

# PANEL:

## THE MOBILE IMPERATIVE

### Every MTO needs a Mobile Strategy now?

Hugo Cuevas-Mohr, IMTC

March 24<sup>th</sup>, 2015



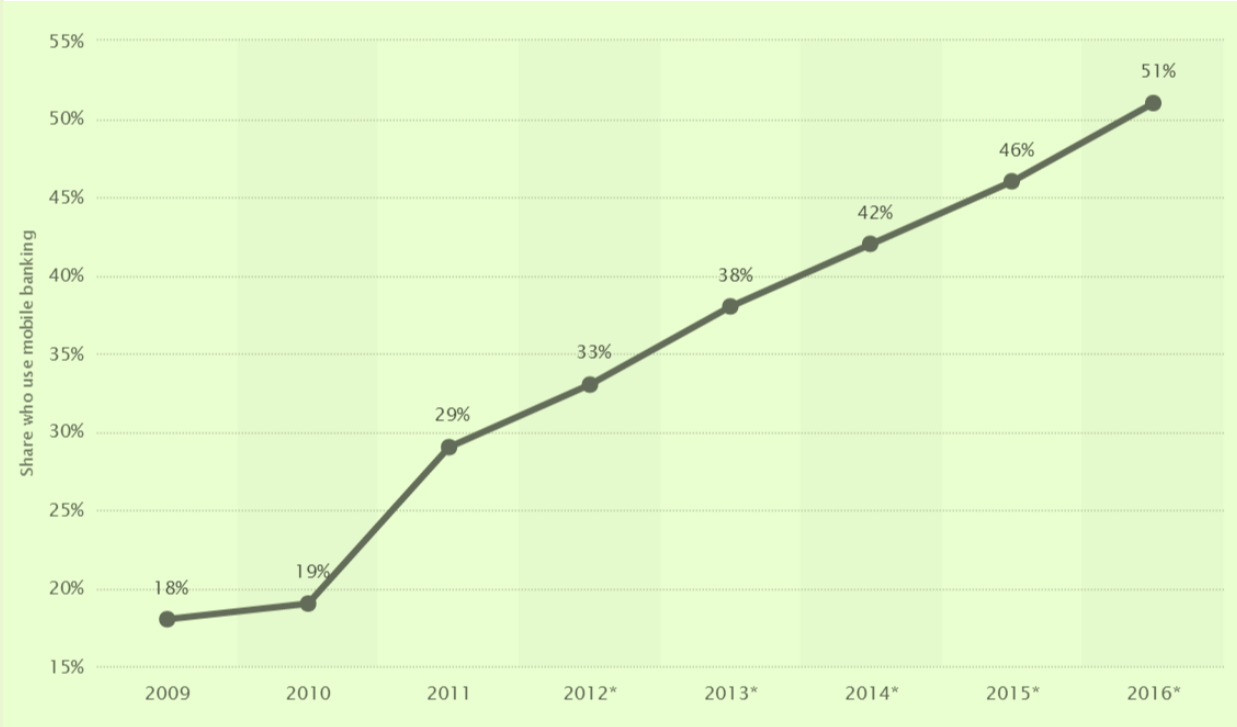
Hugo Cuevas-Mohr

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# The State of the MFS\* Industry

- ▶ The Developed World
- ▶ EUROPE
  - ▶ Europeans spent US 2B using mobile
  - ▶ 1% of eCommerce sales
  - ▶ Estimate for 2017, 21B or 7% of eCommerce sales
- ▶ USA
  - ▶ \$31 billion by 2016
  - ▶ 7% eCommerce sales
- ▶ Challenges
  - ▶ Customer Adoption
- ▶ Mobile Banking use is growing
  - ▶ Is it a sign?



Is the percentage of Bank Account Users using Mobile Devices a sign of the mobile uptake of Financial Services In Developed Markets?

# The State of the MFS Industry

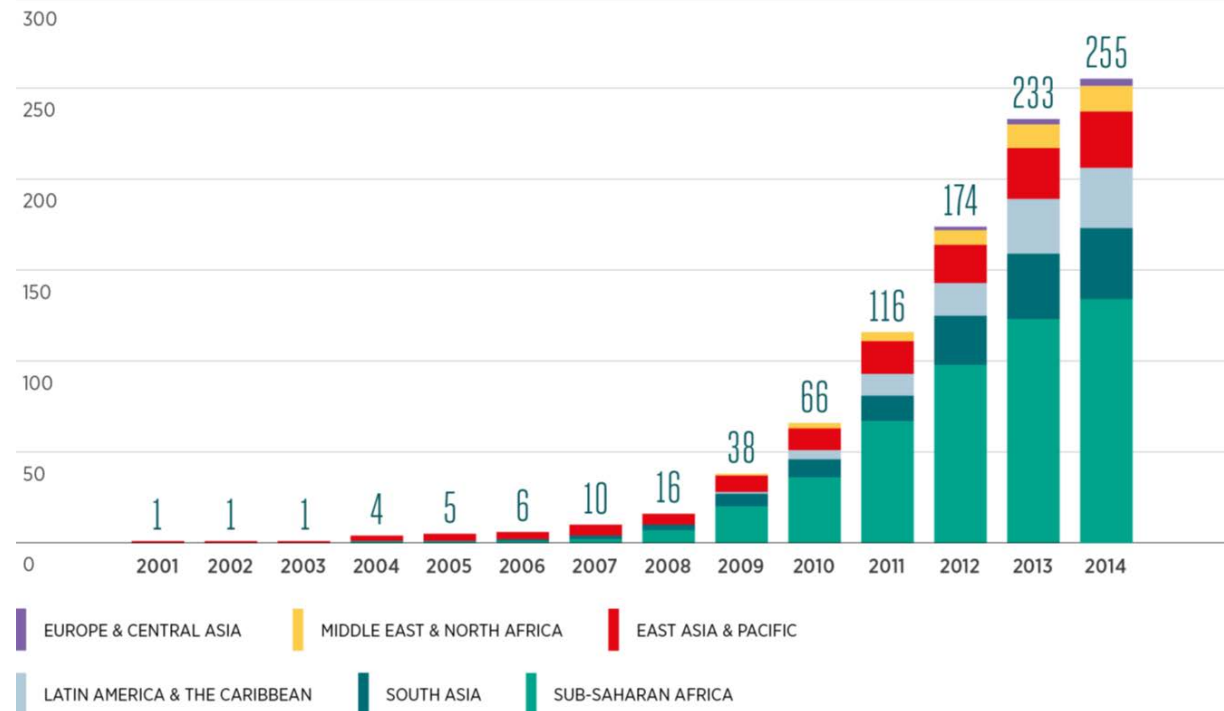
## ▶ The Developing Markets (DM)

- ▶ 255 services in 89 countries as of 12/14
- ▶ mobile money is now available in 61% of DM
- ▶ 22 new services in 2014 compared to 60 in 2013 and 58 in 2012
- ▶ From 89 countries
  - ▶ 33 have 1 service
  - ▶ 18 have 2 services
  - ▶ 38 have 3 or more

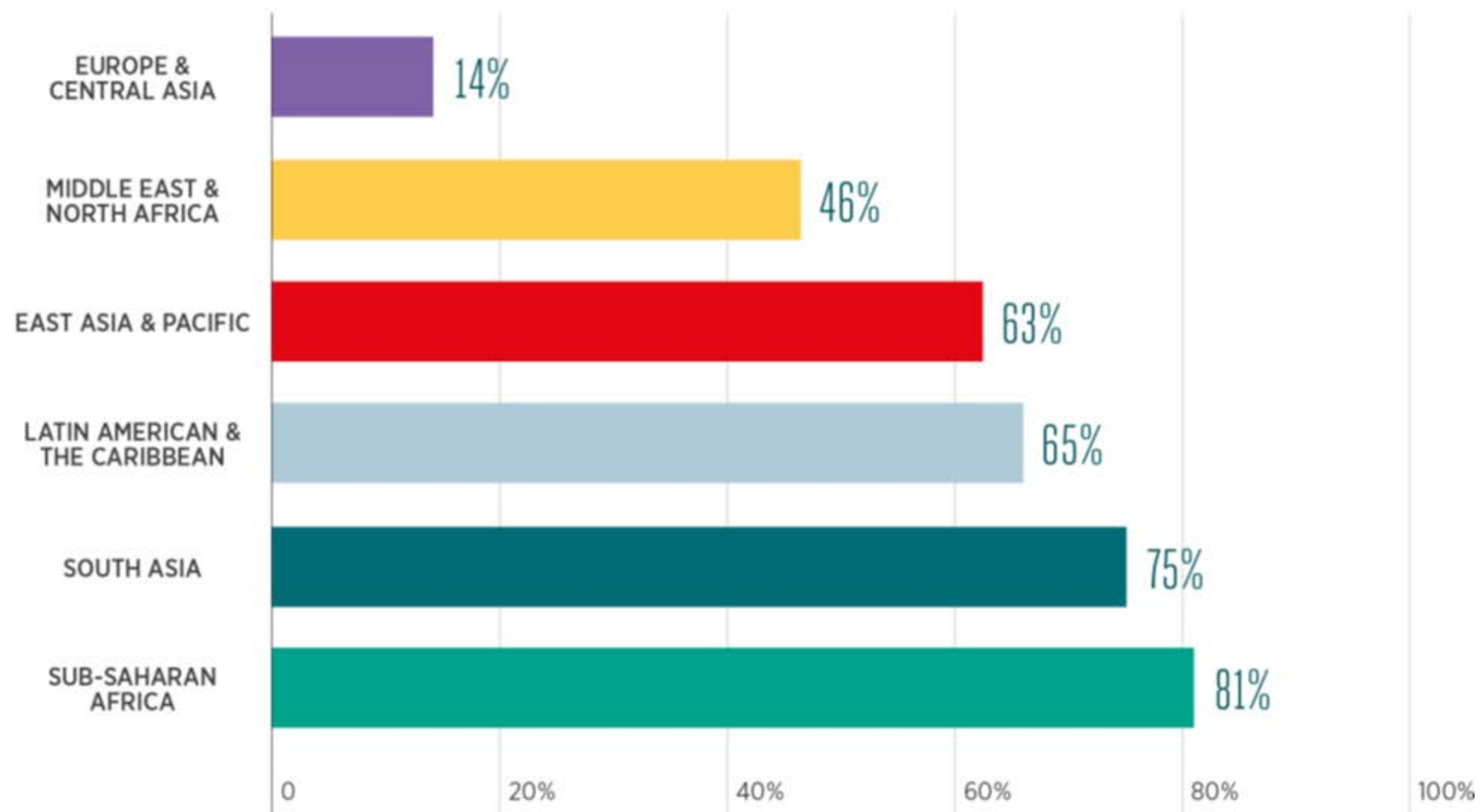
## ▶ Challenges

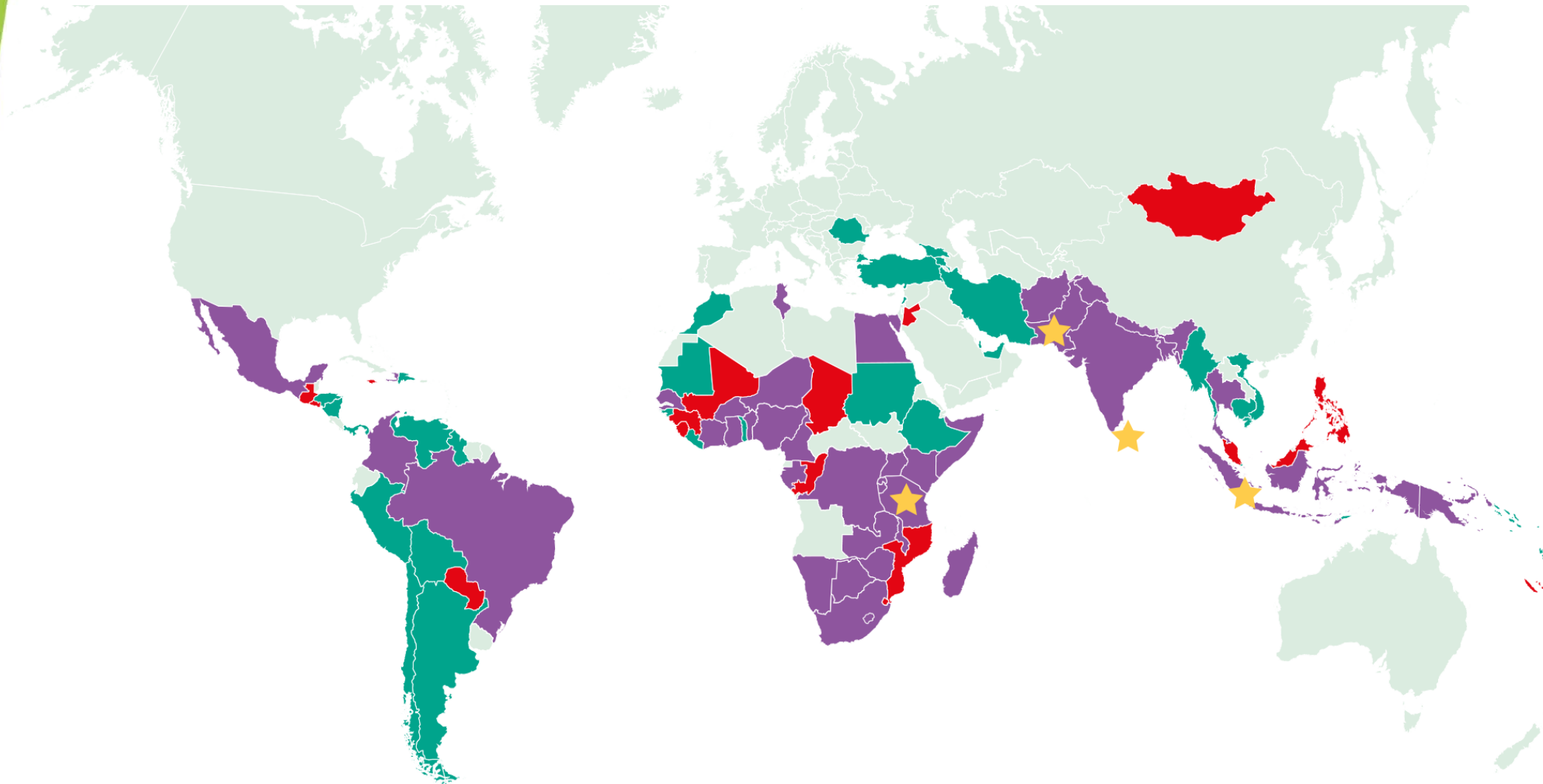
- ▶ Regulation
- ▶ Bank vs Telcos
  - ▶ Read our document: "[Are Telcos, Money Transfer Companies \(MTOs\) and Banks on a collision course over remittances?](#)"

**NUMBER OF LIVE MOBILE MONEY SERVICES BY REGION**  
(2001-2014; YEAR-END)



# PERCENTAGE OF DEVELOPING MARKETS WITH MOBILE MONEY PER REGION (DECEMBER 2014)





ONE MOBILE MONEY SERVICE
  TWO MOBILE MONEY SERVICES
  THREE OR MORE MOBILE MONEY SERVICES
  INTEROPERABLE MARKETS

# Mobile Financial Services & Remittances

- ▶ 2014 saw a steep increase in the number of international remittances via mobile money, primarily driven by the introduction of a new model using mobile money as both **the sending** and **receiving** channel.
- ▶ Early Online Money Transfer Remittance Providers are moving to Mobile. Xoom reports more than 50% of its users have moved to Mobile.
- ▶ Mobile money is helping to reduce the **costs** of international remittances for users (USD 100 via mobile money is USD 4.0, less than 50% traditional money transfer channels).
- ▶ SIX PRODUCTS: Domestic P2P transfers, **International transfers**, **airtime top-ups**, **bill payments**, **bulk disbursements** and merchant payments.
- ▶ 2014: 479.5 million remittance and payment transactions totalling USD 7.5 billion.
- ▶ MAIN CHALLENGE:
  - ▶ REGULATION: Allowing Non-Bank Companies to compete

# Questions to the PANEL

- ▶ What is your point of view when you are confronted with this information...
- ▶ What is your company doing in the area of Mobile Remittances and what you perceive to be the opportunities & the challenges?
- ▶ If you are in this panel in 2016, what do you think we will be saying differently?

# THANK YOU

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Most of the information presented and the charts displayed are from the “2014 State of the Industry Report on Mobile Financial Services for the Unbanked”.

Download here:

<http://www.gsma.com/mobilefordevelopment/programmes/mobile-money-for-the-unbanked/insights/industry-reports>

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