MOBILE MONEY IN UGANDA
FITS PANEL MANAGEMENT UPDATE

In 2011, the Bill & Melinda Gates Foundation’s Financial Services for the Poor program commissioned InterMedia to conduct a three-year panel study of households in Pakistan, Uganda and Tanzania. The Financial Inclusion Tracker Survey (FITS) study is designed to monitor the uptake, use and market potential of mobile money (m-money) services. As part of this project, three mini-surveys are conducted between waves one and two and waves two and three of the study to manage panel attrition and follow trends in m-money uptake and use. These are the findings from the first mini-survey of the first wave of FITS Uganda, conducted in June 2012.

METHODODOLOGY AND SAMPLE OVERVIEW
Of the 3,000 households selected for the FITS Uganda study, 1,957 households (65 percent) provided phone contact information and 1,012 households (34 percent) were successfully re-contacted for the mini-survey. Ninety-nine percent of the re-contacted households lived in the same residence as they did when the main survey was taken.

Note: The households that responded to the first mini-survey are different from the average Ugandan household in the full FITS sample. All re-contacted households had access to a mobile phone (versus 73 percent of the total sample), 82 percent were rural (versus 87 percent of the total sample), 74 percent of the mini-survey households reported living on less than $2 a day (versus 79 percent of the total sample), and 75 percent were unbanked (versus 83 percent of the total sample).

Since the re-contact group was overrepresented by urban, well-off and banked households, it is not certain the re-contacted households behaved similarly to the households who were not re-contacted. Therefore, the findings of this mini-survey are not representative of all households in the sample.

KEY FINDINGS

M-MONEY REGISTRATION

Thirty-five percent of re-contacted households registered a new account in the period between the main and the mini-surveys.

Households that had at least one registered user at the time of the main survey, and those banked, urban or well-off, were most likely to sign up for a new m-money account.

MTN continues to be the leading m-money provider. Of all households with new m-money accounts,¹ four in five (82 percent) signed up for MTN Mobile Money. Thirty-five percent of all households with new m-money accounts already had a registered user of MTN Mobile Money. Of the 47 percent of re-contacted households who reported an m-money transaction “in the past four weeks,”² nine in 10 households used an MTN account to deliver money.

¹N=350
²N=476

Source: FITS study of households in Uganda, June 2012, and n=1012.
DRIVERS OF M-MONEY REGISTRATION

Regardless of household demographic profile, the leading motivation for new m-money registration was the need to send or receive money to or from another person.

Overall, 69 percent of re-contacted households with new m-money accounts signed up for m-money because of a personal recommendation (46 percent) or a personal request (23 percent).

While media advertising plays an important role in informing Ugandans about m-money, few respondents said exposure to advertising led them to register for a new m-money account. Agents were rarely cited as drivers of m-money registration.

HOUSEHOLDS’ M-MONEY USE AND REMITTANCE-RELATED BEHAVIORS

Fifty-eight percent of re-contacted households sent or received remittances in the past four weeks. Households with registered m-money accounts (pre-existing or new) were more likely to report remittance-related activities than any other type of households.

Fifty-six percent of unbanked households, 58 percent of rural households and 57 percent of households living on less than $2 a day reported sending or receiving remittances in the past four weeks.

M-money appeared to be the most popular remittance-delivery method, followed by hand-delivery and boda-boda/bus delivery.

Seventy-one percent of households that sent or received remittances in the past four weeks used an m-money account to do so: 56 percent used their own m-money account, 14 percent used an account of a friend, and 5 percent used an m-money account of an agent.

The full report of the first wave FITS survey in Uganda, “Mobile Money in Uganda: Use, Barriers and Opportunities,” as well as the FITS mini-survey reports are available at www.audiencescapes.org/FITS.

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