



Special Press Release

FINANCIAL INCLUSION INSIGHTS
Advanced Financial User Activity
Issue 2

10% of Pakistani adults, over 10 million people, are advanced users of financial services, using their registered accounts for activities beyond account management and person-to-person transfers. 81% of advanced users, representing around 8 million people, reported saving money via a variety of methods. (InterMedia/ Gallup Pakistan)

Islamabad, November 05, 2018

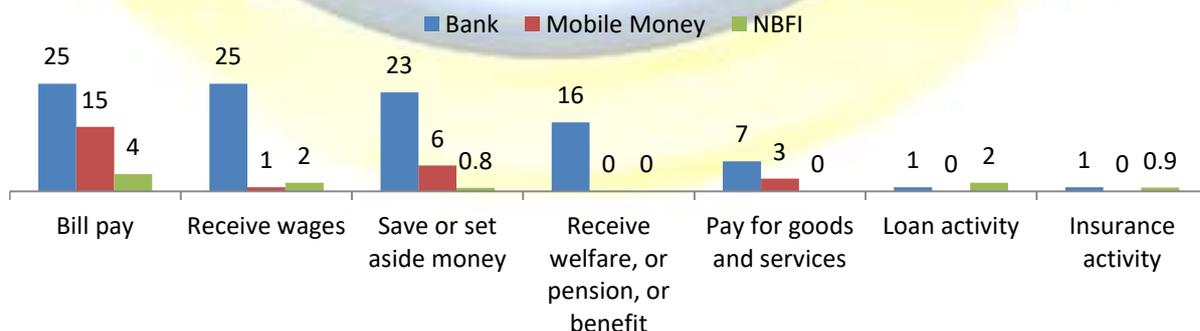
According to the Financial Inclusion Insights (FII) Survey conducted in Pakistan by InterMedia USA (www.finclusion.org), with fieldwork conducted by Gallup Pakistan, in 2017, 10% of Pakistani adults are advanced users of financial services, using their registered accounts for activities beyond account management and person-to-person transfers. 81% of advanced users reported saving money via a variety of methods. Even though this indicates a low penetration of advanced usage, given the large population of Pakistan, the total users of advanced financial services amount to nearly 10 million people. 8 million people, moreover, say that they actively save. This represents a substantial market capitalize on and to design better products for.

For complete report on Pakistan, please click [here](#).

1. Advanced User 90-Day Account Activities: The account activities of advanced users were evenly distributed over a number of activities during a 90-day period.

The account activities of advanced users, as recorded over a 90-day period, were almost evenly distributed across multiple use-cases, such as wage receipt, bill payment, and saving. In most cases, banks were used for such advanced activities, but 15% of advanced users also completed bill payments using mobile money. Loan activity was almost nonexistent. This suggests that digital credit products could potentially cater to the demand that is currently not being met by traditional banking products. The breakup of advanced user activity in the last 90 days, by activity and institution, is as follows:

Figure 1: Advanced users' account activities in last 90 days, by activity and institution (Shown: Percentage of advanced users, n=615)



Source: InterMedia Pakistan FII Tracker surveys Wave 1 (N=6,000, 15+), November 2013-January 2014; Wave 2 (N=6,000, 15+), September-December 2014; Wave 3 (N=6,000, 15+), September-October 2015; Wave 4 (N=6,000, 15+), September – October 2016; Wave 5 (N=6,000, 15+), September – October 2017 (Field work conducted by Gallup Pakistan)

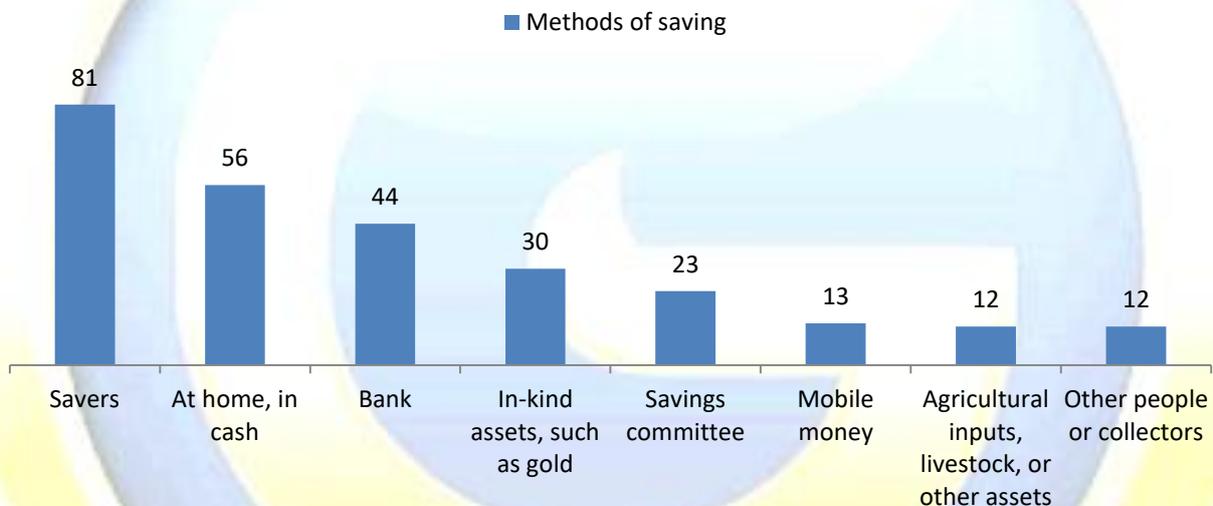


2. Advanced Users' Saving Behaviour: In 2017, 81% of advanced users reported saving money via a variety of methods, of which cash was predominant.

In 2017, the vast majority of advanced users reported that they save money. The primary method of saving was cash, with 56% of users saving in cash at home. Their savings, however, were generally spread across multiple methods. 44% of advanced users saved in banks, while 13% saved in mobile money. Apart from these formal methods, advanced users also resorted to informal methods, such as the purchase of gold and agricultural assets.

The mixture of saving in assets, physical goods and cash, as well in formal and informal institutions, indicates a clear preference for spreading savings across a variety of methods to ensure security. It is possible for mobile money to claim a greater share for itself if it is purposefully marketed as a viable saving method.

Figure 2: Methods of saving (Shown: Percentage of advanced users, n=615)



Source: InterMedia Pakistan FII Tracker surveys Wave 1 (N=6,000, 15+), November 2013-January 2014; Wave 2 (N=6,000, 15+), September-December 2014; Wave 3 (N=6,000, 15+), September-October 2015; Wave 4 (N=6,000, 15+), September – October 2016; Wave 5 (N=6,000, 15+), September – October 2017
(Field work conducted by Gallup Pakistan)

56% of advanced users used a formal financial institution to save in 2017.

The Survey findings are from FII series which aims to provide demand-side insights into consumer's financial behaviors, and identify pathways so those most in need have the financial tools necessary to improve their economic stability. The survey was conducted among a sample of 6000 men and women in both rural and urban areas across the four provinces in the country. For more details, please visit international website: <http://finclusion.org/>



Introduction to the series on Financial Inclusion Research:

This press release is part of a special series that aim to foster an empirical understanding of financial inclusion in Pakistan and that hopes to create a collaborative network of individuals working on the topic. Before starting any conversation on developing a methodology of increasing financial inclusivity in Pakistan, it is vital to be aware of the perceptions that the general public has with regards to banks, other formal financial institutions as well as individual and household decisions on financial matters.

Furthermore, this analysis can also help in producing consumer insight to support product and service development and delivery.

For more survey data on social and other issues see website www.gallup.com.pk

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