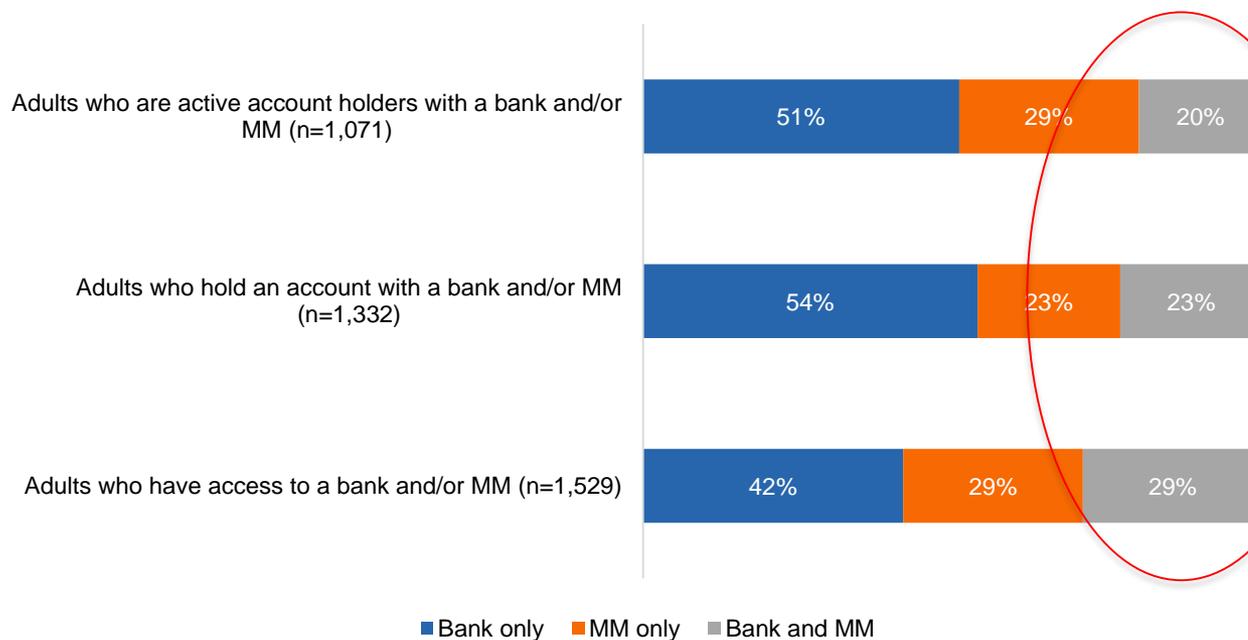


Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014 - January 2015.

## GHANA

### A fifth of active account holders use bank and mobile money accounts interchangeably

**Bank and mobile money services: User overlap**  
(Shown: Percentage of each subgroup)



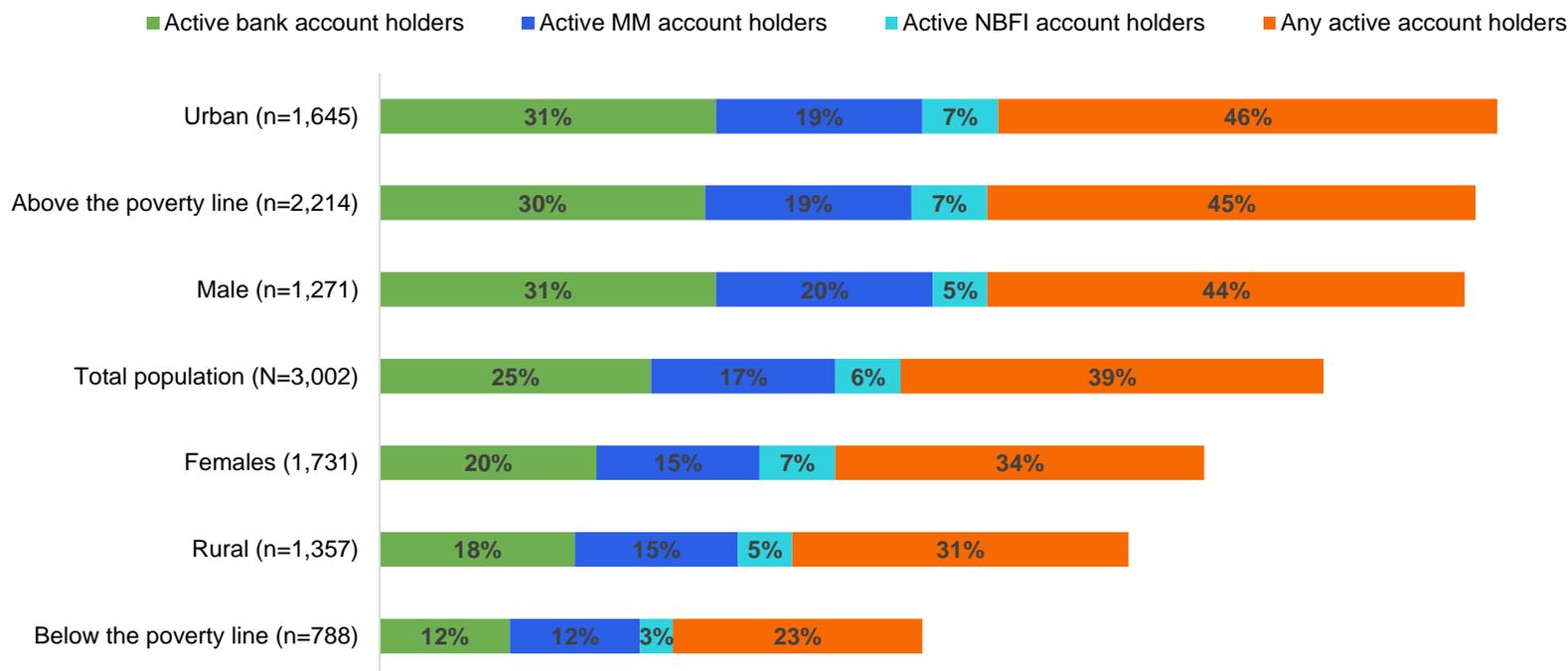
**Bank account holders are mostly exclusive to banks, while half of mobile money holders also have a bank account**

## GHANA

Rural and poor people are the least likely to hold any active financial account; for females, financial account ownership is only slightly below the total population average

### Financial inclusion measures by key demographic groups

(Shown: Percentage of each subgroup)

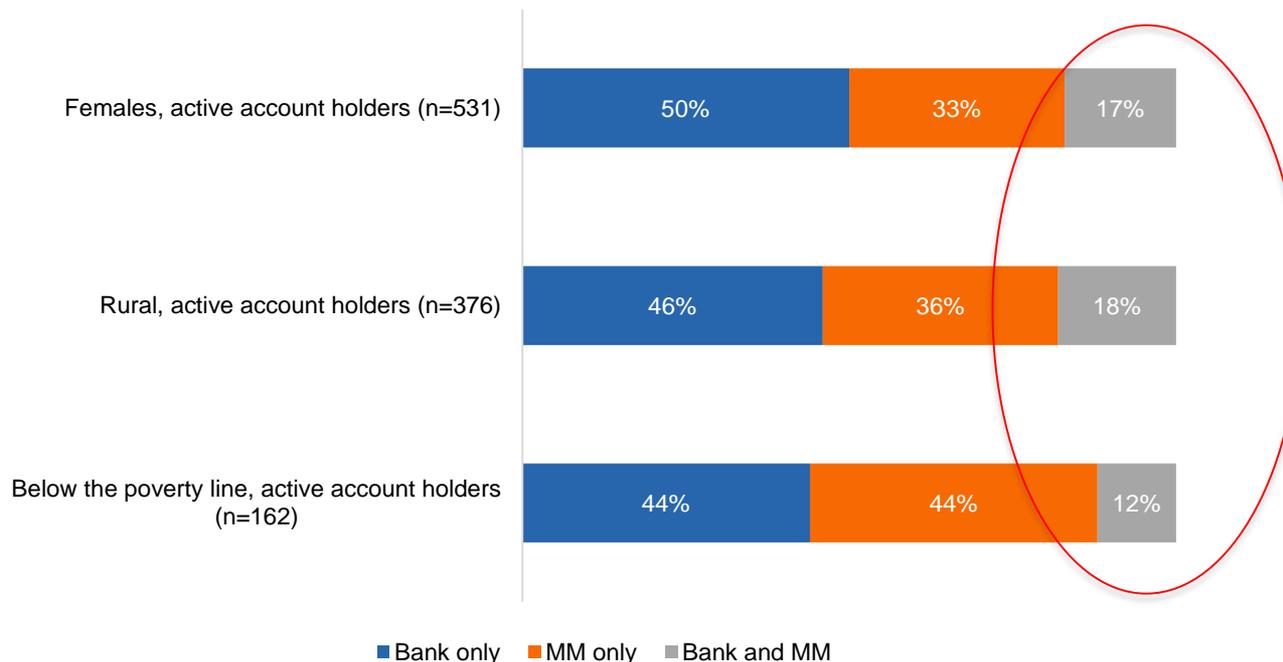


## GHANA

### Females and rural people are more likely to use both bank and mobile money accounts actively compared with poor Ghanaians

#### Bank and mobile money services: User overlap, by key demographic characteristics

(Shown: Percentage of all adults, N=3,002)

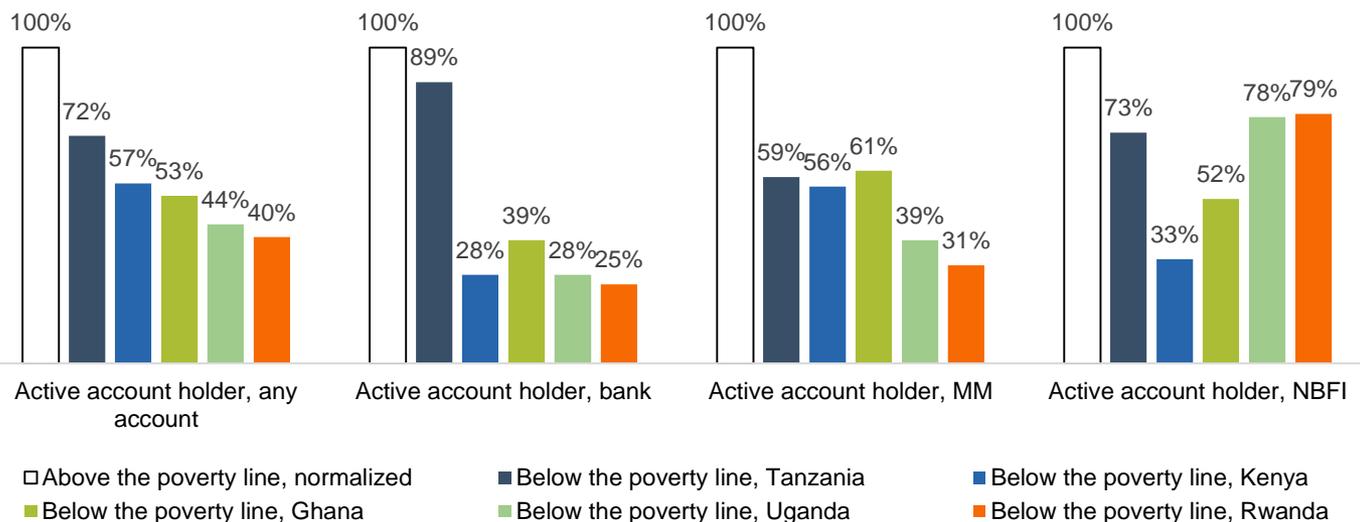


## GHANA

### Across FII countries in Africa, the gap in financial service use is the highest by poverty status, especially in active use of formal bank accounts

#### Gap in active account ownership between those living above and below the poverty line

(Shown: Those below the poverty line, who are active account holders, as a percentage of those above the poverty line, who are active account holders, for each country)



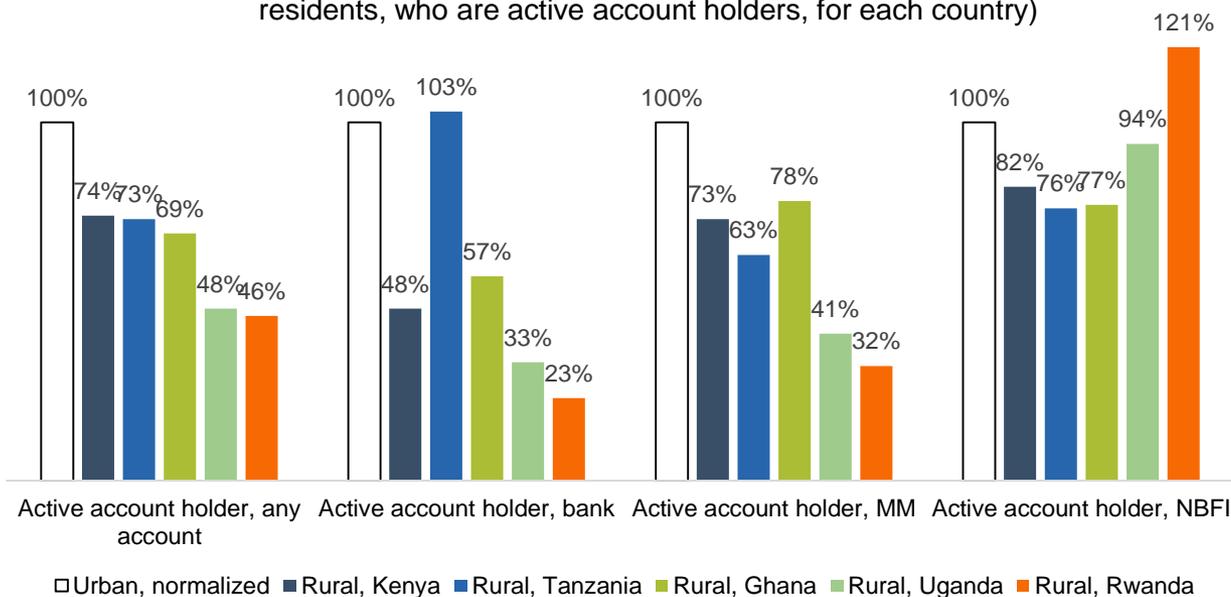
Ghana has the third smallest poverty-related gap in use of financial accounts after Tanzania and Kenya. The small gap is mostly due to good access to formal banking and mobile money among those living below the poverty line

## GHANA

The second largest gap in financial service use is between urban and rural residents; rural adults might use mobile money and nonbank financial services at a higher rate than urban adults, but this is not the case for formal banking

### Gap in active account ownership between urban and rural adults

(Shown: Rural residents, who are active account holders, as a percentage of urban residents, who are active account holders, for each country)



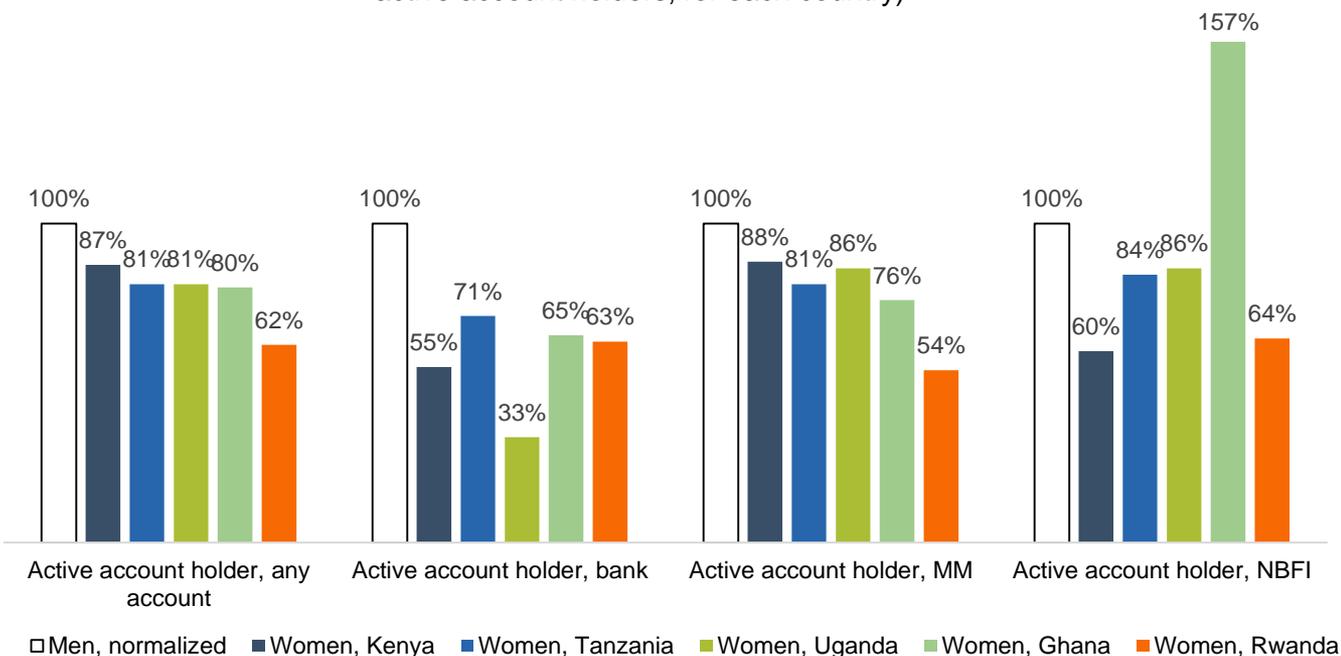
Ghana follows Tanzania and Kenya when it comes to the gap in active use of financial services between urban and rural residents. Ghana still has to learn from countries like Tanzania and Rwanda on how to better engage rural residents in the formal financial system. Government support in these two countries plays an important role in reducing the urban-rural gap in financial inclusion.

## GHANA

### The gender gap is the smallest among all FII Africa countries, with the exception of active use of banks

#### Gap in active account ownership between males and females

(Shown: Women, who are active account holders, as a percentage of men, who are active account holders, for each country)



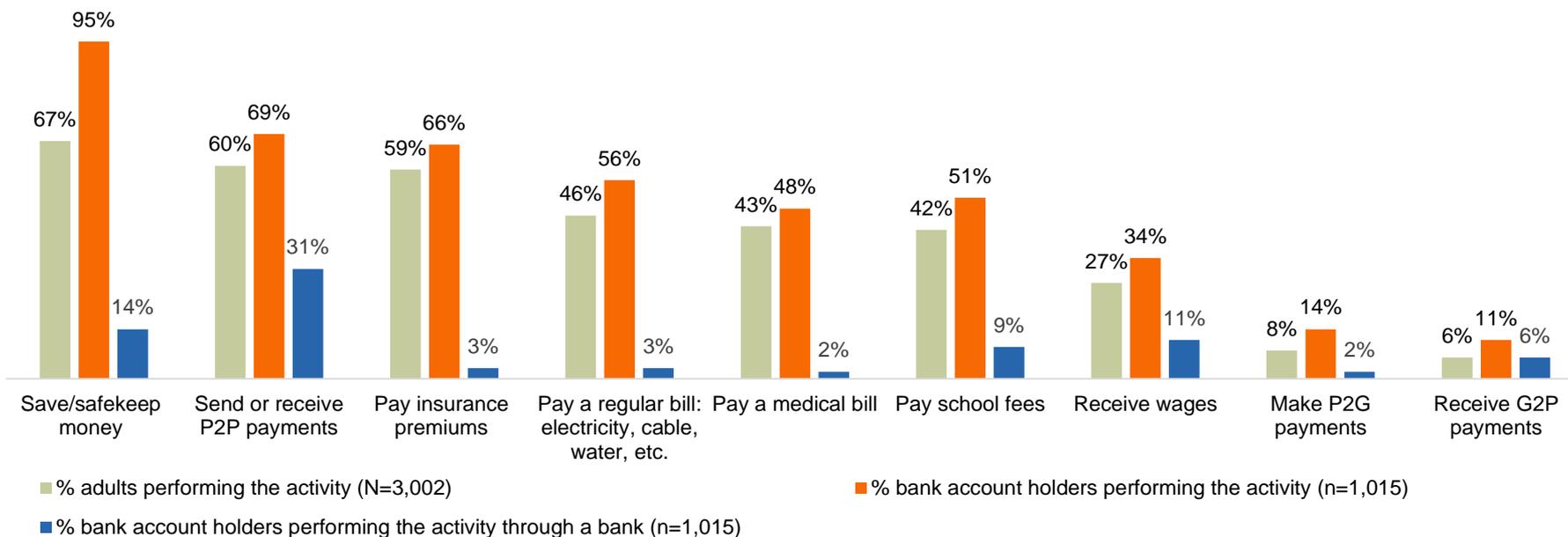
Ghana has the second lowest gender gap in total active financial account ownership after Kenya and Uganda; active ownership of mobile money and NBFi accounts are more balanced compared to bank accounts

## GHANA

**Bank account holders are more active than the general population in performing various financial activities; however, even those who only have bank accounts predominantly use them for P2P transfers; few use them to save money**

### Use of banks for common financial services

(Shown: Percentage of the respective groups)

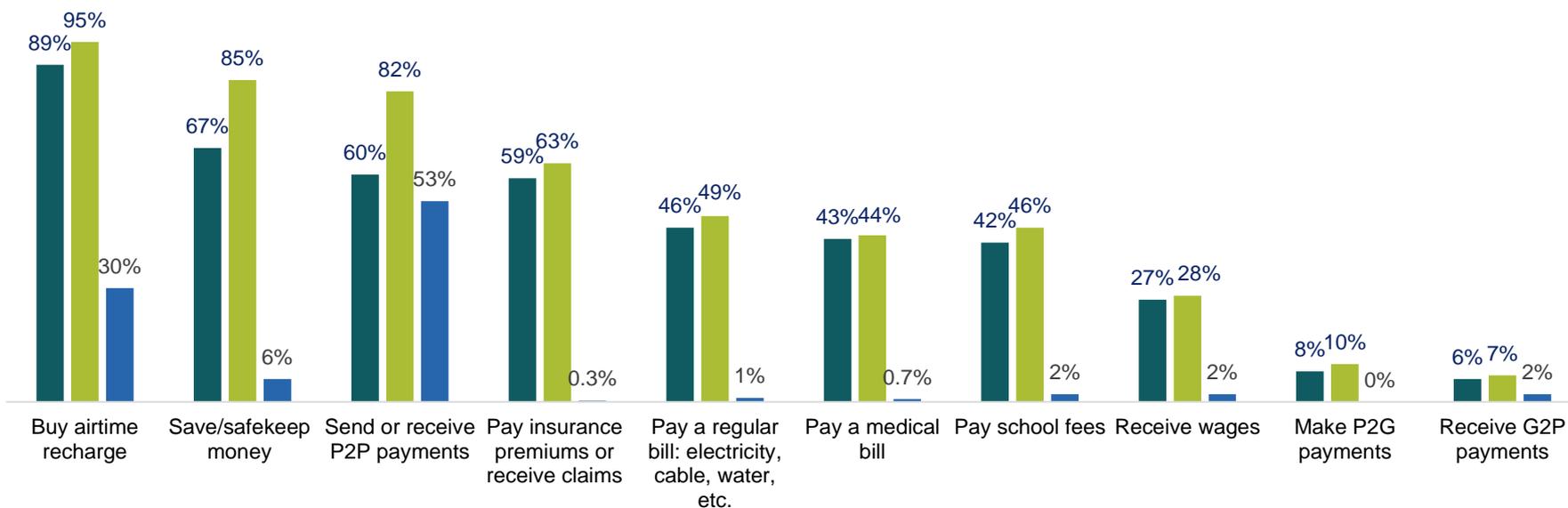


## GHANA

### Mobile-money account holders are much less active on their mobile money accounts; aside from P2P transfers and airtime recharge the use of mobile money accounts is almost nonexistent

#### Use of mobile money services for common financial services

(Shown: Percentage of the respective groups)



■ % adults performing the activity (N=3,002) ■ % MM account holders performing the activity (n=634) ■ % MM account holders performing the activity through MM (n=634)

## GHANA

**Perceived lack of money and alternative means of savings are the main barriers to saving with banks and mobile money; more report the lack of money as a key barrier in Rwanda compared to Ghana**

Top five reasons Ghanaians do not save with a bank (n=2,059)	Ghana %	Rwanda %
I do not have enough money to save	43	72
I can save through other means	17	6
The amount of money I am saving is too small for such services	14	2
Fees are too high	5	7
I do not know how to open an account	3	1

Top five reasons Ghanaians do not save with mobile money (n=2,628)	Ghana %	Rwanda %
I do not have enough money to save	42	67
I can save through other means	26	7
The amount of money I am saving is too small for such services	10	1
I do not trust formal financial institutions	3	0.1
I have technical difficulty using such services	3	1

*\*For these questions, comparable data is only available for Ghana and Rwanda.*

*Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014 - January 2015.*

## GHANA

### Concerns about perceived lack of money, alternative services and perceived high fees appear to be common barriers for preventing people across East Africa and Ghana from saving money with banks or MM

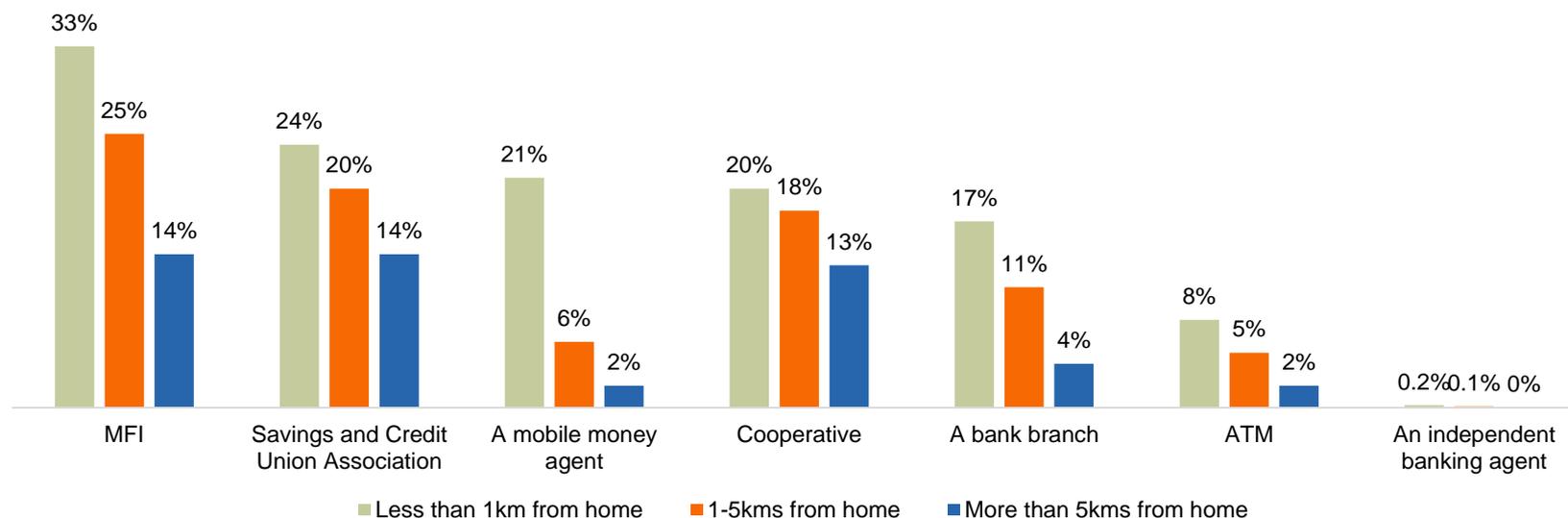
Top five reasons Ghanaians do not save with a bank (n=2,059)	Top five reasons Ghanaians do not save with mobile money (n=2,628)	Top five reasons Rwandese do not save with a bank (n=1,829)	Top five reasons Rwandese do not save with mobile money (n=1,873)	Top five reasons adults in other FII countries in Africa do not save with either a bank or MM		
				Kenya (n=1,591)	Tanzania (n=2,190)	Uganda (n=2,405)
I do not have enough money to save	I do not have enough money to save	I do not have enough money to save	I do not have enough money to save	I do not have enough money to save	I can save through other means	I can save through other means
I can save through other means	I can save through other means	Fees for using this service are too high	I can save through other means	I do not have a state ID or other required documents	I do not have enough money to save	I do not have enough money to save
The amount of money I am saving is too small for such services	The amount of money I am saving is too small for such services	I can save through other means	Fees for using this service are too high	I can save through other means	I do not know how to open an account	The amount of money I am saving is too small to use such a service
Fees are too high	I do not trust formal financial institutions	I do not have a state ID or other required documents	I do not know how to open an account	I have difficulty understanding how to use such accounts, including account menus, filling deposit/withdrawal, etc.	Paperwork is too complicated	I have difficulty understanding how to use such accounts, including account menus, filling deposit/withdrawal, etc.
I do not know how to open an account	I have technical difficulty using such services	The amount of money I am saving is too small to use such a service	I do not have a state ID or other required documents	There is no formal financial institution close to where I live	There is no formal financial institution close to where I live	There is no formal financial institution close to where I live

## GHANA

Based on proximity, MFIs and Savings and Credit Union Associations have the best reach nationally, followed by mobile money agents

### Proximity to points-of-service for different financial institutions, by all adults\*

(Shown: All adults, N=3,002)

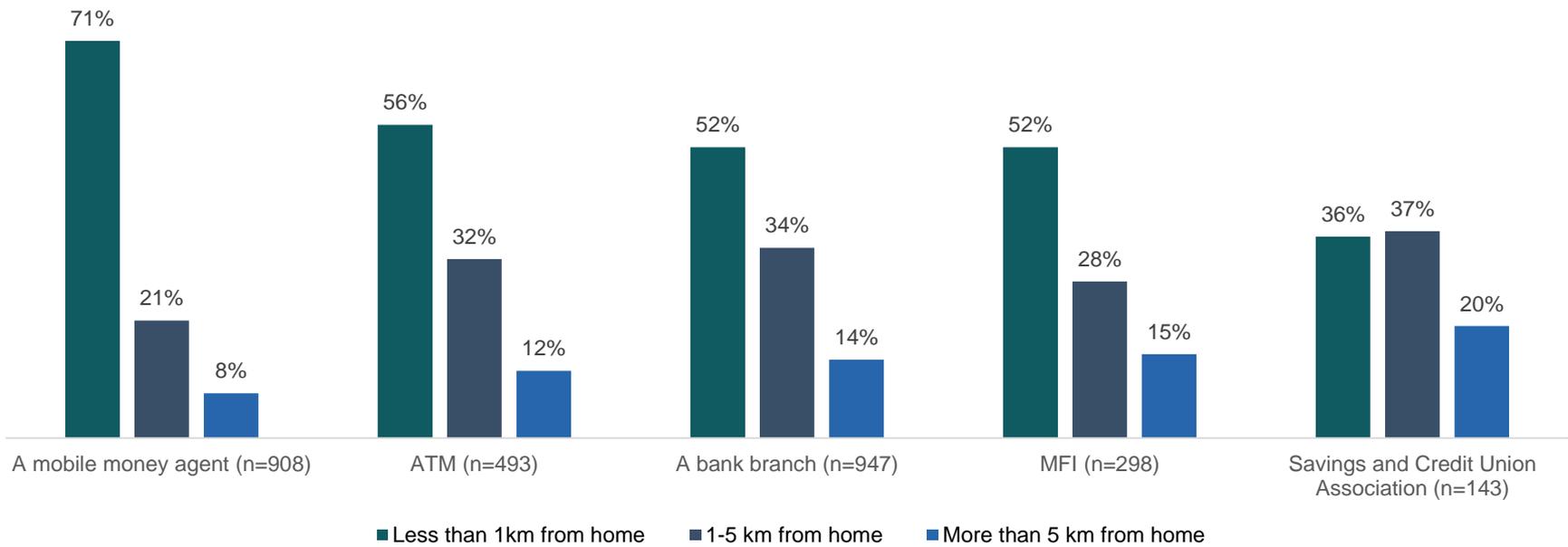


\*The questions were asked of the users of respective financial institutions. Population percentages are estimates.

## GHANA

Looking at the proximity reported by the users of specific services, mobile money agents are ahead of other points-of-service in terms of proximity to their users

**Proximity to points-of-service for different financial institutions, by POS users only**  
(Shown: Percent of users of respective services)



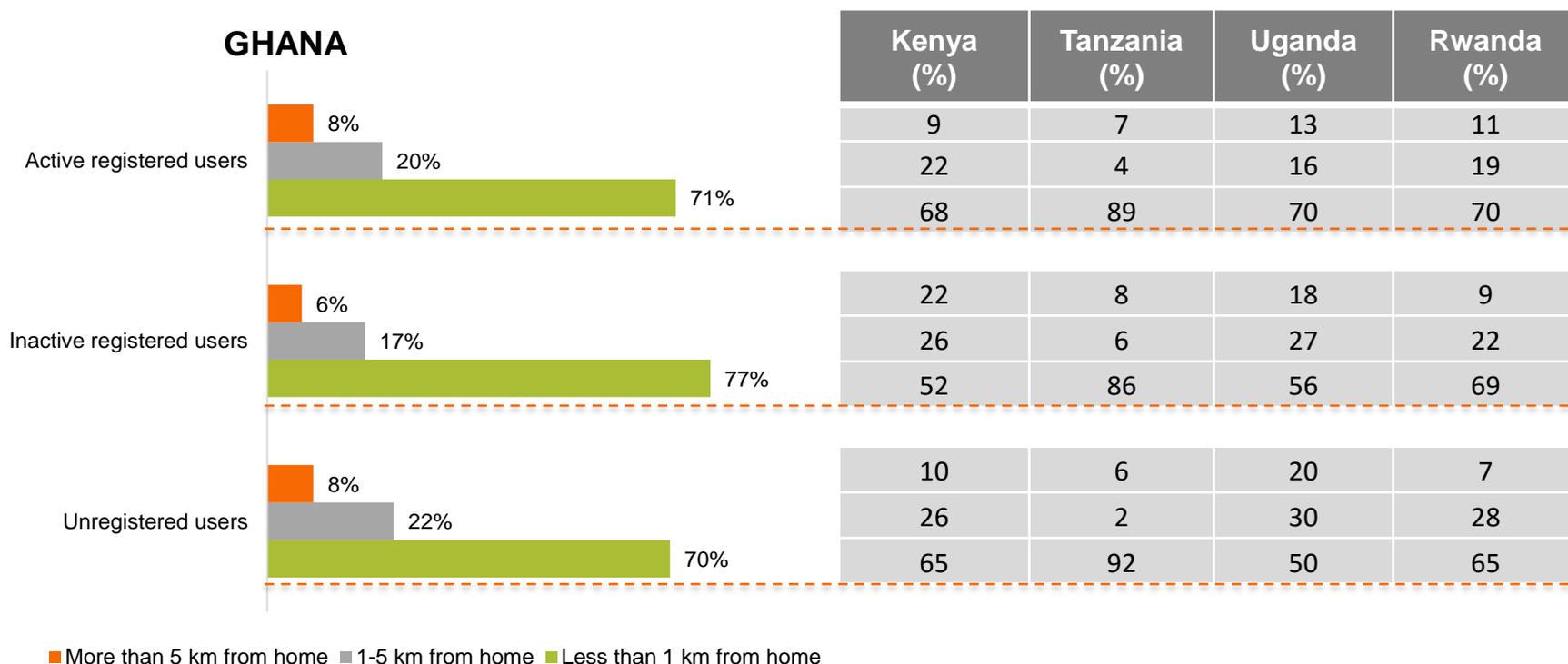
Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014 - January 2015.

## GHANA

Looking only at the users of mobile money services, awareness of agents within 1 km from where they live is high – second after Tanzania and on par with Uganda and Rwanda

### Proximity to a mobile money agent among mobile money users

(Shown: Percentage of users of each service)



Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014 - January 2015.

# **GHANAIS' FINANCIAL BEHAVIORS**

## GHANA

### Ghanaians appear to be a financially stable society, few struggle to make ends meet

**27%** have debts that exceed their savings, even if rarely

**14%** are unable to earn more than they spend each month, at least occasionally

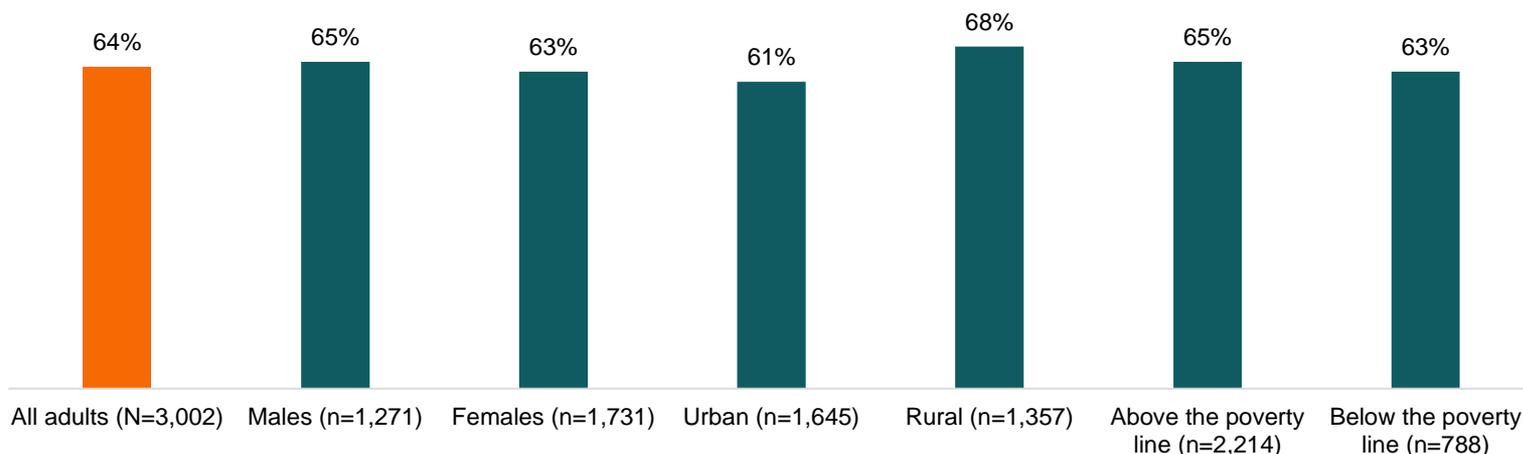
**73%** had no money left last month after paying routine expenses

**39%** do not have an emergency fund to cover unplanned expenses

## GHANA

### Close to two-thirds of adults are employed; unemployment is the highest among those living below the poverty line and urban residents

**Employment demographics\***  
(Shown: Percentage of each demographic group)



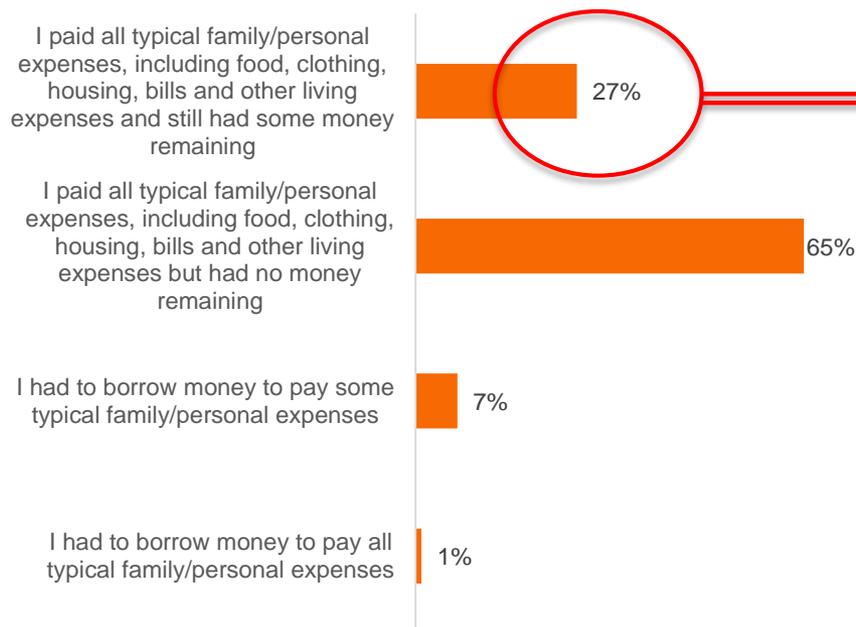
\*Employed are defined as those who report having a job with regular pay, occasional pay, or are self-employed.

## GHANA

### Last month, 27 percent of Ghanaians had money left after paying regular monthly expenses; over two-thirds chose to save/set aside leftover money

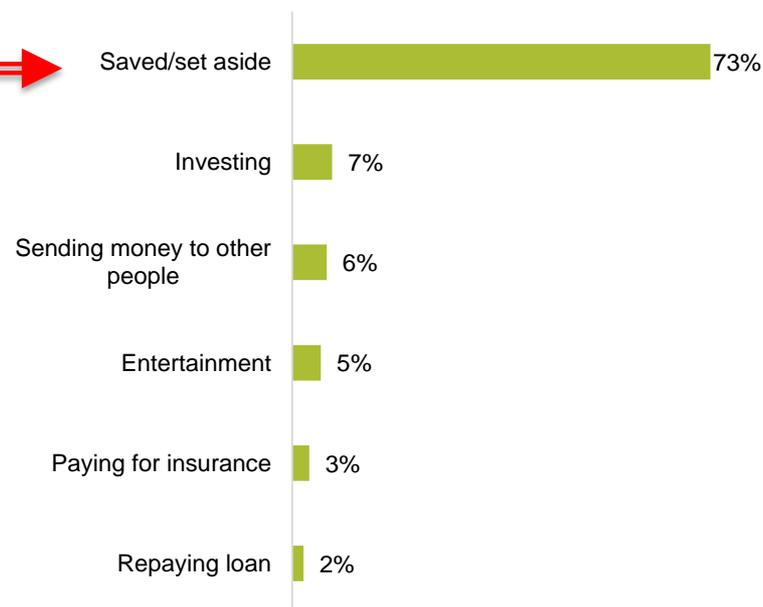
#### Which of the following statements describes your financial situation last month?

(Total population, N=3,002)



#### What was the main expense for which you used leftover money last month?

(Shown: Percentage of adults who had leftover money "last month," (n=808))

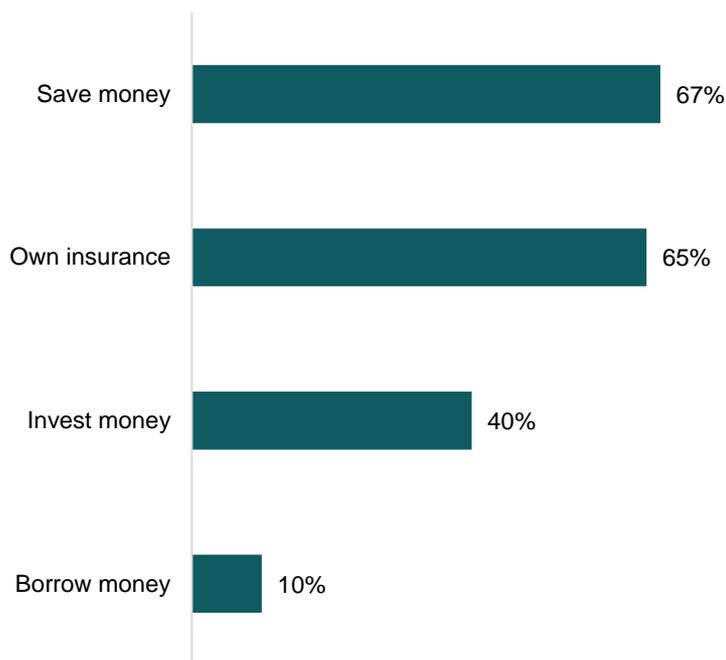


## GHANA

### In terms of general financial behavior, Ghanaians are financially active and many engage in advanced financial activities

#### Ghanaians households' financial activities

(Shown: All adults, N=3,002)



#### The top three reasons Ghanaians save and borrow

(Shown: Percentage of each subgroup)

Top three reasons Ghanaians save (n=2,011)	%	Top three ways borrowed money is spent (n=278)	%
Save as much as I can	61	Invest in business, farm or future	33
Start/expand my own business	50	Routine purchases such as food, transportation and clothes	25
Just to make ends meet on a daily basis	50	Educational expenses, school fees	15

*\*All questions allowed for multiple responses.*

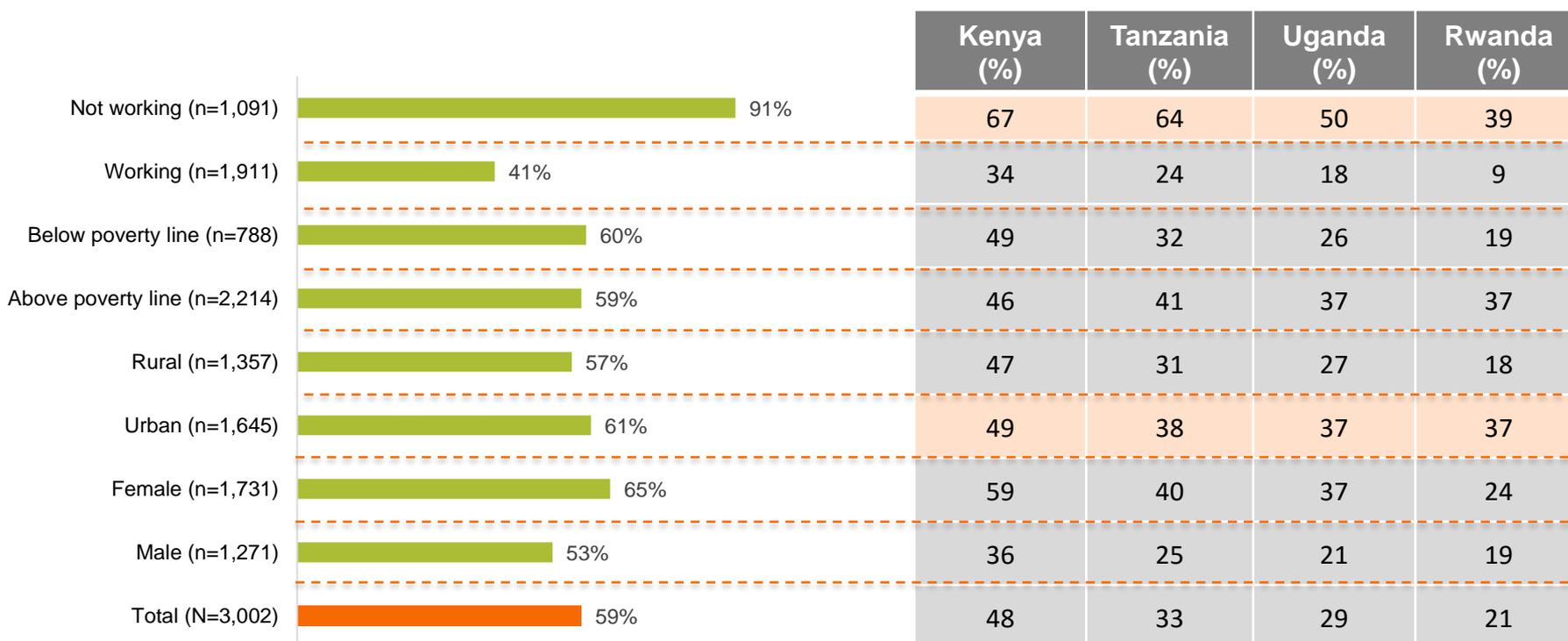
Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014 –January 2015.

## GHANA

In Ghana, as in all FII Africa countries, those without a job report the highest rate of remittances; place of residence is another important differentiator, with those urban more likely than rural to report remittances

### Remittance recipients, by demographics

(Shown: Percentage of each demographic group who receives remittances)

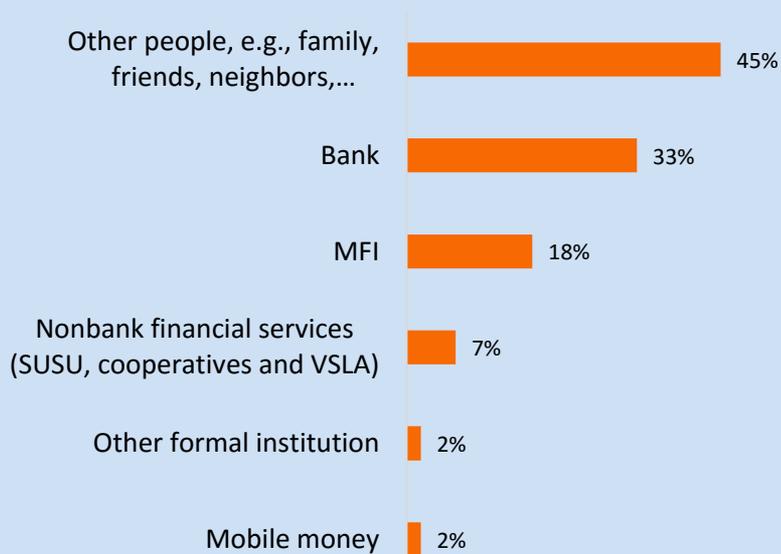


## GHANA

### Only one in 10 borrow money, mostly to invest or cover routine expenses and educational fees

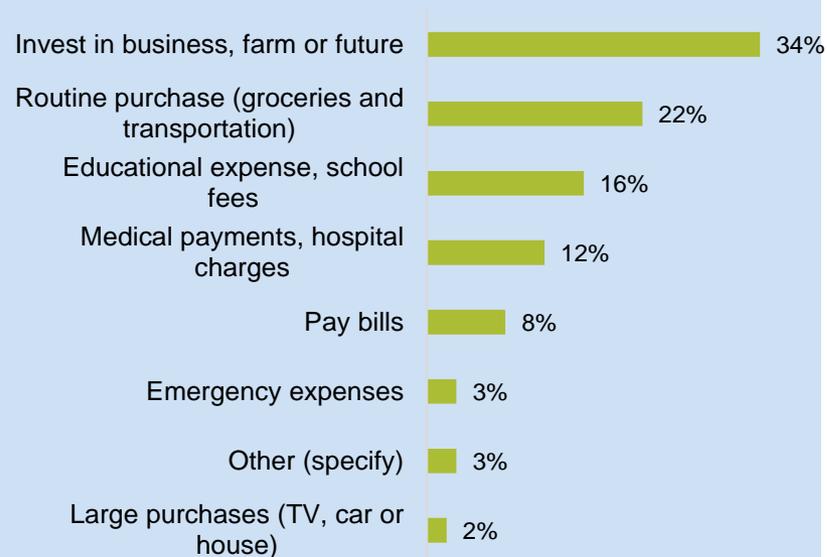
#### Where do you borrow from?\*

(Shown: Percentage of adults who take loans, n=278)



#### How do you spend borrowed money?

(Shown: Percentage of adults who take loans, n=278)



- The fact that some loans are spent on routine purchases supports the finding that there are Ghanaians who still struggle with making ends meet.
- Those borrowing from other people (45% of borrowers) might welcome a micro-loan product similar to M-Shwari in Kenya so they don't have to publicize their shortage of money and use their social capital.

*\*The question allowed for multiple responses.*

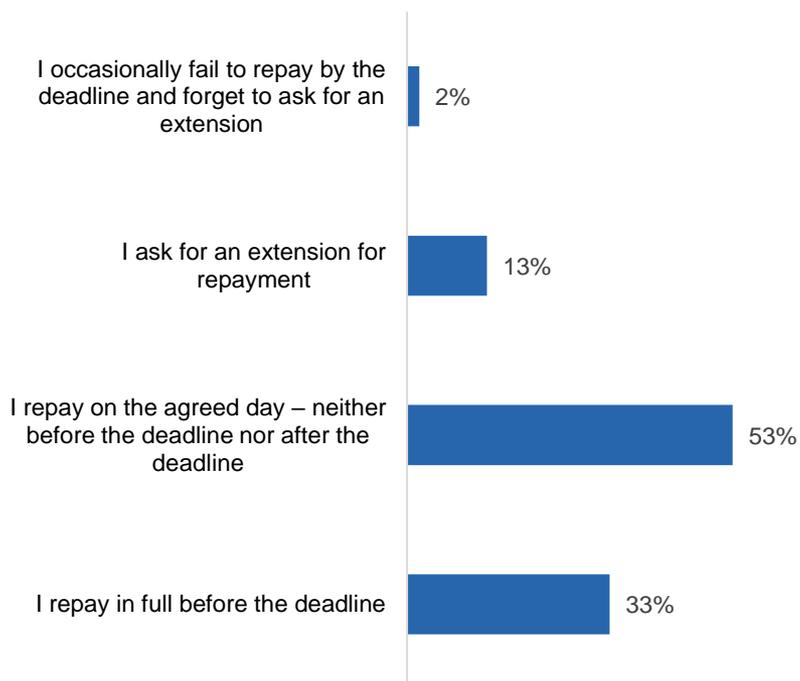
Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014-January 2015.

## GHANA

### Eighty-six percent of borrowers say they repay their loan on time or early; almost half do not know their loan terms; including a third of bank customers

#### How do you usually repay your loans?

(Shown: Percentage of adults who take loans, n=278)



#### Do you know what interest rate you pay on a loan from this institution?

(Shown: Percentage of adults who take loans from each type of lender)

	Yes	No
Bank (n=94)	69%	31%
Microfinance institution (n=55)	66%	34%
Informal financial service provider, e.g., SUSU, VSLA (n=22)	56%	44%
Other people, e.g., family, friends, neighbors, shopkeepers, money guards, etc. (n=119)	48%	52%

## GHANA

### Ghanaians don't borrow from formal financial institutions because they have informal options

Rank	Top five reasons Ghanaians do not borrow from formal FIs (n=170, those who do not borrow from FI)	%
1	I can borrow money through other means	27%
2	The amount of money I need to borrow is too small to use such service	19%
3	I prefer to rely on friends and family	12%
4	Interest rates are too high	7%
5	Fees for using these services are too high	7%

The combination of ways Ghanaians spend loans and the type of sources they use to borrow suggest they borrow to manage occasional ups and downs in cash flow

*The question allowed for multiple responses.*

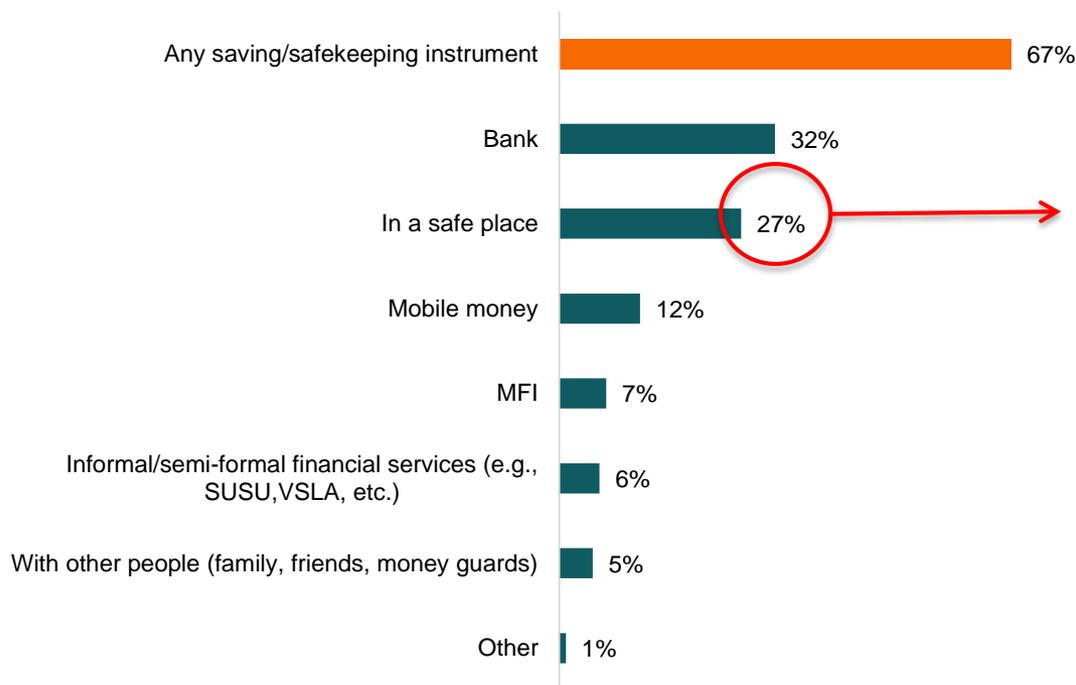
*Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014 – January 2015.*

## GHANA

### Just over two-thirds of adults report saving/safekeeping money; using a hiding place is almost as common as using a bank for saving/safekeeping

#### Where do you save/safekeep money?

(Shown: Percentage of Ghanaian adults, N=3,002)



*Promoting the security of saving/safekeeping products available through banks and/or mobile money has the potential to attract those using hiding places.*

*\*The question allowed for multiple responses.*

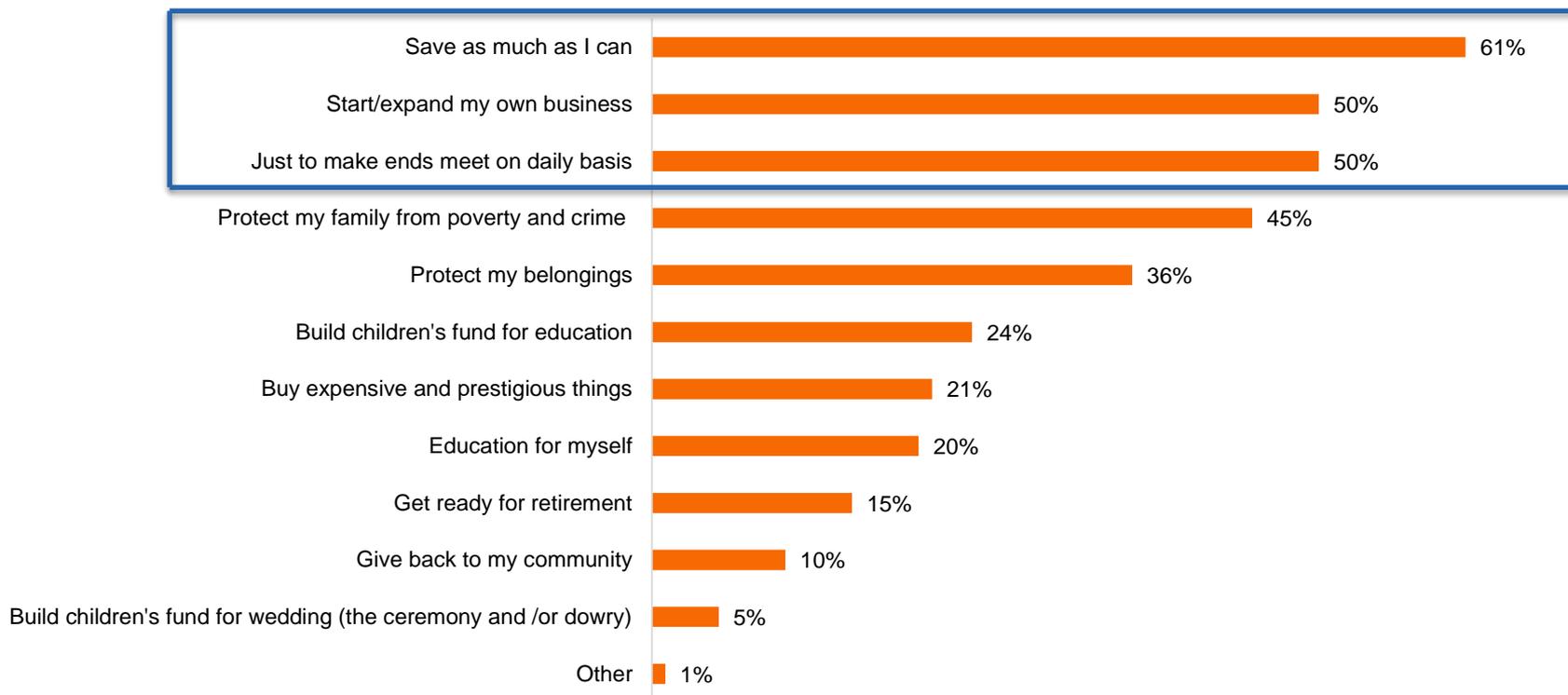
Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014-January 2015.

## GHANA

### Similar to borrowing, Ghanaians save/safekeep money to increase wealth, start/expand their own businesses and make ends meet on a daily basis

#### Do you save/safekeep money for any of the following reasons?

(Shown: Percentage of adults who save, n=2,011)



*\*The question allowed for multiple responses.*

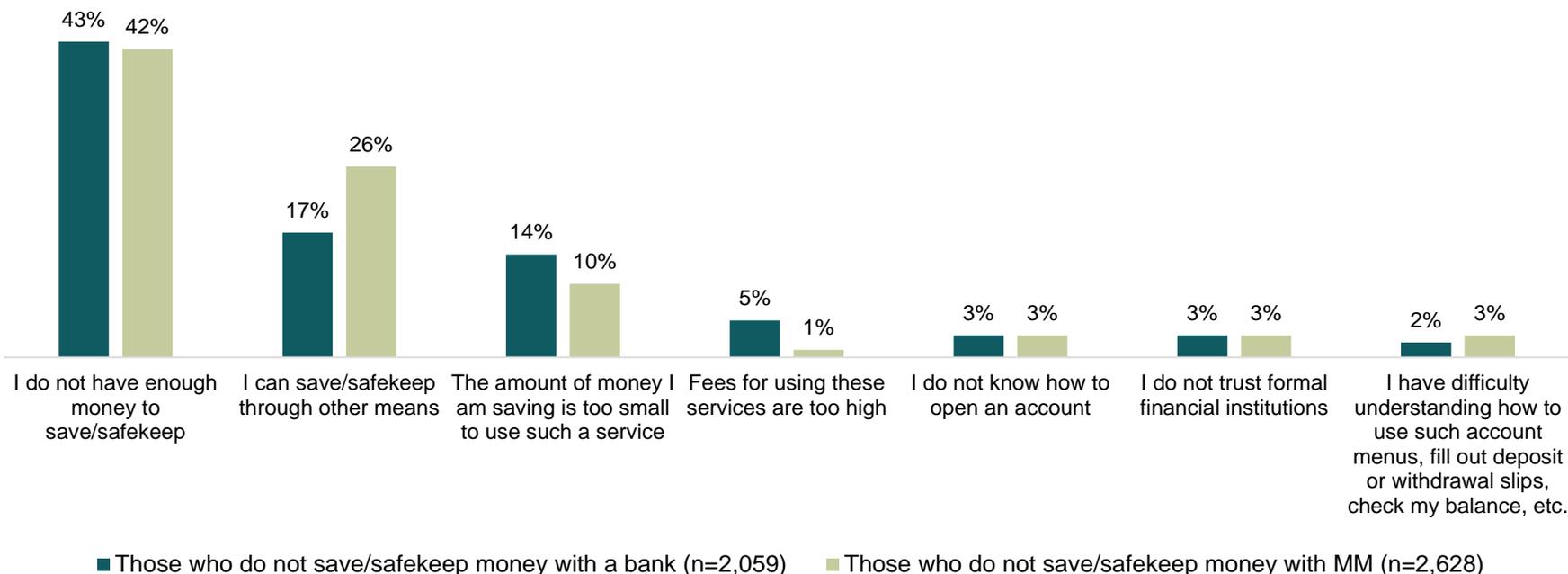
Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014-January 2015.

## GHANA

### Perceived lack of money and the availability of informal alternatives are the key barriers to saving/safekeeping money with a bank or mobile money

#### The top reasons Ghanaians don't save/safekeep money with banks or mobile money services

(Shown: Percentage of adults in each subgroup)

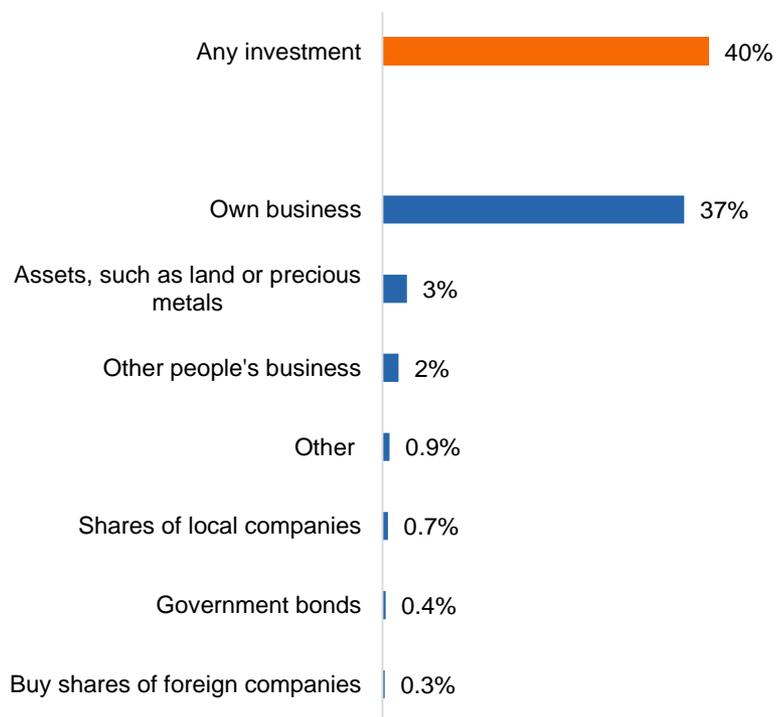


## GHANA

### Forty percent of Ghanaians engage in investment activities with the majority reinvesting in their own businesses

#### Do you invest in the following?

(Shown: Percentage of Ghanaian adults, N=3,002)



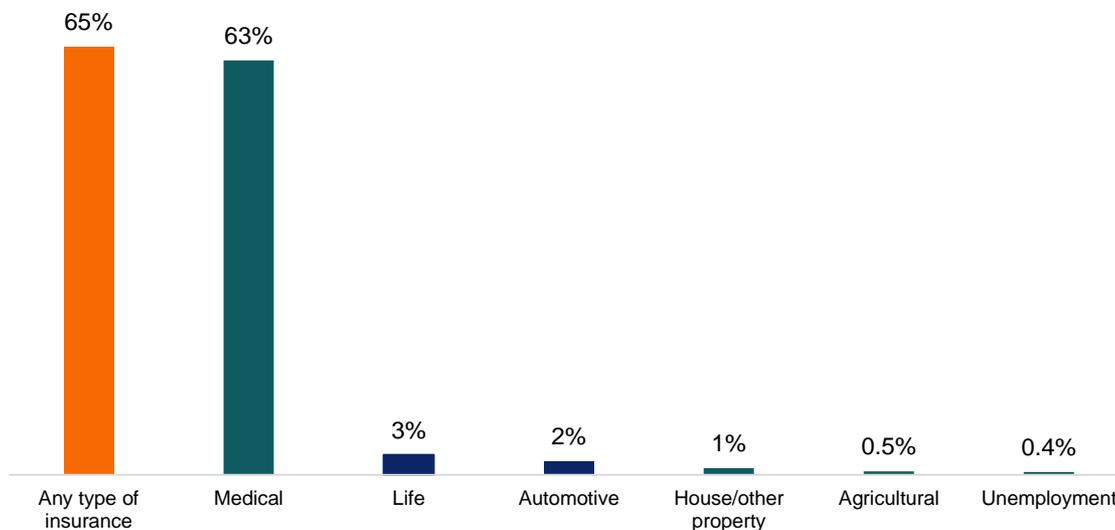
- 3% of investors make two or more types of investments.
- The biggest gap in investment activities is between those above and below the poverty line: 42% and 34% of the respective groups report any type of investment.
- Almost all poor who say they invest money (31% out of 34%) invest in their own businesses, meaning they buy supplies and pay bills related to their businesses (including farms).
- The gender gap in investment activities is also quite big: 45% of females invest compared with 35% of males.
- Similar to poor investors, most females who invest (41% out of 45%) invest in their own businesses, 3% say they buy assets.

## GHANA

### Most Ghanaians have insurance; medical is the most common form

#### Do you have this type of insurance?

(Shown: Percentage of Ghanaian adults, N=3,002)



- 59% of Ghanaian adults report paying premiums for their coverage.
- 4% say they get insurance from a network provider.

#### National Health Insurance Scheme (NHIS)\*

Ghana began the implementation of NHIS in 2004 as a way to ensure equitable access to basic healthcare for all residents. The scheme has made some modest progress over the past decade, but is far from achieving universal health coverage (UHC). The health insurance schemes largely comprise *private insurance companies* in the cities and *hospital-based schemes* in the districts. The private insurance companies are few and are patronized by employers and few individuals. With the support of development partners various forms of formal health insurance are growing in the districts. At present, quite a number of the districts operate district-based health insurance schemes, which are voluntary and to a greater extent integrated into health care facilities.

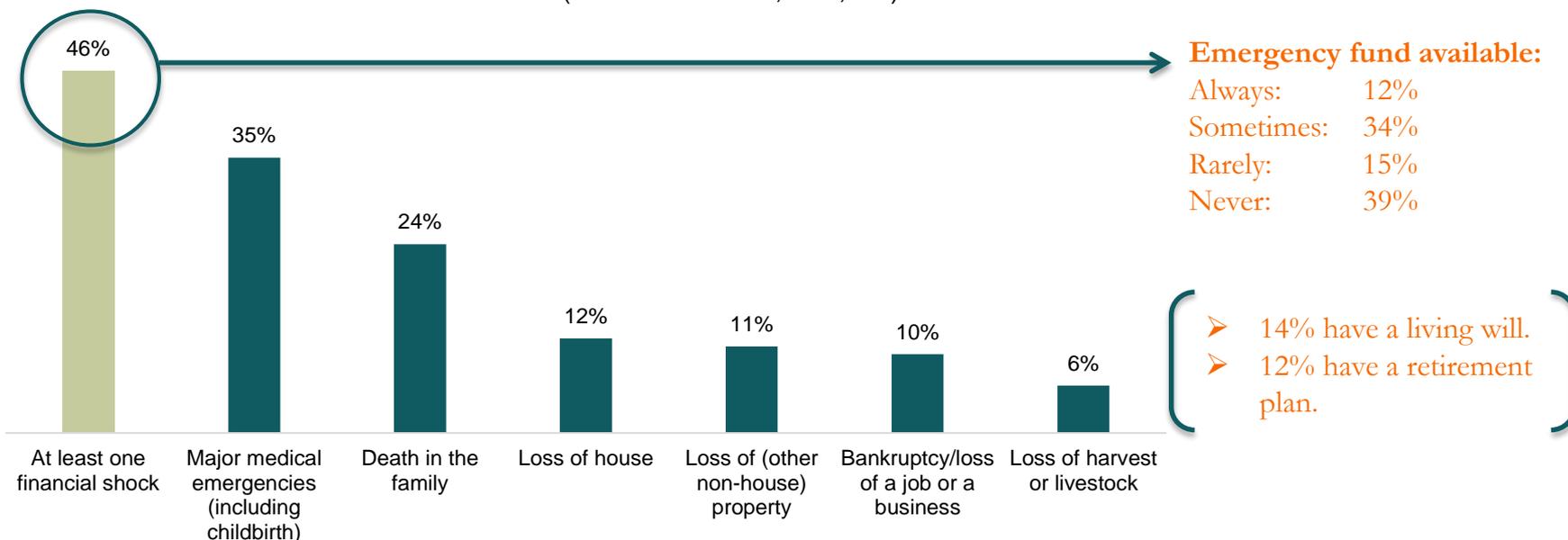
\*Source: <http://www.nhis.gov.gh>

## GHANA

### Over half of Ghanaians do not have a plan to deal with financial shocks; less than half have an emergency fund available at least sometimes

**Does your family have a plan to manage unexpected expenses/financial shocks, which might result from the following?**

(Shown: All adults, N=3,002)



*\*The question allowed for multiple responses.*

Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014 –January 2015.

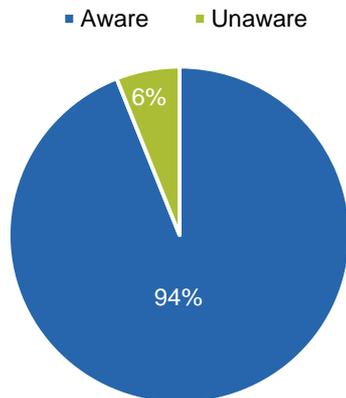
# **UPTAKE AND USE OF MOBILE FINANCIAL SERVICES**

## GHANA

### Almost everyone knows about mobile money as a concept and can name at least one provider; TV and radio top the list of initial sources of information

#### Concept awareness

(Percent of Ghanaian adults, N=3,002)

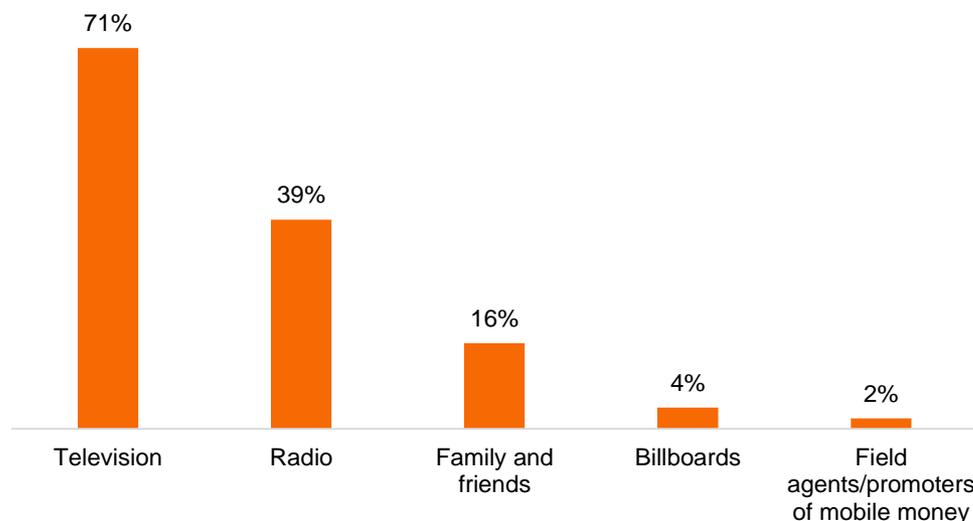


#### Among those aware

- 99% are aware of at least one mobile money provider.
- 31% have used mobile money.
- 22% have registered mobile money accounts.

#### From which source of information did you first learn about mobile money?

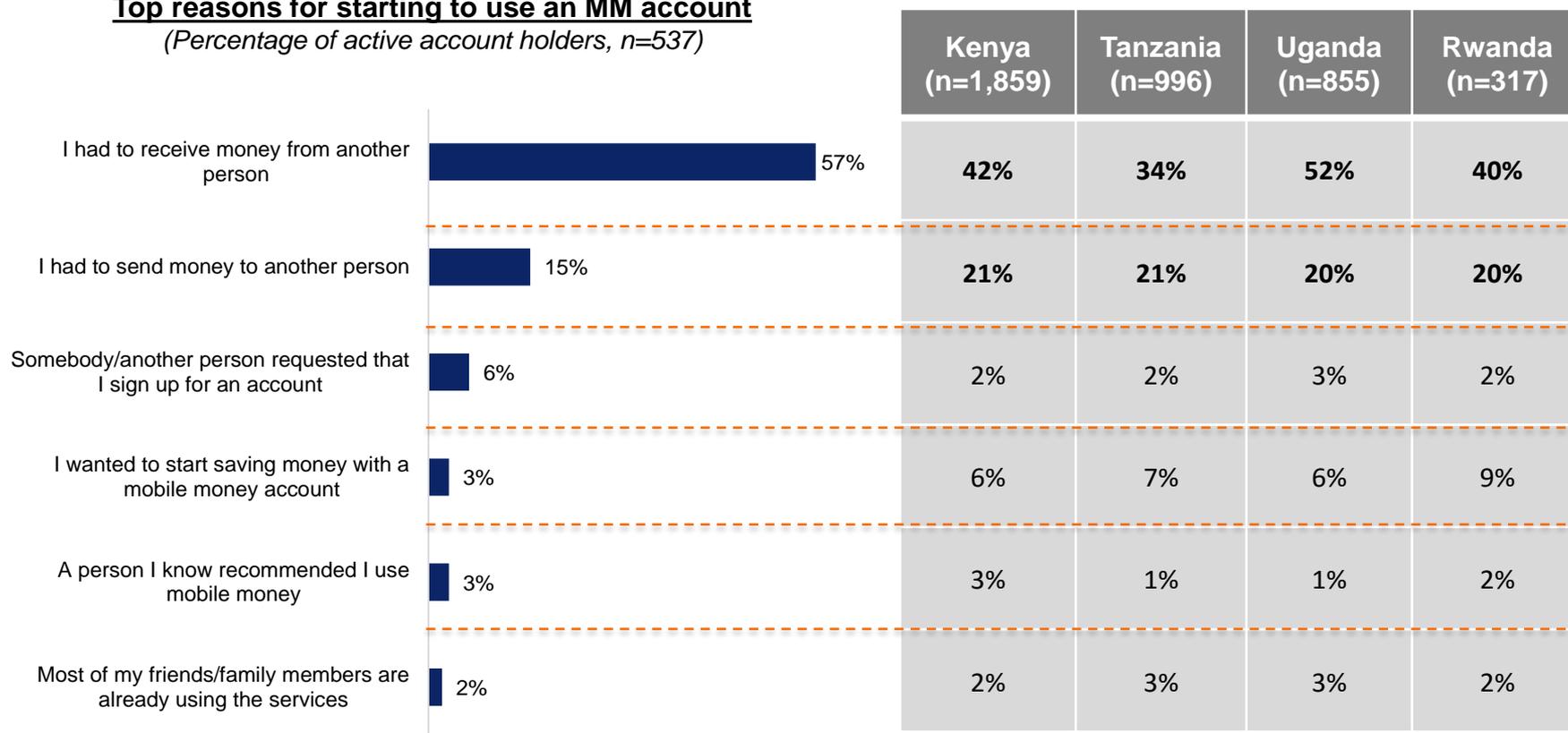
(Percent of active account holders, n=537)



## GHANA

### P2P transfers are the key trigger for opening mobile money (MM) accounts in Ghana and all FII countries in Africa

**Top reasons for starting to use an MM account**  
(Percentage of active account holders, n=537)



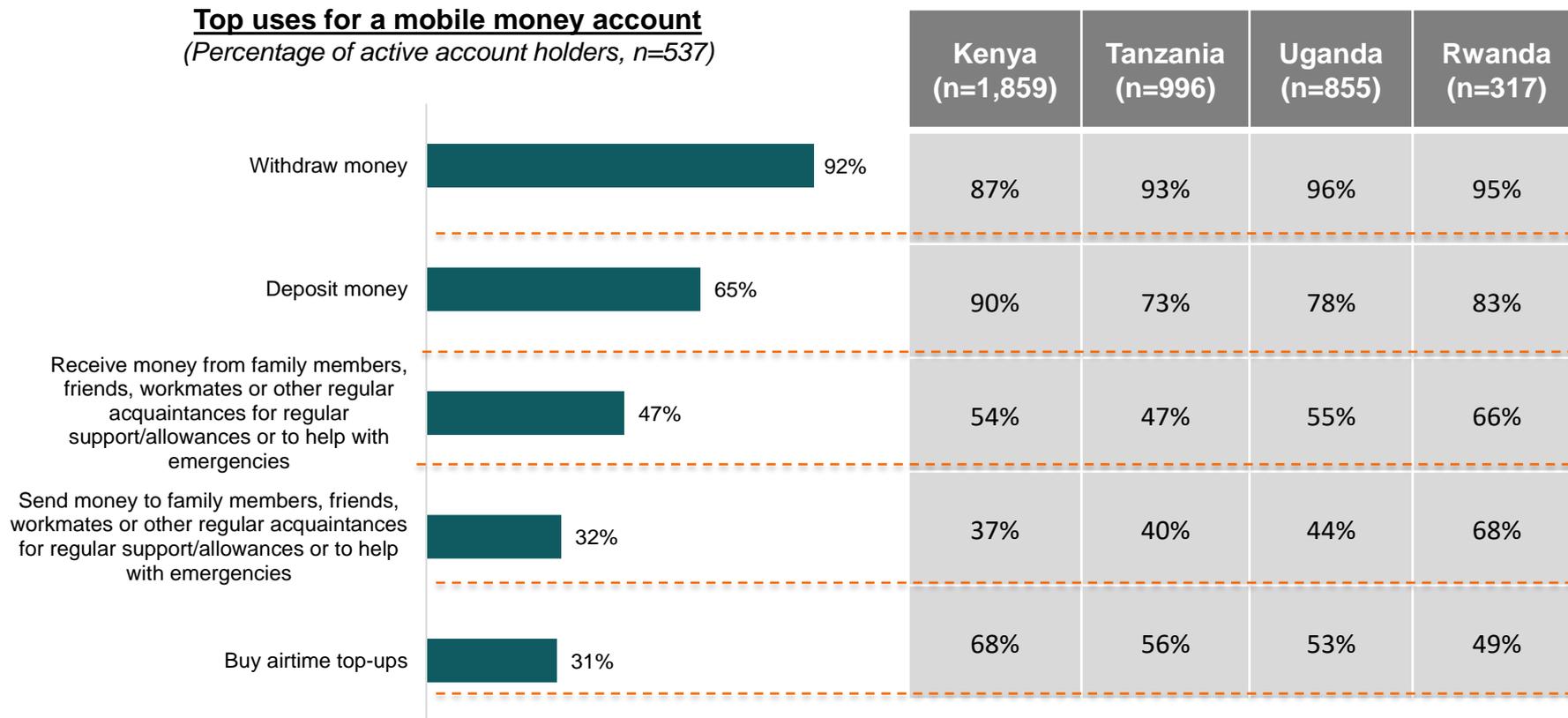
*Question allowed for multiple responses.*

*Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014 - January 2015.*

## GHANA

### Aside from withdrawals, Ghanaians, on average, are not as active on their mobile money accounts as users in other FII countries in Africa

**Top uses for a mobile money account**  
(Percentage of active account holders, n=537)



\*Question allowed for multiple responses.

Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014 - January 2015.

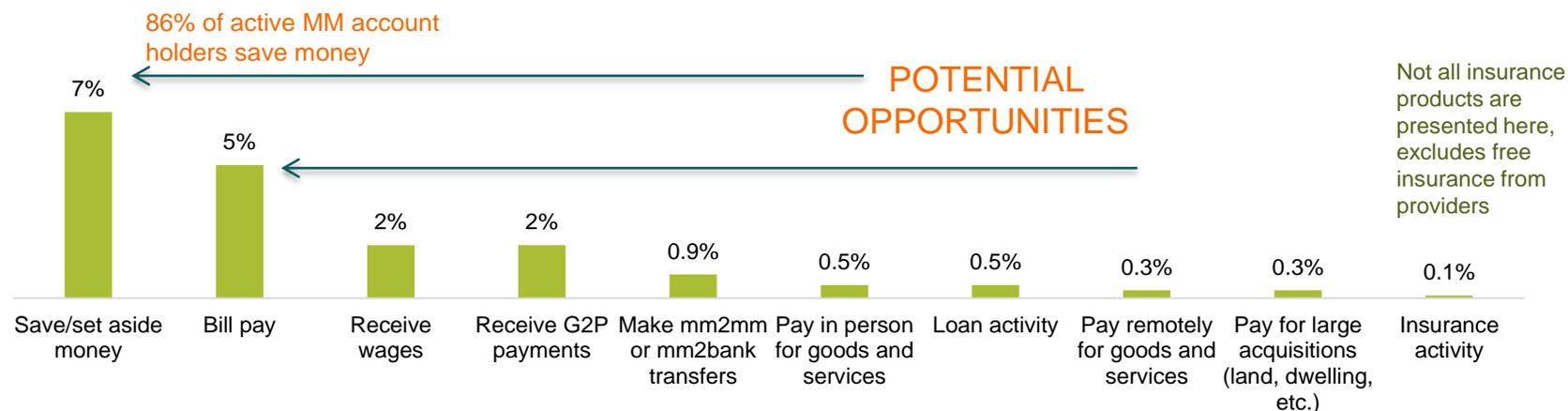
\*There is a slight difference in the wording of P2P responses (receive money from other people/ send money to other people)

## GHANA

There is limited advanced mobile money use in Ghana, but there are opportunities to increase the use of mobile money for savings and bill pay, as has happened in other FII countries

### Advanced mobile-money (MM) account uses

(Shown: Percentage of active mobile-money account holders, n=537)



Not all insurance products are presented here, excludes free insurance from providers

	Save/set aside money	Bill pay	Receive wages	Receive G2P payments	Make mm2mm or mm2bank transfers	Pay in person for goods and services	Loan activity	Pay remotely for goods and services	Pay for large acquisitions (land, dwelling, etc.)	Insurance activity
Kenya	17%	20%	8%	2%	17%	4%	4%	NA	0.9%	1%
Tanzania	10%	20%	3%	2%	0.9%	0.6%	1%	NA	0.6%	0.8%
Uganda	14%	12%	7%	3%	8%	3%	1%	NA	1%	0.1%
Rwanda	7%	25%	1%	1%	0.5%	2%	1%	2%	0%	0.8%

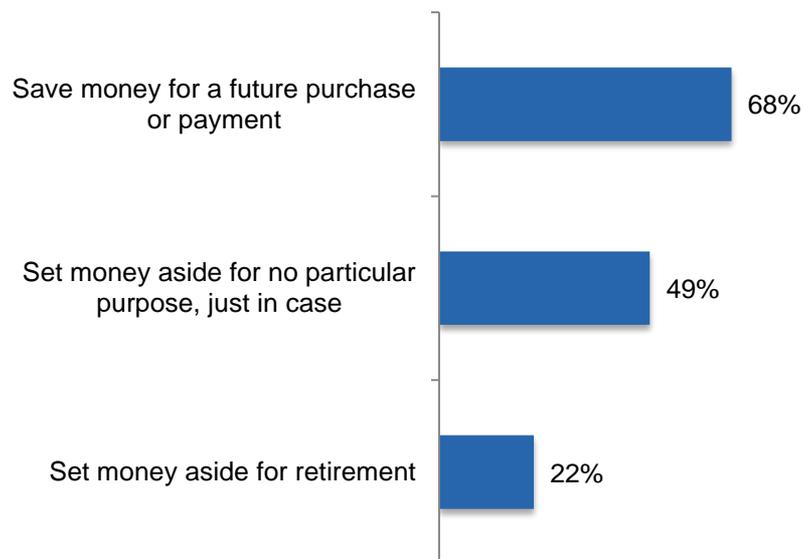
Question allowed for multiple responses.

Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014 - January 2015.

## GHANA

The majority of those using a mobile money account to save say they save for a specific goal or future purchase/payment, signaling a potential demand for goal-driven savings products

**Savings activity on mobile money (MM) accounts**  
 (Shown: Percentage of active MM account holders who use accounts to save, n=40\*)



Those who use their active MM account for savings use it for more than one savings goal

**7%**  
 of active MM  
 account holders  
 use their  
 accounts for  
 savings

\*The analysis is done on a small sample (n<50) and should be treated with caution.

Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014 –January 2015.

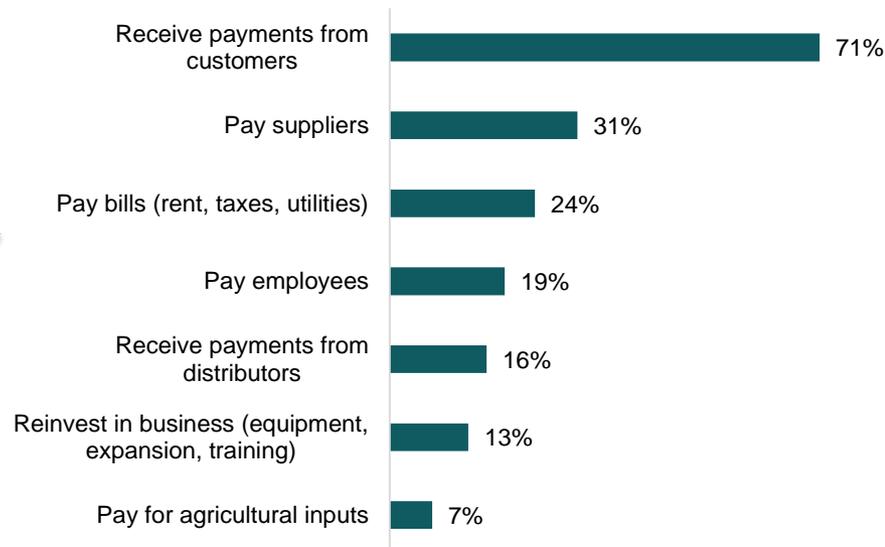
## GHANA

Receiving payments from customers is the most common business transaction done via a mobile money account; there are several opportunities for increasing mobile money use, including by offering merchant payment products

### Business-related transactions on mobile money accounts

(Shown: Percentage of active MM account holders who use accounts for business transactions, n=35\*)

**6%**  
of active MM  
account holders  
use their  
accounts for  
business-related  
transactions



- Top business transactions are likely to have different payment frequencies and amounts, making them difficult to accommodate through one mobile money product.
- On average, businesses use their mobile money accounts for one to two transactions.

\*The analysis is done on a small sample (n<50) and should be treated with caution.

Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014 –January 2015.

# **MOBILE FINANCIAL SERVICES: USER SEGMENTATION**

## Six consumer groups emerged based on their mobile money use/nonuse

<p style="text-align: center;"><b><u>Unaware nonusers</u></b></p> <ul style="list-style-type: none"> <li>• Do not use mobile money</li> <li>• Cannot name any provider of the services</li> </ul>	<p style="text-align: center;"><b><u>Knowledgeable nonusers</u></b></p> <ul style="list-style-type: none"> <li>• Do not use mobile money</li> <li>• Can recall at least one provider of the services</li> </ul>
<p style="text-align: center;"><b><u>Inactive account holders</u></b></p> <ul style="list-style-type: none"> <li>• Have a mobile money account registered in their names</li> <li>• Used this account more than 90 days prior to the survey</li> </ul>	<p style="text-align: center;"><b><u>Unregistered users</u></b></p> <ul style="list-style-type: none"> <li>• Use mobile money services through somebody else's account, including through an agent's account (OTC services), or the accounts of their friends, relatives, neighbors, or other people</li> </ul>
<p style="text-align: center;"><b><u>Active account holders</u></b></p> <ul style="list-style-type: none"> <li>• Have a mobile money account registered in their names</li> <li>• Used this account for at least one transaction in the 90 days prior to the survey</li> </ul>	<p style="text-align: center;"><b><u>Super Users</u></b></p> <ul style="list-style-type: none"> <li>• Have a mobile money account registered in their names</li> <li>• Use this account at least once a week</li> <li>• Make at least one beyond-basic-wallet transaction (excluding CICO, airtime top-ups and P2P)</li> </ul>

## GHANA

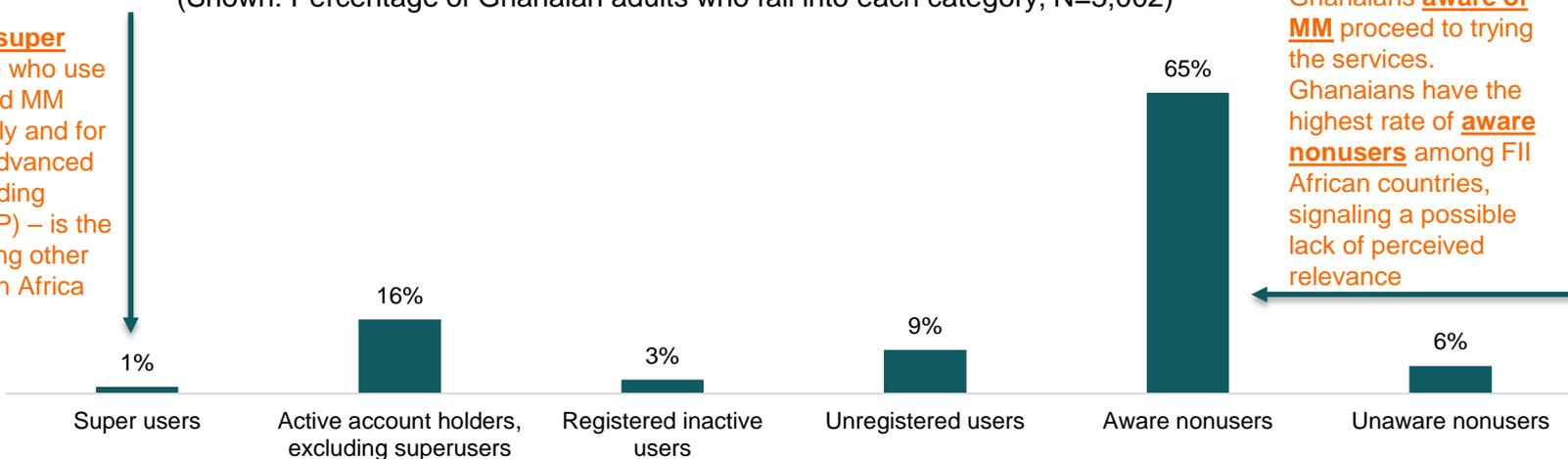
### The majority of those aware of mobile money are not progressing to the trial stage - the highest proportion of aware nonusers among other FII countries in Africa

#### Segments of mobile money users and nonusers (user groups do not overlap)

(Shown: Percentage of Ghanaian adults who fall into each category, N=3,002)

The group of **super users** – those who use their registered MM account weekly and for at least one advanced activity (excluding CICO and P2P) – is the smallest among other FII countries in Africa

Only 31% of Ghanaians **aware of MM** proceed to trying the services. Ghanaians have the highest rate of **aware nonusers** among FII African countries, signaling a possible lack of perceived relevance



Country	Super users	Active account holders, excluding superusers	Registered inactive users	Unregistered users	Aware nonusers	Unaware nonusers
Kenya	17%	41%	6%	10%	23%	5%
Tanzania	7%	27%	4%	6%	43%	13%
Uganda	5%	24%	4%	10%	49%	9%
Rwanda	3%	15%	6%	3%	55%	20%

## GHANA

### Rural/remote location, the lack of basic literacy and the lack of mobile phones are key differentiating factors across user segments

	Active registered user, including super users (n=537)	Registered inactive MM users (n=97)	Unregistered MM users(n=283)	Knowledgeable nonusers (n=1,947)	Unaware nonusers (n=147)
% women	46%	60%	51%	53%	63%
% rural	40%	39%	45%	47%	56%
% younger than 35 years old	67%	78%	57%	57%	23%
% living below the poverty line	19%	22%	25%	29%	46%
% with basic literacy	88%	85%	79%	75%	31%
% with basic numeracy	97%	95%	96%	96%	82%
% who own a mobile phone	98%	99%	96%	90%	64%

## GHANA

### Type of mobile money use largely reflects other financial behaviors, which might be indicative of the differences in income level among different types of users

	Active registered user, including super users (n=537)	Registered inactive MM users (n=97)	Unregistered MM users(n=283)	Knowledgeable nonusers (n=1,947)	Unaware nonusers (n=147)
% have a job (regular, self-employed or occasional assignments)	63%	65%	73%	64%	58%
% have a bank account	51%	40%	43%	29%	23%
% have an NBFi account	12%	18%	12%	10%	8%
% borrow money	9%	4%	17%	9%	10%
% save	86%	79%	73%	62%	55%
% have emergency fund, even if rarely	64%	56%	63%	62%	43%
% have insurance	71%	62%	69%	63%	64%
% have investment	39%	30%	51%	40%	31%

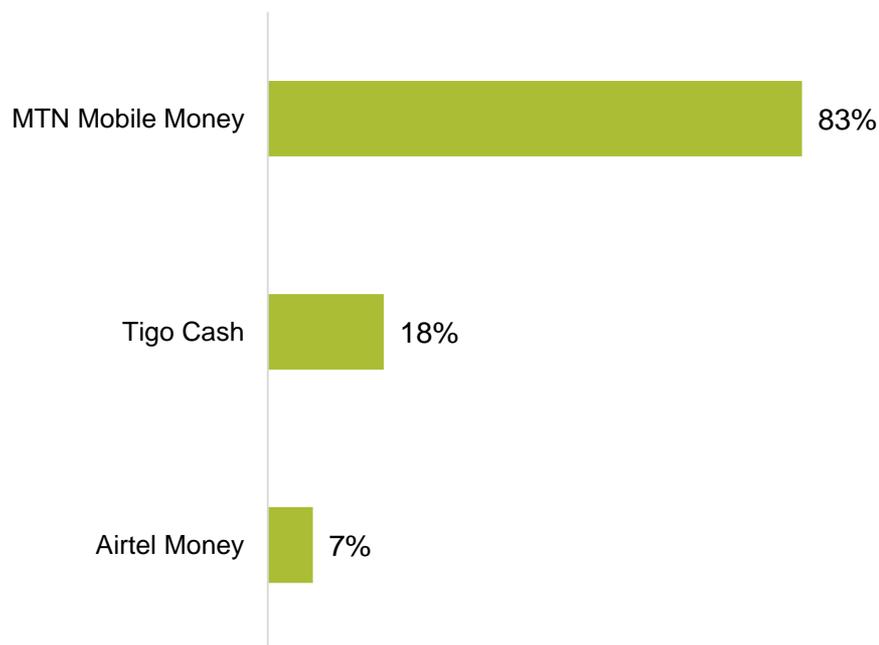
# **PROVIDER-SPECIFIC USE OF MOBILE MONEY**

## GHANA

### MTN Mobile Money is a clear market leader among the three Ghanaian mobile money providers

#### Active registered mobile money wallets among active registered mobile money users

(Shown: Percentage of active mobile-money account holders, n=537)



#### Active registered mobile money users and estimated number of wallets, by provider

Provider	% of all adults (N=3,002)	Estimated number of active wallets
MTN Mobile Money	14.5	2,238,638
Tigo Cash	3.2	494,044
Airtel Money	1.2	185,267
All providers	18.9	2,917,949

Total est. number of adults (15+) – 15,438,885  
 Source: [http://www.statsghana.gov.gh/pop\\_stats.html](http://www.statsghana.gov.gh/pop_stats.html)

*Active mobile-money account holders can have accounts with more than one provider.*

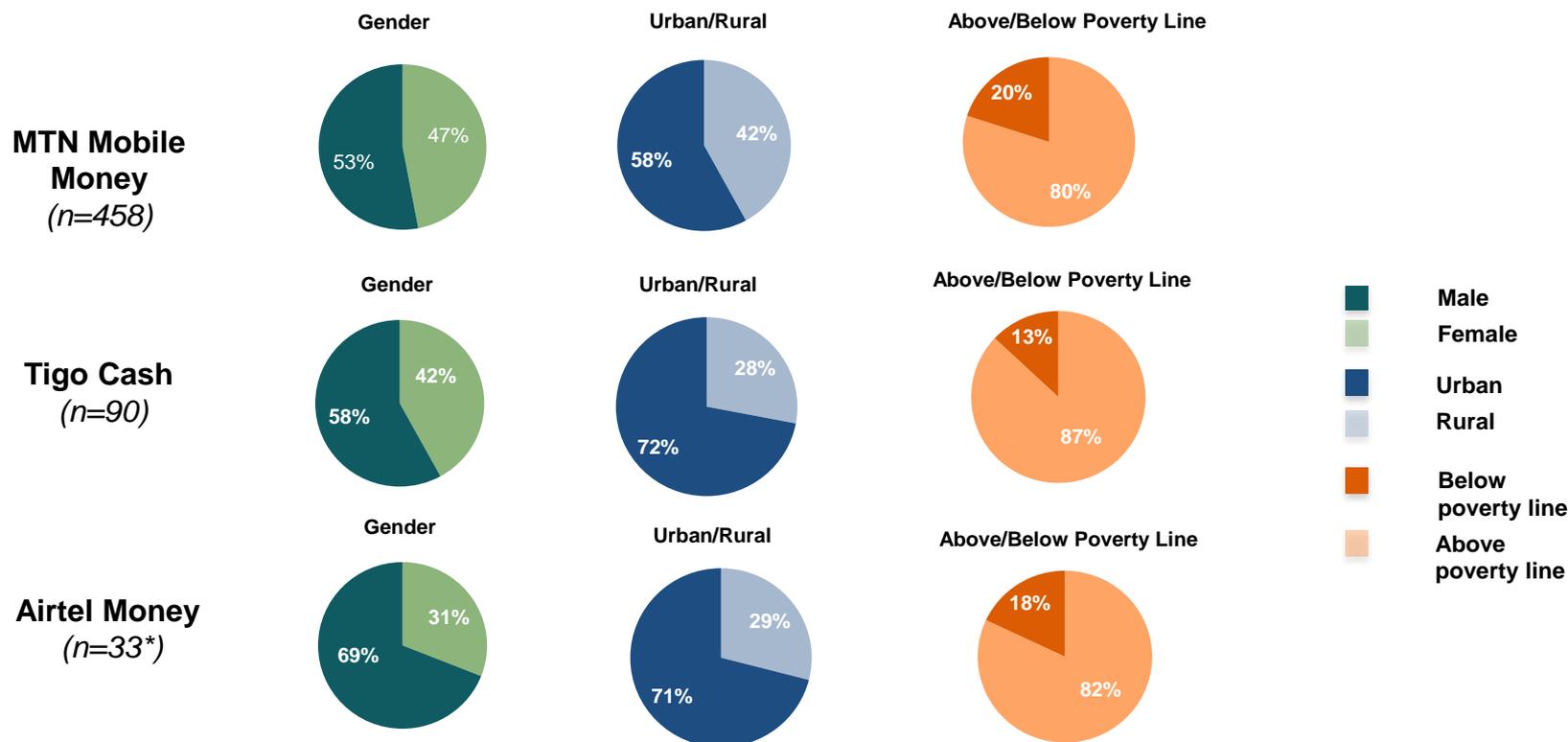
*Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014 - January 2015.*

## GHANA

### MTN Mobile Money and Tigo Cash have almost identical groups of active account holders by demographics; neither provider has a good representation of poor Ghanaians

#### Demographic trends for active mobile-money account holders, by provider

(Shown: Percent of each provider user group)

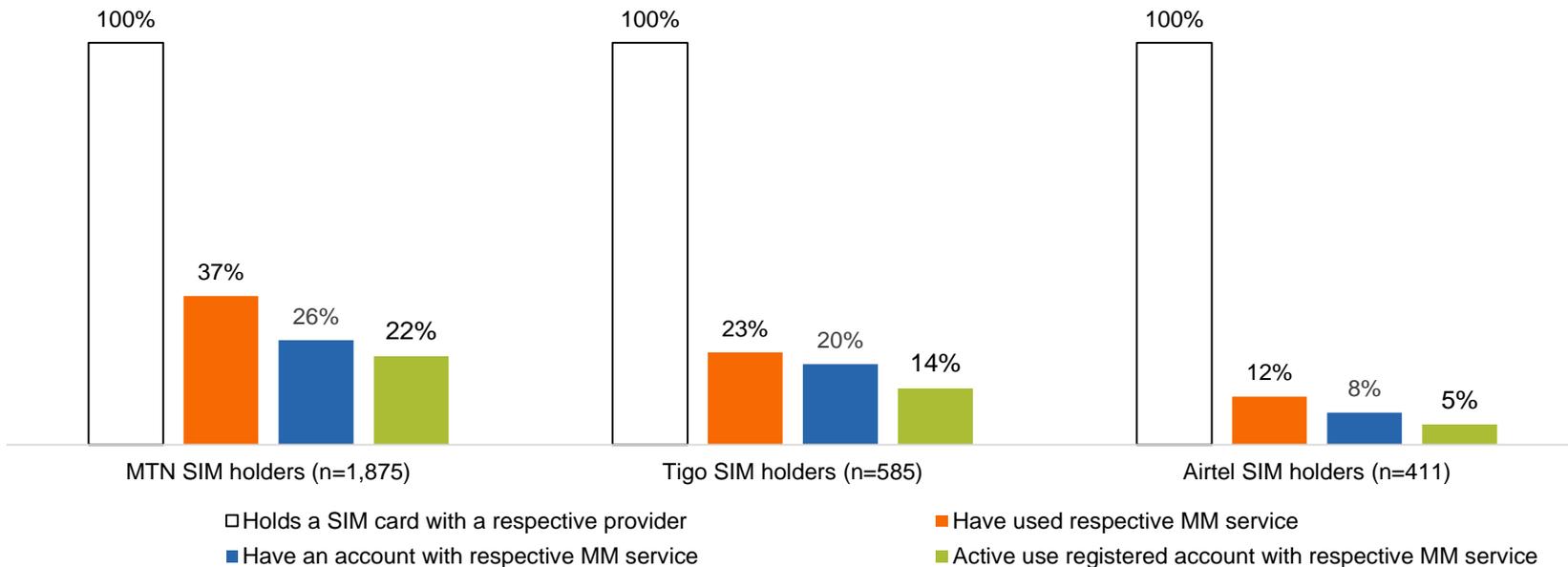


\*The analysis is done on a small sample (n<50) and should be treated with caution. Active MM account holders can have accounts with more than one provider. Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014 –January 2015

## GHANA

### MTN had the highest conversion rate (35%) of SIM card holders to mobile money users, followed by Tigo

**Uptake and use of MM services among MNO's SIM card holders, by provider**  
(Shown: Percentage of each subgroup)



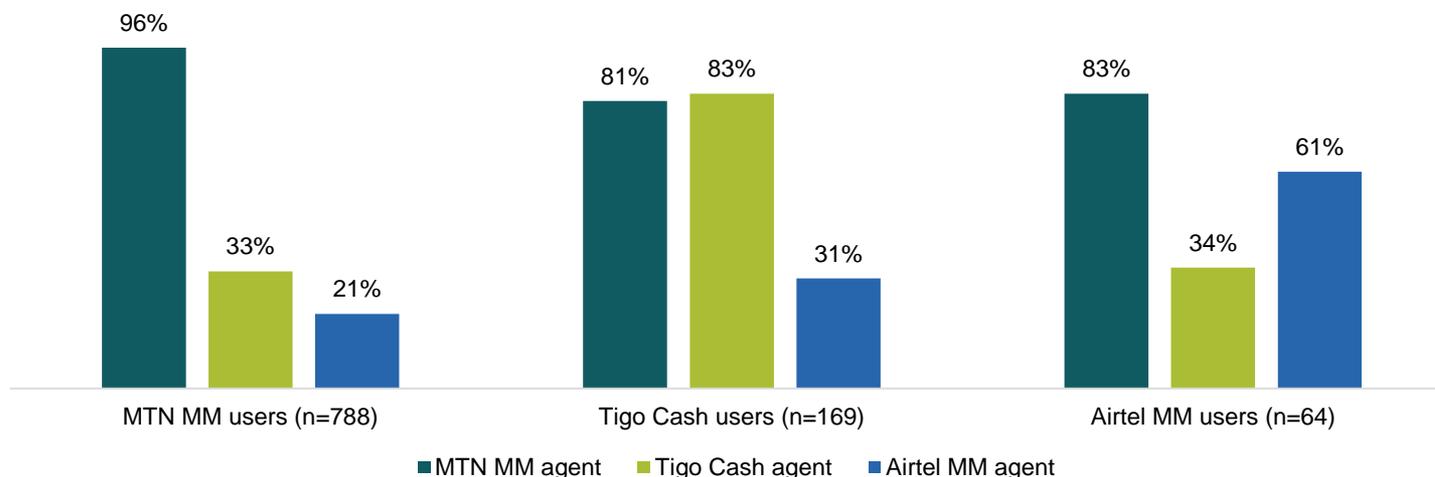
*There is some overlap among users of different providers.*

*Source: InterMedia CGAP Ghana survey (N=3,002, 15+) December 2014 –January 2015.*

## GHANA

### MTN Mobile Money agents are the most visible to MTN and Airtel Money users, while Tigo Cash customers are more familiar with Tigo agents

**Which mobile money agent is the closest to where you live, regardless of whether you use this agent?**  
 (Shown: Percentage of each subgroup)



*There is some overlap among users of different providers.*

*Source: InterMedia CGAP Ghana survey (N=3,002, 15+) December 2014 – January 2015.*

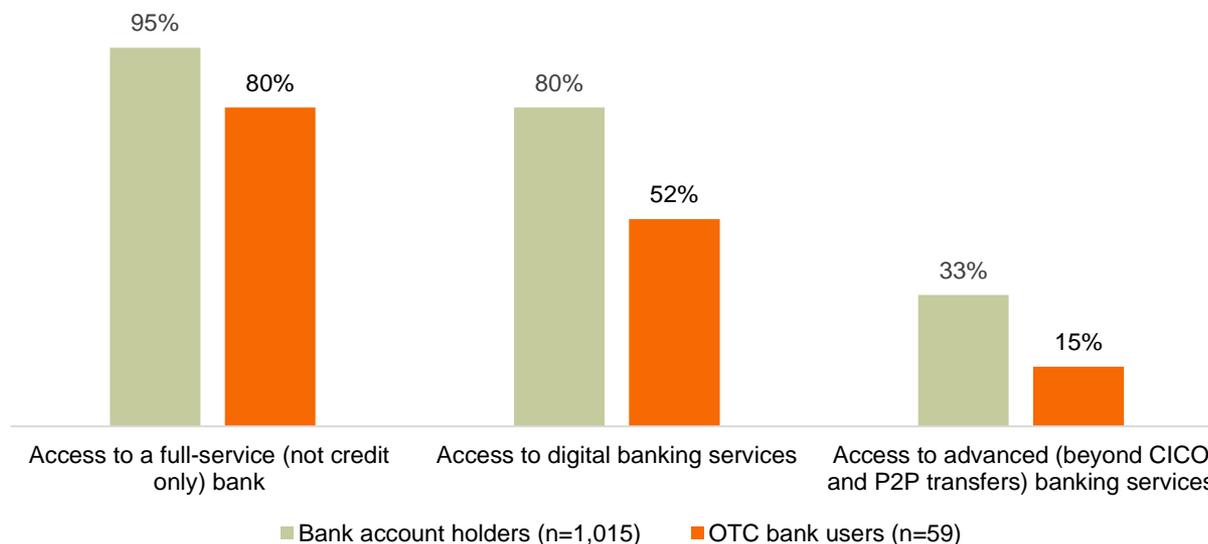
# USE OF BANKING SERVICES

## GHANA

Ghanaians using over-the-counter banking services at a bank branch have much lower access to digital banking and advanced banking services compared to registered users; promoting the advantages of these services might stimulate registration

### Bank account access and ownership

(Shown: Percentage of each subgroup)



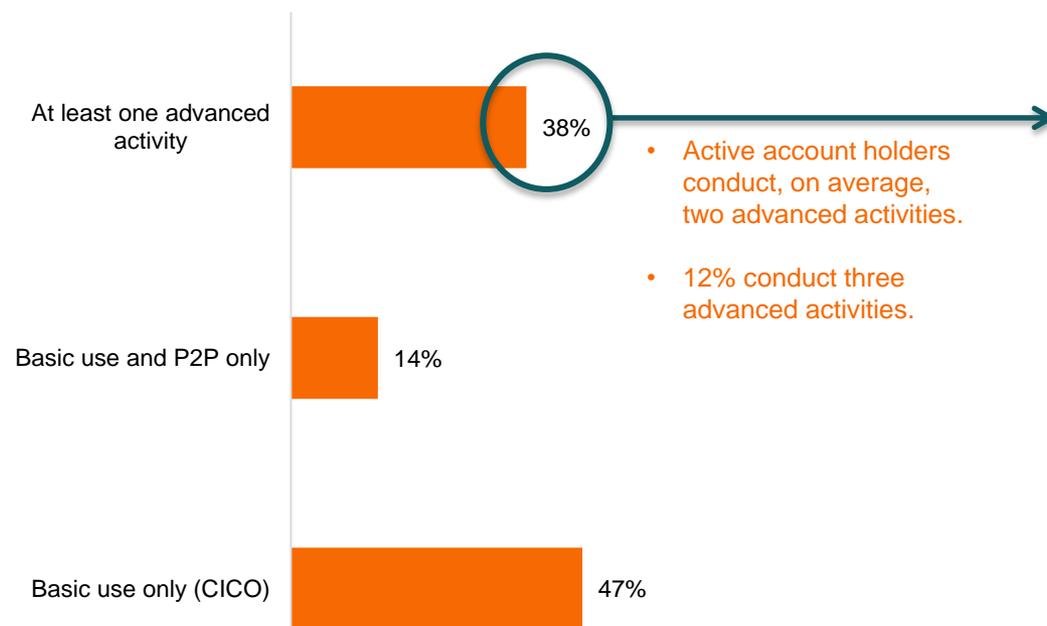
- Full-service banks are banks that offer clients at least one of the following services: savings, investment, insurance, money transfer.
- Digital bank accounts offer at least one of the following options: debit/ATM or credit cards, internet or mobile access, or a digital money transfer capability.

## GHANA

### Low use of banks for savings and insurance paired with dynamic saving and insurance behaviors presents an opportunity for new digital products

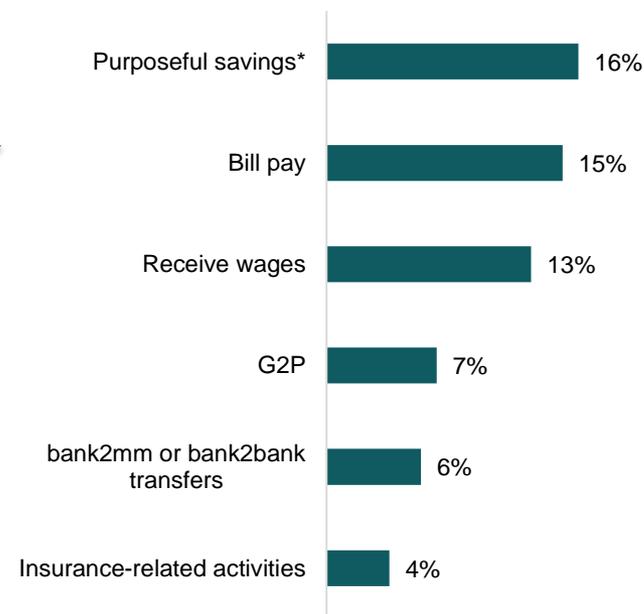
#### Bank account uses

(Shown: Percentage of active bank account holders, n=751)



#### Top advanced bank account uses

(Shown: Percentage of active bank account holders, n=751)



In this survey, purposeful savings with a bank account includes: saving money for a future bill or purchase, setting money aside for retirement and setting money aside for unexpected emergencies.

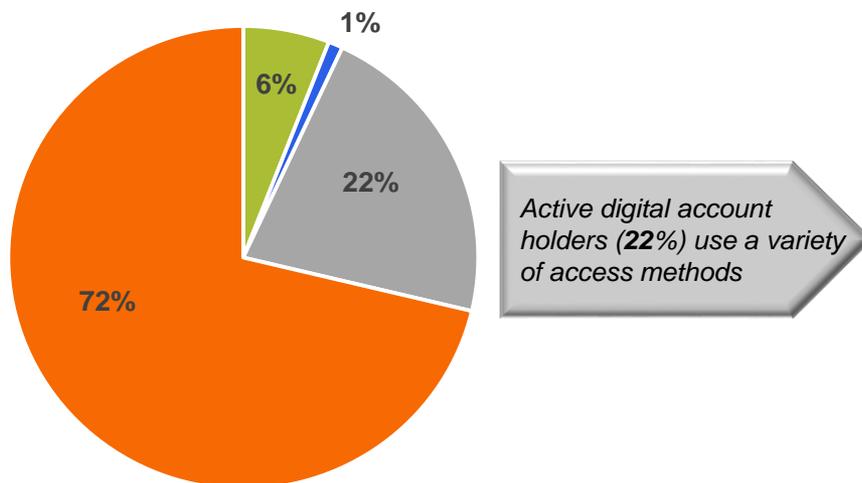
*Due to rounding, the total does not add up to 100%.  
All questions allowed for multiple responses.*

Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014 –January 2015.

## GHANA

### Digital bank accounts are not common; those with a digital account access it through more than one digital channel

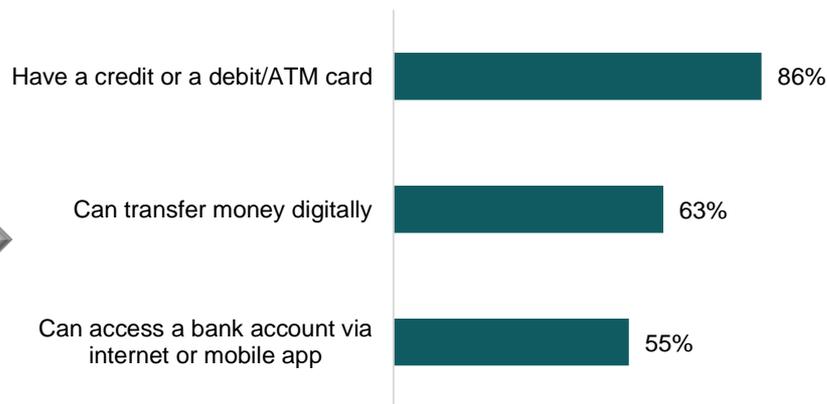
**Digital bank account access\***  
(Shown: Total population, N=3,002)



- Lapsed digital bank account holders
- Active digital bank account holders
- Unregistered users of digital bank accounts
- Do not have digital access to a bank account

**Method of access**

(Shown: Percentage of active digital bank account holders, n=654)



*\*Question allowed for multiple responses.*

**\* Digital bank accounts offer at least one of the following options: debit/ATM or credit cards, internet or mobile access, or a digital money transfer capability.**

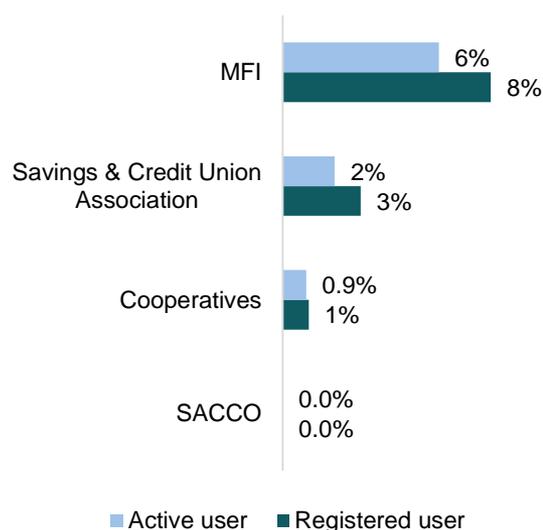
# **USE OF NONBANK FINANCIAL SERVICES**

## GHANA

### There's relatively low usage of nonbank financial institutions (NBFI); but they are used in a variety of ways, including for savings and basic financial transactions

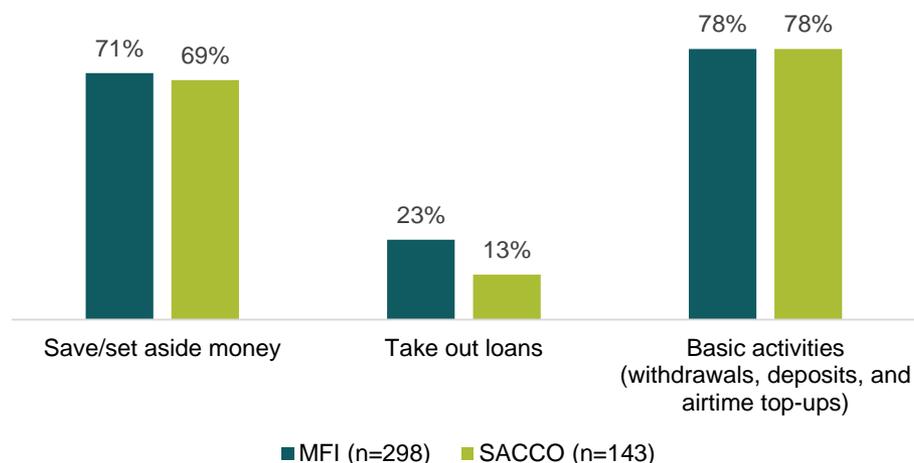
#### Financial institution usage

(Shown: Percentage of NBFI account holders among the total population N=3,002)



#### How NBFIs are used\*

(Shown: Percentage of adults who ever used the service)



- SACCOs are more likely to be used for savings and loans.
- MFIs are utilized more for basic activities.

\*All differences are statistically significant at the 95% confidence interval.

Question allowed for multiple responses.

Source: InterMedia CGAP Ghana survey (N=3,002, 15+), December 2014-January 2015.

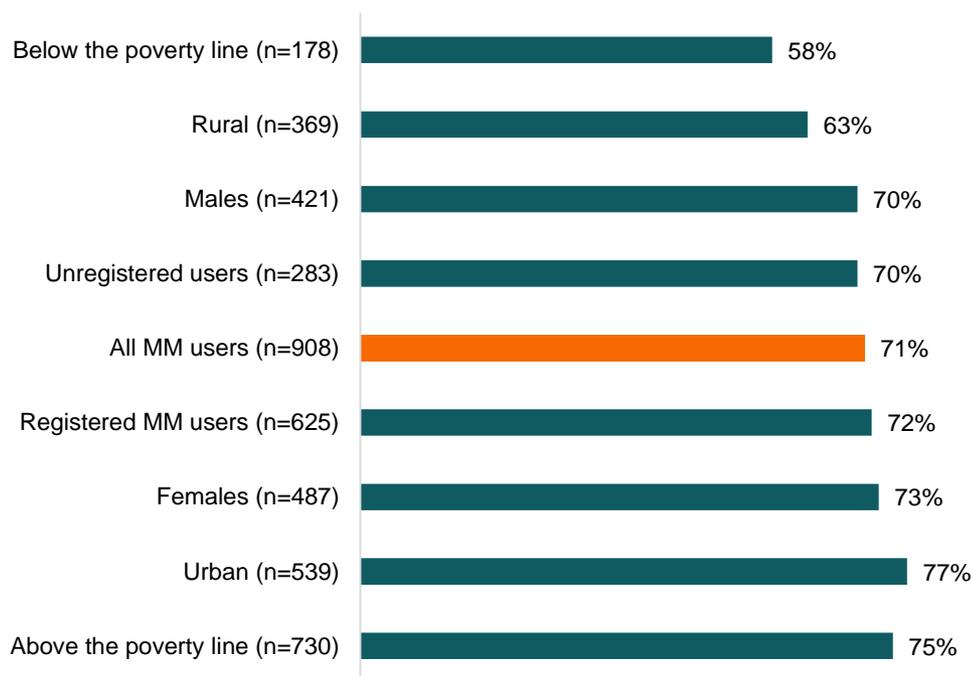
# **SPECIAL TOPICS: MOBILE MONEY AGENTS**

## GHANA

**Seven in 10 Ghanaian mobile money users have an agent nearby; compared to other FII countries (except Tanzania), access to agents is higher for rural residents but lower for urban and those above the poverty line**

### Those who have an agent within a 1 km radius from where they live

(Shown: Percentage of each category of mobile money users)



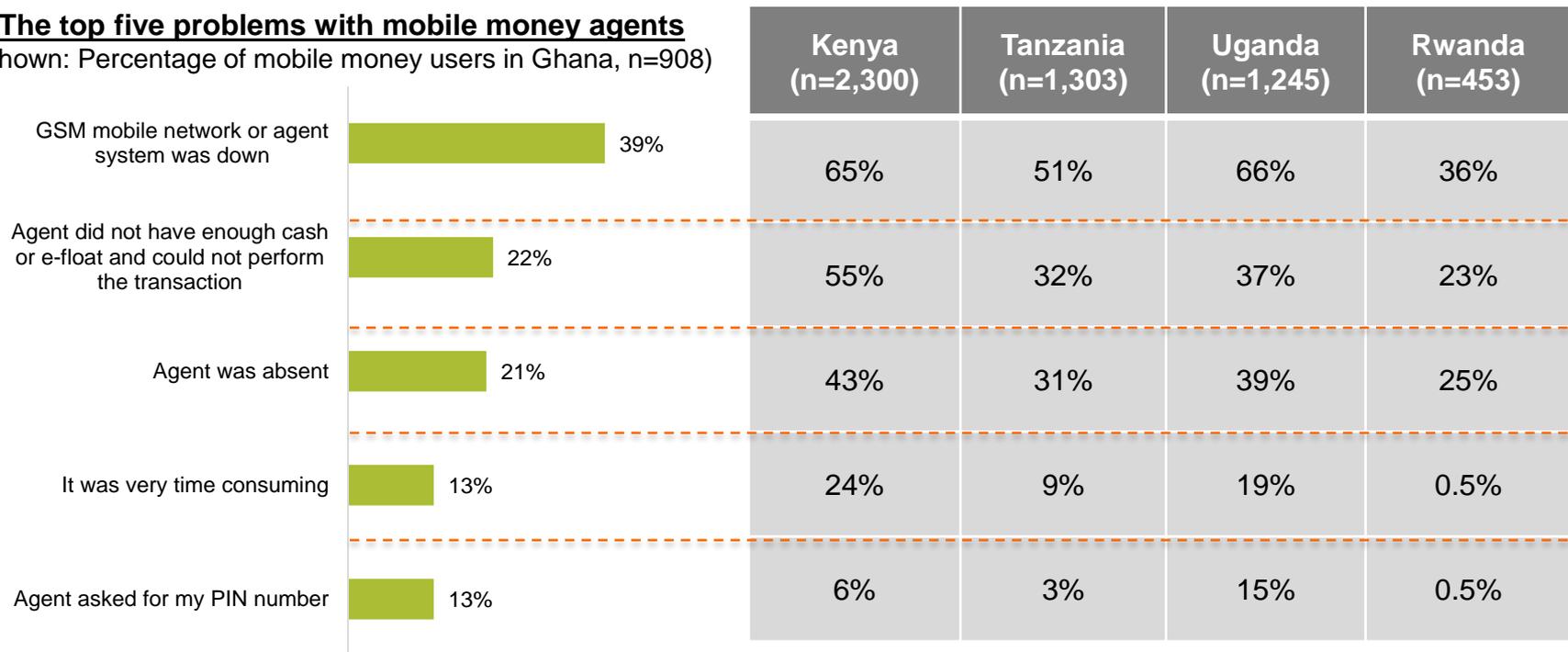
	Kenya	Tanzania	Uganda	Rwanda
	53%	89%	46%	63%
	51%	84%	44%	58%
	63%	87%	59%	68%
	65%	92%	50%	65%
	67%	89%	65%	69%
	67%	89%	68%	67%
	70%	92%	71%	71%
	89%	97%	95%	90%
	76%	92%	82%	89%

## GHANA

### More than a third of users reported a problem when transacting with an agent; most complained about technical problems with GSMA and/or agent networks

#### The top five problems with mobile money agents

(Shown: Percentage of mobile money users in Ghana, n=908)



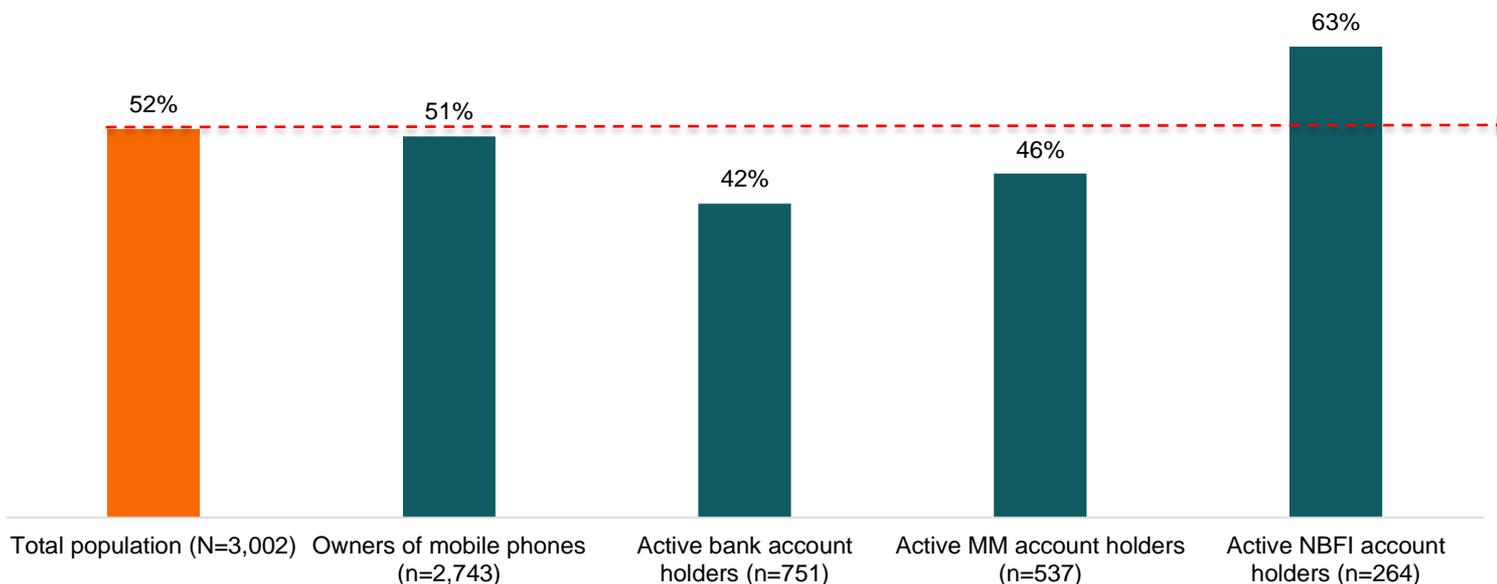
# **SPECIAL TOPICS: THE GENDER STORY**

## GHANA

**As a financial service, mobile money is more gender equal than banking; more females have active accounts with nonbank financial institutions than they do with banks and mobile money**

### Percentage of females among users of mobile phones and DFS

(Shown: Percentage of females in each category)



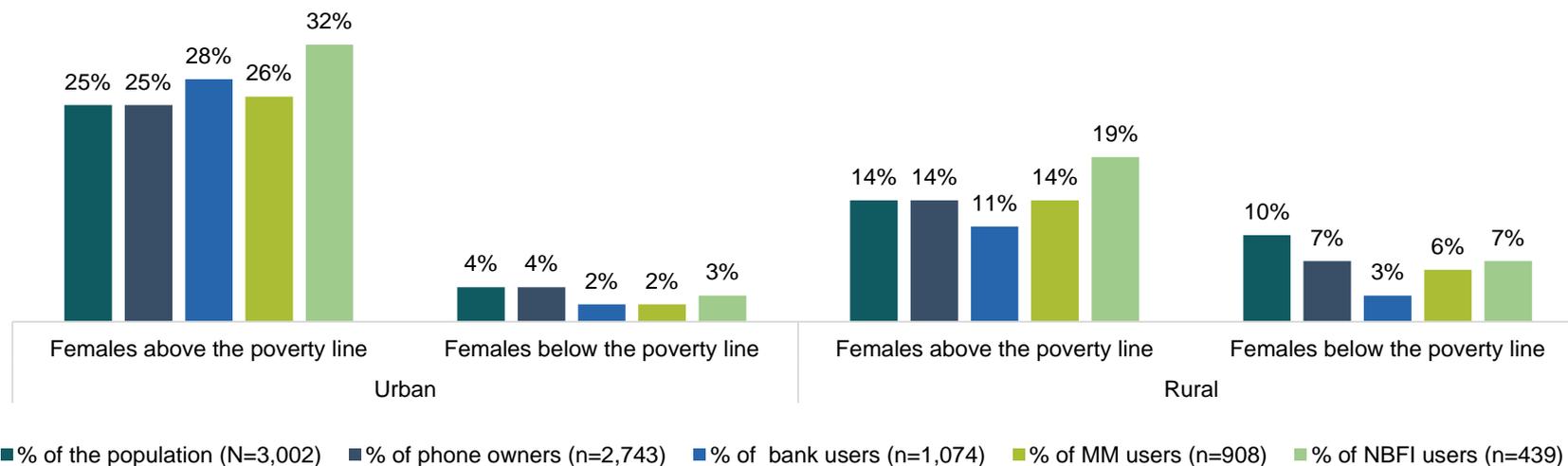
## GHANA

### Females, based on their residency and poverty status, tend to be underrepresented among users of financial services

- Rural females above the poverty line are an exception in that they are well-represented among mobile money users and over-represented among NBFIs
- Urban non-poor females are over-represented across all groups.

#### Percentage of financial service users among different subgroups of females

(Shown: Percentage of each female subgroup)

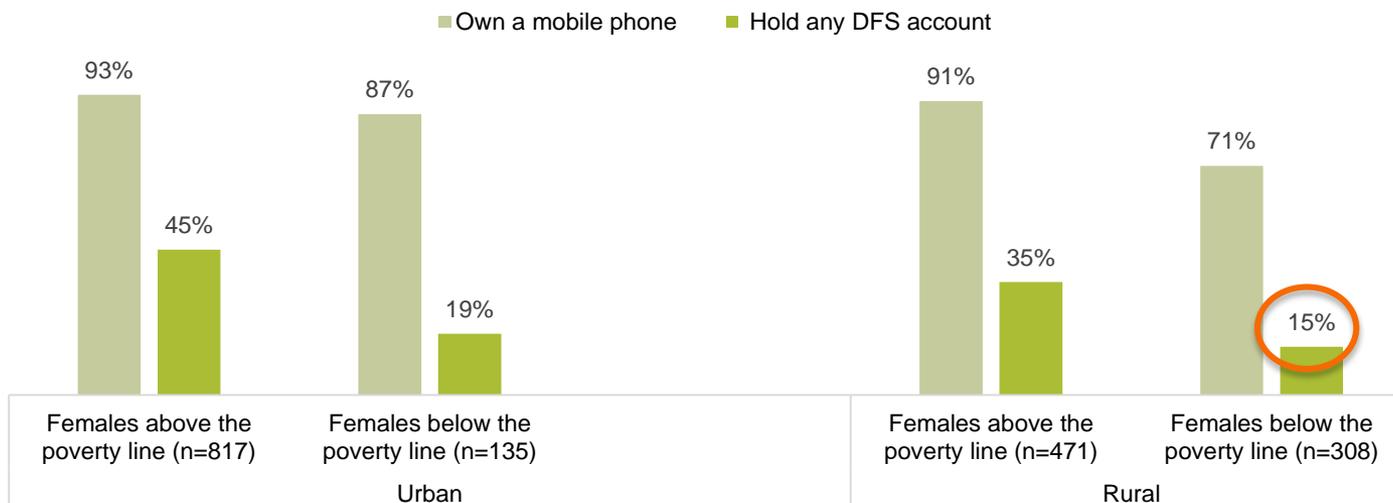


## GHANA

### Ownership of technology and DFS accounts among poor rural women is lowest compared to other female subgroups; females below the poverty line in urban areas also show low ownership of DFS accounts

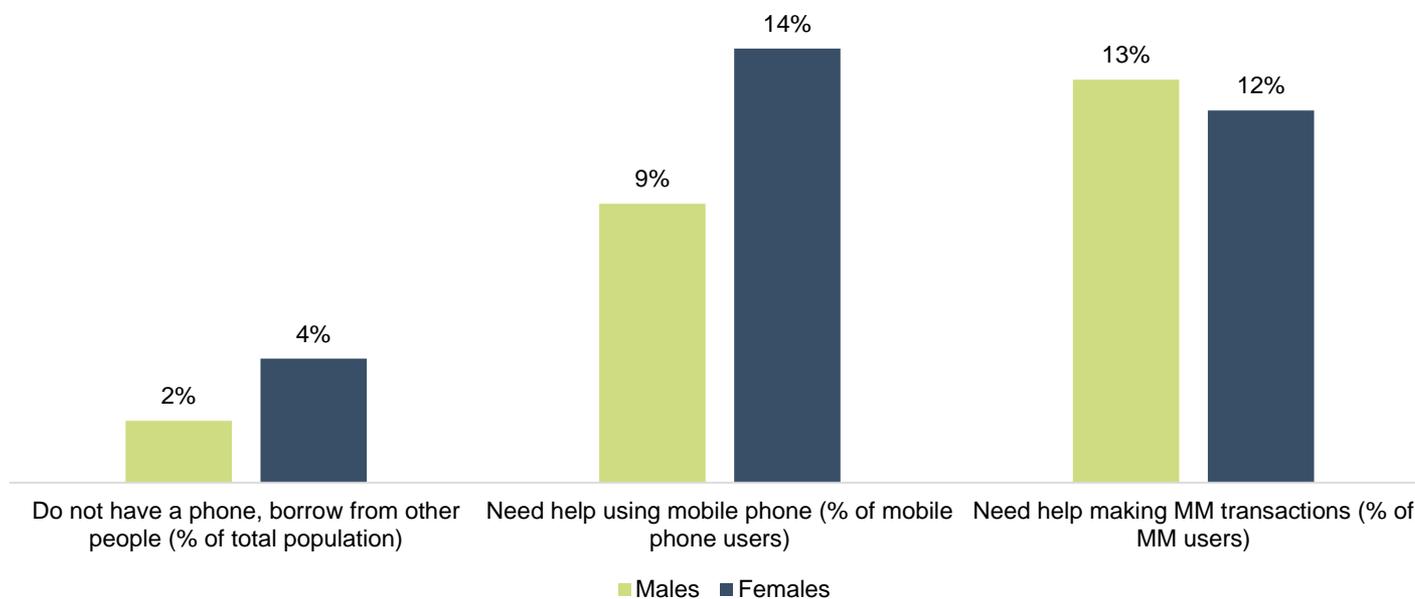
#### Percentage of women who own mobile phones and DFS accounts, by poverty and urban/rural status

(Shown: Percentage of females in each subgroup)



## GHANA

### More women need assistance when accessing and using mobile phones but not when making MM transactions



- More women use mobile phones that belong to other people.
- More women than men ask other people for help when using mobile phones and making mobile money (MM) transactions.

*Question allowed for multiple responses.*

*Source: InterMedia Ghana FII Tracker survey (N=3,002, 15+) December 2014-January 2015.*

## GLOSSARY

- **Access** – Access to a bank account or mobile money account means a respondent can use bank/mobile money services either via their own account or via an account of another person.
- **Active account holder** – An individual who has a registered DFS account and has used it in the last 90 days.
- **Active user** – An individual who has used any DFS for any type of transaction in the past 90 days via his/her own account or somebody else's account.
- **Adults with DFS access** – Adults who either own a DFS account or have access to someone else's account.
- **Below the poverty line** – In this particular study, adults living on less than \$2.50 per day, as classified by the Grameen PPI.
- **Digital financial services (DFS)** – Financial services that are provided through an electronic platform (mobile phones, electronic cards, the internet, etc.). **For this particular study, digital financial services include bank services and mobile money services.**
- **Grameen Progress out of Poverty Index (PPI)** – A poverty measurement tool from the Grameen Foundation wherein a set of country-specific questions are used to compute the likelihood that a household is living below the poverty line.
- **Mobile money (MM)** – A service in which a mobile phone is used to access financial services.
- **NHIS** – National Health Insurance Scheme
- **Savings and credit cooperative (SACCO)** – A unique member driven, self-help group, which is owned and managed by its members who have a common bond (e.g., work for the same employer, belong to the same church, live in the same village, etc.). All members contribute to the SACCO fund, which can be used for group investment or a part of which can be given to members as loans.
- **SUSU** – One of the oldest semi-formal financial systems in Ghana; allows Ghanaians to securely store their money and get access to a limited credit line for a small fee.
- **Urban/rural** – Urban and rural persons are defined according to their residence in urban or rural areas as prescribed by the national bureau of statistics.

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