TANZANIA

WAVE 3 REPORT
FII TRACKER SURVEY
Conducted September-October 2015

March 2016
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 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.

The FII program is managed by InterMedia. Visit the FII Resource Center to learn more: www.finclusion.org.
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Survey demographics

<table>
<thead>
<tr>
<th>Gender</th>
<th>% of survey</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>49%</td>
</tr>
<tr>
<td>Female</td>
<td>51%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Geography</th>
<th>% of survey</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban</td>
<td>29%</td>
</tr>
<tr>
<td>Rural</td>
<td>71%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Income</th>
<th>% of survey</th>
</tr>
</thead>
<tbody>
<tr>
<td>Above $2.50/day poverty line</td>
<td>17%</td>
</tr>
<tr>
<td>Below $2.50/day poverty line</td>
<td>83%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age</th>
<th>% of survey</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-24</td>
<td>24%</td>
</tr>
<tr>
<td>25-34</td>
<td>29%</td>
</tr>
<tr>
<td>35-44</td>
<td>22%</td>
</tr>
<tr>
<td>45-54</td>
<td>13%</td>
</tr>
<tr>
<td>55+</td>
<td>11%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Aptitude</th>
<th>% of survey</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic literacy</td>
<td>84%</td>
</tr>
<tr>
<td>Basic numeracy</td>
<td>96%</td>
</tr>
</tbody>
</table>

Figures are weighted to reflect national census data demographics.

*Source: InterMedia Tanzania FII Tracker survey (N=3,001, 15+), September-October 2015.*
EXECUTIVE SUMMARY
Notable statistics

• Greater mobile money access and an increased number of accounts provide more Tanzanians with access to finance.
  o Nearly two-thirds of Tanzanian adults now have a registered financial account (vs. 50% in 2014).
  o Growth in mobile money access and account ownership drove this increase. Six in 10 have registered accounts (61%), up from 44% in 2013.
  o Promotional activities by Tigo Pesa, Vodacom M-Pesa and Airtel Mobile Money are proving effective as mobile money is quickly becoming the main, and almost sole, pillar of financial inclusion. Usage has far surpassed that of banks and nonbank financial services.
  o Nearly all (95%) of Tanzanians know of at least one mobile money provider, and for every five people who know of mobile money, three use it.
  o Most of mobile money use is through a registered account. Unregistered use declined vs. previous waves.

• Mobile money use extends to impoverished groups.
  o Mobile money access and account ownership extend to those groups often overlooked—women, lower income and those in rural regions of the country. Rural Tanzanians and those living below the poverty level show particularly high increases in access and use vs. 2013.

• Bank account access, usage declines after a temporary increase in 2014.
  o 2014 surveying detected a significant increase in bank account access and ownership due to heavy marketing campaigns by banks. Rural, women and lower income groups were key targets of these campaigns.
  o 2015 surveying showed bank account access and ownership retreated back to the 2013 stance, with the most notable attrition from among rural, lower income groups previously targeted. This decline occurred as mobile money usage increased among the same consumer groups.

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

Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.
Tracking market movement

Financial inclusion in Tanzania, historically, has been driven by mobile money services: access to, registered usage and active use saw a steep incline in 2015 after a slight drop in 2014. Bank usage dropped sharply in 2015.

- Sixty-one percent of adults now have a registered mobile money account, up from 38% in 2014 and 44% in 2013. Fifty-three percent of adults are now active mobile money account users, up from 34% in 2014 and 38% in 2013.
- Access to and active usage of bank accounts declined in 2015. Eight percent had access to a full-service bank account in 2015 compared with 24% in 2014, and 11% in 2013, while 5% actively used bank accounts, a drop from 16% in 2014 and 8% in 2013.

Greater inclusion of impoverished groups contributed to the growth in mobile money accounts and usage.

- Mobile money access and account ownership extended to those groups often overlooked, including women, lower income and those in rural regions of the country. Rural Tanzanians and those living below the poverty line showed particularly high increases in access and use compared with 2014.
- Registered mobile money account use increased among:
  - The rural population (54% in 2015, up from 32% in 2014).
  - Those living below the poverty line (58% in 2015, up from 35% in 2014).
  - Women (57% in 2015, up from 34% in 2014).
  - The urban population (79% in 2015, up from 48% in 2014).
- Active registered mobile money account use increased among:
  - The urban population (72% in 2015, up from 45% in 2014).
  - Those above the poverty line (75% in 2015, up from 53% in 2014).
  - Women (49% in 2015, up from 30% in 2014).

Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.
Tracking market movement

- Bank account access and ownership fell between 2013 and 2015, most notably among the rural and lower income groups. This decline occurred as mobile money usage increased among the same consumer groups.
  - Bank account access fell most sharply among the rural population (5% in 2015 from 24% in 2014) and among those below the poverty line (6% in 2015 from 24% in 2014).
    - Bank account holders also fell most sharply among the rural population (5% in 2015 from 19% in 2014) and among those below the poverty line (6% in 2015 from 19% in 2014).
  - Women also showed a decline in bank account access in 2015, dropping to 6% from 21% in 2014.
    - This group also showed a decline in bank account ownership in 2015, dropping to 6% from 16% in 2014.

Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.
FINANCIAL INCLUSION
Understanding financial inclusion

What is financial inclusion?

Financial inclusion is having an account with an institution that provides a full suite of financial services and comes under some form of government regulation.

These services include savings, money transfers, insurance or investment. Institutions that only offer loans to consumers, such as some microfinance institutions (MFIs), are not considered to be full-service institutions. (Source: InterMedia FII Program)

How is it measured?

To determine financial inclusion, we look at the percentage of adults who report having an account in their name with at least one institution offering a full-suite of financial services.

What is included in this?

Banks, nonbank institutions and mobile money services are included in the financial inclusion measure. In the case of Tanzania, nonbank financial institutions include MFIs, cooperatives, Post Office Banks and village savings groups. In all countries, individuals must have an account in their own name.

What isn’t included?

Excluded from the financial inclusion measure are money guards, savings collectors, hawala/hundi networks, and digital recharge cards – such as gift cards – that are not attached to a bank or MFI account.

Additionally, individuals who have accessed formal financial services but do not have their own account, such as those using another family member’s account, are not included.

Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.
Two-thirds of Tanzanians are financially included, most of them have mobile money accounts

- 62% Financially included*
- 8% have a full-service bank account**
- 1% have a full-service NBFI account
- 61% have a mobile money account

*Overlap representing those who have multiple kinds of financial accounts is not shown.
**Throughout this report, bank account holders have accounts at full-service institutions, unless otherwise noted.

Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.
Market overview: Access to and use of financial services grew vs. 2013; new increases are due to mobile money

Financial account access
(Shown: Percentage of Tanzanian adults for each year)

- Any financial service:
  - 2013: 50%
  - 2014: 60%
  - 2015: 63%
  - Mobile money:
    - 2013: 48%
    - 2014: 44%
    - 2015: 63%
  - Bank:
    - 2013: 11%
    - 2014: 24%
    - 2015: 8%
  - Nonbank financial institution:
    - 2013: 5%
    - 2014: 12%
    - 2015: 1%

Registered financial service users

- Any financial service:
  - 2013: 47%
  - 2014: 50%
  - 2015: 62%
- Mobile money:
  - 2013: 44%
  - 2014: 38%
  - 2015: 61%
- Bank:
  - 2013: 10%
  - 2014: 19%
  - 2015: 8%
- Nonbank financial institution:
  - 2013: 3%
  - 2014: NA
  - 2015: 1%

Active* financial service users

- Any financial service:
  - 2013: 40%
  - 2014: 45%
  - 2015: 54%
- Mobile money:
  - 2013: 38%
  - 2014: 34%
  - 2015: 53%
- Bank:
  - 2013: 8%
  - 2014: 16%
  - 2015: 5%
- Nonbank financial institution:
  - 2013: 2%
  - 2014: NA
  - 2015: 0.9%

Types of account ownership are not mutually exclusive. *A registered account used in the last 90 days.

Source: InterMedia Tanzania FII Tracker surveys Wave 1 (N=2,997, 15+), November 2013-March 2014; Wave 2 (N=3,000, 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
A majority of Tanzanians now have access to mobile money, an increase of almost 50 percent vs. 2014

**Access to financial services**
(Shown: Percentage of Tanzanian adults for each year)

- **Any financial service**
  - 2013: 50%
  - 2014: 60%
  - 2015: 63%

- **Mobile money**
  - 2013: 11%
  - 2014: 44%
  - 2015: 63%

- **Bank**
  - 2013: 8%
  - 2014: 24%

- **Nonbank financial institution**
  - 2013: 5%
  - 2014: 1%

Types of accounts are not mutually exclusive.

Source: InterMedia Tanzania FII Tracker surveys Wave 1 (N=2,997, 15+), November 2013-March 2014; Wave 2 (N=3,000 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
Nearly two-thirds of adults now have digital access to their financial service accounts in Tanzania.

- 62% Digitally included
  - 0.4% have a digital NBFI account
  - 7% have a digital bank account
  - 61% have a mobile money account

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

Digital access means that individuals can access their accounts via any number of electronic platforms, including debit and credit cards, electronic money transfers, or mobile phones.

Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.
TANZANIANS’ FINANCIAL LIVES
Few adults have a financial plan for unexpected events and fewer are able to pay bills on time; the vast majority experience economic vulnerability.

### 2015: Financial responsibility, vulnerability
(Shown: Percentage of Tanzanian adults, n=3,001)

<table>
<thead>
<tr>
<th></th>
<th>Financially included (n=1,866)</th>
<th>Financially excluded (n=1,135)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regularly experience economic vulnerability (i.e., can’t afford food, medical expenses)</td>
<td>66%</td>
<td>73%</td>
</tr>
<tr>
<td>Have a financial plan for unexpected events</td>
<td>26%</td>
<td>14%</td>
</tr>
<tr>
<td>Able to pay bills on time</td>
<td>20%</td>
<td>10%</td>
</tr>
</tbody>
</table>

*Question allowed for multiple responses.

Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.
Forgoing food and medical help are the most common forms of economic vulnerability among Tanzanian adults

**2015: Economic vulnerability**
(Shown: Percentage of Tanzanian adults, n=3,001)

- Regularly experience some form of economic vulnerability: 69%
- Male: 68%
- Female: 69%
- Rural: 72%
- Urban: 61%
- Below poverty line: 71%
- No formal education: 75%

**Form of economic vulnerability**
(Shown: Percentage of vulnerable adults, n=2,050)

<table>
<thead>
<tr>
<th>Form of economic vulnerability</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gone without food to eat</td>
<td>58%</td>
</tr>
<tr>
<td>Gone without medical help</td>
<td>55%</td>
</tr>
<tr>
<td>Gone without cooking fuel</td>
<td>48%</td>
</tr>
<tr>
<td>Miss an important family event (i.e., funeral, wedding, etc.)</td>
<td>40%</td>
</tr>
<tr>
<td>Gone without fertilizer for the farm</td>
<td>27%</td>
</tr>
<tr>
<td>Couldn’t pay school fees</td>
<td>23%</td>
</tr>
<tr>
<td>Gone without help from a veterinarian</td>
<td>17%</td>
</tr>
<tr>
<td>Had to close down business temporarily or completely</td>
<td>9%</td>
</tr>
</tbody>
</table>

Most adults are in rural areas, live below the poverty line and have no formal education.

Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.
Four in every five adults in Tanzania are gainfully employed; housewives and students comprise 15 percent of the population.

Employment
(Shown: Percentage of Tanzanian adults, N=3,001)

- 80% gainfully employed
- 4% unemployed, seeking jobs
- 15% housewife or student
- 1% retired or disabled

Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.
Almost 70 percent of gainfully employed adults work on or own a farm, others are business owners.

**Employment**
(Shown: Percentage of Tanzanian adults, N=3,001)

**Most common primary occupation**
(Shown: Percentage of gainfully employed adults, n=2,408)

- Farmer/farm owner: 68%
- Business owner: 10%
- Professional (e.g., teacher, doctor): 3%
- Carpenter/mason: 3%
- Tailor: 2%
- Occasional worker with no occupation: 2%

Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.
Mobile money is still the most popular savings instrument in Tanzania; the number of people who save money in a safe place at home also increased.

Do you save money with any of the following?

(Shown: Percentage of Tanzanian adults)

- Mobile money: 2014 - 23%, 2015 - 22%
- In a safe place at home or on yourself in cash: 2014 - 9%, 2015 - 9%
- Bank: 2014 - 8%, 2015 - 9%
- Other people e.g., family, friends, neighbors, shopkeepers, money guards, etc.: 2014 - 4%, 2015 - 2%
- Savings account at SACCO: 2014 - 5%, 2015 - 1%
- Microfinance institution: 2014 - 1%, 2015 - 1%

Savings

(Shown: Percentage of Tanzanian adults, N=3,001)

- 48% currently have savings
- 37% know the interest rate they earn on their savings.

Source: InterMedia Tanzania FII Tracker surveys; Wave 2 (N=3,000, 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
Most of those who save money in a safe place at home live in rural areas and below the poverty line.

Demographic profile: People who save money in a safe place at home or on themselves, in cash

(Shown: Percentage of Tanzanian adults who save money in a safe place at home)

Source: InterMedia Tanzania FII Tracker surveys; Wave 2 (N=3,000, 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
Family, friends and neighbors are the top sources of loans for the one-third of Tanzanians who borrowed money in the past year.

34% borrowed money in the past year.

Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.
Medical insurance is the most common form of insurance in Tanzania; home, income protection and education insurance are in the second tier.

**2015: Insurance**  
(Shown: Percentage of Tanzanian adults, N=3,001)

17% have insurance

**2015: Type of insurance**  
(Shown: Percentage of adults with insurance, n=481)

- Medical: 76%
- House/property: 20%
- Unemployment/income protection: 20%
- Educational policy: 19%
- Life: 12%
- Retirement/pension/old age: 8%
- National Social Security Fund: 6%
- Car: 4%
- Agriculture: 2%

Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.
ACCESS TO AND USE OF MOBILE PHONES
Most Tanzanian adults have the type of ID required by financial institutions to register a mobile money or bank account

**Type of identification reported by Tanzanian adults**
(Shown: Percentage of Tanzanian adults who report each type of ID)

- A national ID, passport, birth certificate, driver’s license and government ID show less uptake when compared with a voter’s card.
- The recent national elections spurred the uptake of voters’ cards by Tanzanians.

*Identification documents (ID) necessary for registering a mobile money or a bank account include one of the following: a National ID, passport, voter’s card, driver’s license, company or government ID, or village/LC ID.*

**Source:** InterMedia Tanzania FII Tracker surveys; Wave 2 (N=3,000, 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
Access to and ownership of mobile phones has increased vs. 2014; sending and receiving text messages has also increased

Have access to a mobile phone
(Shown: Percentage of Tanzanian adults, by year)

Own a mobile phone
(Shown: Percentage of Tanzanian adults, by year)

Basic mobile phone competency (has sent/received text messages [SMS])
(Shown: Percentage of Tanzanian adults, by year)

Source: InterMedia Tanzania Fil Tracker surveys; Wave 2 (N=3,000, 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
Feature phone ownership comes close to basic phone ownership; smartphones lag

**Type of mobile phone**
(Shown: Percentage of mobile phone owners, n=2,313)

- Basic phone: 54%
- Feature phone: 44%
- Smartphone: 12%

77% own a mobile phone

Low smartphone ownership suggests app-based mobile money solutions are unlikely to reach many.

Source: InterMedia Tanzania FII Tracker surveys; Wave 3 (N=3,001, 15+), September-October 2015.
Women, lower income and rural residents are more likely to borrow or be without a phone vs. own a phone

2015: Dynamics of mobile phone access
(Shown: Percentage of mobile phone owners who fall into each category)

- **77%** Own a mobile phone
  - Male: 84%
  - Female: 70%
  - Urban: 88%
  - Rural: 72%
  - Above the poverty line: 92%
  - Below the poverty line: 74%

- **20%** Can borrow a mobile phone
  - Male: 14%
  - Female: 26%
  - Urban: 10%
  - Rural: 23%
  - Above the poverty line: 8%
  - Below the poverty line: 22%

- **4%** Have no access to a mobile phone
  - Male: 3%
  - Female: 5%
  - Urban: 2%
  - Rural: 4%
  - Above the poverty line: 1%
  - Below the poverty line: 4%

Source: InterMedia Tanzania Fill Tracker surveys; Wave 3 (N=3,001, 15+), September-October 2015.
Use of financial services accounts, especially mobile money, hinges on access to mobile phones

Mobile phone ownership and availability coincides with higher percentages of mobile money use.

Source: InterMedia Tanzania FII Tracker surveys; Wave 3 (N=3,001, 15+), September-October 2015.
Financial inclusion is significantly higher among those who have basic mobile phone competency (can send or receive text messages)

2015: Mobile phone competent
(Shown: Percentage of Tanzanian adults, N=3,001)
- 78% Mobile competent
- 22% Mobile challenged

2015: Full-service account ownership (financial inclusion)
(Shown: Percentage of mobile competent, n=2,377)
- Bank: 10%
- Mobile money: 70%
- NBFI: 1%
- 72% included

2015: Full-service account ownership (financial inclusion)
(Shown: Percentage of mobile challenged, n=624)
- Bank: 1%
- Mobile money: 29%
- NBFI: 0.1%
- 30% included

Source: InterMedia Tanzania FII Tracker survey; Wave 3 (N=3,001, 15+), September-October 2015.
The older individuals are the less likely they are to use mobile phones for advanced functions, such as using the internet or sending picture messages.

2015: Advanced phone use by demographic
(Shown: Percentage of subgroups)

- **Male (n=1,419)**: 49%
- **Female (n=1,522)**: 42%
- **Urban (n=854)**: 64%
- **Rural (n=2,147)**: 38%
- **Above poverty (n=517)**: 67%
- **Below poverty (n=2,484)**: 41%

**15-24 year olds (n=714)**: 48%
**25-34 year olds (n=873)**: 48%
**35-44 year olds (n=653)**: 48%
**45-54 year olds (n=393)**: 38%
**55+ (n=324)**: 39%

Source: InterMedia Tanzania FII Tracker survey; Wave 3 (N=3,001, 15+), September-October 2015.
Financial transactions are the most commonly used advanced phone function, followed by internet use, music/app downloads and social media use.

### Advanced phone use
(Shown: Percentage of mobile phone users, n=2,890)

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Made a financial transaction</td>
<td>40%</td>
</tr>
<tr>
<td>Used/ browsed the internet</td>
<td>15%</td>
</tr>
<tr>
<td>Download music or video games</td>
<td>15%</td>
</tr>
<tr>
<td>Downloaded any other mobile application</td>
<td>15%</td>
</tr>
<tr>
<td>Used social media (e.g., WhatsApp, Facebook, etc.)</td>
<td>14%</td>
</tr>
<tr>
<td>Sent/received MMS</td>
<td>14%</td>
</tr>
<tr>
<td>Took a color picture</td>
<td>13%</td>
</tr>
<tr>
<td>Touchscreen</td>
<td>12%</td>
</tr>
<tr>
<td>Used &quot;Call Tunes&quot; or other on-demand audio/video service</td>
<td>11%</td>
</tr>
<tr>
<td>Navigation/maps</td>
<td>7%</td>
</tr>
</tbody>
</table>

Source: InterMedia Tanzania FII Tracker survey; Wave 3 (N=3,001, 15+), September-October 2015.
FINANCIAL SERVICES USE
More Tanzanian adults now have registered financial accounts; registered usage grew nearly 20 percent since 2013 due to mobile money registration.

Registered financial service users
(Shown: Percentage of Tanzanian adults for each year)

- Any financial service: 47% in 2013, 50% in 2014, 62% in 2015
- Mobile money: 10% in 2013, 19% in 2014, 38% in 2015, 44% in 2016
- Bank: 3% in 2013, 1% in 2014, 8% in 2015
- Nonbank financial institution: NA in 2013, NA in 2014, 3% in 2015

Types of accounts are not mutually exclusive.

Source: InterMedia Tanzania FII Tracker surveys Wave 1 (N=2,997, 15+), November 2013-March 2014; Wave 2 (N=3,000, 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
More than half of Tanzanian adults now have active registered financial accounts, driven by growth in mobile money accounts.

Active financial account holders
(Shown: Percentage of Tanzanian adults)

<table>
<thead>
<tr>
<th>Type</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any financial service</td>
<td>40%</td>
<td>45%</td>
<td>54%</td>
</tr>
<tr>
<td>Mobile money</td>
<td>38%</td>
<td>34%</td>
<td>53%</td>
</tr>
<tr>
<td>Bank</td>
<td>8%</td>
<td>16%</td>
<td>5%</td>
</tr>
<tr>
<td>Nonbank financial institution</td>
<td>2%</td>
<td>0.9%</td>
<td>NA</td>
</tr>
</tbody>
</table>

Active financial account holders
(Shown: Percentage of registered users for each type of account, by year)

<table>
<thead>
<tr>
<th>Type</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any financial service</td>
<td></td>
<td></td>
<td>86%</td>
</tr>
<tr>
<td>Mobile money</td>
<td></td>
<td></td>
<td>86%</td>
</tr>
<tr>
<td>Banks</td>
<td></td>
<td></td>
<td>74%</td>
</tr>
<tr>
<td>Nonbank financial institution</td>
<td></td>
<td></td>
<td>86%</td>
</tr>
</tbody>
</table>

Types of accounts are not mutually exclusive.

Source: InterMedia Tanzania FII Tracker surveys Wave 1 (N=2,997, 15+), November 2013-March 2014; Wave 2 (N=3,000, 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
More active account holders are using advanced functions vs. 2013, 2014

**Bank uses, by type**
(Shown: Percentage of active bank account holders)

- Basic activities only (CICO and account management)
- Basic activities and P2P only
- At least one advanced activity

2013 (N=271) 2014 (N=483) 2015 (N=135)
- 2013: 14%, 3%
- 2014: 25%, 17%
- 2015: 28%

**Mobile money uses, by type**
(Shown: Percentage of active mobile money account holders)

- Basic activities only (CICO and account management)
- Basic activities and P2P only
- At least one advanced activity

2013 (N=1,095) 2014 (N=996) 2015 (N=1,593)
- 2013: 41%, 41%
- 2014: 42%, 40%
- 2015: 29%, 25%

Due to the changes in the questionnaire some data points may not be directly comparable across years.

Source: InterMedia Tanzania FII Tracker surveys Wave 1 (N=2,997, 15+), November 2013-March 2014; Wave 2 (N=3,000, 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
There are disparities in active account use by poverty level, urbanicity and gender; poverty level and urbanicity divides are greater than the gender gap.

2015: Active account usage by demographic
(Shown: Percentage of each subgroup)

Types of accounts are not mutually exclusive.

Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.
Nearly two-thirds of adults know a mobile money agent within 1 km of where they live; banks, SACCOs, MFIs and ATMs are farther away

**2015: Proximity to points-of-service (POS) for financial institutions**
(Shown: Percentage of Tanzanian adults N=3,001)

- **63%** know of any mobile money agent within 1 km of their home
- **11%** know of any banking POS within 1 km of their home

**Source:** InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.
MOBILE MONEY SERVICES
(2013-2015)
Key measures: Mobile money provider awareness as well as usage showed an increase vs. 2014; advanced usage grew incrementally since 2013

2013 to 2015: Progression from awareness of at least one mobile money (MM) provider to use
(Shown: Percentage of Tanzanian adults for each year)

<table>
<thead>
<tr>
<th>Year</th>
<th>Aware of MM Provider</th>
<th>Use Mobile Money</th>
<th>Mobile Money Account Holder</th>
<th>Active Mobile Money Use</th>
<th>Advanced Mobile Money Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>95%</td>
<td>63%</td>
<td>61%</td>
<td>56%</td>
<td>19%</td>
</tr>
<tr>
<td>2014</td>
<td>87%</td>
<td>44%</td>
<td>38%</td>
<td>39%</td>
<td>11%</td>
</tr>
<tr>
<td>2013</td>
<td>95%</td>
<td>48%</td>
<td>44%</td>
<td>40%</td>
<td>6%</td>
</tr>
</tbody>
</table>

Source: InterMedia Tanzania FII Tracker surveys Wave 1 (N=2,997, 15+), November 2013-March 2014; Wave 2 (N=3,000, 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
Registered mobile money user profile

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>50%</td>
<td>42%</td>
<td>66%</td>
</tr>
<tr>
<td>Female</td>
<td>39%</td>
<td>34%</td>
<td>57%</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Younger (15-34)</td>
<td>46%</td>
<td>36%</td>
<td>61%</td>
</tr>
<tr>
<td>Older (35+)</td>
<td>42%</td>
<td>40%</td>
<td>61%</td>
</tr>
<tr>
<td>Income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Above poverty line</td>
<td>65%</td>
<td>58%</td>
<td>79%</td>
</tr>
<tr>
<td>Below poverty line</td>
<td>41%</td>
<td>35%</td>
<td>58%</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary or lower</td>
<td>38%</td>
<td>34%</td>
<td>56%</td>
</tr>
<tr>
<td>Secondary or higher</td>
<td>64%</td>
<td>47%</td>
<td>78%</td>
</tr>
<tr>
<td>Urbanicity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rural</td>
<td>37%</td>
<td>32%</td>
<td>54%</td>
</tr>
<tr>
<td>Urban</td>
<td>63%</td>
<td>48%</td>
<td>79%</td>
</tr>
<tr>
<td>Have other formal accounts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full-service bank account</td>
<td>78%</td>
<td>37%</td>
<td>81%</td>
</tr>
<tr>
<td>NBFI account</td>
<td>N/A</td>
<td>64%</td>
<td>80%</td>
</tr>
</tbody>
</table>

Source: InterMedia Tanzania FII Tracker surveys Wave 1 (N=2,997, 15+), November 2013-March 2014; Wave 2 (N=3,000, 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
## Mobile money nonuser profile

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>46%</td>
<td>52%</td>
<td>34%</td>
</tr>
<tr>
<td>Female</td>
<td>58%</td>
<td>59%</td>
<td>41%</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Younger (15-34)</td>
<td>51%</td>
<td>57%</td>
<td>36%</td>
</tr>
<tr>
<td>Older (35+)</td>
<td>54%</td>
<td>55%</td>
<td>39%</td>
</tr>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Above poverty line</td>
<td>29%</td>
<td>32%</td>
<td>19%</td>
</tr>
<tr>
<td>Below poverty line</td>
<td>56%</td>
<td>60%</td>
<td>41%</td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary or lower</td>
<td>59%</td>
<td>59%</td>
<td>44%</td>
</tr>
<tr>
<td>Secondary or higher</td>
<td>32%</td>
<td>48%</td>
<td>18%</td>
</tr>
<tr>
<td><strong>Urbanicity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rural</td>
<td>61%</td>
<td>62%</td>
<td>17%</td>
</tr>
<tr>
<td>Urban</td>
<td>31%</td>
<td>45%</td>
<td>46%</td>
</tr>
<tr>
<td><strong>Have other formal accounts</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full-service bank account</td>
<td>15%</td>
<td>39%</td>
<td>9%</td>
</tr>
<tr>
<td>NBFI account</td>
<td>N/A</td>
<td>34%</td>
<td>22%</td>
</tr>
</tbody>
</table>

Source: InterMedia Tanzania FII Tracker surveys Wave 1 (N=2,997, 15+), November 2013-March 2014; Wave 2 (N=3,000 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
Vodacom maintains its dominant position in the Tanzanian market even though TIGO and Airtel launched promotions to acquire new customers.

Registered mobile money usage by wave
(Shown: Percentage of active mobile money use)

- Tigo Pesa launched “Chagua Tigo Pesa” and “Tigo Pesa Nani Zaidi” television commercials promoting uptake of its service.
- Airtel Money’s campaign largely promoted its no-fee service for sending money.

Source: InterMedia Tanzania FII Tracker surveys Wave 1 (N=2,997, 15+), November 2013-March 2014; Wave 2 (N=3,000, 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
More now have the necessary ID for opening a financial account; lack of equipment and skills remains a challenge

2015: Key indicators of preparedness for digital financial services
(Shown: Percentage of Tanzanian adults, N=3,001)

<table>
<thead>
<tr>
<th>2014</th>
<th>Ever send/receive text messages</th>
<th>Own a mobile phone</th>
<th>Own a SIM card</th>
<th>Have basic numeracy</th>
<th>Have the necessary ID*</th>
<th>Have access to a mobile phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>61%</td>
<td>72%</td>
<td>64%</td>
<td>93%</td>
<td>61%</td>
<td>89%</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>NA</td>
<td>67%</td>
<td>70%</td>
<td>79%</td>
<td>66%</td>
<td>87%</td>
</tr>
</tbody>
</table>

*Identification documents (ID) necessary for registering a mobile money or a bank account include one of the following: a National ID, passport, voter’s card, driver’s license, company or government ID, or village/LC ID.

Source: InterMedia Tanzania FII Tracker surveys Wave 1 (N=2,997, 15+), November 2013-March 2014; Wave 2 (N=3,000, 15+), August-October, 2014; Wave 3 (N=3,001, 15+), September-October 2015.
Most Tanzanians know of a mobile money provider; awareness is more likely to lead to usage and accounts vs. 2014

Conversion from awareness of mobile money providers* to mobile money use
(Shown: Percentage of Tanzanian adults for each year)

- **2013 (N=2,997)**
  - 95% aware
  - 48% use mobile money
  - MM registered users, 44%
  - MM OTC use, 4%
  - 0.51 conversion rate

- **2014 (N=3,000)**
  - 87% aware
  - 44% use mobile money
  - MM registered users, 38%
  - MM OTC use, 5%
  - 0.51 conversion rate

- **2015 (N=3,001)**
  - 95% aware
  - 63% use mobile money**
  - MM registered users, 61%
  - MM OTC use, 5%
  - 0.66 conversion rate

*Awareness of at least one mobile money provider.

** Reflects overlap between registered use and OTC. Three percent of adults have a registered account but use OTC.

Source: InterMedia Tanzania FII Tracker surveys Wave 1 (N=2,997, 15+), November 2013-March 2014; Wave 2 (N=3,000, 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
Growth in mobile money account ownership and use includes rural, lower income groups and women

Demographic trends for all registered mobile money account use
(Shown: Percentage of Tanzanian adults who fall into each category*)

Demographic trends for active registered mobile money account use
(Shown: Percentage of Tanzanian adults who fall into each category*)

*Categories are not mutually exclusive.

Source: InterMedia Tanzania FII Tracker surveys Wave 1 (N=2,997, 15+), November 2013-March 2014; Wave 2 (N=3,000 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
Most registered users have a secondary education or higher and own a mobile phone

**Demographic trends for all registered mobile money account use: 2015**
(Shown: Percentage of Tanzanian adults who fall into each category*)

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Younger (aged 15-34)</td>
<td>61%</td>
</tr>
<tr>
<td>Older (35+)</td>
<td>61%</td>
</tr>
<tr>
<td>Primary education or lower</td>
<td>56%</td>
</tr>
<tr>
<td>Secondary education or higher</td>
<td>78%</td>
</tr>
<tr>
<td>With children</td>
<td>59%</td>
</tr>
<tr>
<td>No children</td>
<td>67%</td>
</tr>
<tr>
<td>Employed</td>
<td>61%</td>
</tr>
<tr>
<td>Not employed</td>
<td>63%</td>
</tr>
<tr>
<td>Own mobile phone</td>
<td>76%</td>
</tr>
</tbody>
</table>

**Demographic trends for active registered mobile money account use: 2015**
(Shown: Percentage of Tanzanian adults who fall into each category*)

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Younger (aged 15-34)</td>
<td>54%</td>
</tr>
<tr>
<td>Older (35+)</td>
<td>52%</td>
</tr>
<tr>
<td>Primary education or lower</td>
<td>47%</td>
</tr>
<tr>
<td>Secondary education or higher</td>
<td>73%</td>
</tr>
<tr>
<td>With children</td>
<td>51%</td>
</tr>
<tr>
<td>No children</td>
<td>61%</td>
</tr>
<tr>
<td>Employed</td>
<td>53%</td>
</tr>
<tr>
<td>Not employed</td>
<td>55%</td>
</tr>
<tr>
<td>Own mobile phone</td>
<td>67%</td>
</tr>
</tbody>
</table>

*Categories are not mutually exclusive.

Source: InterMedia Tanzania FII Tracker surveys Wave 3 (N=3,001, 15+), September-October 2015.
Advanced mobile money usage is mostly among urban residents who live above the poverty line

Demographic trends for advanced mobile money users
(Shown: Percentage of Tanzanian adults who fall into each category*)

*Categories are not mutually exclusive.

Source: InterMedia Tanzania FII Tracker surveys Wave 1 (N=2,997, 15+), November 2013-March 2014; Wave 2 (N=3,000, 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
One-third of active registered users have used advanced mobile money functions, mostly for paying bills and savings

<table>
<thead>
<tr>
<th>Function</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bill pay</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>Saving/setting aside money</td>
<td>14%</td>
<td>10%</td>
</tr>
<tr>
<td>Make mobile money transfers</td>
<td>8%</td>
<td>0.9%</td>
</tr>
<tr>
<td>Receive wages</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>Receive G2P payments</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Pay for small purchases at a store</td>
<td>1.4%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Loan activity</td>
<td>1.1%</td>
<td>1%</td>
</tr>
<tr>
<td>Insurance activity</td>
<td>0.9%</td>
<td>0.8%</td>
</tr>
<tr>
<td>Pay for large acquisitions</td>
<td>0.8%</td>
<td>0.6%</td>
</tr>
</tbody>
</table>

Due to the changes in the questionnaire some data points may not be directly comparable across years.

Question allowed for multiple responses. *If airtime top-ups are included in advanced functions, the percentage jumps to 72%.

Source: InterMedia Tanzania FII Tracker surveys Wave 2 (N=3,000, 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
Most mobile money users are drawn to the service as a remittance channel; CICO and P2P transfers drive continued use

**2015: Top reasons active account holders start to use mobile money**
(Shown: Percentage of active mobile money account holders, n=1,593)

- Receive money from another person: 44%
- Send money to another person: 20%
- Someone recommended it: 5%
- Wanted safe place to store money: 5%

**2015: Top uses of mobile money services among active account holders**
(Shown: Percentage of active mobile money account holders, n=1,593)

- Withdraw money: 95%
- Deposit money: 79%
- Receive money from another person: 71%
- Buy airtime top-ups: 68%
- Send money to another person: 59%

*Question allowed for multiple responses.*

*Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.*
Activities among advanced mobile money account users

2015 top advanced mobile-money account uses*  
(Shown: Percentage of advanced mobile-money account users, n=503)  

<table>
<thead>
<tr>
<th>Activity</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Save money</td>
<td>45%</td>
<td>33%</td>
<td>31%</td>
</tr>
<tr>
<td>Pay electricity/water/TV bill</td>
<td>45%</td>
<td>51%</td>
<td>51%</td>
</tr>
<tr>
<td>Transfer to mobile money account</td>
<td>17%</td>
<td></td>
<td>0.8%</td>
</tr>
<tr>
<td>Pay school fee</td>
<td>14%</td>
<td>21%</td>
<td>12%</td>
</tr>
<tr>
<td>Pay government tax/fine/bill</td>
<td>10%</td>
<td>12%</td>
<td>2%</td>
</tr>
<tr>
<td>Receive wages</td>
<td>10%</td>
<td>11%</td>
<td>11%</td>
</tr>
<tr>
<td>Transfers to/from bank account</td>
<td>6%</td>
<td>2%</td>
<td>N/A</td>
</tr>
<tr>
<td>Transfers to other financial institutions</td>
<td>6%</td>
<td>0.2%</td>
<td>N/A</td>
</tr>
<tr>
<td>Receive government welfare</td>
<td>6%</td>
<td>7%</td>
<td>3%</td>
</tr>
</tbody>
</table>

*Categories are not mutually exclusive. Due to the changes in the questionnaire, some data points from 2013 may not be directly comparable.

Source: InterMedia Tanzania FII Tracker surveys Wave 1 (N=2,997, 15+), November 2013-March 2014; Wave 2 (N=3,000, 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
Mobile money agents still play a big role in assisting users with making financial transactions

**Agent-assisted transactions: 2014-2015**
(Shown: Percentage of registered mobile money users)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>MM 29: Somebody does them on my behalf</td>
<td>25%</td>
<td>25%</td>
</tr>
<tr>
<td>MM 30: Mobile money agent</td>
<td>68%</td>
<td>73%</td>
</tr>
</tbody>
</table>

MM29. Do you usually make transactions with your mobile money account yourself or does somebody else do them on your behalf?

MM30. Who is the person who makes transactions on your behalf most frequently?

*Source: InterMedia Tanzania FII Tracker surveys; Wave 2 (N=3,000, 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.*
Lack of access to a point of service and required documents are the main hindrances to signing up for a mobile money account

2015: Main reason for not signing up for a mobile money account
(Shown: Percentage of adults who access mobile money but are not registered, n=158)

- There is no point-of-service/agent close to where I live: 10%
- I do not have a state ID or other required documents: 8%
- I never have money to make a transaction with such account: 5%
- Fees for using such account are too high: 5%
- I do not need to, I do not make any transactions: 4%
- Someone in my family already has an account: 3%
- Using such account is difficult: 2%

MM13. What is the main reason you have not signed up for a mobile money account even though you are using the services?

Question allowed for a single response.

Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.
### Receiving money is the main reason for starting to use mobile money

**2015: Main reason for starting to use mobile money**  
(Shown: Percentage of adults who access mobile money, n=187)

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>I had to receive money from another person</td>
<td>47%</td>
</tr>
<tr>
<td>I had to send money to another person</td>
<td>19%</td>
</tr>
<tr>
<td>A person I know, who uses mobile money, recommended I use mobile money</td>
<td>5%</td>
</tr>
<tr>
<td>mobile money because it is better than other financial instruments</td>
<td></td>
</tr>
<tr>
<td>I wanted a safe place to store my money</td>
<td>4%</td>
</tr>
<tr>
<td>I wanted to start saving money with a mobile money account</td>
<td>4%</td>
</tr>
<tr>
<td>I saw posters/billboards/radio/TV advertising that convinced me</td>
<td>4%</td>
</tr>
<tr>
<td>Somebody/a person requested I open an account</td>
<td>3%</td>
</tr>
<tr>
<td>I saw other people using it and wanted to try it myself</td>
<td>2%</td>
</tr>
</tbody>
</table>

Question allowed for a single response.  
*Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.*
Lipia kwa M-PESA, Malipo kwa Tigo Pesa and M-Pawa show comparably high awareness scores, usage is however a fraction of awareness

2015: Mobile money brand awareness and usage

MMP1: Have you ever heard about this product? (Asked of all respondents)
MMP2 : Have you ever used this mobile-banking product? (Asked of only those who are aware of the mobile money product)

Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.
BANK SERVICES
(2013-2015)
Bank account access, ownership and active use retreats after a 2014 surge

Bank account access and use: 2013-2015*
(Shown: Percentage of Tanzanian adults who fall into each category; 2013 (W1) N=2,997; 2014 (W2) N=3,000; 2015 (W3) N=3,001)

*Categories are not mutually exclusive.

Source: InterMedia Tanzania FII Tracker surveys Wave 1 (N=2,997, 15+), November 2013-March 2014; Wave 2 (N=3,000, 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
Bank account access, ownership fell most sharply for rural, lower income groups who conversely showed a rise in mobile money use.

Demographic trends for access to bank accounts
(Shown: Percentage of Tanzanian adults who fall into each category*)

Demographic trends for bank account holders
(Shown: Percentage of Tanzanian adults who fall into each category*)

*CATEGORIES ARE NOT MUTUALLY EXCLUSIVE.

Source: InterMedia Tanzania FII Tracker surveys Wave 1 (N=2,997, 15+), November 2013-March 2014; Wave 2 (N=3,000 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
The retrenchment in bank account access and usage includes digital accounts.

**Digital bank account access and usage**
(Shown: Percentage of Tanzanian adults)

- Access to a bank, any accounts: 2014 (8%) 2015 (8%)
- Access to a bank, digital accounts: 2014 (8%) 2015 (8%)
- Bank account holders, any accounts: 2014 (19%) 2015 (19%)
- Bank account holders, digital accounts: 2014 (7%) 2015 (7%)
- Active bank account holders, any accounts: 2014 (16%) 2015 (16%)
- Active bank account holders, digital accounts: 2014 (6%) 2015 (6%)

**Digital access among active bank account holders**
(Shown: Percentage of active bank account holders)

- Digital bank account: 2014 (36%) 2015 (34%)
- Offers debit/ATM or credit card: 2014 (34%) 2015 (36%)
- Can transfer money digitally: 2014 (20%) 2015 (25%)
- Can be accessed via internet and/or mobile: 2014 (25%) 2015 (26%)

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

*Source: InterMedia Tanzania FII Tracker surveys Wave 2 (N=3,000 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.*
Bank users are more financially active than those who do not use banks

Financial activities engagement for bank users and nonusers
(Shown: Percentage of each category)

Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.
Nine in 10 bank users have either a mobile money or NBFI account

Mobile money and NBFI account ownership
(Shown: Percentage of each category)

90% of bank users have either

Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.
Those who do not have a bank account still engage in financial activities; nearly two-thirds have an alternative financial account.

2015 (N=3,001)

92% don’t have a full-service bank account

Tanzanians without a full-service bank account
(Shown: Percentage of those without a full-service bank account, n=2,781)

- Borrow 33%
- Save 45%
- Have insurance 14%
- Have investments 33%
- Have a mobile money account 59%
- Have an NBFI account 0.7%

61% of all adults have either

Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.
Of those who don’t have a bank account, a majority budget their money and adhere to their budgets.

Responsible financial behavior of Tanzanians who do not have a full-service bank account
(Shown: Tanzanians without a full-service bank account, n=2,781)

- 92% don’t have a full-service bank account
- 82% budget income
- 95% stay on budget
- 5% do not stay on budget

Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.
Perceived lack of money is the key barrier to opening a bank account, mostly reported among rural groups and the poor.

Top three reasons for not having a bank account

(Shown: Percentage of Tanzanian adults)

- I don't have money: 54% (2015) vs 31% (2014)
- I don't have money to make any transactions with such account: 7% (2015) vs 6% (2014)
- There are no banks close to where I live: 7% (2015) vs 3% (2014)

2015: Those who say they don’t have enough money to open a bank account

(Shown: Percentage of each category)

- Rural: 57%
- Urban: 47%
- Gainfully Employed: 54%
  - Rural females: 62%
  - Rural males: 54%
  - Unemployed: 54%
  - Urban females: 53%
  - Urban males: 39%
  - Have ID: 54%
  - Below poverty line: 56%
  - Above poverty line: 44%
  - Don't have ID: 62%

A rise in those not able to access banks because there aren’t any available near their homes.

Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.
More active bank account holders now use advanced services; savings, bill pay and payroll dominate advanced use

**Top advanced bank account uses**
(Shown: Percentage of active bank account holders, n=135)

<table>
<thead>
<tr>
<th>Service</th>
<th>2014 (n=483)</th>
<th>2015 (n=3,001)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Save/set aside money</td>
<td>43%</td>
<td>3%</td>
</tr>
<tr>
<td>Bill pay</td>
<td>32%</td>
<td>14%</td>
</tr>
<tr>
<td>Receive wages</td>
<td>21%</td>
<td>5%</td>
</tr>
<tr>
<td>Loan activity</td>
<td>17%</td>
<td>2%</td>
</tr>
<tr>
<td>Make bank2bank transfers</td>
<td>16%</td>
<td>0.8%</td>
</tr>
<tr>
<td>Receive G2P</td>
<td>8%</td>
<td>4%</td>
</tr>
</tbody>
</table>

65% of active registered bank users have used at least one advanced banking function

(vs. 25% in 2014 and 45% in 2013)

Due to the changes in the questionnaire some data points may not be directly comparable across years.

Question allowed for multiple responses.

*Source: InterMedia Tanzania FII Tracker surveys Wave 2 (N=3,000, 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.*
TANZANIA

Advanced bank usage is mostly among the urban population living above the poverty line

Demographic trends for advanced bank users
(Shown: Percentage of Tanzanian adults who fall into each category*)

*Categories are not mutually exclusive.

Source: InterMedia Tanzania FII Tracker surveys Wave 1 (N=2,997, 15+), November 2013-March 2014; Wave 2 (N=3,000, 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
Advanced bank users mostly save/set aside money

2015: Top advanced bank account uses*
(Shown: Percentage of advanced bank account users, n=106)

<table>
<thead>
<tr>
<th>Activity</th>
<th>2014  (n=148)</th>
<th>2013  (n=122)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Save/set aside money</td>
<td>12%</td>
<td>10%</td>
</tr>
<tr>
<td>Pay a school fee</td>
<td>36%</td>
<td>31%</td>
</tr>
<tr>
<td>Receive wages</td>
<td>17%</td>
<td>35%</td>
</tr>
<tr>
<td>Buy airtime</td>
<td>29%</td>
<td>34%</td>
</tr>
<tr>
<td>Loan activity</td>
<td>6%</td>
<td>11%</td>
</tr>
<tr>
<td>Make bank2bank transfers</td>
<td>4%</td>
<td>N/A</td>
</tr>
<tr>
<td>Pay electricity bill</td>
<td>12%</td>
<td>N/A</td>
</tr>
<tr>
<td>Insurance activity</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>G2P</td>
<td>8%</td>
<td>12%</td>
</tr>
</tbody>
</table>

*Categories are not mutually exclusive. Due to the changes in the questionnaire, some data points from 2013 may not be directly comparable.

Source: InterMedia Tanzania FII Tracker surveys Wave 1 (N=2,997, 15+), November 2013-March 2014; Wave 2 (N=3,000, 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
NONBANK FINANCIAL SERVICES (2014-2015)
Most nonbank financial institutions (NBFIs) offer their customers at least one other service aside from credit

<table>
<thead>
<tr>
<th>All NBFIs</th>
<th>Full-service NBFIs</th>
<th>Credit-only NBFIs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access</td>
<td>7.9%</td>
<td>5%</td>
</tr>
<tr>
<td>Registered use</td>
<td>8.4%</td>
<td>3%</td>
</tr>
<tr>
<td>Active registered use</td>
<td>7%</td>
<td>2%</td>
</tr>
</tbody>
</table>

2014 (N=3,000)  2015 (N=3,001)

*Source: InterMedia Tanzania FII Tracker surveys Wave 2 (N=3,000 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.*
Nonbank financial institutions’ contribution to financial access is negligible

2015: NBFI usage
(Shown: Percentage of Tanzanian adults, N=3,001)

2015: NBFI use
(Percentage of NBFI account holders among the total population, N=3,001)

<table>
<thead>
<tr>
<th>Institution</th>
<th>Ever Used</th>
<th>Active use</th>
</tr>
</thead>
<tbody>
<tr>
<td>SACCO</td>
<td>2%</td>
<td>61%</td>
</tr>
<tr>
<td>MFI</td>
<td>2%</td>
<td>85%</td>
</tr>
<tr>
<td>Cooperative</td>
<td>1%</td>
<td>70%</td>
</tr>
<tr>
<td>Post Office Bank</td>
<td>0.3%</td>
<td>73%</td>
</tr>
</tbody>
</table>

Question allowed for multiple responses.

Source: InterMedia Tanzania FII Tracker survey Wave 3 (N=3,001, 15+), September-October 2015.
NBFIs continue to serve loan products in Tanzania; saving money in SACCOs and MFIs shows a decline vs. 2014

*Subgroups of registered cooperative and Post Office Bank users are too small for further analysis.

Source: InterMedia Tanzania FII Tracker surveys; Wave 2 (N=3,000, 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
SPECIAL TOPIC: CROSS-COUNTRY INDICATORS
More than half of adults have digital stored-value accounts; many now use them as an access channel for other financial services

<table>
<thead>
<tr>
<th>Main FSP Indicator</th>
<th>2014</th>
<th>2015</th>
<th>Base Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adults (15+) who have active digital stored-value accounts</td>
<td>35%</td>
<td>54%</td>
<td>All adults</td>
</tr>
<tr>
<td></td>
<td>3,000</td>
<td>3,001</td>
<td></td>
</tr>
<tr>
<td>Poor adults (15+) who have active digital stored-value accounts</td>
<td>32%</td>
<td>49%</td>
<td>All poor</td>
</tr>
<tr>
<td></td>
<td>2,633</td>
<td>2,484</td>
<td></td>
</tr>
<tr>
<td>Rural women (15+) who have active digital stored-value accounts</td>
<td>25%</td>
<td>38%</td>
<td>All rural females</td>
</tr>
<tr>
<td></td>
<td>1,049</td>
<td>995</td>
<td></td>
</tr>
<tr>
<td>Adults (15+) who have active digital stored-value accounts and use them to access</td>
<td>6%</td>
<td>13%</td>
<td>All adults</td>
</tr>
<tr>
<td>other financial services (beyond basic wallet, P2P and bill pay)</td>
<td>3,000</td>
<td>3,001</td>
<td></td>
</tr>
<tr>
<td>Poor adults (15+) who have active digital stored-value accounts and use them to</td>
<td>5%</td>
<td>10%</td>
<td>All poor</td>
</tr>
<tr>
<td>access other financial services (beyond basic wallet, P2P and bill pay)</td>
<td>2,633</td>
<td>2,484</td>
<td></td>
</tr>
<tr>
<td>Rural women (15+) who have active digital stored-value accounts and use them to</td>
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<td>5%</td>
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</tr>
<tr>
<td>access other financial services (beyond basic wallet, P2P and bill pay)</td>
<td>1,049</td>
<td>995</td>
<td></td>
</tr>
</tbody>
</table>

Digital stored-value accounts: accounts in which a monetary value is represented in a digital electronic format and can be retrieved/transfered by the account owner remotely. For this particular study, DSVAs include a bank account or NBFI account with digital access (a card, online access or a mobile phone application) and a mobile money account.

Source: InterMedia Tanzania FII Tracker surveys Wave 2 (N=3,000, 15+), August-October 2014; Wave 3 (N=3,001, 15+), September-October 2015.
METHODOLOGY AND RESEARCH DESCRIPTION
Survey Summary

- Annual, nationally representative survey (N=3,001) of Tanzanian adults aged 15+
- Face-to-face interviews lasting, on average, 73 minutes
- Third survey (wave 3) conducted from Sept. 1 to Oct. 24, 2015
- Tracks trends and market developments in DFS based on the information gathered in the first survey, conducted in 2013, and second survey conducted in 2014

Data Collection

- Basic demographics and 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, cooperatives, self-help groups)
- Financial literacy and preparedness
- General financial behaviors
Target population, sample size and sampling frame
The sample size for this study was 3,001 Tanzanian adults (15+), which allowed for cost-effective representation of the population at the country level as well as by key subgroups, including by sex, age and urban/rural residence. The survey sample distribution was based on the 2012 census.

Sample design and allocation
InterMedia used a multistage, stratified, clustered and randomized sampling methodology that included proportional distribution of the sample (3,000 interviews) across Tanzania’s 30 regions, stratified by urban and rural populations.

Selection of Enumeration Areas/Primary Sampling Units (PSUs)
Enumeration areas (EAs)/Villages – the smallest administrative units as defined by the 2012 Tanzanian Population and Housing Census – were the primary sampling units (PSUs) for the study. Within each region, all districts, and then all wards within each district, were listed and stratified first into urban and rural. Within each strata, wards were then sampled using a probability proportionate to population size approach (PPPS). Individual urban and rural EAs/villages were then listed and selected also using a probability proportionate to population size approach (PPPS).

Sampling Start-Points, Households and Respondents
• One start-point within each EA was chosen by randomly selecting from a list of local landmarks identified by village elders.
• Households (see Glossary) were selected using a random route walk, standardized skip pattern and process for substitution.
• One respondent per household was selected using the Kish grid method and relevant consent for eligible respondents under 18 years of age was obtained.
• **Access** – Access to a bank, NBFI or mobile money account; those with access have used the services either via their own account or via the account of another person.
• **Active account holder** – An individual who has a registered financial services account and has used it in the last 90 days.
• **Advanced use** – The use of an account for services other than basic or P2P services. (For the purposes of this study, in the case of mobile money, airtime top-ups are not considered an advanced use.)
• **Basic use** – The use of an account to cash-in (deposit) or cash-out (withdraw), or conduct account maintenance.
• **DFS access** – Access to a DFS account through one’s own account or 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.
• **Cooperative** – Typically, a business or other professional organization that is owned and run jointly by its members, who share the profits or benefits. Cooperatives can release some of the profits/funds as loans to its members.
• **Digital financial services (DFS)** – Financial services that are provided through an electronic platform (mobile phones, electronic cards, the internet, etc.).
• **Financial inclusion** – For the purposes of this report, financial inclusion is defined as having an account with an institution that provides a full suite of financial services and comes under some form of government regulation. Services include: savings, money transfers, insurance or investment.
• **Full-service financial institution** – Financial institutions that offer its customers at least one of the following services: savings, money transfers, insurance or investment.
• **Informal financial institutions** – Financial institutions or services that do not offer accounts or a full suite of services. These vary from highly informal services such as money guards (individuals who keep money for others) to established community savings groups or collectives.
• **Microfinance institution (MFI)** – An organization that offers financial services to low-income populations. Almost all give loans to their members, and many offer insurance, deposit and other services.
• **Mobile money (MM)** – A service in which a mobile phone is used to access financial services.
GLOSSARY

- **Nonbank financial institution (NBFI)** – A financial organization that is not formally licensed as a bank or a mobile money provider, but whose activities are regulated, at least to some extent, by the central bank within the respective country. Such financial institutions include microfinance institutions (MFI), cooperatives, Post Office Savings Banks and village-level, semi-formal savings groups.
- **Post Office (Savings) Bank** – A government-run bank that operates through local post offices.
- **P2P transaction** – The use of an account to send or receive money to or from other individuals.
- **Registered account holder** – An individual who has a full-service bank, NBFI or mobile money account in their own name that offers more than just credit services.
- **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.
- **Unregistered/OTC user** – An individual who has ever used a bank, NBFI or mobile money services through someone else’s account, including a mobile money agent’s account or the account of a family member or neighbor.
- **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.
- **Village level semi-formal savings group** – a savings group, often tied to initial or ongoing support from an NGO, that requires members to regularly contribute to a group-managed fund and disburses loans based on pre-determined requirements and loan terms.
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