Opinion Poll

Special Press Release

Access to Finance

(Part 19 of a 30 part series)

67% of the general public in Pakistan agrees that making payments with mobile money agents is a useful innovation. (Access to Finance Survey 2015 – State Bank of Pakistan/ Gallup Pakistan)

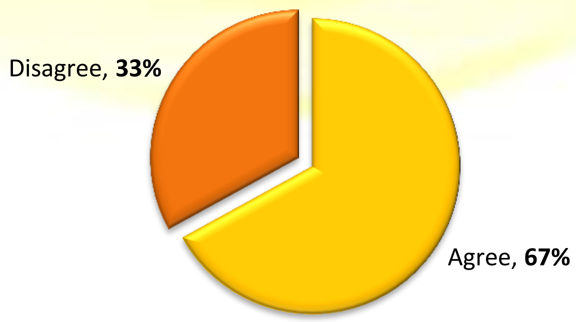
Islamabad, July 21, 2016

According to a survey conducted by Gallup Pakistan, 67% Pakistanis agreed to the statement: 'Making payments with agents such as EasyPaisa is a useful innovation'. On the other hand, 33% respondents disagreed with the statement. 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 focuses on empirically determining the proportion of Pakistanis who feel that being able to send money via mobiles through agents (EasyPaisa etc.) is a useful innovation. Mobile Money, in simple terms, refers to the ability to conduct monetary transactions from one person to another through a mobile phone. Mobile Money falls within the ambit of digital financial services. Pakistan's unbanked population still significantly outweighs the percentage of the population that uses formal financial services. Furthermore, keeping in mind the income and literacy levels of the majority of Pakistan's population, there is a significant chunk of the population that can be brought into the formal financial net by means of digital financial services. Thus, telecom companies and banks operating in Pakistan have taken this initiative of enabling this untapped segment of the population through mobile money services.

A nationally representative sample of men and women from across the four provinces was asked: "Please tell me if you rather agree or rather disagree with these statements? [Making payments with agents such as EasyPaisa is a useful innovation]." In response to this question, 67% Pakistanis said that they agree with this statement. On the other hand, 33% disagreed with the statement. Thus, empirical results show that Mobile Money is becoming a well-received concept in the Country. Mobile money services like Telenor's Easy Paisa, UBL's Omni and Ufone's U-Payment have thus played their part in popularizing the concept of mobile money transfers and mobile banking within Pakistan.

Question: "Please tell me if you rather agree or rather disagree with these statements? [Making payments with agents such as EasyPaisa is a useful innovation]"

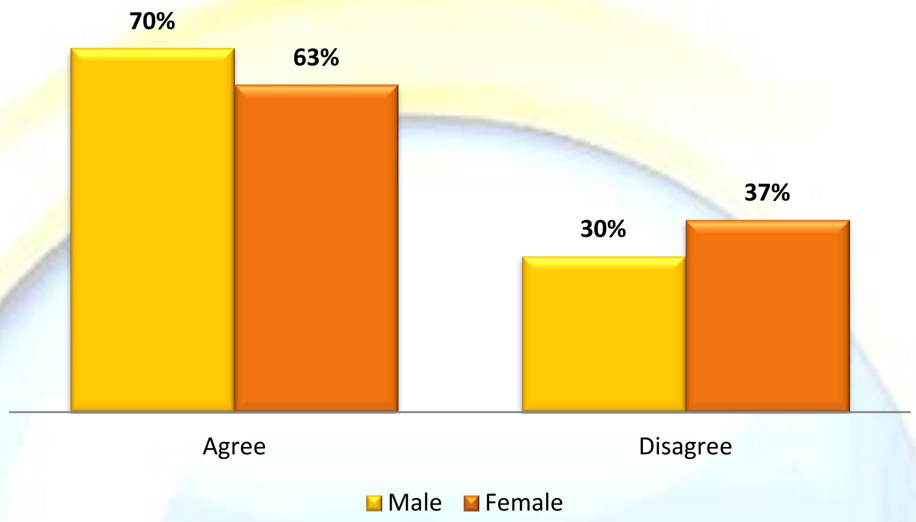


Source: Access to Finance Survey 2015: State Bank of Pakistan/Gallup Pakistan
(https://www.a2f2015.com, www.gallup.com.pk

Gender Breakdown: Slightly more men than women agree that making payments through mobile money agents is a useful innovation

A gender breakdown of this result also reveals a picture with a not so distinguishable gap between the two genders. 70% males believed that making payments through mobile money agents is a useful innovation while the same response was given by 63% of the females. Meanwhile, 30% males disagreed with the statement while the same response was given by 37% of the females.

Gender Breakdown

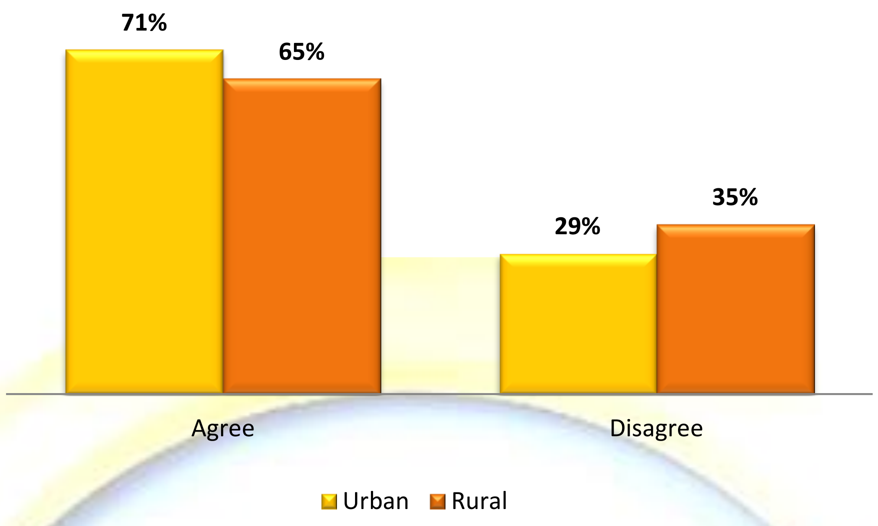


Source: Access to Finance Survey 2015: State Bank of Pakistan/Gallup Pakistan
(https://www.a2f2015.com, www.gallup.com.pk)

Urban-Rural Differences: A majority of urban (71%) and rural (65%) respondents agreed that sending and receiving money through mobile money agents like EasyPaisa is a useful innovation within financial services

A rural/urban breakdown reveals that 71% of the respondents in urban areas and 65% in rural areas agreed to the statement that ‘making payments with agents such as EasyPaisa is a useful innovation’. Based on these empirical results, it is encouraging to see that the concept of mobile money has also managed to penetrate the rural population of Pakistan. This relatively high figure for the rural population is a testament to the growth and increasing familiarity and popularity of mobile money transfers via agents such as EasyPaisa, UPaisa, UBL Omni etc. Urban areas, with a greater concentration of high income individuals and banking facilities, naturally have more respondents who are aware of this digital financial service. Furthermore, 29% in the urban areas disagreed with the statement while the same answer was given by 35% of the respondents in rural areas.

Urban-Rural Breakdown

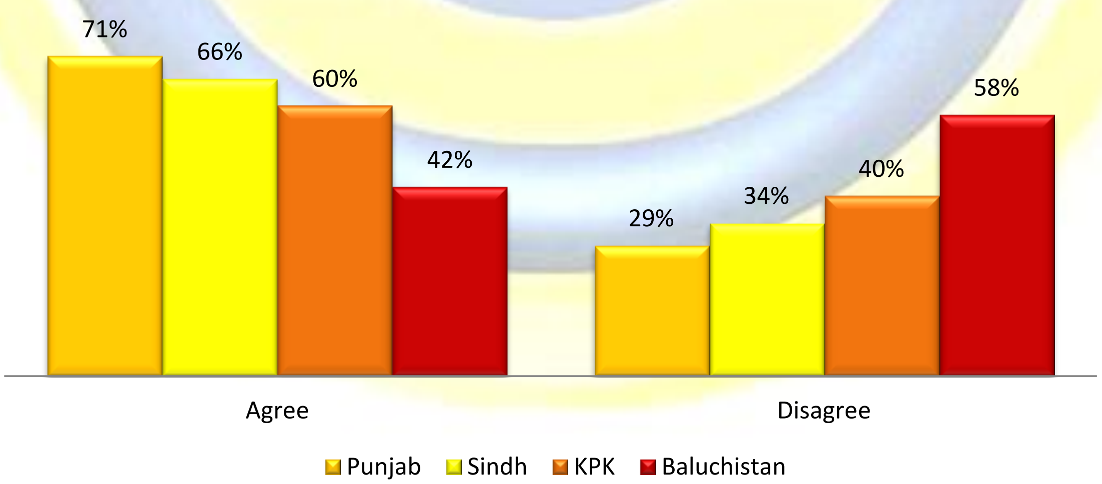


Source: Access to Finance Survey 2015: State Bank of Pakistan/Gallup Pakistan
(https://www.a2f2015.com, www.gallup.com.pk)

Provincial Results: Majority respondents in all provinces except Baluchistan agree that making payments with agents such as EasyPaisa is a useful innovation

According to the provincial breakdown, 71% of the respondents in Punjab, 66% in Sindh, 60% in KPK and 42% in Baluchistan agreed that making payments through mobile money agents is a useful and beneficial innovation. On the other hand, 29% of the respondents in Punjab, 34% in Sindh, 40% in KPK and 58% in Baluchistan disagreed with the statement. The fact that Baluchistan has the highest proportion of respondents that disagree with this statement requires a deeper analysis. Despite not being on the same level of socio-economic development as some of Pakistan's other provinces, notably Punjab and KPK, one would think that the people of Baluchistan would be more skeptical of the benefits of banking. However, as the empirical results show, the case is different and needs to be explored further in order to develop a meaningful hypothesis.

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.