NIGERIA

WAVE 3 REPORT
FII TRACKER SURVEY
Conducted August-September 2015

April 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](http://www.finclusion.org).
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EXECUTIVE SUMMARY
Key Findings: Financial Inclusion

- In 2015, almost two in five Nigerian adults had a financial account, down from 2014.
  - The previous year’s market growth (2014) in access and use of financial services was temporary, and returned to 2013 levels.
  - Fluctuating bank account ownership drove changes in financial inclusion. There are now fewer registered bank account users, due to a multitude of environmental factors such as political upheaval, terrorism and banking industry layoffs.
  - Amid the decline, there was also a modest positive shift in the use of advanced banking services for those who actively use their accounts. More active users now save and transfer funds across accounts versus 2014.

- NBFIs and mobile money contribute only small amounts to financial inclusion.
  - Currently, 3 percent of adults have nonbank financial institution (NBFI) accounts, which are primarily used for savings and loans.
  - Less than 1 percent of adults ever tried mobile money services; the main reasons for accessing mobile money were to send money, to receive a remittance, and because someone recommended they use the service.
  - Mobile money usage is limited to CICO (cash-in, cash-out) activities, airtime top-ups, and P2P transfers. Less than one in five uses the service to pay bills.
  - Just 12 percent of Nigerians are aware of mobile money services; MTN Mobile Money is the most recognized provider. Those who have heard of mobile money but have never tried it either do not understand the service or do not know how to get started.

- Financial inclusion in Nigeria is defined by digital account ownership.
  - Thirty-six percent of Nigerian adults have a digital account (bank, mobile money, NBFI), equating to 97 percent of all registered accounts.

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
Key Findings: Financial Inclusion

• More than four in 10 Nigerians experience some form of economic vulnerability.
  o Most of the vulnerable are numerate; few are literate.
  o Nine in 10 are poor and close to two-thirds live in rural areas.
  o Forgoing food, fuel or medical care are the most common forms of economic vulnerability.

• Financial inclusion leads to greater financial planning, less economic vulnerability among Nigerians.
  o Over time, financial inclusion negates many of the effects of poverty.
    ▪ Financially included adults living below the poverty line are more likely to have a plan for any financial shock than their financially excluded counterparts.
    ▪ Those living above the poverty line, who are financially excluded, are economically vulnerable and are less likely to plan for an emergency.

2015: Economic vulnerability
(Shown: Percentage of Nigerian adults N=6,001)

Profile of vulnerable adults (n=2,496)

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>95%</td>
<td>Numerate</td>
</tr>
<tr>
<td>93%</td>
<td>Live on less than $2.50 a day</td>
</tr>
<tr>
<td>60%</td>
<td>Rural</td>
</tr>
<tr>
<td>48%</td>
<td>Female</td>
</tr>
<tr>
<td>28%</td>
<td>Illiterate</td>
</tr>
</tbody>
</table>

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
Key Findings: Mobile Money

• In a market where very few use or know about mobile money, there is great potential for its uptake.
  o Nigerians have the core tools for mobile money adoption: phone, national ID, text messaging skills, basic numeracy.
    • Half have a basic phone and more than one-third have a feature phone. Few have a smartphone, limiting the reach of app-based mobile money solutions.
  o Those who are aware of mobile money are attractive potential customers
    • They as a group are less economically vulnerable, and also tend to have other financial products. They also save, and are educated.
    • Most of those who are aware of mobile money also have bank accounts (77 percent).
  o Even those who are unaware of mobile money (meaning, they have never heard of the concept or providers that offer mobile money) are an attractive target audience because of their demographics and current financial activities.
    • The unaware of mobile money are largely young (15-34 years, 60 percent), educated (70 percent) and employed (60 percent), looking very similar to those who are aware of mobile money.
    • They have the financial skills and equipment required to register and use mobile money; 83 percent own phones, 95 percent are numerate, 78 percent have a valid ID, 78 percent have sent or received SMS.
    • School fees are a potential uptake channel for the unaware. Twenty percent of this group are paying school fees, and reflects a youthful, female, poor and well-educated demographic.
    • As consumers, this segment also presents a long-term value because the majority are young.

• The challenge is largely building meaningful awareness

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001), August-September 2015.
Financial inclusion in Nigeria is driven by bank services; bank usage declined in 2015 after a temporary rise in 2014.

- This latest installment of Financial Inclusion Insights in Nigeria highlights the market fluctuations detected in registered use caused by changes at the government and institutional levels.
- More consumers had registered bank accounts in 2014 largely due to economic improvements within the country.
- The growth in access and use seen in 2014 was mostly due to a temporary increase in the number of registered and unregistered bank users. A World Bank report attributed positive changes in the Nigerian banking sector, in 2014, to the overall improvement in the country’s macroeconomic trends and a visible reduction in poverty in urban areas; poverty reduction and financial inclusion in rural areas have been slow. While the longer-term effect of any positive economic trends is still to be seen, the decline in growth in 2015 might be explained by the deteriorating security situation due to the terrorist activities of Boko Haram.
- In addition, the 2015 elections ushered in a new government and, with it, political and economic impacts. New policies surrounding government employment, welfare and social programs affected financial services use. The banking sector experienced layoffs and subsequent bank branch closings, including those in rural and poorer parts of the country. As a result, fewer people now have registered bank accounts.

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


Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
• Observed declines in registered bank account holders, by demographic, are as follows:
  o Gender: Men: 49% (2014) vs. 44% (2015); Women 35% (2014) vs. 29% (2015)
  o Age: 15-34 years old: 39% (2014) vs. 35% (2015); 35+: 47% (2014) vs. 39% (2015)
  o Location: Urban: 51% (2014) vs. 48% (2015), Rural: 35% (2014) vs. 28% (2015)
  o Education: Primary education or lower: 15% (2014) vs. 12% (2015), Secondary education and above: 51% (2014) vs. 46% (2015)

• The declines in registered bank account holders are isolated, and do not appear in any other measurement in the survey, suggesting there aren’t any other factors influencing the negative movement.

• In 2015, fewer consumers self-reported ever accessing a bank. This suggests that some consumers are less conscious of ever using a bank, which is a typical phenomenon after any type of market shift.

• Registered bank users who actively use their account are experimenting with more advanced services versus previous years.
  o More are now saving and transferring money across accounts than in years past.
  o Encouraging consumers to deepen their relationship with an account is critical to building retention, especially at a time when the industry is prone to attrition.

Active bank account users
(Shown: Percentage of active bank account holders, by year*)

<table>
<thead>
<tr>
<th></th>
<th>Set aside/ save money</th>
<th>Transferred money between accounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>14%</td>
<td>9%</td>
</tr>
<tr>
<td>2015</td>
<td>23%</td>
<td>15%</td>
</tr>
</tbody>
</table>

*Sample size as follows: 2014; N=2,4842  2015; N=2,237
Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
METHODOLOGY & RESEARCH DESCRIPTION
Survey Summary

- Annual, nationally representative survey (N=6,001) of Nigerian adults aged 15+
- Face-to-face interviews lasting, on average, 53 minutes
- Third survey (wave 3) conducted from 8/10/2015 to 9/30/2015
- 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., cooperatives, self-help groups like Esusu)
- Financial literacy and preparedness
- General financial behaviors
Survey demographics

<table>
<thead>
<tr>
<th>Gender</th>
<th>% of survey</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>50%</td>
</tr>
<tr>
<td>Female</td>
<td>50%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Geography</th>
<th>% of survey</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban</td>
<td>43%</td>
</tr>
<tr>
<td>Rural</td>
<td>57%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Income</th>
<th>% of survey</th>
</tr>
</thead>
<tbody>
<tr>
<td>Above the $2.50/day poverty line</td>
<td>12%</td>
</tr>
<tr>
<td>Below the $2.50/day poverty line</td>
<td>88%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age</th>
<th>% of survey</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-24</td>
<td>35%</td>
</tr>
<tr>
<td>25-34</td>
<td>26%</td>
</tr>
<tr>
<td>35-44</td>
<td>17%</td>
</tr>
<tr>
<td>45-54</td>
<td>11%</td>
</tr>
<tr>
<td>55+</td>
<td>10%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Aptitude</th>
<th>% of survey</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic literacy</td>
<td>78%</td>
</tr>
<tr>
<td>Basic numeracy</td>
<td>96%</td>
</tr>
</tbody>
</table>

Figures are weighted to reflect national census data demographics.

Source: InterMedia Nigeria FII Tracker survey (N=6,001, 15+), August-September 2015.
Sampling approach

Target population, sample size and sampling frame

This survey was nationally representative with a sample of 6,001 adults aged 15 or older, both male and female. Administratively, Nigeria consists of 36 states (plus the federal capital territory, Abuja) with each state divided into local government areas (LGA) and wards. Given the security challenges in some states in Nigeria, the survey was conducted in 34 states.

Sampling design and allocation

Survey respondents were selected through a multistage and randomized process. The total sample size of 6,001 interviews was first allocated to the 34 states proportionally to their population size.

Sampling stages

Stage one
LGAs were selected independently in each state as a Primary Sampling Unit with probability proportional to size. The sample within each state was further allocated to each LGA proportionally to its population size.

Stage two
One ward was selected in each sampled LGA, except in the LGA of Alimosho, where two wards were selected. In the absence of population data at the ward level, wards were selected with equal probability. Five landmarks spread across the entire ward were chosen as starting points. The number of interviews per starting point were obtained by dividing the total number of interviews to be conducted in the LGA by five. In the LGA of Alimosho in Lagos state, where three wards were selected, a total of 51 interviews were conducted in this LGA.

Selection of Households and Respondents

In each ward, once the starting point was selected, households were selected using the random route walk, standardized skip patterns and process for substitution.

One respondent per household was randomly selected using the Kish grid method and relevant consent for eligible respondents under 18 years of age was obtained.
FINANCIAL INCLUSION
### Understanding financial inclusion

#### What is 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.

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 Nigeria, nonbank financial institutions include MFIs, cooperatives and post office banks. 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 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 Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.*
Over one-third of Nigerians are financially included

37% Financially included

37% have a full-service bank account**

3% have a full-service NBFI account

0.6% have a mobile money account

Individuals must have accounts with institutions offering financial services beyond credit to be considered financially included. Some banks and many NBFI's only offer credit services to their customers.

2015 (N=6,001)

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

**For the purposes of this study, bank account holders have accounts at full-service institutions, unless otherwise noted.

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
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Financial inclusion fluctuated vs. 2014 mostly due to declines in bank account ownership

Financially included*
(Shown: Percentage of Nigerian adults for each year)

Financially included

Bank

NBFI

Mobile money

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

Source: InterMedia Nigeria FII Tracker surveys Wave 2 (N=6,000, 15+), June-September 2014; Wave 3 (N=6,001, 15+), August-September 2015.
Financial inclusion translates into less economic vulnerability, more financial planning – even for poor segments

**2015: Economically vulnerable**
(Shown: Percentage of Nigerian adults by financial inclusion, poverty levels)

- Financially included above poverty (n=608): 24%
- Financially excluded above poverty (n=254): 27%
- Financially included below poverty (n=1,867): 38%
- Financially excluded below poverty (n=3,272): 48%

**2015: Have a financial plan for unexpected events**
(Shown: Percentage of Nigeria adults by financial inclusion, poverty levels)

- Financially included above poverty (n=608): 29%
- Financially excluded above poverty (n=254): 24%
- Financially included below poverty (n=1,867): 37%
- Financially excluded below poverty (n=3,272): 27%

Over time, financial inclusion negates many of the effects of poverty.

The poor who have accounts are less vulnerable, and are more likely to have a plan for emergencies than those who do not have accounts.

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
More than one-third of Nigerian adults are digitally included, meaning their registered accounts offer them some form of digital access.

36% have a digital bank account**
0.9% have a digital NBFI account
0.6% have a mobile money account

*Overlap representing those who have multiple kinds of financial accounts is not shown (N=6,001).
**Digital access = those who have “used an account digitally at an institution offering a full suite of services.”
Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
Almost all bank account holders have digital access to account services

2015: Financially included
(Shown: Percentage of Nigerian adults, N=6,001)

- 37% have a full-service bank account
- 3% have a full-service NBFI account
- 0.6% have a mobile money account

2015: Digitally included
(Shown: Percentage of Nigeria adults, N=6,001)

- 36% have a full-service digital bank account
- 0.9% have a full-service digital NBFI account
- 0.6% have a mobile money account

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

*Digital access = those who have “used an account digitally at an institution offering a full suite of services.”

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
NIGERIANS' FINANCIAL LIVES
More than four in 10 adults regularly experience economic vulnerability; fewer have a plan for unexpected events

### 2015: Financial responsibility, vulnerability
(Shown: Percentage of Nigerian adults, N=6,001)

<table>
<thead>
<tr>
<th>Description</th>
<th>Financially included (n=2,475)</th>
<th>Financially excluded (n=3,526)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have a financial plan for unexpected events</td>
<td>30%</td>
<td>35%</td>
</tr>
<tr>
<td>Regularly experience economic vulnerability (i.e., can’t afford food, medical expenses)</td>
<td>42%</td>
<td>36%</td>
</tr>
<tr>
<td>Able to pay bills on time</td>
<td>43%</td>
<td>58%</td>
</tr>
</tbody>
</table>

Less economic vulnerability within the financially included group

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
Forgoing food, fuel, and medical care, and going without farm fertilizers are the most common forms of economic vulnerability.

### Profile of vulnerable adults (n=2,496)

- 95% Numerate
- 93% Live on less than $2.50 a day
- 60% Rural
- 48% Female
- 28% Illiterate

### Form of economic vulnerability

<table>
<thead>
<tr>
<th>Form of economic vulnerability</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gone without food</td>
<td>52</td>
</tr>
<tr>
<td>Gone without cooking fuel</td>
<td>41</td>
</tr>
<tr>
<td>Gone without medical help</td>
<td>40</td>
</tr>
<tr>
<td>Gone without fertilizers for farm</td>
<td>32</td>
</tr>
<tr>
<td>Miss an important family event (i.e., funeral, wedding, etc.)</td>
<td>27</td>
</tr>
<tr>
<td>Could not pay school fees</td>
<td>21</td>
</tr>
<tr>
<td>Had to close down business temporarily or completely</td>
<td>16</td>
</tr>
<tr>
<td>Gone without help from a veterinarian</td>
<td>13</td>
</tr>
</tbody>
</table>

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
Six in 10 Nigerian adults are gainfully employed, 7 percent are looking for work.

**2015: Employment**
(Shown: Percentage of Nigeria adults, N=6,001)

- 60% gainfully employed
- 29% housewife or student
- 7% unemployed, seeking jobs
- 3% retired or disabled
- 0.8% Other

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
Self-employment is common; agriculture is a primary occupation for the self-employed

2015: Employment
(Shown: Percentage of Nigerian adults, N=6,001)

60% Gainfully employed

2015: Most common primary occupation
(Shown: Percentage of gainfully employed adults, n=3,821)

- Business owner: 18%
- Farm owner: 16%
- Tailor: 8%
- Professional, (doctor, teacher): 7%
- Shop owner: 6%
- Farm worker: 5%
- Driver, including public transport (Okada, taxis, bus, etc.): 4%
- Salonist: 4%
- Carpenter/mason: 4%
- Street vendor/hawker: 3%

Profile of gainfully employed adults (n=3,821)
- 86% of the gainfully employed are poor.
- 60% of the gainfully employed are male.
- 57% of the gainfully employed are rural residents.

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
Just over six in 10 Nigerian adults save money; most use banks or keep cash at home

2015: Savings
(Shown: Percentage of Nigerian adults, N=6,001)

- 57% Bank
- 31% Cash at home
- 14% ROSCA/ Esusu, merry-go-round
- 11% Family, friends, neighbors
- 9% In-kind assets (e.g., gold)
- 6% With people in the community
- 2% Saving through buying something (e.g., livestock)
- 2% Microfinance institution
- 2% ASCA/VSLA*
- 1% Mobile money account
- 1% Digital/recharge card

2015: Location of savings
(Shown: Percentage of Nigerian adults who save, n=3,888)

- 19% know the interest rates they earn on their savings.
  Protecting their family from poverty and crime (43%) and starting/expanding their own businesses (40%) are the top two reasons people save money.

*ASCA (Accumulating Savings and Credit Association) and VSLA (Village Savings and Lending Association) are groups of individuals who agree to meet for a defined period to save and borrow together, a form of combined peer-to-peer banking and peer-to-peer lending.

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
One-quarter borrowed money in the past year, mostly from family, friends and neighbors

2015: Borrowing
(Shown: Percentage of Nigerian adults, N=6,001)

25% borrowed money in the past year

2015: Source of loans
(Shown: Percentage of Nigerian adults who borrow, n=1,568)

- Loan from family/friends/neighbor: 68%
- Loan from an Esusu, merry-go-rounds: 15%
- Loan from village-level saving-lending group: 11%
- Loan from bank: 8%
- Local shop/supplier allows you to take goods on credit: 7%
- Loan from microfinance institution: 5%
- Loan from an informal money lender: 4%

36% know the interest rates on their loans.
Those who borrow are more financially aware of interest rates than those who save. (slide 26)

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
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Very few have insurance; medical insurance is more common than property, life insurance

2015: Insurance
(Shown: Percentage of Nigerian adults, N=6,001)

2015: Type of insurance
(Shown: Percentage of Nigerians adults with insurance, n=337)

- Medical: 53%
- Property/asset: 31%
- Life: 29%

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001 15+), August-September 2015.
ACCESS TO AND USE OF MOBILE PHONES
Phone access remains high; a large gap still exists between access and ownership and phone competency

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

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

**Basic mobile phone competency (has sent/received SMS)**
(Shown: Percentage of Nigerian adults, by year)

Source: InterMedia Nigeria FII Tracker surveys Wave 2 (N=6,000, 15+), June-September 2014; Wave 3 (N=6,001, 15+), August-September 2015.
Basic and feature phone ownership still outpace smartphone ownership

**2015: Phone ownership**
(Shown: Percentage of Nigerian adults, N=6,001)

- 85% Own a mobile phone
- Feature phone: 38%
- Smartphone: 26%

**2015: Type of mobile phone**
(Shown: Percentage of mobile phone owners, n=5,242)

- Basic phone: 52%

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

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
MTN Nigeria has the greatest market share among mobile phone owners

2015: SIM-card providers
(Shown: Percentage of mobile phone owners, n=5,242)

- MTN Nigeria: 74%
- Airtel Nigeria: 25%
- GLO: 20%
- Etisalat: 19%

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
Adults without access to mobile phones are most likely to be women, rural and poor; more men, urbanites and higher-income individuals own phones.

### 2015: Dynamics of mobile phone access
(Shown: Percentage of mobile phone owners, by ownership type)

<table>
<thead>
<tr>
<th>Category</th>
<th>Male</th>
<th>Female</th>
<th>Urban</th>
<th>Rural</th>
<th>Above the poverty line</th>
<th>Below the poverty line</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own a mobile phone</td>
<td>91%</td>
<td>80%</td>
<td>91%</td>
<td>81%</td>
<td>96%</td>
<td>84%</td>
</tr>
<tr>
<td>Can borrow a mobile phone</td>
<td>4%</td>
<td>10%</td>
<td>6%</td>
<td>9%</td>
<td>2%</td>
<td>8%</td>
</tr>
<tr>
<td>Have no access to a mobile phone</td>
<td>5%</td>
<td>10%</td>
<td>4%</td>
<td>10%</td>
<td>1%</td>
<td>8%</td>
</tr>
</tbody>
</table>

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
Experience using financial services accounts digitally, especially bank accounts, is dependent on access to mobile phones

2015:

<table>
<thead>
<tr>
<th>Mobile Status</th>
<th>Own mobile phone (n=5,242)</th>
<th>Borrow mobile phone (n=374)</th>
<th>No mobile phone (n=385)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population</td>
<td>85%</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>Ever use bank</td>
<td>47%</td>
<td>9%</td>
<td>1%</td>
</tr>
<tr>
<td>Ever use NBFI</td>
<td>4%</td>
<td>0.8%</td>
<td>0%</td>
</tr>
<tr>
<td>Ever use MM</td>
<td>1%</td>
<td>0%</td>
<td>0.4%</td>
</tr>
</tbody>
</table>

Source: InterMedia  Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
Financial inclusion is significantly higher among those who can use mobile phones to send and receive texts

2015: Have ever sent or received a text message
(Shown: Percentage of Nigerian adults, N=6,001)

- 80% SMS capable
- 20% SMS incapable

2015: Full-service account ownership (financial inclusion)
(Shown: Percentage of SMS capable, n=4,882)
- Bank: 42%
- NBFI: 3%
- Mobile money: 0.7%

43% Financially included

2015: Full-service account ownership (financial inclusion)
(Shown: Percentage of SMS incapable, n=1,119)
- Bank: 14%
- NBFI: 0.9%
- Mobile money: 0.2%

14% Financially included

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
Close to half of Nigerians use advanced functions on their mobile phones; the poor use basic phone functions exclusively

**2015: Advanced phone use**  
(Shown: Percentage of Nigerian adults, N=6,001)

**Profile of advanced phone users**  
(n=3,039)

- 83% Live on less than $2.50 a day
- 71% Younger than 35 years
- 49% Rural
- 46% Female

**Profile of those who use basic phone functions exclusively**  
(n=2,531)

- 92% Live on less than $2.50 a day
- 62% Rural
- 53% Younger than 35 years
- 52% Female

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
Taking a color picture and browsing the internet are the most common uses of advanced phone functions; the least common is making a financial transaction.

2015: Advanced phone use
(Shown: Percentage of Nigerian adults, N=6,001)

74% of advanced phone users have engaged in three or more advanced phone activities.

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
FINANCIAL SERVICES USE
Nigeria at a glance: Banks remain the leading financial service providers even though bank use has declined

Financial account access

<table>
<thead>
<tr>
<th>Type</th>
<th>2013 (N=6,002)</th>
<th>2014 (N=6,000)</th>
<th>2015 (N=6,001)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any financial service</td>
<td>44%</td>
<td>42%</td>
<td>40%</td>
</tr>
<tr>
<td>Bank</td>
<td>44%</td>
<td>41%</td>
<td>38%</td>
</tr>
<tr>
<td>Nonbank financial institution</td>
<td>5%</td>
<td>3%</td>
<td>NA</td>
</tr>
<tr>
<td>Mobile money</td>
<td>0.3%</td>
<td>0.7%</td>
<td>0.9%</td>
</tr>
</tbody>
</table>

Registered financial service users

(Shown: Percentage of Nigerian adults for each year)

<table>
<thead>
<tr>
<th>Type</th>
<th>2013 (N=6,002)</th>
<th>2014 (N=6,000)</th>
<th>2015 (N=6,001)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any financial service</td>
<td>38%</td>
<td>37%</td>
<td>37%</td>
</tr>
<tr>
<td>Bank</td>
<td>38%</td>
<td>37%</td>
<td>37%</td>
</tr>
<tr>
<td>Nonbank financial institution</td>
<td>4%</td>
<td>3%</td>
<td>NA</td>
</tr>
<tr>
<td>Mobile money</td>
<td>0.1%</td>
<td>0.4%</td>
<td>0.6%</td>
</tr>
</tbody>
</table>

Active financial service users

<table>
<thead>
<tr>
<th>Type</th>
<th>2013 (N=6,002)</th>
<th>2014 (N=6,000)</th>
<th>2015 (N=6,001)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any financial service</td>
<td>35%</td>
<td>39%</td>
<td>37%</td>
</tr>
<tr>
<td>Bank</td>
<td>35%</td>
<td>38%</td>
<td>33%</td>
</tr>
<tr>
<td>Nonbank financial institution</td>
<td>3%</td>
<td>2%</td>
<td>NA</td>
</tr>
<tr>
<td>Mobile money</td>
<td>0.1%</td>
<td>0.4%</td>
<td>0.5%</td>
</tr>
</tbody>
</table>

Types of account ownership are not mutually exclusive.

Source: InterMedia Nigeria FII Tracker surveys Wave 1 (N=6,002, 15+), September-December 2013; Wave 2 (N=6,000 15+), June-September 2014; Wave 3 (N=6,001, 15+), August-September 2015.
Nigerians use their financial services accounts actively and frequently

<table>
<thead>
<tr>
<th>Any financial service</th>
<th>2013 (N=6,002)</th>
<th>2014 (N=6,000)</th>
<th>2015 (N=6,001)</th>
</tr>
</thead>
<tbody>
<tr>
<td>35%</td>
<td>39%</td>
<td>34%</td>
<td></td>
</tr>
<tr>
<td>35%</td>
<td>38%</td>
<td>33%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Nonbank financial institution</th>
<th>2013 (N=6,002)</th>
<th>2014 (N=6,000)</th>
<th>2015 (N=6,001)</th>
</tr>
</thead>
<tbody>
<tr>
<td>3%</td>
<td>2%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Mobile money</th>
<th>2013 (N=6,002)</th>
<th>2014 (N=6,000)</th>
<th>2015 (N=6,001)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.1%</td>
<td>0.4%</td>
<td>0.5%</td>
<td></td>
</tr>
<tr>
<td>0.1%</td>
<td>0.4%</td>
<td>0.5%</td>
<td></td>
</tr>
<tr>
<td>0.1%</td>
<td>0.4%</td>
<td>0.5%</td>
<td></td>
</tr>
<tr>
<td>0.1%</td>
<td>0.4%</td>
<td>0.5%</td>
<td></td>
</tr>
<tr>
<td>0.1%</td>
<td>0.4%</td>
<td>0.5%</td>
<td></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.5%</td>
<td>2%</td>
<td>33%</td>
</tr>
<tr>
<td>0.4%</td>
<td>3%</td>
<td>38%</td>
</tr>
<tr>
<td>0.1%</td>
<td>35%</td>
<td>35%</td>
</tr>
<tr>
<td>3%</td>
<td>78%</td>
<td>84%</td>
</tr>
<tr>
<td>0.4%</td>
<td>71%</td>
<td>84%</td>
</tr>
</tbody>
</table>

*Inferring few dormant accounts*

Source: InterMedia Nigeria FII Tracker surveys Wave 1 (N=6,002, 15+), September-December 2013; Wave 2 (N=6,000, 15+), June-September 2014; Wave 3 (N=6,001, 15+), August-September 2015.

*A registered DFS account used in the last 90 days. Types of accounts are not mutually exclusive.*
Active bank account holders’ use of advanced activities has increased across the three years; almost six in 10 now use banks for one advanced activities

Bank uses, by type
(Shown: Percentage of active bank account holders for each year)

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

Source: InterMedia Nigeria FII Tracker surveys Wave 1 (N=6,002, 15+), September-December 2013; Wave 2 (N=6,000, 15+), June-September 2014; Wave 3 (N=6,001, 15+), August-September 2015.
There’s more disparity in active account usage by poverty level than urbanicity and gender

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

- Above poverty line (n=862):
  - Active bank account holders: 61%
  - Active mobile-money account holders: 0.7%
  - Active NBFI account holders: 3%
  - All active financial account holders: 61%

- Urban (n=2,775):
  - Active bank account holders: 44%
  - Active mobile-money account holders: 0.6%
  - Active NBFI account holders: 2%
  - All active financial account holders: 44%

- Males (n=3,425):
  - Active bank account holders: 41%
  - Active mobile-money account holders: 2%
  - Active NBFI account holders: 0.6%
  - All active financial account holders: 41%

- Total population (N=6,001):
  - Active bank account holders: 33%
  - Active mobile-money account holders: 0.5%
  - Active NBFI account holders: 2%
  - All active financial account holders: 34%

- Below poverty line (n=5,139):
  - Active bank account holders: 30%
  - Active mobile-money account holders: 0.4%
  - Active NBFI account holders: 2%
  - All active financial account holders: 30%

- Females (n=2,576):
  - Active bank account holders: 26%
  - Active mobile-money account holders: 0.3%
  - Active NBFI account holders: 2%
  - All active financial account holders: 27%

- Rural (n=3,226):
  - Active bank account holders: 26%
  - Active mobile-money account holders: 0.3%
  - Active NBFI account holders: 2%
  - All active financial account holders: 26%

Types of accounts are not mutually exclusive.

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
Consumers are primarily aware of bank branches, ATMs close to home; less than one in 10 knows of other formal or informal financial points of service

2015: Proximity to points-of-service (POS) for financial institutions
(Shown: Percentage of Nigerian adults, N=6,001)

Less than half knows of banking services close to their homes

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
MOBILE MONEY
(2013-2015)
Key measures: Awareness of mobile money providers remains consistently low

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Aware of mobile money provider</th>
<th>Use mobile money</th>
<th>Mobile money account holder</th>
<th>Active mobile money use</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>12%</td>
<td>0.9%</td>
<td>0.6%</td>
<td>0.5%</td>
</tr>
<tr>
<td>2014</td>
<td>11%</td>
<td>0.7%</td>
<td>0.4%</td>
<td>0.4%</td>
</tr>
<tr>
<td>2013</td>
<td>12%</td>
<td>0.3%</td>
<td>0.1%</td>
<td>0.1%</td>
</tr>
</tbody>
</table>

*Aware of at least one provider. Source: InterMedia Nigeria FII Tracker surveys Wave 1 (N=6,002, 15+), September-December 2013; Wave 2 (N=6,000, 15+), June-September 2014; Wave 3 (N=6,001, 15+), August-September 2015.
MTN Mobile Money is the most recognized provider in Nigeria; other providers remain virtually unknown.

- MTN Mobile Money is the best known provider of mobile services.
- More men (14%) than women (10%) know about at least one provider.
- The difference in provider recognition is more noticeable between urban dwellers (18%) and rural residents (8%), and between those living above the poverty line (22%) and those living below the poverty line (11%).
- By region, South East, South and North Central show the highest rates of provider awareness at 17%, 17% and 16% of residents, respectively.

*Awareness of mobile money providers includes both spontaneous and prompted recall.

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
Those aware of the mobile money concept are likely to be poor, urbanites and more educated.

2015: Awareness of mobile money concept
(Shown: Percentage of Nigeria adults, N=6,001)

2015: Profile of those aware of mobile money
(Shown: Percentage of those aware of mobile money concept, n=948)

Poor, urban, youth and more educated

Source: InterMedia Nigeria FII Tracker survey (N=6,001, 15+), August-September 2015.
Those aware of mobile money also save money and typically have bank accounts and investments, attractive behaviors of a potential user group.

2015: Awareness of mobile money concept
(Shown: Percentage of Nigerian adults, N=6,001)

13%, aware of mobile money concept

2015: Financial activities engagement
(Shown: Percentage of adults aware of mobile money concept, n=948)

- Borrow: 26%
- Save: 86%
- Have insurance: 9%
- Have investments: 41%
- Have a bank account: 77%
- Have an NBFI account: 5%

Source: InterMedia Nigeria FII Tracker survey (N=6,001, 15+), August-September 2015.
Those aware of mobile money also tend to struggle less with financial shocks and debt management than the general population.

2015: Awareness of mobile money concept
(Shown: Percentage of Nigerian adults, N=6,001)

13%, aware of mobile money concept

2015: Behavior responsiveness for those aware of mobile money concept
(Shown: Percentage of adults aware of mobile money concept, n=948)

- Spend more than earn: 48%
- Delayed payments of bills: 40%
- Have more debts than savings: 54%
- Do not have enough food to eat: 13%
- Do not have an emergency fund: 70%

Percentage of total population (n=6,001)

- 78% Do not have an emergency fund
- 53% Spend more than earn
- 57% Delay payments of bills
- 65% Have more debts than savings
- 22% Did not have enough food to eat

Source: InterMedia Nigeria FII Tracker survey (N=6,001, 15+), August-September 2015.
Mobile money usage remains negligible in Nigeria

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

2013 (N=6,002)
- 12% aware
- 0.3% use mobile money
- 0.026 conversion rate

2014 (N=6,000)
- 11% aware
- 0.7% use mobile money
- 0.058 conversion rate

2015 (N=6,001)
- 12% aware
- 0.9% use mobile money
- 0.073 conversion rate

*Awareness of at least one mobile money provider

Source: InterMedia Nigeria FII Tracker surveys Wave 1 (N=6,002, 15+), September-December 2013; Wave 2 (N=6,000 15+), June-September 2014; Wave 3 (N=6,001, 15+), August-September 2015.
More Nigerians are now better equipped to open a mobile money account, even though few own accounts

**2015: Key indicators of preparedness for digital financial services**
(Shown: Percentage of Nigerian adults, N=6,001)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ever send/receive text messages</td>
<td>81%</td>
<td>79%</td>
</tr>
<tr>
<td>Own a mobile phone</td>
<td>88%</td>
<td>90%</td>
</tr>
<tr>
<td>Own a SIM card</td>
<td>88%</td>
<td>91%</td>
</tr>
<tr>
<td>Have basic numeracy</td>
<td>89%</td>
<td>83%</td>
</tr>
<tr>
<td>Have the necessary ID*</td>
<td>72%</td>
<td>71%</td>
</tr>
<tr>
<td>Have access to a mobile phone</td>
<td>93%</td>
<td>96%</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 or driver’s license.

Source: InterMedia Nigeria FII Tracker surveys Wave 1 (N=6,002, 15+), September-December 2013; Wave 2 (N=6,000 15+), June-September 2014; Wave 3 (N=6,001, 15+), August-September 2015.
MOBILE MONEY: UNAWARE NONUSERS
Most Nigerians are not aware of mobile money, making them “unaware nonusers”

2015: Mobile money provider awareness*
(Shown: Percentage of Nigerian adults, N=6001)

2015 (N=6,001): 88% unaware
2014 (N=6,001): 89% unaware
2013 (N=6,002): 88% unaware

88%, Unaware nonusers of mobile money

*Awareness of at least one mobile money provider.

Source: InterMedia Nigeria FII Tracker surveys Wave 1 (N=6,002, 15+), September-December 2013; Wave 2 (N=6,0000 15+) June-September 2014; Wave 3 (N=6,001, 15+), August-September 2015.
Unaware nonusers are more similar than different; a majority (though less so) are young, educated, rural and below the poverty line

**2015: Mobile money provider awareness**  
(Shown: Percentage of Nigeria adults, N=6,001)

- 88%, Unaware nonusers of mobile money

**2015: Profile of unaware nonusers of mobile money**  
(Shown: Percentage of unaware nonusers n=5,166)

- Younger than 35 years: 60%
- 35 years and older: 39%
- Above the poverty line: 10%
- Below the poverty line: 90%
- Male: 49%
- Female: 51%
- None/primary education: 25%
- Secondary education and above: 70%
- Urban: 40%
- Rural: 60%
- Employed: 60%

Source: InterMedia Nigeria FII Tracker survey (N=6,001, 15+), August-September 2015.
Unaware nonusers have the skills and technical equipment required to register and use mobile money.

**2015: Mobile money provider awareness**
(Shown: Percentage of Nigerian adults, N=6,001)

- Access phone: 92%
- Own phone and SIM card: 83%
- Have basic numeracy: 95%
- Have ID*: 78%
- Ever send/receive SMS: 78%
- Have basic literacy: 76%

*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 or driver’s license.

Source: InterMedia Nigeria FII Tracker survey (N=6,001, 15+), August-September 2015.
BANK SERVICES
2013-2015
2013-2015 progress at a glance: Access, registered and active bank use fluctuated since 2013; one-third of adults are now active registered bank users

Financial account access

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

Active* registered financial service users

Types of account ownership are not mutually exclusive. *Used account in last 90 days.

Source: InterMedia Nigeria FII Tracker surveys Wave 1 (N=6,001, 15+), September-December 2013; Wave 2 (N=6,000, 15+), June-September 2014; Wave 3 (N=6,001, 15+), August 2015.
Bank account access/ownership fell most sharply for women, below-poverty and rural groups; access/ownership increased among higher-income groups.

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

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

*Categories are not mutually exclusive.

Source: InterMedia Nigeria FII Tracker surveys Wave 1 (N=6002, 15+), September-December 2013; Wave 2 (N=6,000 15+), June-September 2014; Wave 3 (N=6,001, 15+), August-September 2015.
NIGERIA

Active bank usage declined for nearly all consumer groups; only higher-income individuals are more likely to be active users

Demographic trends for active bank account users
(Shown: Percentage of Nigerian adults who fall into each category*)

*Categories are not mutually exclusive.

Source: InterMedia Nigeria FII Tracker surveys Wave 1 (N=6002, 15+), September-December 2013; Wave 2 (N=6,000 15+), June-September 2014; Wave 3 (N=6,001, 15+), August-September 2015.
More than half of active bank account holders engaged in advanced financial activities; amid some declines, savings and transfers increased

<table>
<thead>
<tr>
<th>Bank account uses, by year</th>
<th>2014 (n=2,482)</th>
<th>2015 (n=2,237)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Basic bank account uses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Withdraw money</td>
<td>98%</td>
<td>99%</td>
</tr>
<tr>
<td>Deposit money</td>
<td>96%</td>
<td>98%</td>
</tr>
<tr>
<td>P2P transfers</td>
<td>53%</td>
<td>55%</td>
</tr>
<tr>
<td><strong>Advanced bank account uses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bill pay</td>
<td>30%</td>
<td>22%</td>
</tr>
<tr>
<td>Set aside/save money</td>
<td>14%</td>
<td>23%</td>
</tr>
<tr>
<td>Receive wages</td>
<td>15%</td>
<td>9%</td>
</tr>
<tr>
<td>Loan activity</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>Receive G2P payments</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>Make bank2bank/bank2MM transfers</td>
<td>8%</td>
<td>14%</td>
</tr>
<tr>
<td>Make bank2bank/MM2bank/bank2NBFI transfers</td>
<td>9%</td>
<td>15%</td>
</tr>
</tbody>
</table>

Savings increased ➔

56% of active bank account holders have used at least one advanced banking feature (vs. 53% in 2014 and 30% in 2013)

Transfers between bank to bank and bank to mobile money are becoming a popular financial activity ➔

Source: InterMedia Nigeria FII Tracker surveys Wave 2 (N=6,000, 15+) June-September 2014; Wave 3 (N=6,001, 15+), August-September 2015.
Lower-income, rural Nigerians are not engaging in the top three advanced bank services

### 2015: Demographics of those who use the top-three advanced bank services
(Shown: Percentage of Nigerians adults who fall into each category)

<table>
<thead>
<tr>
<th></th>
<th>Save/set aside money</th>
<th>Bill pay</th>
<th>Make bank2bank/MM2bank transfers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Poverty Status</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Above $2.50/day poverty line (n=862)</td>
<td>16%</td>
<td>16%</td>
<td>10%</td>
</tr>
<tr>
<td>Below $2.50/day poverty line (n=5,139)</td>
<td>8%</td>
<td>7%</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary and lower (n=1,195)</td>
<td>2%</td>
<td>1%</td>
<td>0.8%</td>
</tr>
<tr>
<td>Secondary and higher (n=4,531)</td>
<td>11%</td>
<td>11%</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Location</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban (n=2,775)</td>
<td>12%</td>
<td>12%</td>
<td>7%</td>
</tr>
<tr>
<td>Rural (n=3,226)</td>
<td>6%</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Younger, aged 15-34 (n=4,026)</td>
<td>8%</td>
<td>8%</td>
<td>4%</td>
</tr>
<tr>
<td>Older, 35+ (n=1,944)</td>
<td>9%</td>
<td>7%</td>
<td>6%</td>
</tr>
</tbody>
</table>

Source: InterMedia Nigeria FII Tracker survey (N=6,001, 15+), August-September 2015.
Bank users are more likely to save and have investments than are nonusers

**2015: Financial activities engagement for bank users and nonusers**
(Shown: Percentage of each category)

**BANK**

- **Bank users**, (n=2,721)
  - Save: 92%
  - Have insurance: 5%
  - Borrow: 27%
  - Have investments: 48%

- **Bank nonusers**, (n=3,280)
  - Save: 42%
  - Have insurance: 6%
  - Borrow: 24%
  - Have investments: 32%

Source: InterMedia Nigerian FII Tracker survey (N=6,001, 15+), August-September 2015.
Borrowing money from family and close acquaintances is common among bank nonusers; two-thirds of these borrowers repay loans early or on time.

<table>
<thead>
<tr>
<th>Source of Loans</th>
<th>Percentage of Bank Nonusers with Loans</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans from family/friends/neighbors</td>
<td>72%</td>
</tr>
<tr>
<td>Loans from Esusu</td>
<td>14%</td>
</tr>
<tr>
<td>Village-level saving and lending</td>
<td>11%</td>
</tr>
<tr>
<td>Loans from shops/taking goods on credit</td>
<td>6%</td>
</tr>
<tr>
<td>Loans from informal money lender/shylock</td>
<td>4%</td>
</tr>
</tbody>
</table>

65% of bank nonusers with loans from family, friends or neighbors repay loans on time.

Source: InterMedia Nigeria FII Tracker surveys Wave 3 (N=6,001, 15+), August-September 2015.
Bank users are slightly more likely to have either a mobile money account or an NBFI account than are bank nonusers.

**2015: Mobile money and NBFI account ownership**
(Shown: Percentage of each category)

- **Bank users** (n=2,721):
  - Have a mobile money account: 1%
  - Have an NBFI account: 5%

- **Bank nonusers** (n=3,280):
  - Have a mobile money account: 0%
  - Have an NBFI account: 0.7%

3% of all adults

*Source: InterMedia Nigeria FII Tracker survey (N=6,001, 15+), August-September 2015.*
Few Nigerians use their bank accounts for business transactions

2015: Use of bank for business transactions
(Shown: Percentage of Nigerian adults, N=6,001)

- 5% use a bank account for business transactions

2015: Top three reasons for not using a bank account for business transactions
(Shown: Percentage of adults who do not use a bank account for business transactions, n=2,355)

- 48% do not have a business
- 6% my business is too small to need a bank account
- 5% use other methods of payments

18% of gainfully employed adults report their primary occupation is running their own business.

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
Registered bank users experience challenges mainly connected to an inefficient infrastructure

2015: Registered bank users:
(Shown: Percentage of registered full-service bank users, n=2,444)

48% ATM not working
38% Could not use my bank account online/offline because of system outages
33% Unexpected charges
16% Register a complaint
8% Debit/credit card did not work when paying for good/services
6% Lost money

InterMedia’s 2015 report on Government-to-Person Payments* found a poor network and long distances to bank branches hindered participants from having bank accounts, especially in the Northern regions.


Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
BANK: DIGITAL ACCESS
Almost all Nigerians who used a bank account had digital access to that account; digital access became more popular in 2015.

**2015: Digital bank account* access and usage**
(Shown: Percentage of Nigerian adults, N=6,001)

- Access to a bank account: 41% digital, 40% nondigital
- Active bank account holders: 33% digital, 33% nondigital

**2015: Digital access among active bank account holders**
(Shown: Percentage of active bank account holders, n=2,237)

- Digital bank account: 98% digital, 95% nondigital
- Offers debit/ATM or credit card: 96% digital, 91% nondigital
- Can transfer money digitally: 38% digital, 38% nondigital
- Can be accessed via internet and/or mobile: 47% digital, 38% nondigital

*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.

Source: InterMedia Nigeria FII Tracker survey (N=6,001, 15+), August-September 2015.
Almost all bank account holders can access their accounts digitally.

2015: Registered digital bank account
(Shown: Percentage of Nigeria adults, N=6,001)

- 36% have a digital bank account

97% of bank account holders have digital access to their accounts.

2015: Profile of those who have a digital bank account
(Shown: Percentage of each subgroup)

- Younger than 35 years: 34%
- 35 years and older: 38%
- Above the poverty line: 64%
- Below the poverty line: 32%
- None/primary education: 11%
- Secondary education and above: 45%
- Urban: 46%
- Rural: 28%
- Male: 43%
- Female: 28%

Source: InterMedia Nigeria FII Tracker survey (N=6,001, 15+), August-September 2015.
Those living above the poverty line actively use their digital bank accounts, including advanced uses; women, and below-poverty and rural groups lag

2015: Profile of those who have an active digital bank account and active, advanced* digital bank account
(Shown: Percentage of each subgroup)

<table>
<thead>
<tr>
<th>Subgroup</th>
<th>Have active DFS account</th>
<th>Have active, advanced* DFS account</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total (N=6,001)</td>
<td>33%</td>
<td>12%</td>
</tr>
<tr>
<td>Male (n=3,925)</td>
<td>40%</td>
<td>15%</td>
</tr>
<tr>
<td>Female (n=2,576)</td>
<td>26%</td>
<td>9%</td>
</tr>
<tr>
<td>Urban (n=2,775)</td>
<td>43%</td>
<td>16%</td>
</tr>
<tr>
<td>Rural (n=3,226)</td>
<td>25%</td>
<td>9%</td>
</tr>
<tr>
<td>Above poverty line (n=862)</td>
<td>60%</td>
<td>25%</td>
</tr>
<tr>
<td>Below poverty line (n=5,139)</td>
<td>29%</td>
<td>10%</td>
</tr>
</tbody>
</table>

*Advanced digital financial services (DFS) accounts provide consumers access to services beyond basic wallet, P2P and bill pay.

Source: InterMedia Nigeria FII Tracker survey (N=6,001, 15+), August-September 2015.
BANK: UNREGISTERED USERS
Unregistered bank users are less likely to be financially included

2015: Unregistered users*
(Shown: Percentage of Nigerian adults, N=6,001)

5%
Unregistered bank users
(n=277)

3% are financially included
(through some other form of formal financial account in their name)

2015: Financial skills and equipment required to open an account
(Shown: Percentage of unregistered bank users, n=277)

Access phone 98%
Own phone and SIM card 95%
Have basic numeracy 97%
Have ID** 78%
Ever send/receive SMS 89%
Have basic literacy 86%

*Unregistered users are adults who engage in bank activities but do not have their own account
**At least one valid identification document (ID) is required to register; these include a national ID, passport, voter’s card or driver’s license.

Source: InterMedia Nigeria FII Tracker survey (N=6,001, 15+), August-September 2015.
Perceived lack of money is the main reason unregistered users do not have their own accounts; an ATM is the preferred way of accessing finances.

2015: Top three reasons for not registering an account
(Shown: Percentage of unregistered bank users, n=277)

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>I do not have money</td>
<td>33%</td>
</tr>
<tr>
<td>I use somebody else’s account</td>
<td>9%</td>
</tr>
<tr>
<td>There is no bank close to where I live</td>
<td>8%</td>
</tr>
</tbody>
</table>

2015: Ways of accessing the account
(Shown: Percentage of unregistered bank users, n=277)

<table>
<thead>
<tr>
<th>Method</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATM</td>
<td>68%</td>
</tr>
<tr>
<td>Over the counter at a bank branch</td>
<td>60%</td>
</tr>
<tr>
<td>Bank deposit/withdrawal over the counter at a retail store</td>
<td>16%</td>
</tr>
<tr>
<td>Mobile app/mobile banking</td>
<td>0.60%</td>
</tr>
</tbody>
</table>

Source: InterMedia Nigeria FII Tracker survey (N=6,001, 15+), August-September 2015.
BANK: UNBANKED
Close to two-thirds of Nigerian adults do not have a registered full-service bank account, making them “unbanked”

2015: Unbanked* (Shown: Percentage of Nigeria adults, N=6,001)

* Unbanked adults include unregistered bank users.

Source: InterMedia Nigeria FII Tracker surveys Wave 3 (N=6,001, 15+), August-September 2015.
More females, lower income and those living in rural areas are unbanked than are their counterparts

### 2015: Unbanked
(Shown: Percentage of Nigeria adults, N=6,001)

- 63%, Unbanked

### 2015: Incidence of unbanked population, by demographic group
(Shown: Percentage of each subgroup)

<table>
<thead>
<tr>
<th>Demographic Group</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>56%</td>
</tr>
<tr>
<td>Female</td>
<td>71%</td>
</tr>
<tr>
<td>Urban</td>
<td>52%</td>
</tr>
<tr>
<td>Rural</td>
<td>72%</td>
</tr>
<tr>
<td>Younger than 35 years</td>
<td>65%</td>
</tr>
<tr>
<td>35 years and over</td>
<td>61%</td>
</tr>
<tr>
<td>Above poverty line</td>
<td>35%</td>
</tr>
<tr>
<td>Below poverty line</td>
<td>67%</td>
</tr>
</tbody>
</table>

Source: InterMedia Nigeria FII Tracker survey (N=6,001, 15+), August-September 2015.
Perceived lack of money is the key barrier to getting a bank account

2015: Unbanked (Shown: Percentage of Nigerian adults, N=6,001)

63%, Unbanked

2015: Top three reasons for not having a bank account (Shown: Percentage of unbanked adults, N=3,557)

- Do not have money: 41%
- I do not need one, I do not make any transactions: 9%
- There is no bank close to where I live: 8%

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
More rural female, unemployed and those without a valid ID perceive lack of money as a barrier to getting a bank account, versus other groups.

**2015: Common reasons for not having a bank account**
(Shown: Percentage of Nigerian adults, by year)

- I don't have money: 2015 = 24%, 2014 = 22%
- I don't need one, I do not make any transactions: 2015 = 5%, 2014 = 5%
- There are no banks close to where I live: 2015 = 3%, 2014 = 2%

**2015: Demographics of those who say they don’t have money to open a bank account**
(Shown: Percentage of those in each category)

- Rural: 30%
- Urban: 20%
- Gainfully employed: 19%
- Rural females: 38%
- Rural males: 24%
- Unemployed: 36%
- Urban females: 25%
- Urban males: 14%
- Have ID: 24%
- Below poverty line: 28%
- Above poverty line: 13%
- Don’t have valid ID*: 35%

*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.

Source: InterMedia Nigeria FII Tracker surveys Wave 2 (N=6,000, 15+), June-September 2014; Wave 3 (N=6,001, 15+), August-September 2015.
Those who do not have a bank account still engage in financial activities; a few of them have an alternative financial account.

2015: Unbanked
(Shown: Percentage of Nigeria adults, N=6,001)

- 63% Unbanked

2015: Unbanked Nigerian adults
(Shown: Percentage of unbanked Nigerians, n=3,557)

- Borrow 25%
- Save 43%
- Have insurance 6%
- Have investments 33%
- Have a mobile money account 0%
- Have an NBFI account 0.8%

Source: InterMedia Nigeria FII Tracker survey (N=6,001, 15+), August-September 2015.
A majority of those who don’t have a bank account report they budget their money and adhere to their budgets

### 2015: Unbanked
(Shown: Percentage of Nigerian adults, N=6,001)

- **Budget their income**: 82%
- **Believe in investing or using money in the right way**: 60%
- **Have the skills and knowledge to manage their finances well**: 56%
- **Are not satisfied with their current financial situation**: 52%
- **Spend money within their means**: 45%
- **Pay bills on time**: 35%
- **The savings are larger than debt**: 30%
- **Important financial goal is to make money**: 20%
- **Have emergency plan**: 18%

### Source
InterMedia Nigeria FII Tracker survey (N=6,001, 15+), August-September 2015.
NONBANK FINANCIAL SERVICES
2014-2015
2014-2015 progress at a glance: Nonbank financial institutions (NBFIs) play a relatively minor role in expanding financial inclusion in Nigeria

Financial account access

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

Active financial service users

NBFI question was not asked in the FII 2013 survey.

Source: InterMedia Nigeria FII Tracker surveys Wave 2 (N=6,000, 15+), June-September 2014; Wave 3 (N=6,001, 15+), August-September 2015.
NBFIs offer their customers at least one more service outside of credit

Source: InterMedia Nigeria FII Tracker surveys Wave 2 (N=6,000 15+), June-September 2014; Wave 3 (N=6,001, 15+), August-September 2015.
NBFI account holders use their accounts for savings, loans and basic activities

2015: Full service nonbank financial institution usage
(Shown: Percentage of Nigerian adults, N=6,001)

2015: Use of nonbank financial institution accounts
(Shown: Percentage of account holders for each institution)

Question allowed for multiple responses.

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
Few Nigerians have accounts with any NBFI; most NBFI users live below the poverty line, are employed and well-educated.

**2015: Registered users of full service NBFI accounts**
(Shown: Percentage of Nigeria adults, N=6,001)

- Younger than 35 years: 37%
- 35 years and older: 63%

**2015: Profile of registered NBFI account holders**
(Shown: Percentage of registered NBFI account holders, n=139)

- Above the poverty line: 13%
- Below the poverty line: 87%
- Male: 55%
- Female: 45%
- None/primary education: 15%
- Secondary education and above: 83%
- Urban: 50%
- Rural: 50%
- Employed: 83%

Source: InterMedia Nigeria FII Tracker survey (N=6,001, 15+), August-September 2015.
Cooperatives and microfinance institutions are the commonly used NBFIs; overall, NBFI usage declined in 2015

**NBFI account holders use, by year**
(Shown: Percentage of Nigerian adults, by year)

<table>
<thead>
<tr>
<th></th>
<th>2015 (n=6,001)</th>
<th>2014 (N=6,000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MFI Ever used</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>MFI Active use</td>
<td>1%</td>
<td>0.9%</td>
</tr>
<tr>
<td>Cooperative</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Cooperative</td>
<td>1%</td>
<td>0.9%</td>
</tr>
</tbody>
</table>

**2015: NBFI use**
(Percentage of Nigerian adults, N=6,001)

<table>
<thead>
<tr>
<th></th>
<th>Ever used</th>
<th>Active use</th>
</tr>
</thead>
<tbody>
<tr>
<td>MFI</td>
<td>2%</td>
<td>1%</td>
</tr>
<tr>
<td>Cooperative</td>
<td>1%</td>
<td>0.9%</td>
</tr>
</tbody>
</table>

Source: InterMedia Nigeria FII Tracker surveys Wave 2 (N=6,000, 15+), June-September 2014; Wave 3 (N=6,001, 15+), August-September 2015.
NBFIs continue to serve more of a savings function in the marketplace

Use of nonbank financial institution accounts
(Shown: Percentage of account holders for each institution)

Decline in the use of NBFIs for loan activities might be due to more appealing alternative credit products.

In 2015, 80% of NBFI account holders also had a bank account

Source: InterMedia Nigeria FII Tracker surveys Wave 2 (N=6,000, 15+), June-September 2014; Wave 3 (N=6,001, 15+), August-September 2015.
Almost two in 10 Nigerian adults use informal financial services, with Esusu being the most common; four in 10 of these adults also have a bank account.

Use of informal financial services*  
(Shown: Percentage of Nigerian adults N=6,001)

| Use informal financial services | 18% |

Profile of alternative financial services used by Nigerians  
(Shown: Percentage of adults who use informal financial services, n=1,142)

- 59% Merry-go-round like Esusu
- 28% Savings collector
- 21% Village-level savings-lending group
- 16% A money guard

*Informal financial services include village-level savings-lending groups, merry-go-rounds like Esusu or other informal saving networks, a digital recharge card that is not attached to a bank or MFI account, a money guard or savings collectors.

Source: InterMedia Nigeria FII Tracker survey; Wave 3 (N=6,001, 15+), August-September 2015.
The poor and those aged 25 to 34 are more likely to join an Esusu; more than a third of these joined to receive a lump sum of money

2015: Esusu users
(Shown: Percentage of informal financial services, n=1,142)

2015: Esusu users by demographic
(Shown: Percentage of Esusu users, n=686)

<table>
<thead>
<tr>
<th>Gender</th>
<th>Male</th>
<th>Female</th>
<th>Urban</th>
<th>Rural</th>
<th>Above poverty</th>
<th>Below poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>44%</td>
<td>56%</td>
<td>44%</td>
<td>56%</td>
<td>10%</td>
<td>90%</td>
</tr>
<tr>
<td>15-24 year olds</td>
<td>24%</td>
<td>31%</td>
<td>23%</td>
<td>13%</td>
<td>9%</td>
<td>9%</td>
</tr>
<tr>
<td>25-34 year olds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>35-44 year olds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>45-54 year olds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

59% used a merry-go-round (e.g., Esusu)

36% of Esusu users joined to get a lump sum of money to use when it was their turn to receive the funds collected by the group.

Source: InterMedia Nigeria FII Tracker survey; Wave 3 (N=6,001, 15+), August-September 2015.
Collecting and distributing a lump sum of money to its members is the primary service of Esusu; investment is not a priority service

2015: Esusu users
(Shown: Percentage of informal financial services users, n=1,142)

- We collect money and give to each member a lump sum (pot) or gift in turn: 36%
- We periodically distribute all monies held by the group to its members: 34%
- Welfare/clan group – we help each other out for things like funerals: 26%
- We save and lend money to members and/or non-members to be repaid with interest: 22%
- We save together and put the money in an account: 12%
- We make other kinds of investments as a group (e.g., property, business): 6%
- We invest in the stock market as a group: 2%

2015: Services received from Esusu
(Shown: Percentage of Esusu users, n=686)

- 59% used a merry-go-round (e.g., Esusu)

Source: InterMedia Nigeria FII Tracker survey; Wave 3 (N=6,001, 15+), August-September 2015.
Disagreement among members is the main challenge for users of informal financial groups

2015: Challenges experienced by informal groups/societies
(Shown: Percentage of Nigerian adults who belong to any society, n=1,013)

- Disagreement within the group: 26%
- Money / cash not available immediately: 21%
- Poor leadership: 20%
- Lost money through dishonesty or default by members: 16%
- Loss of membership through death or membership cancellation: 13%
- Lost money through theft or fraud by a committee member: 8%
- Lost money through theft or fraud by someone outside the group: 7%
- Lost money through bad investment of funds: 4%

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
SPECIAL TOPIC 1: DIGITAL PAYMENT OF SCHOOL FEES
More than half of parents with school-age children pay fees, a few paid fees through banks

2015: Households with school-age children:

- 47% Have school-age children
- 43% Have children enrolled in school
- 56% Pay school fees for their children

N=6,001

2015: Challenges faced when paying school fees
(Shown: Percentage of adults with school-age children [3+], n=2,677)

- 67% Don't know the full amount
- 24% Lack of funds, could only pay a portion
- 17% Lack of funds, could not pay at all

6% of adults who pay school fees for their children paid fees through banks.

Source: InterMedia Nigeria FII Tracker survey Wave 3 (N=6,001, 15+), August-September 2015.
Two in 10 Nigerians who are unaware of mobile money are paying school fees, suggesting a potential channel for introducing this segment to digital payments.

**2015: Unaware nonusers of mobile money (MM) who pay school fees**
(Shown: Percentage of Nigeria adults, N=6,001)

- Younger than 35 years: 56%
- 35 years and older: 43%
- None/primary education: 19%
- Secondary education and above: 78%
- Male: 37%
- Female: 63%
- Above the poverty line: 1%
- Below the poverty line: 99%
- Urban: 47%
- Rural: 53%
- Literacy: 82%
- Numeracy: 96%

**2015: Profile of unaware nonusers who pay school fees**
(Shown: Percentage of unaware nonusers off mobile money who pay school fees, n=1,157)

- Young, well educated, poor and female: 95%

Source: InterMedia Nigeria FII Tracker survey (N=6,001, 15+), August-September 2015.
SPECIAL TOPIC 2: CROSS-COUNTRY INDICATORS
One-third of adults have active digital stored-value accounts; many now use them as an access channel to their financial accounts

<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>36%</td>
<td>33%</td>
<td>All adults</td>
</tr>
<tr>
<td></td>
<td>6,000</td>
<td>6,001</td>
<td></td>
</tr>
<tr>
<td>Poor adults (15+) who have active digital stored-value accounts</td>
<td>35%</td>
<td>29%</td>
<td>All poor</td>
</tr>
<tr>
<td></td>
<td>5,338</td>
<td>5,139</td>
<td></td>
</tr>
<tr>
<td>Rural women (15+) who have active digital stored-value accounts</td>
<td>23%</td>
<td>17%</td>
<td>All rural females</td>
</tr>
<tr>
<td></td>
<td>1,361</td>
<td>1,236</td>
<td></td>
</tr>
<tr>
<td>Adults (15+) who have active digital stored-value accounts and use them to access other financial services (beyond basic wallet, P2P and bill pay)</td>
<td>12%</td>
<td>12%</td>
<td>All adults</td>
</tr>
<tr>
<td></td>
<td>6,000</td>
<td>6,001</td>
<td></td>
</tr>
<tr>
<td>Poor adults (15+) who have active digital stored-value accounts and use them to access other financial services (beyond basic wallet, P2P and bill pay)</td>
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</tr>
<tr>
<td></td>
<td>1,361</td>
<td>1,236</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/ transferred 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 Nigeria FII Tracker surveys Wave 2 (N=6,000 15+), June-September 2014; Wave 3 (N=6,001, 15+), August-September 2015.
GLOSSARY

• **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.

• **Accumulating Savings and Credit Association (ASCA)** – Also called Village-level Savings and Loan Associations (VSLAs), these groups usually comprise 10 to 20 participants who save money together and take out small loans from the savings, after which the accumulated savings and interest on loans are distributed back to its members. After a 12-month period, the accumulated funds are redistributed to the members; the amount of the redistribution is based on the initial amount contributed.

• **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.

• **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.

• **Credit-only financial institution** – A financial institution that only disperses loans to its customers.

• **DFS access** – Access to a DFS account through one’s own account or someone else’s account.

• **Digital financial services (DFS)** – Financial services that are provided through an electronic platform (mobile phones, electronic cards, the internet, etc.).

• **Esusu** – A type of saving scheme whereby a group of people give monthly contributions, collected by one member (each member takes turns serving in this role); the money collected is given to each member on a rotating basis until the full circle is completed.

• **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.
• **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.

• **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.

• **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.

• **Unregistered/OTC user** – An individual who has ever used 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.
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