Opinion Poll

Special Press Release
Access to Finance
(Part 7 of a 15 part series)

61% people in Punjab believe that it is possible to send money to another person via a cell phone whereas only 37% of the public in Baluchistan believes this to be true. (Access to Finance Survey 2015 – SBP/ Gallup Pakistan)

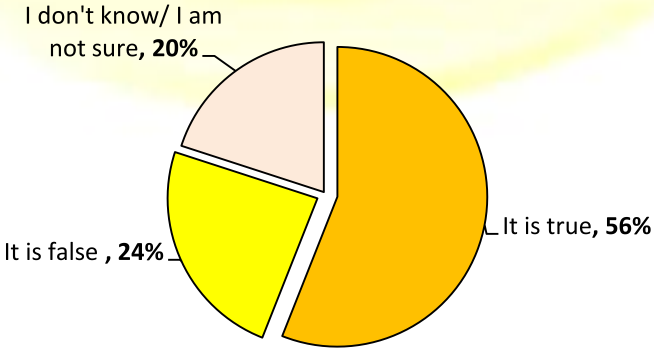
Islamabad, May 03, 2016

According to a survey conducted by Gallup Pakistan for the State Bank of Pakistan, 56% Pakistanis believe that it is possible to send money to another person with the help of a mobile phone whereas 24% Pakistanis categorically declare such a possibility as false. These results are a part of the nationwide Access to Finance Study conducted by the State Bank of Pakistan in 2015 with the intent of determining the degree of financial inclusiveness of the Pakistani public (please refer to page # 4 for more details).

This press release is part of a special series that aim to foster an empirical understanding of financial inclusion in Pakistan and that hope to create a collaborative network of individuals working on the topic. This press release provides an empirical analysis of the relative popularity of mobile banking within the Pakistani masses. Exponential advances in information technology and connectivity witnessed in recent years have not only made mobile phones widely available but have also turned them into full-fledged computers, capable of doing far more than just sending and receiving calls and text messages. One use of mobile phones which has been advertised vociferously in recent memory by telecommunication companies in Pakistan is mobile banking. With mobile banking, a person does not have to incur the opportunity cost of going to the bank every single time, since the mobile phone then serves as an extension of the bank, available to the user anywhere and anytime. This press release therefore empirically determines the proportion of Pakistanis who have latched on to this idea and actually believe it to be true.

A nationally representative sample of 10,000 men and women from across the four provinces was asked, "I am going to read some sentences on financial services. Please tell me if you believe whether they are true, false or if you don't know: It is possible to use a mobile phone to send money to another person." In response to this question, a majority of Pakistanis i.e. 56% said that the above mentioned statement is true. On the other hand, 24% said that it is false while 20% also said that they weren't sure or that they didn't know if it was true or false.

Question: "I am going to read some sentences on financial services. Please tell me if you believe whether they are true, false or if you don't know: It is possible to use a mobile phone to send money to another person."

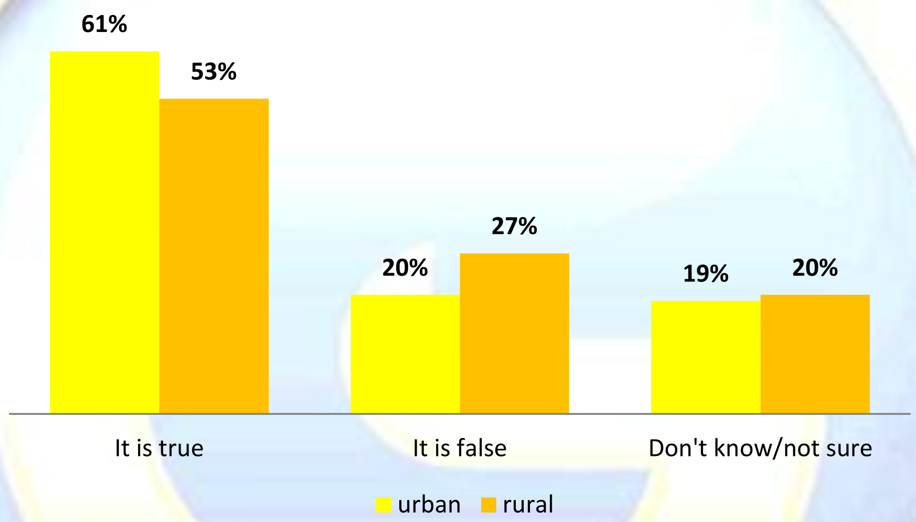


Source: Access to Finance Survey 2015: State Bank of Pakistan/Gallup Pakistan (https://www.a2f2015.com, www.gallup.com.pk)

Urban-Rural Comparison: 8 percent more urban respondents (61%) find the statement that a person with a regular income only can have a bank account to be true as compared to (53%) rural respondents

An urban-rural breakdown of this result also reveals a similar picture. 61% respondents in the urban areas stated that it is indeed possible for money to be sent to another person using a mobile phone while the same response was given by 53% of the public living in rural areas. The slightly lower proportion of rural respondents that believe the above mentioned statement to be true could probably be down to the fact that this mechanism of transferring money through mobile phones has still not been properly understood by or been popularized in the relatively underdeveloped rural areas of the Country. Meanwhile, 20% urban Pakistanis said that the statement was false while the same response was given by 27% of the rural public. 19% of the urban population and 20% of the rural population stated that they did not know or were not sure if it was true or false that money could be transferred among people via cell phones.

Urban-Rural Breakdown

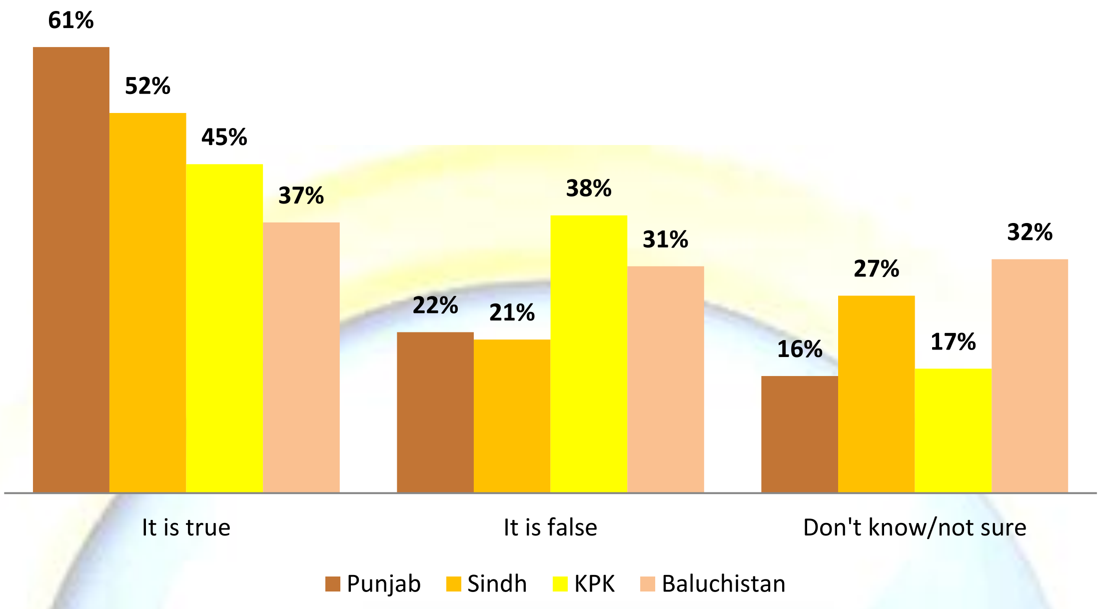


Source: Access to Finance Survey 2015: State Bank of Pakistan/Gallup Pakistan
(https://www.a2f2015.com, www.gallup.com.pk)

Provincial Results: Punjab has highest proportion of respondents who find this statement to be true whereas KPK has highest percentage of respondents who find this statement to be false

According to the provincial breakdown, 61% of the respondents in Punjab, 52% in Sindh, 45% in KPK and 37% in Baluchistan said that the statement that it is possible to send money with the help of mobile phones is true. On the other hand, 22% of the respondents in Punjab, 21% in Sindh, 38% in KPK and 31% in Baluchistan said that the statement that it is possible to send money with the help of mobile phones is false. Thus, out of the provinces, it was Baluchistan which had the lowest proportion of respondents who felt that the above mentioned statement was true. That low statistic for Baluchistan can perhaps be explained by looking at the socio-economic conditions of the Province, which, to say the least, aren't that positive. Meanwhile, surprisingly, the highest proportion of respondents among the provinces who said that this statement was false belonged to Khyber Pakhtunkhwa. There needs to be a further analysis of the underlying causes behind these empirical figures for the provinces of Pakistan on this question of money transfer through cell phones, particularly for KPK and Baluchistan, the two provinces which have a significant proportion of respondents who feel that it is not possible to send money via mobile phones. One potential avenue that ought to be examined with regards to explaining the empirical results for Baluchistan and KPK deals with the potential inhibitions, if any, of the residents of these provinces in putting their faith in technology and trusting other people with their money.

Provincial Breakdown



Source: Access to Finance Survey 2015: State Bank of Pakistan/Gallup Pakistan
(https://www.a2f2015.com, www.gallup.com.pk)

celebrating 36 years of Gallup Pakistan (1980-2016)

Introduction to Access to Finance:

The Access to Finance Survey 2015 (A2F 2015) aims to create a platform for the State Bank, the Government and the private sector of Pakistan to adopt and implement a comprehensive set of reforms needed to influence financial inclusion among Pakistanis in a more holistic manner. A2F 2015 will help state and non-state actors in streamlining their policies and reforms to ensure that they are able to effectively target the financial inclusivity of the Pakistani public.

Gallup Pakistan, in collaboration with HORUS Development Finance, conducted an extensive survey in over 10,000 households across Pakistan. The primary aim of the study was to determine the extent of financial services being used by Pakistanis as well as to provide insights into the barriers faced by the Pakistani public in accessing formal financial services.

The data was released as part of Access to Finance Study 2015. Fieldwork carried out by Gallup Pakistan, the Pakistani affiliate of Gallup International, among a sample of 10,000 households across rural and urban areas of all four provinces of Pakistan, during March 27 – June 12, 2015. Error margin is estimated to be approximately ± 2-3 per cent at 95% confidence level.