

USER EXPERIENCE OF MOBILE WALLETS

PREPARED FOR JOPACC
December 2020



GAME CHANGERS



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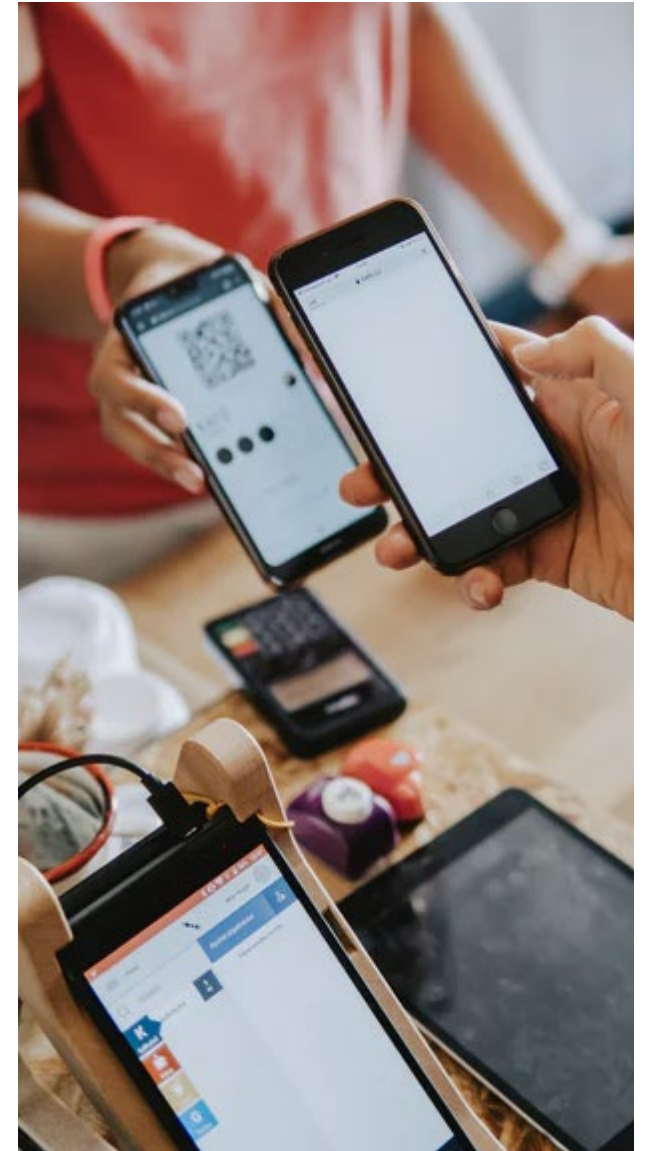
STUDY BACKGROUND

1

STUDY OBJECTIVES

THIS RESEARCH APPROACH WILL TACKLE THE FOLLOWING STUDY OBJECTIVES:

- Understand the experiences and pain points of the users with mobile wallets to identify unmet needs.
- Identify factors that entice the use of mobile wallets.
- Understand the experienced level of difficulty when it comes to registering a wallet online.
- Understand key selection criteria when choosing what wallet to open.
- Assess overall satisfaction levels with regards to the digital experience and satisfaction across different components to determine the factors that have the greatest impact on overall satisfaction.
- Understand which use cases are attracting users of mobile wallets.
- Measure future intentions to keep using mobile wallets and the reasons behind the decision.



SAMPLE & METHODOLOGY

QUANTITATIVE APPROACH



METHODOLOGY

COMPUTER ASSISTED
TELEPHONE INTERVIEWS



SAMPLE PROFILE

MOBILE WALLET USERS



LENGTH OF INTERVIEW

15 MINUTES



SAMPLE SIZE

2196 Users



FIELDWORK DATES

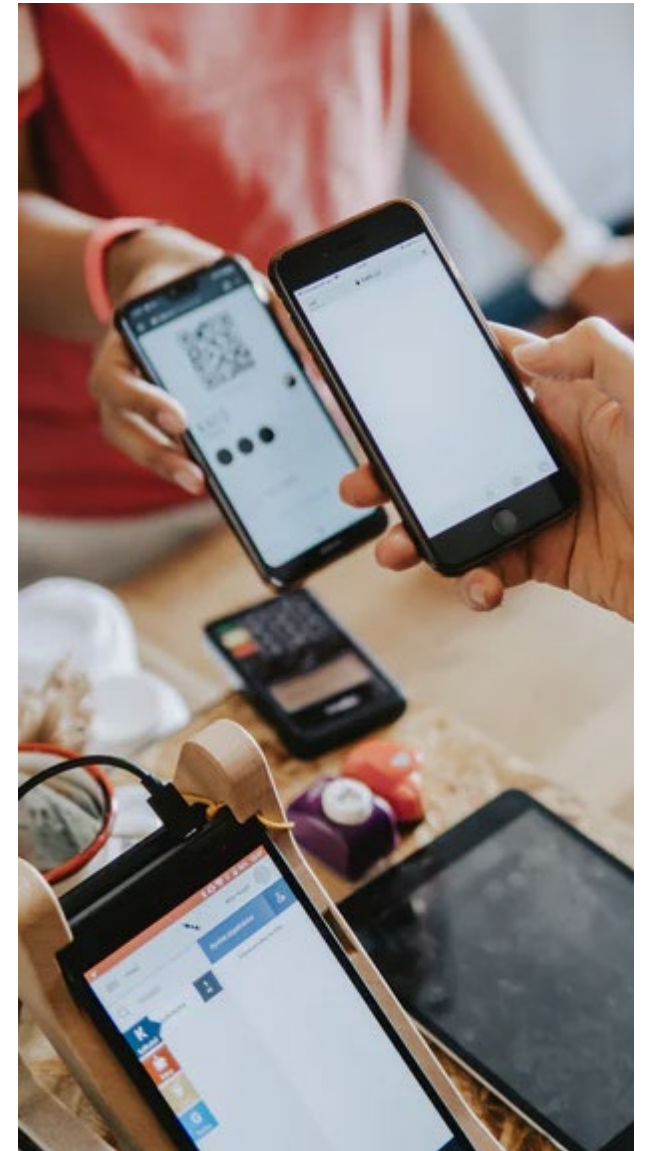
SEPT 21ST – OCT 18TH 2020

METHODOLOGY



SAMPLE RECRUITMENT

Mobile wallet users were recruited through
JOPACC's database.



KEY FINDINGS

2

1 Mobile Wallets Adoption is on The Rise

Mobile wallets awareness is generally high in the Jordanian market where 8 in 10* individuals are aware of mobile wallets and its various uses of electronic transactions. However, once perceived as a niche service for tech savvy and affluent customers, usage is recently picking up at a substantial rate across all socio-economic classes where it currently stands at an all time high of 11% compared to only 2% in December 2019.

Due to COVID-19 and the lockdown measures taken, residents in Jordan are struggling to finance their basic daily expenditures. That said, the vulnerable segments' top reason for their recent adoption of mobile wallets is to receive governmental aid through National Aid Fund (NAF). NAF has been offering funding services through mobile wallets, in which the most widely held services are supporting the affected daily workers and offering bread subsidy.

KEY FINDINGS

2 Being “Time Consuming” is The Top Challenge Faced During Set-Up

Generally, mobile wallet users found setting-up their mobile wallet easy; however, some users expressed that some of the challenges they faced is that it has a complicated set-up experience and it was time consuming. That said, users would either seek help from their family and friends or resort to their mPSP for assistance.

The fact that a lot of people found the process of setting up their mobile wallet time consuming implies that this might be a deterrent for a lot of people to withdraw from the process at the initial stages. With it being a new concept, it is important to be as seamless and precise as possible to encourage subscriptions.

3 High Potential for Continued Mobile Wallet Usage

While almost 9 in 10 mobile wallet users are likely to continue using their current mobile wallet in the future if they were to stop receiving aid, some segments are intending to cancel their subscription as they have no need for it anymore. Those segments include users in Irbid and Zarqa, amongst higher age brackets, and lower SECs.

However, out of those who expressed high interest to continue to use their mobile wallet are at the same time using their wallet to carry out other financial transactions, namely paying bills. This means even if they stop receiving aid, they are likely going to continue using their wallet for other services. That said, payment service providers should take advantage of that opportunity by raising awareness on the different use cases. This will help in increasing retention rates and guaranteeing that people will continue using their mobile wallet even after the termination of aid, as people become reliant on it for different financial transactions

MARKET OVERVIEW

This section will provide an overview of the country's current situation, highlighting key factors that can contribute to the growth of mobile wallets. Information included in this section are from secondary sources including Ipsos' relevant syndicated data.

3

COUNTRY PROFILE



POPULATION SIZE
10.7 MILLION



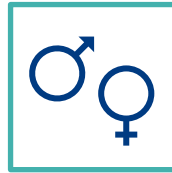
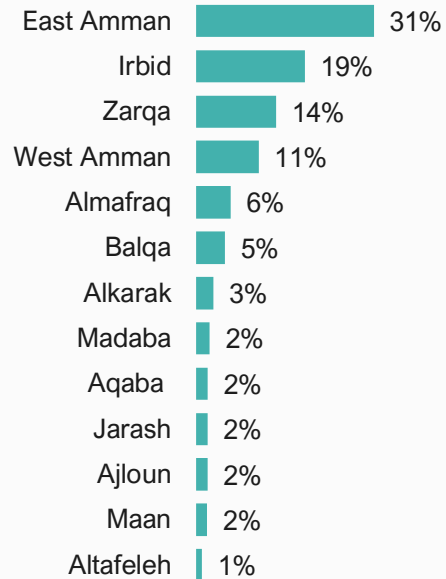
NATIONALITY
JORDANIANS: 69%
NON- JORDANIANS: 31%



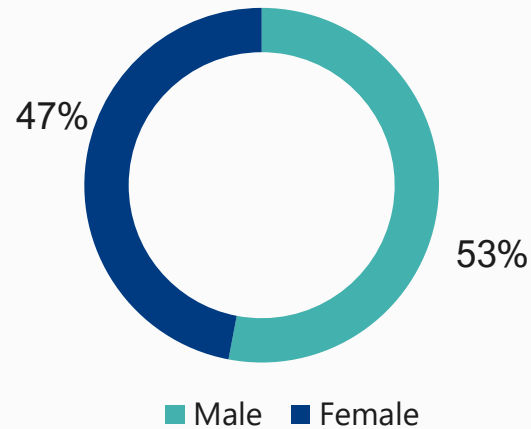
URBANIZATION
91% URBAN



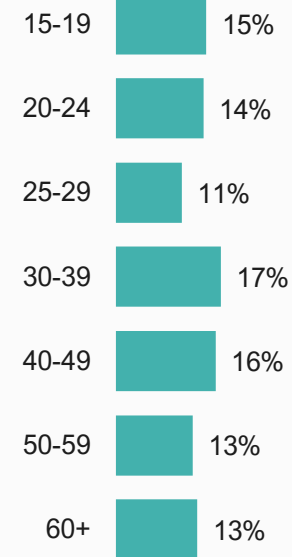
GEOGRAPHIC
DISTRIBUTION



GENDER
SPLIT



AGE
DISTRIBUTION

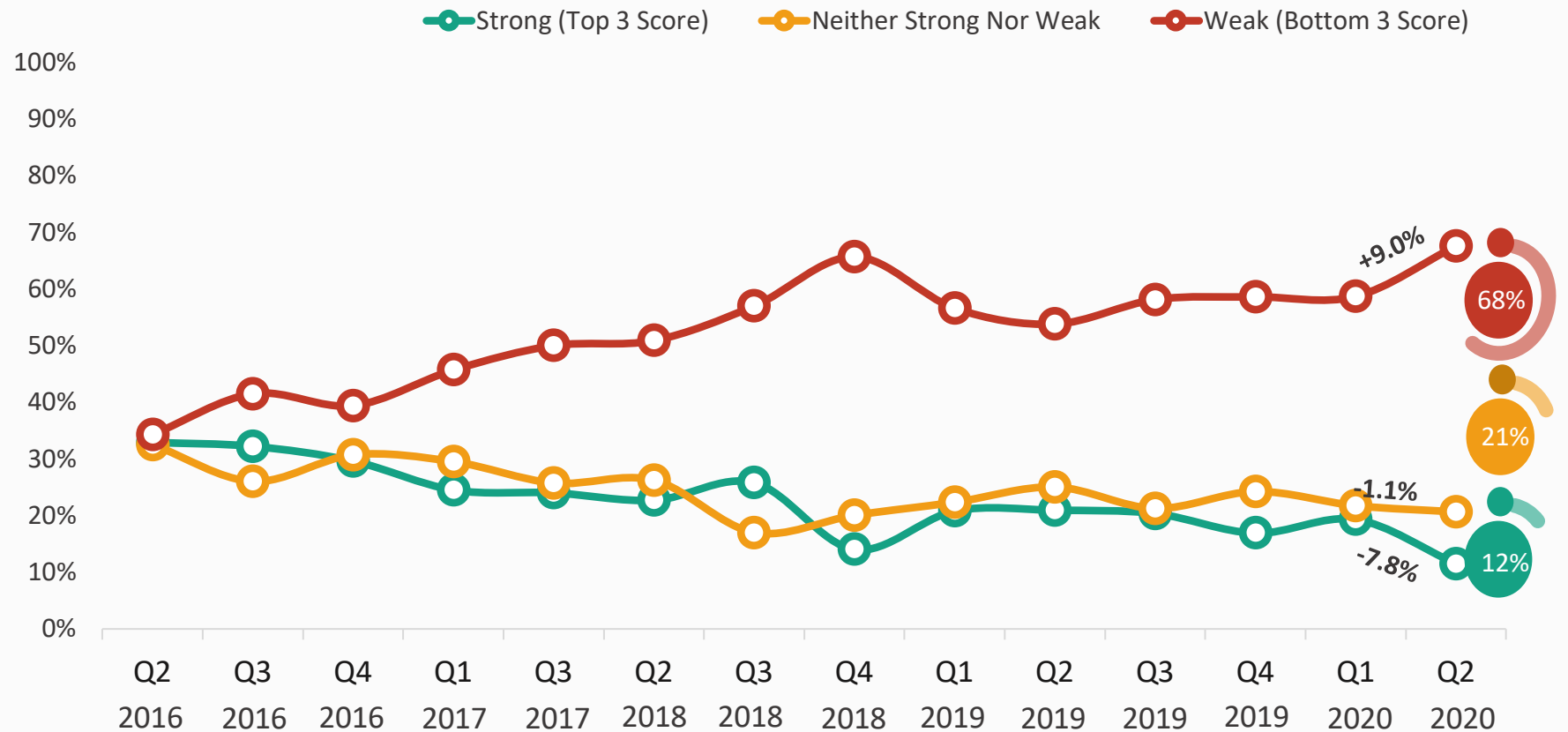


JORDAN'S ECONOMIC CONTEXT

The majority are aligned when it comes to recognizing the impact of the current economic climate on Jordanians' quality of life. Aside from high cost of living, unemployment is also a dire reality and for many the ability to find job opportunities and secure livelihoods is a real concern.

PERSONAL FINANCIAL SITUATION

Q: Rate your current financial situation, using a scale from 1 to 7, where 7 means your personal financial situation is very strong today and 1 means it is very weak.



JCSI, Q2 2020

Versus Previous Wave

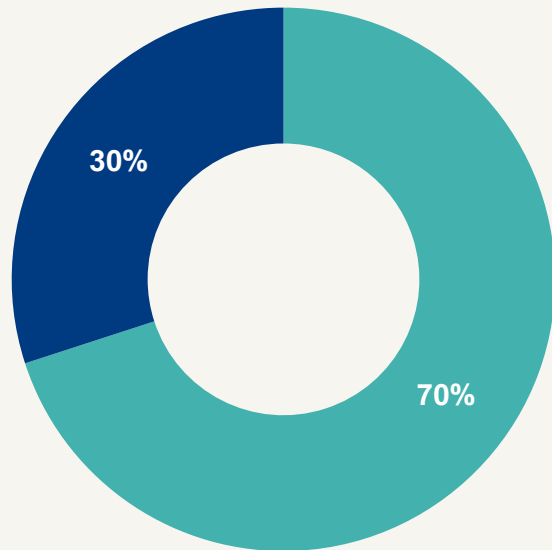
30.4 ▼ 35.4

IMPACT OF COVID-19 ON EMPLOYMENT

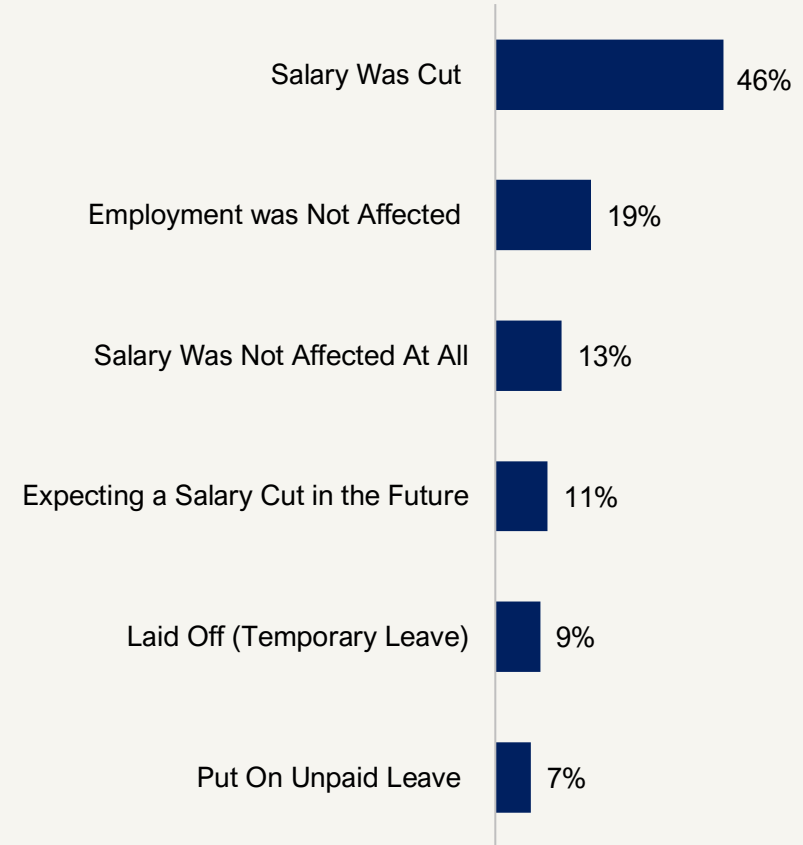
The situation has been further aggravated in light of COVID-19 with the overwhelming majority of working Jordanians experiencing some changes when it comes to their employment – most notably a reduction in pay, putting many under considerable financial strain.

IMPACT OF EMPLOYMENT DUE TO COVID-19 Out Of Who Are Employed

■ Impacted ■ Not Impacted



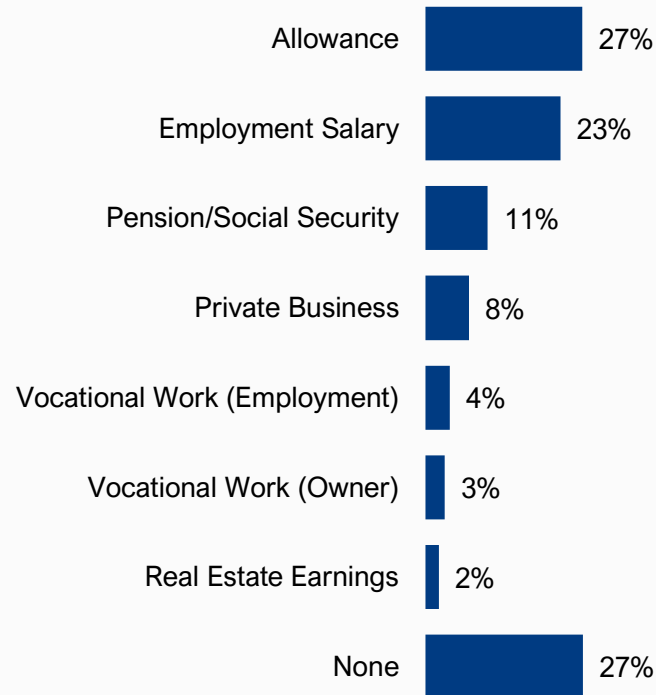
TYPE OF IMPACT ON EMPLOYMENT Out Of Who Are Employed



JORDANIAN SOCIETY REMAINS PREDOMINATELY RELIANT ON CASH

Low income coupled with the widespread dependence on “allowance” has contributed to making cash the highest prevalent method for both receiving income and purchasing items. It is also worth mentioning that receiving income in cash is highly prevalent amongst private sector workers considering that most are not formally employed within institutions, while bank transfer is the most prevalent method of receiving income for public sector employees.

SOURCES OF INDIVIDUAL MONTHLY INCOME



Q. What Type Of Income Do You Receive?

Q. What Type Of Income Do You Receive?

METHOD OF RECEIVING INCOME



CASH
62%

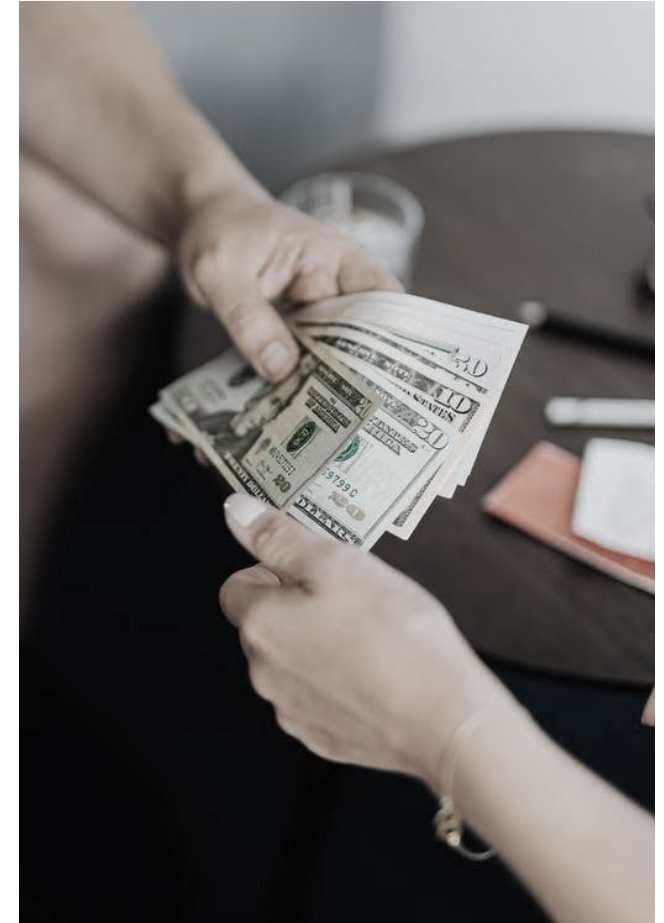


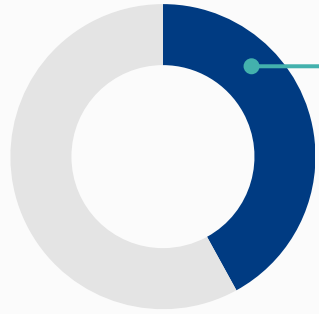
BANK TRANSFER
37%



CHEQUE
1%

Q. What is the most common way of receiving your personal income?

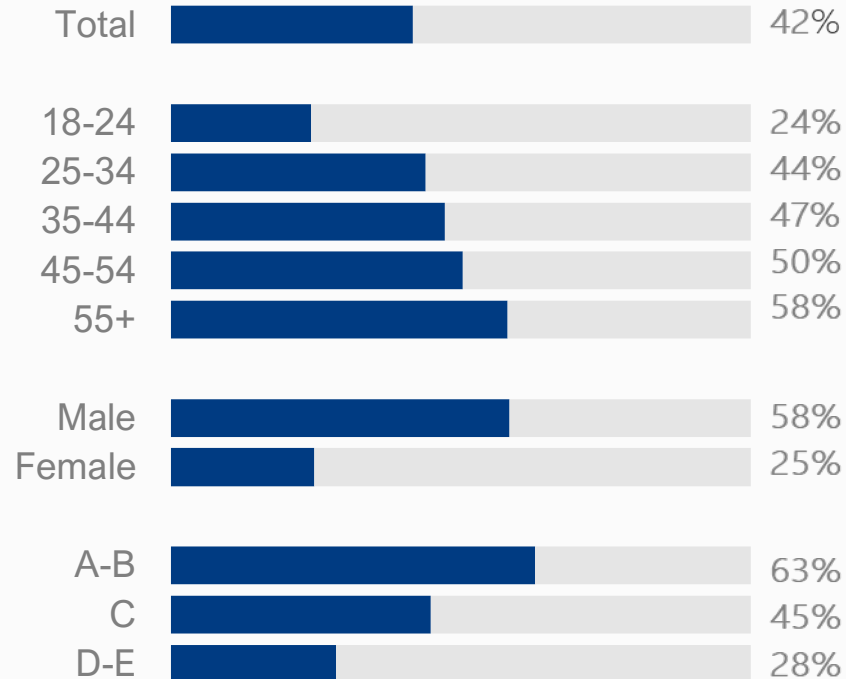




42%

OF JORDANIANS OWN
A BANK ACCOUNT

BANKING PENETRATION BY DEMOGRAPHICS

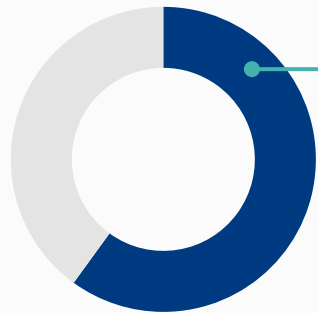


BANKING IS RESTRICTED TO CERTAIN SEGMENTS

Not only are Jordanians hugely dependent on cash, but the majority are also excluded from the formal financial system, with only 4 in 10 owning a bank account.

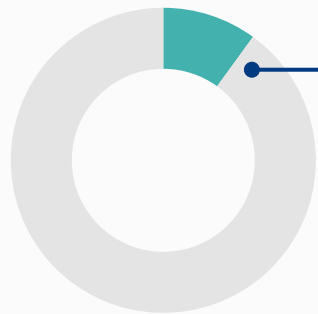
While access to finance has shown improvements in recent years, but variations in financial inclusion across segments point to remaining disparities for the majority of the population, particularly for vulnerable groups such as the youth, women, & low-income segments

THE OVERWHELMING MAJORITY OF THOSE UNBANKED DO NOT MEET THE MINIMUM CRITERIA FOR OPENING UP AN ACCOUNT



60%

DON'T OWN A BANK ACCOUNT
BECAUSE THEY **DON'T MEET**
THE **MINIMUM REQUIREMENTS***



10%

HAVE BEEN IN A SITUATION
WHERE THEY **NEEDED A**
BANK ACCOUNT*

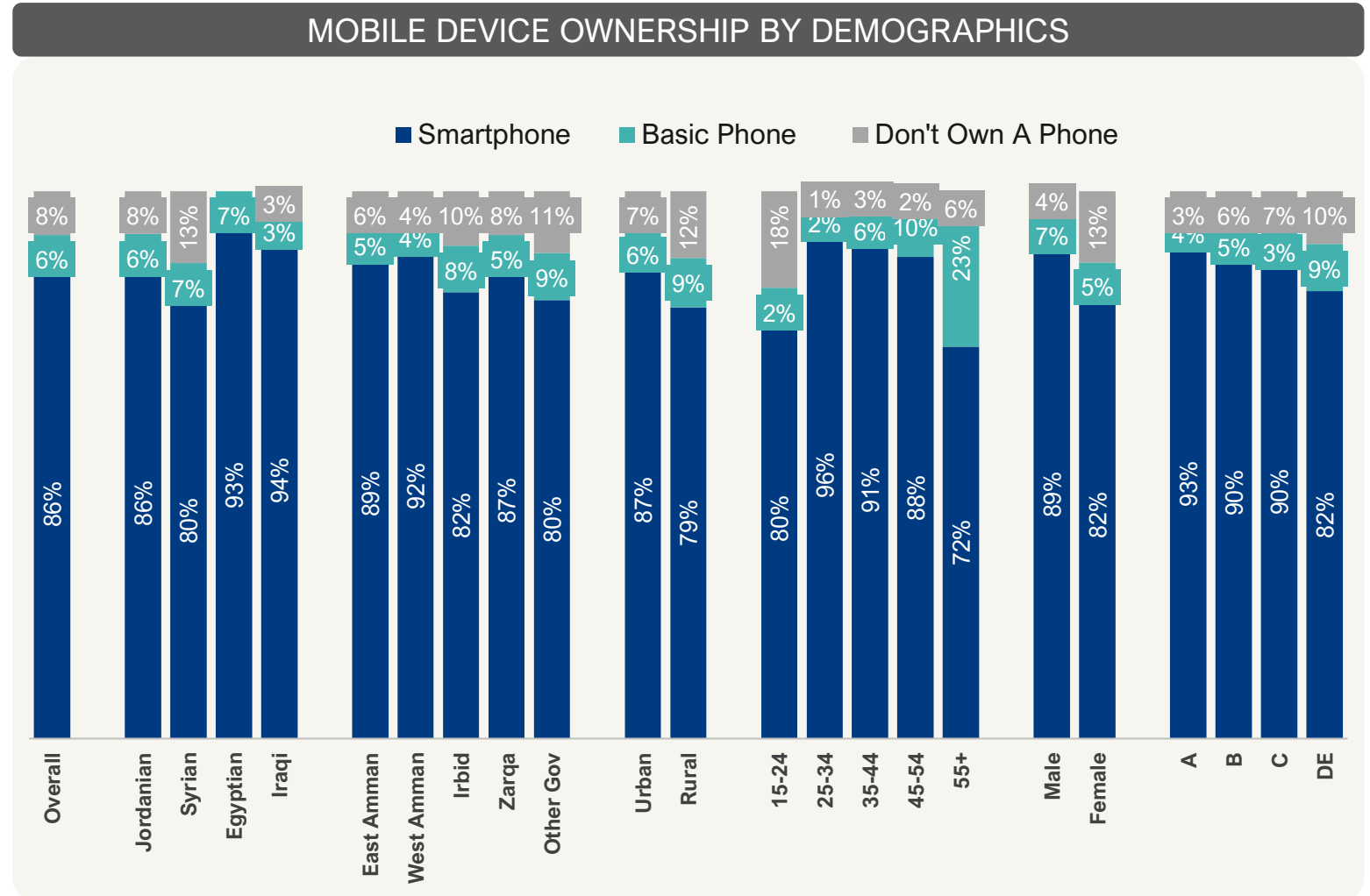


NONETHELESS, CONNECTIVITY IS ALMOST UNIVERSAL EVEN AMONGST THE MOST VULNERABLE SEGMENTS

92%
OWN A MOBILE PHONE

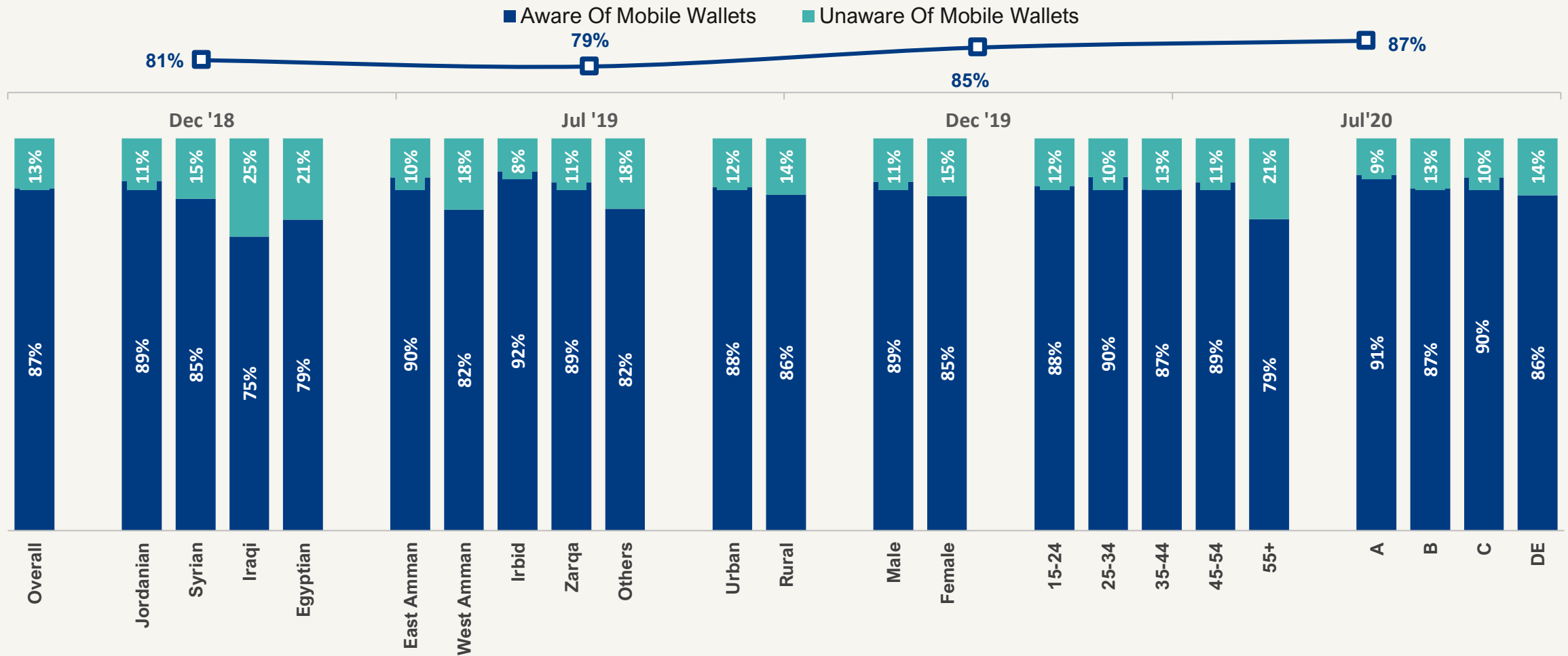
86%
OWN A SMARTPHONE

88%
ACCESS THE INTERNET THROUGH THEIR SMARTPHONE



ALMOST 9 IN 10 INDIVIDUALS ARE AWARE OF MOBILE WALLETS

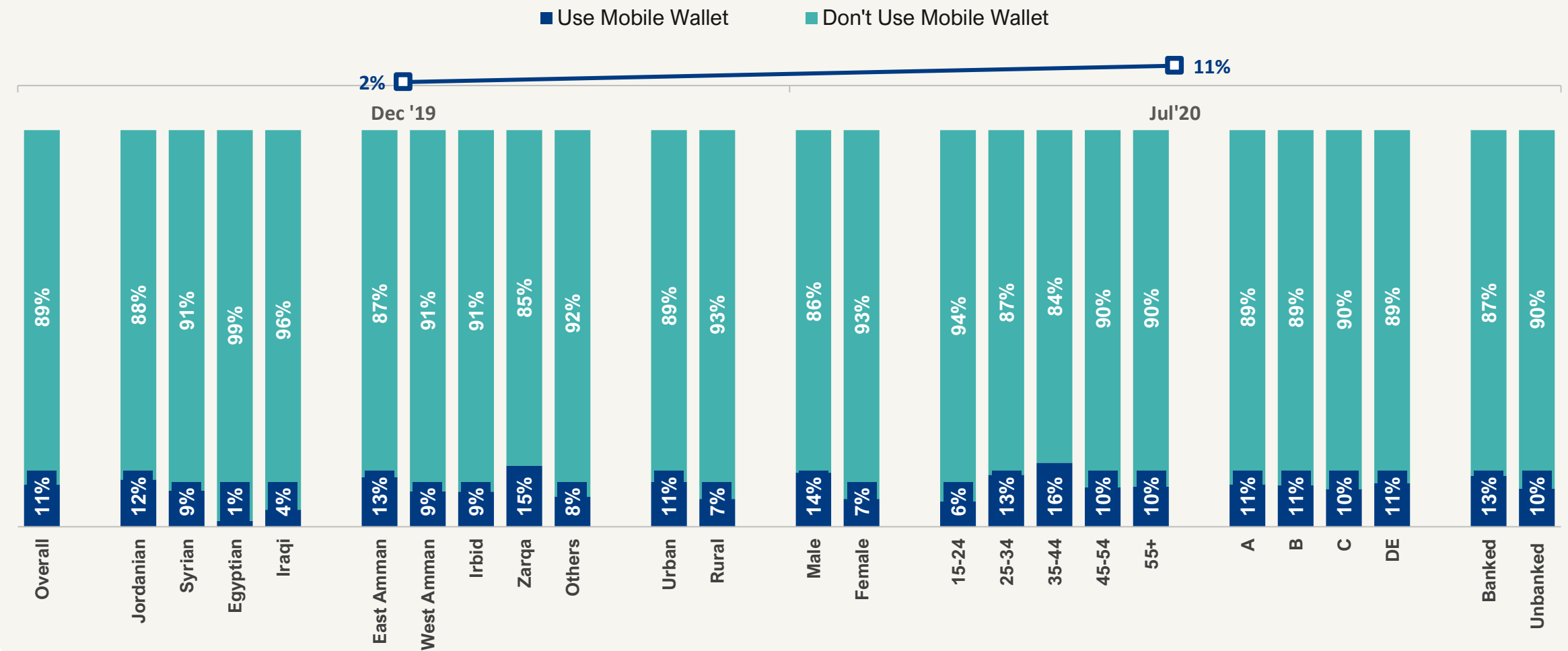
MOBILE WALLET AWARENESS BY DEMOGRAPHICS



MOBILE WALLET USAGE HAS EXPERIENCED A SIGNIFICANT INCREASE IN 2020

Due to the COVID-19 situation and the lockdown measures taken in the country, mobile wallet usage increased significantly with the top reason stated is to receive governmental aid.

MOBILE WALLET USAGE BY DEMOGRAPHICS



DURATION & REASONS FOR USING MOBILE WALLETS

Almost 8 in 10 mobile wallets users have been using their mobile wallet for 6 months or less. Adding to that, 1 in 2 mentioned that they use their mobile wallet to receive governmental/non-governmental aid, while the next top reason is that it's a faster method of payment.

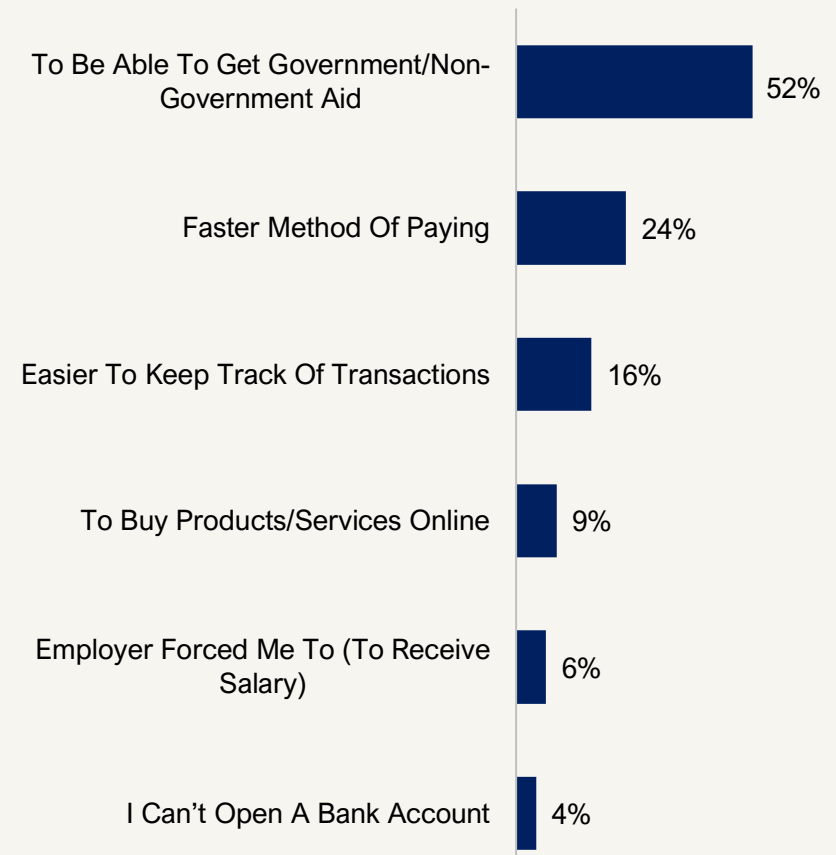
DURATION OF USING MOBILE WALLETS

Out Of Who Use A Mobile Wallet



REASONS FOR USING MOBILE WALLETS

Out Of Who Use A Mobile Wallet



REFRENCED IPSOS' REPORTS



Jordan Consumer Sentiment Index (Quarterly)

Ipsos's Jordan Consumer Sentiment Index (JCSI), is a quarterly national survey of consumer attitudes on the current and future state of the local economy, personal financial situation, as well as confidence to make large investments and ability to save. Consumer sentiment is a key predictor of purchase trends in the market. Despite it being a lagging indicator, if consumer sentiment is high, people will make more purchases and the economy will expand.

For more information on the study and related findings, please visit:

<https://www.ipsos.com/en-jo/jordan-consumer-sentiment-index-q4-2019>



Telecom Scene (Bi-Annually)

Telecom scene is a bi-annual syndicated survey that aims to provide an understanding of the current mobile and internet landscape of the Jordanian market. As such, the report looks to further understand consumers' behavior, all the while comparing the various market KPIs with those of previous waves.

It's a nationally representative sample of 2,500 individuals that includes Jordanians, Syrians, Egyptians and Iraqis aged 15 years old and above.



Financial Monitor 2019-2020

Financial Monitor is the first syndicated study in Jordan covering financial needs and habits amongst both banked and unbanked individuals in Jordan. Through 2500 quantitative interviews with Jordanians and expats in the country (Syrians & Egyptians), the study was not only able to identify the financial behavior of citizens but also shed light on citizens' current access to both formal and non-formal services. Furthermore, this study shed light on people's awareness of different financial services along with their openness towards adopting non-traditional financial services including mobile and digital wallets and identifying the barriers that might stand in the way.

DETAILED FINDINGS

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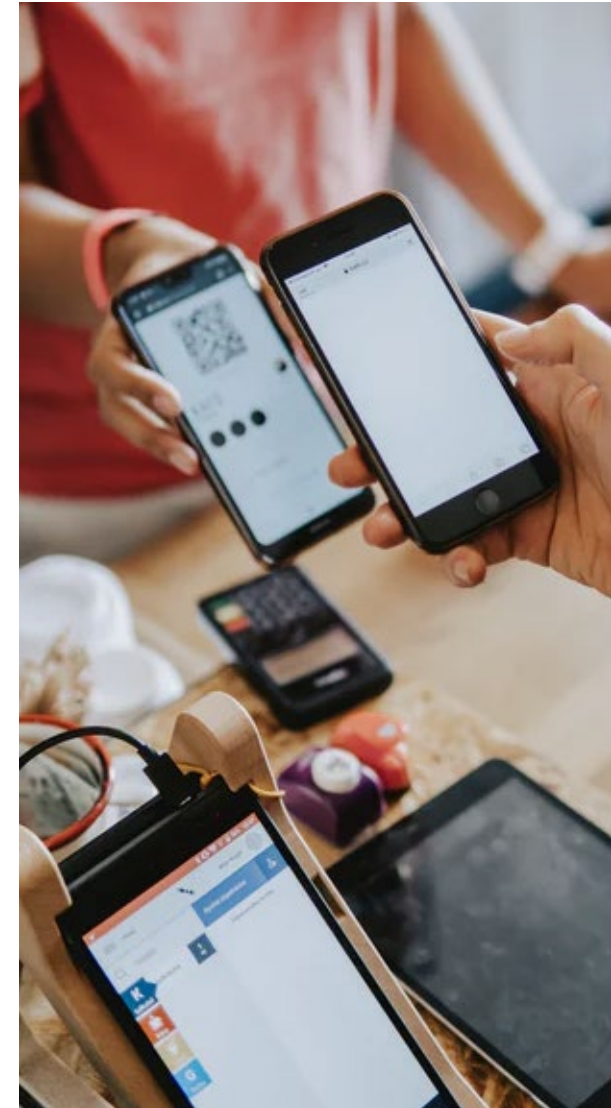
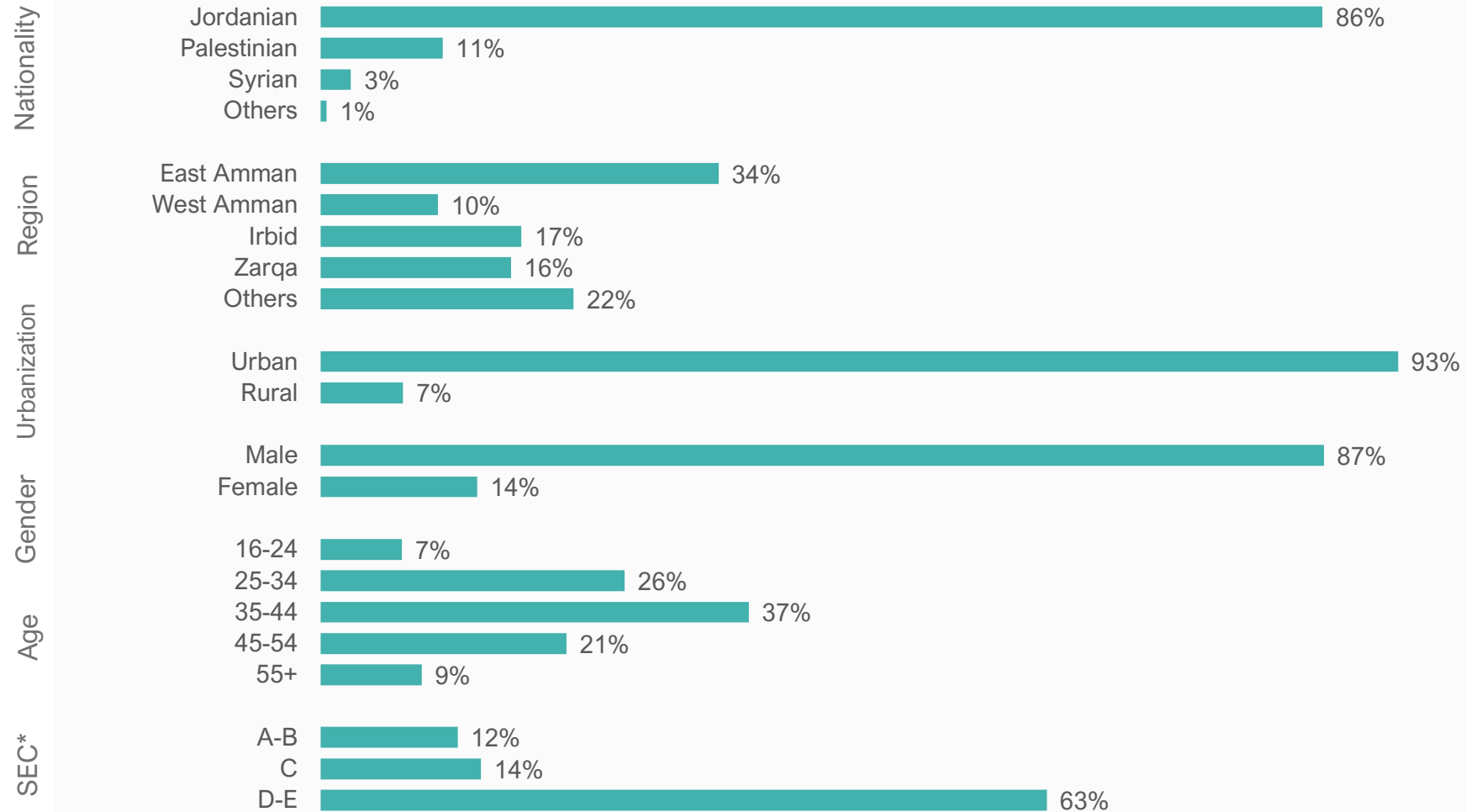


SECTION 4.1

PROFILING RESPONDENTS

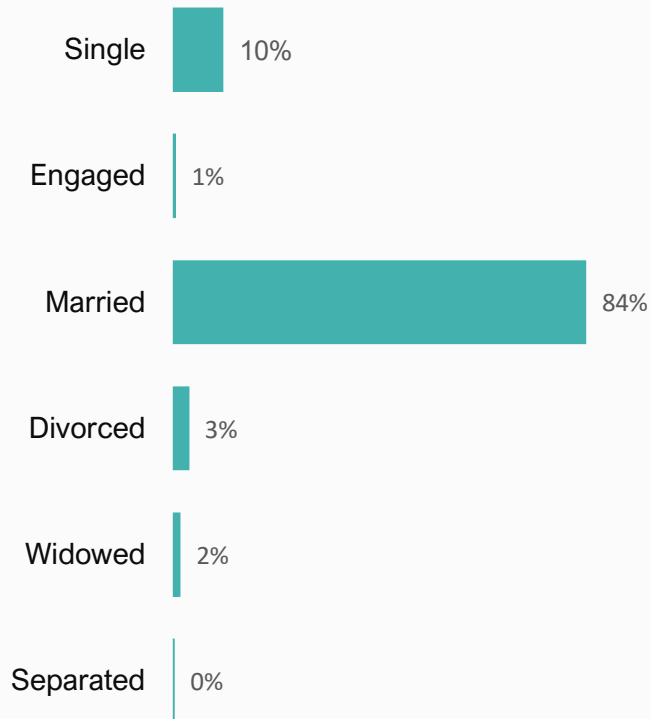
DEMOGRAPHICS

Overall Users Population's Profile (N= 2169)

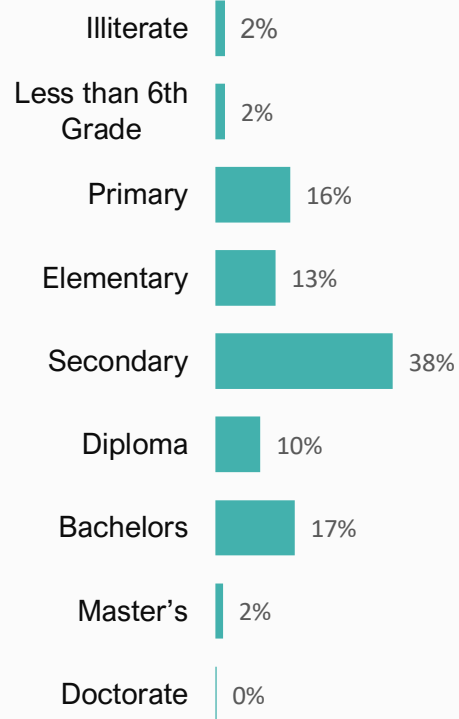


DEMOGRAPHICS

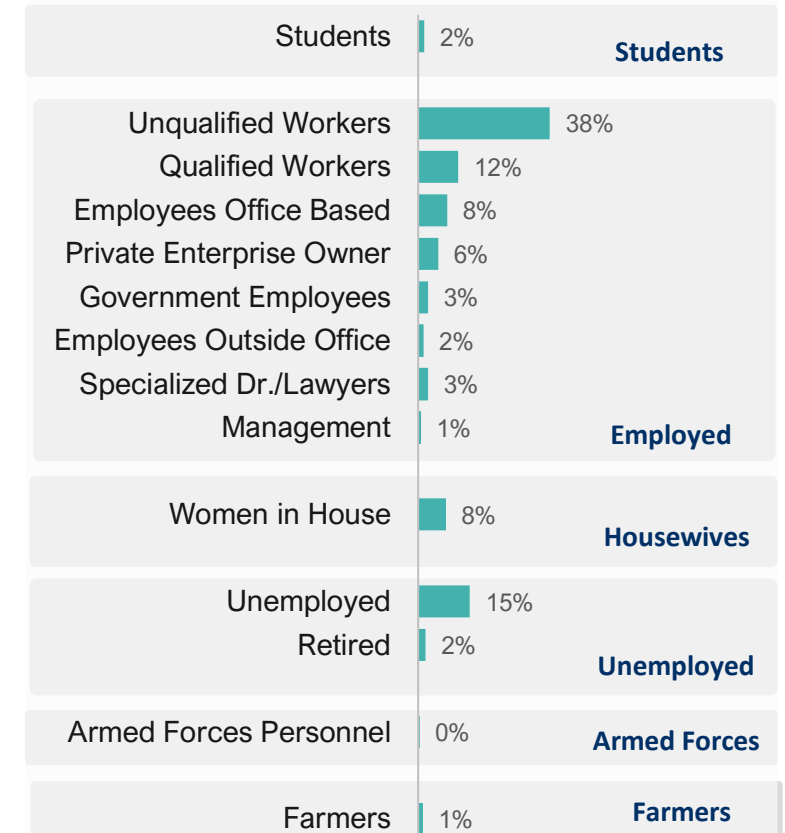
MARITAL STATUS



EDUCATION



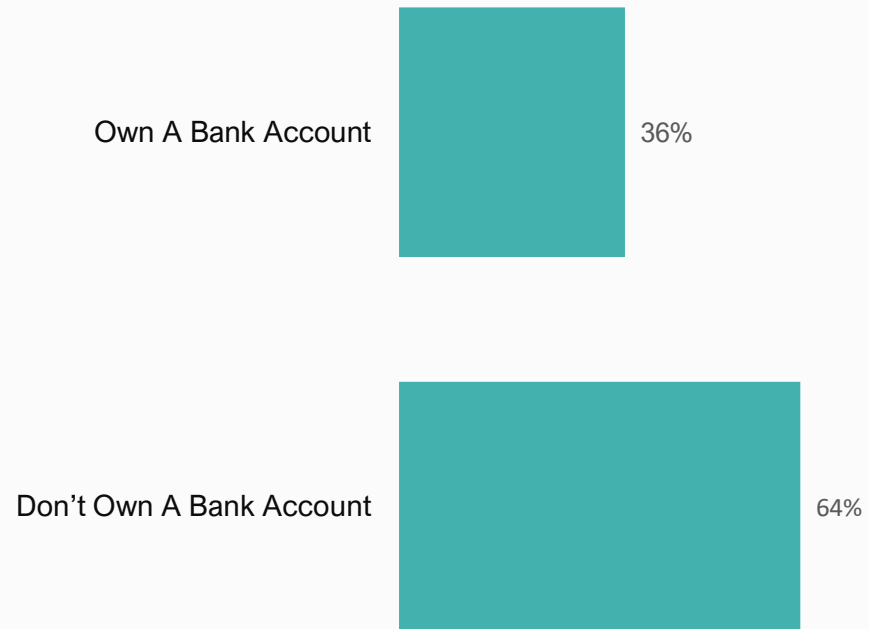
OCCUPATION



BANK ACCOUNT OWNERSHIP

BANK ACCOUNT OWNERSHIP

Out of Total Sample = 2169

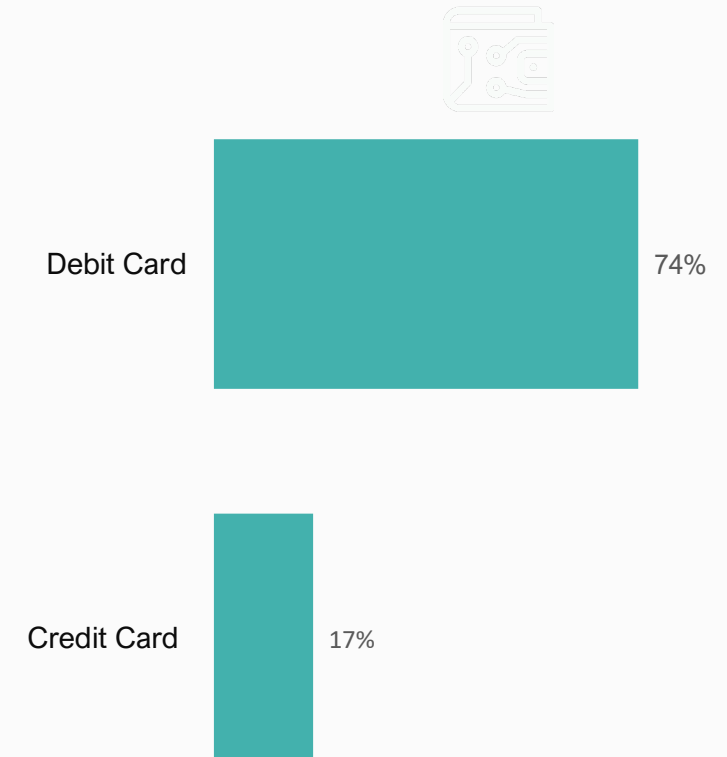


Q. Do you have an active bank account in Jordan? *List, Single Response*

Q. Do you have any of the following? *Single Response per Row*

FINANCIAL PRODUCTS OWNED

Out of Those Who Have a Bank Account = 781



A close-up photograph of a person's hand holding a smartphone over a payment terminal. The terminal is blue and white with a keypad. The background is blurred, showing a person in a blue uniform.

SECTION 4.2

USAGE & AWARENESS

OVERVIEW

MULTIPLE ACCOUNT OWNERS



5% Own Two Mobile Wallet Accounts Under Their Name



17% Own A Debit Card From Their Mobile Waller Provider

AVERAGE DURATION

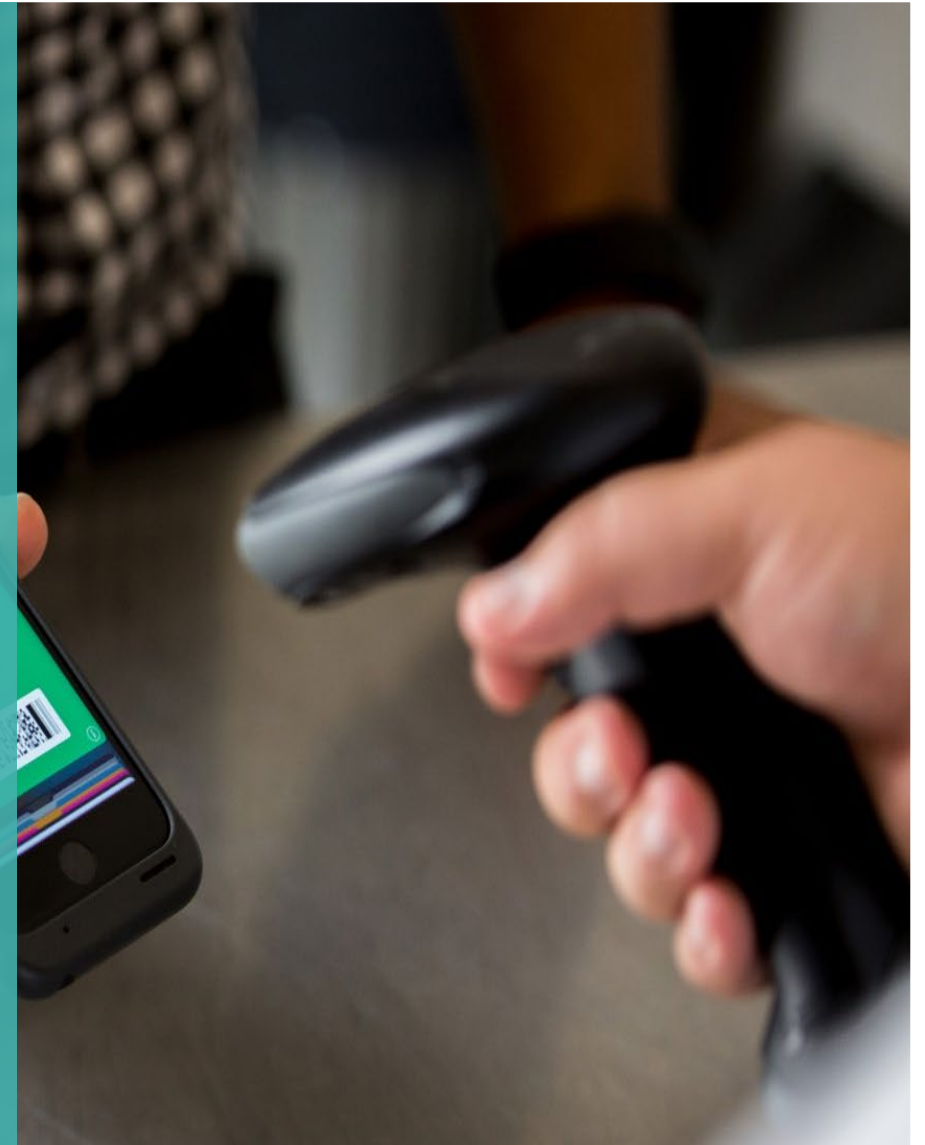
3 to 6 Months

TOP REASONS FOR SETTING UP WALLET

70% To Get Governmental Aid

13% Faster Method of Payment

6% Easier To Track Transactions



MULTIPLE MOBILE WALLET USAGE



5%

Of Overall Users Own Two Mobile Wallet Accounts

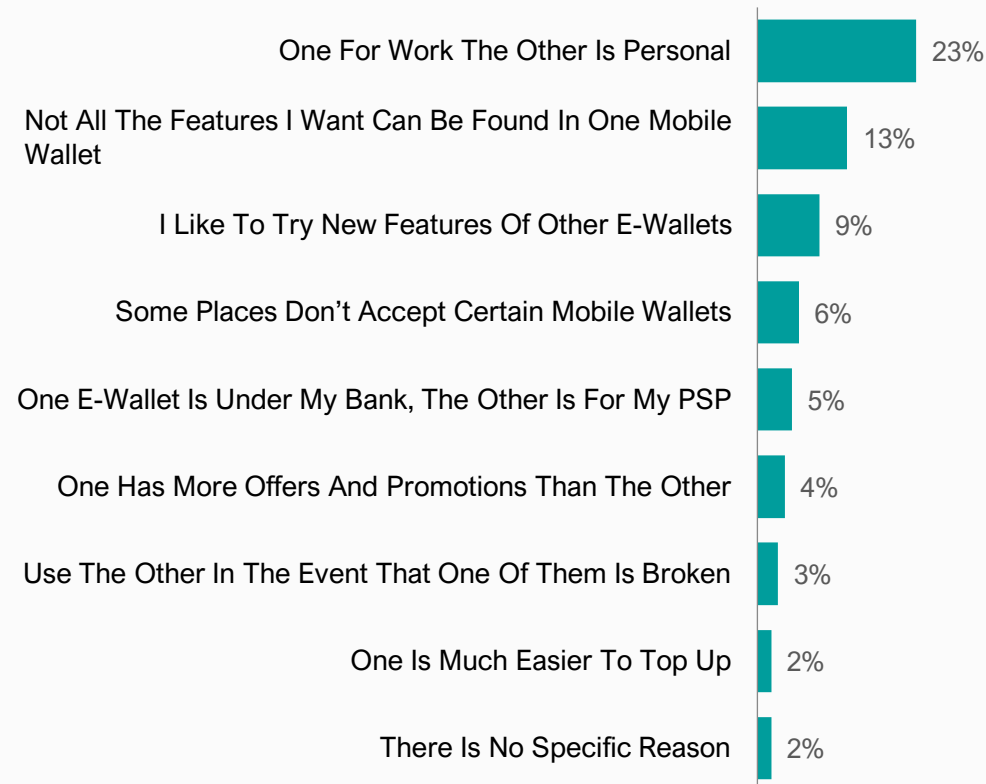
17%

Of Users Own A Payment Card For Their Mobile Wallet

REASONS FOR MULTIPLE MOBILE WALLET USAGE

Out of Those Who Have Two Mobile Wallet Accounts = 98

Q. Why do you own multiple Mobile Wallets?

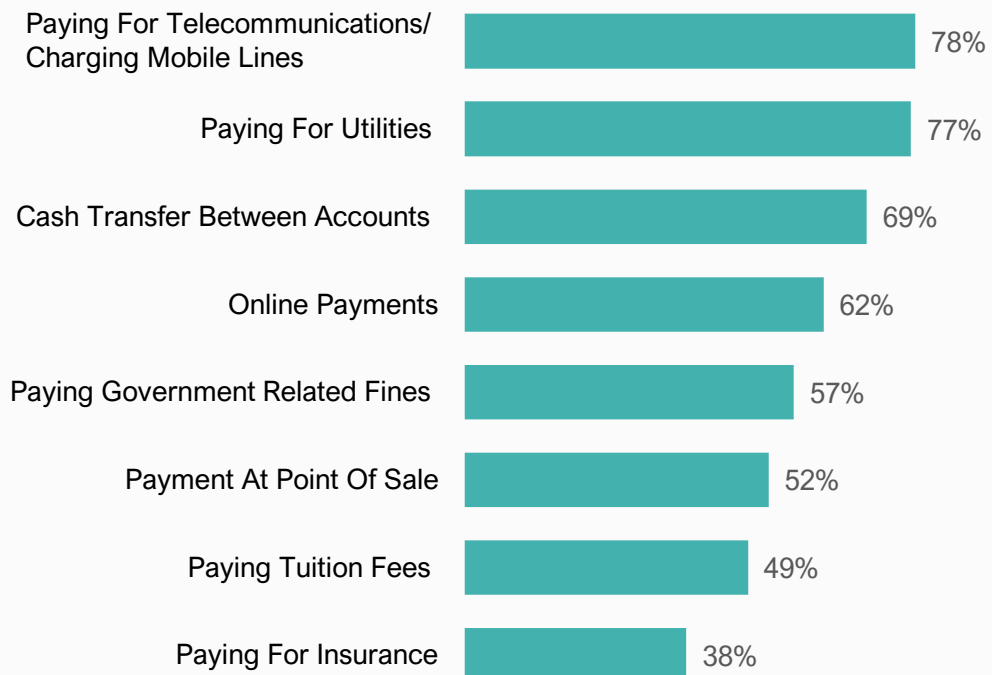


AWARENESS & USAGE OF DIFFERENT MOBILE WALLET SERVICES

AWARENESS OF MOBILE WALLET SERVICES

Out of Total Sample = 2169

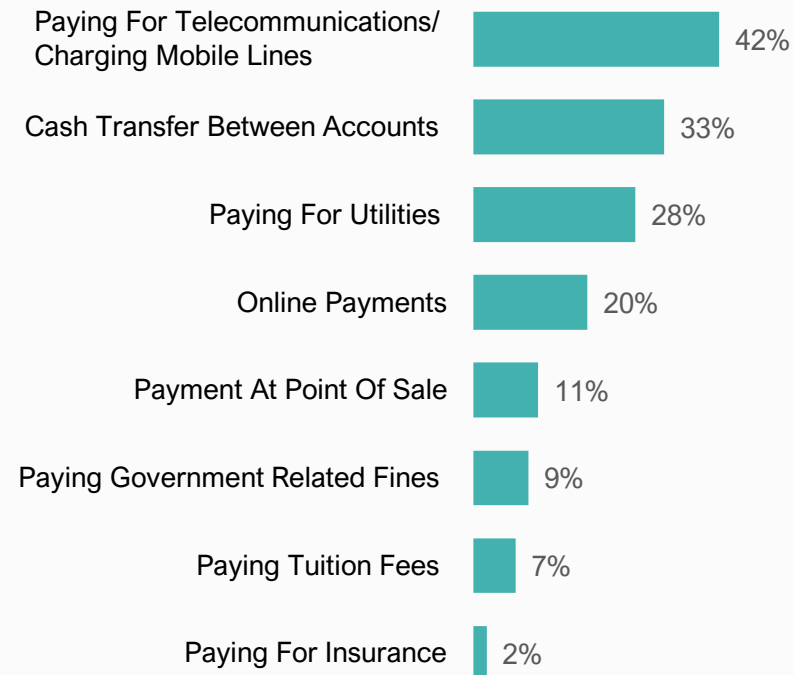
Q. Which of the following services offered by mobile wallets are you aware of?



USAGE OF MOBILE WALLET SERVICES

Out of Total Sample = 2169

Q. What are the services offered by mobile wallets have you used?



A close-up photograph of a person's hand holding a smartphone over a payment terminal. The terminal is blue and white with a keypad. The background is blurred, showing a person in a white shirt. A dark blue semi-transparent banner is overlaid at the bottom of the image, containing text.

SECTION 4.3

DECISION MAKING PROCESS

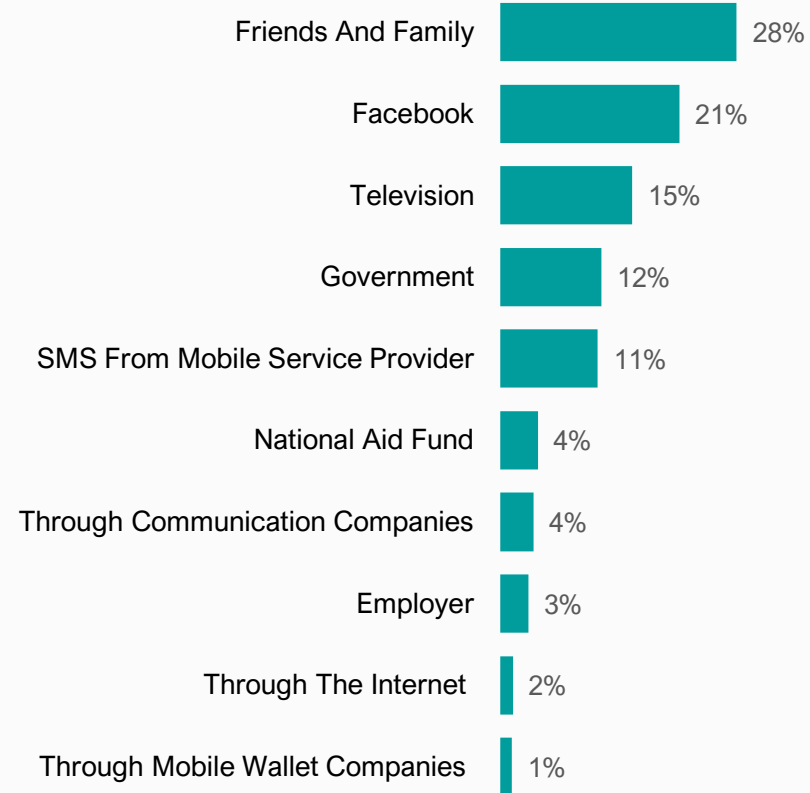
FIRST TIME HEARING ABOUT MOBILE WALLETS



FIRST TIME HEARING ABOUT MOBILE WALLETS

Out of Total Sample = 2169

Q. How did you first hear about Mobile Wallets?



REASONS FOR SETTING UP A MOBILE WALLET



69%

Of Users Received Daily Workers Support

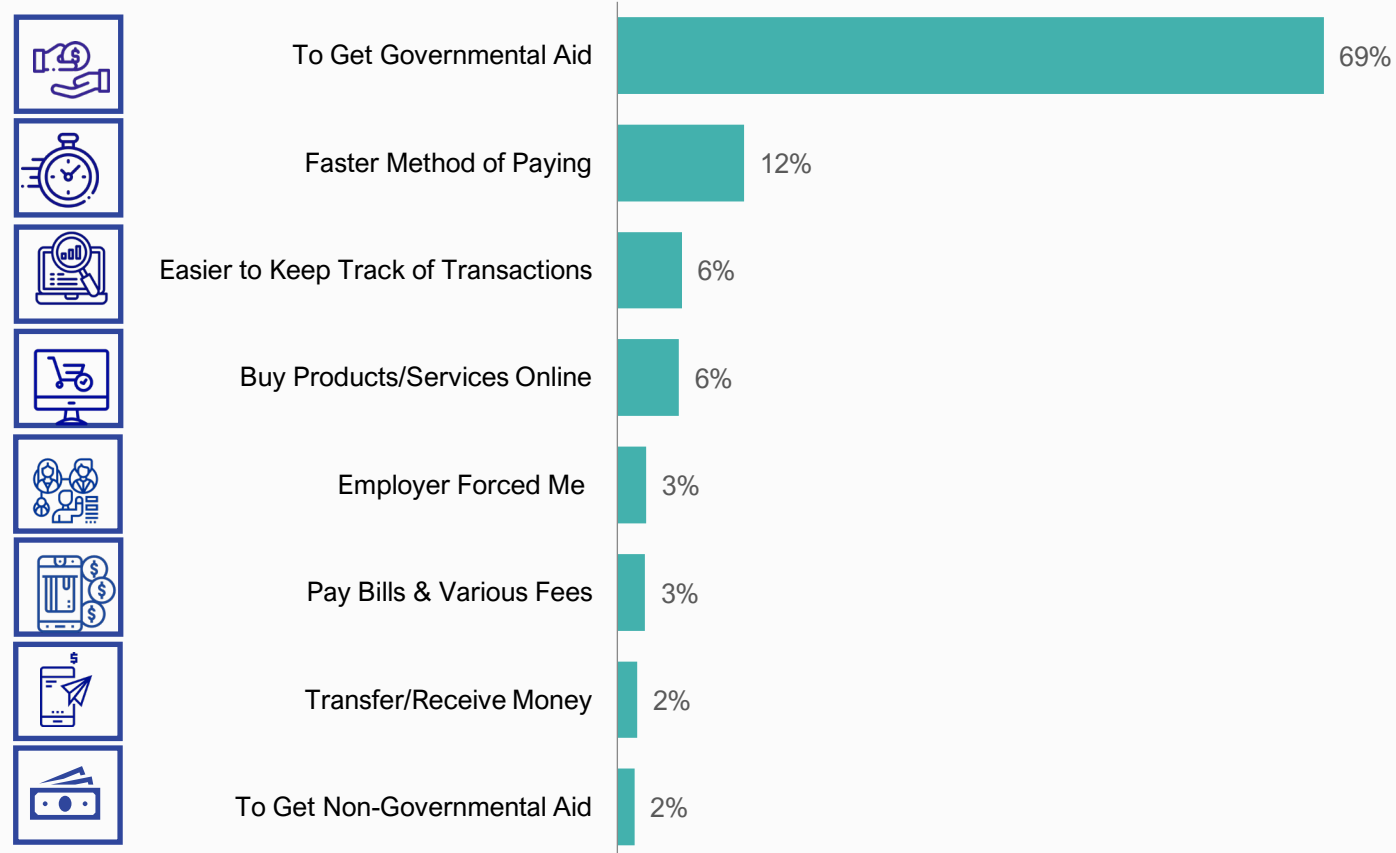


65%

Of Users Received Bread Subsidy

REASONS FOR SETTING UP A MOBILE WALLET

Out of Total Sample = 2169



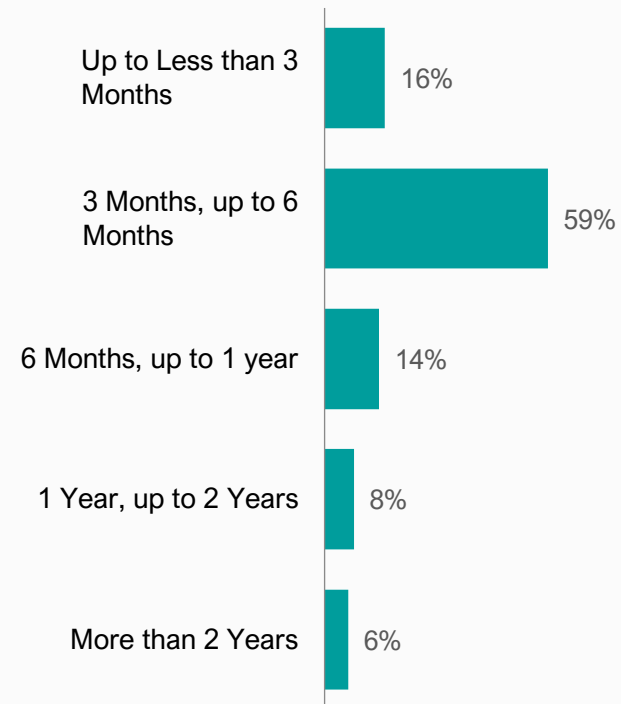
Q. When you first set up your Mobile Wallet/ Mobile Wallet, what was the reason behind it?

DURATION OF MOBILE WALLET OWNERSHIP



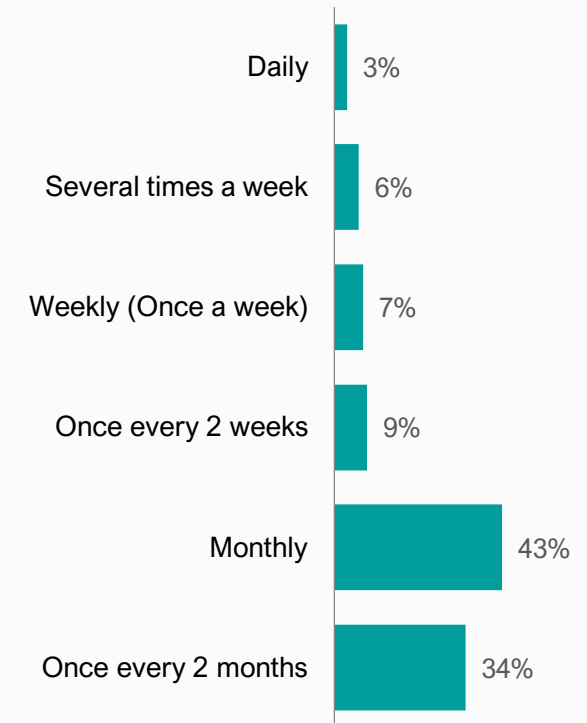
DURATION OF MOBILE WALLET OWNERSHIP Out of Total Sample = 2169

Q. For how long have you been using Mobile Wallets for financial transactions?



FREQUENCY OF MOBILE WALLET USAGE Out of Total Sample = 2169

Q. How often do you use Mobile Wallets for financial transactions?

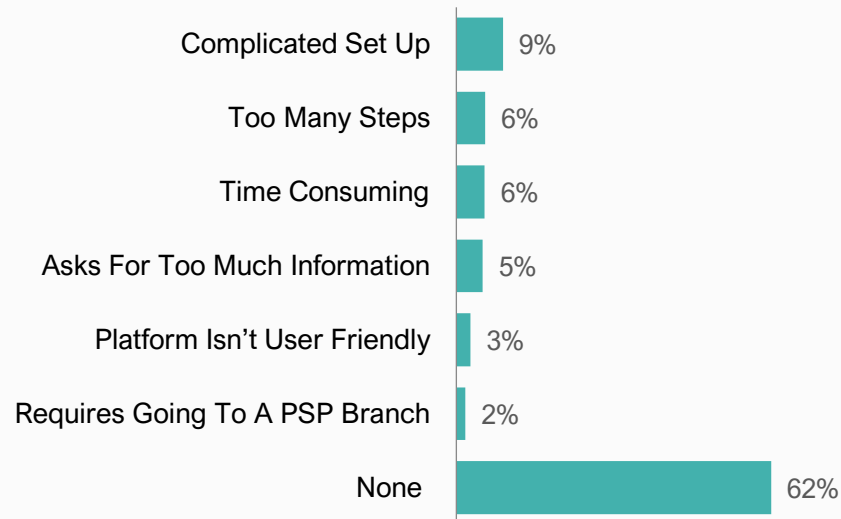


CHALLENGES FACED


TOP CHALLENGES FACED DURING SET-UP

Out of Total Sample = 2169

Q. Thinking about when you first set up your mobile wallet, what were the challenges/hardships faced during the set up?



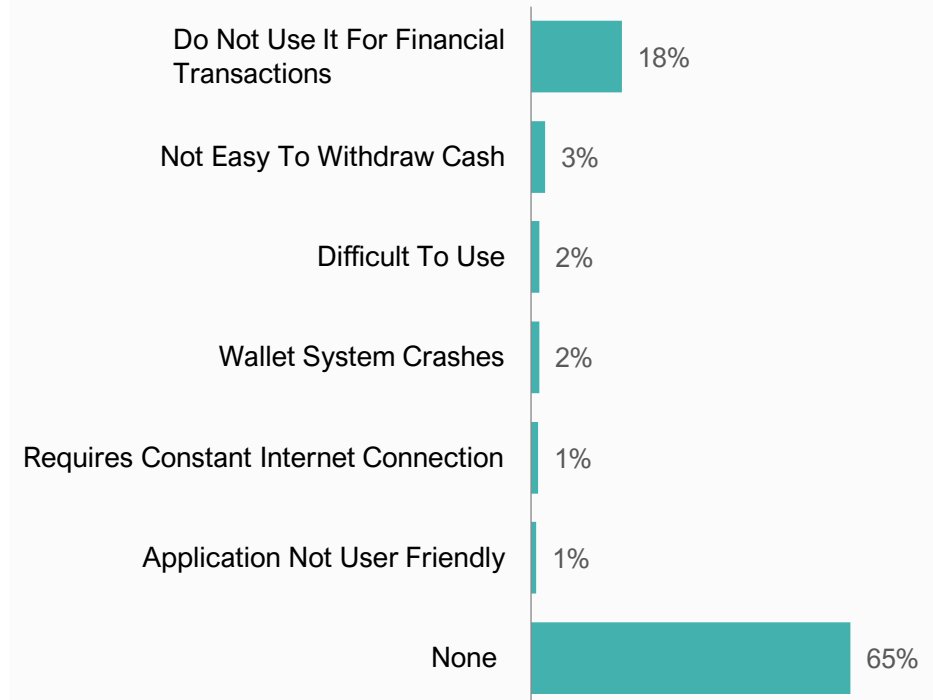
 **During set-up, every time I enter the information needed of me it refreshes & I have to start all over again.**

 **When I enter my mobile number, the application gives me an error that my mobile number is incorrect even though it's correct.**

TOP CHALLENGES FACED NOW

Out of Total Sample = 2169

Q. When you use your mobile wallet now for financial transactions, what are the challenges/hardships you face ?



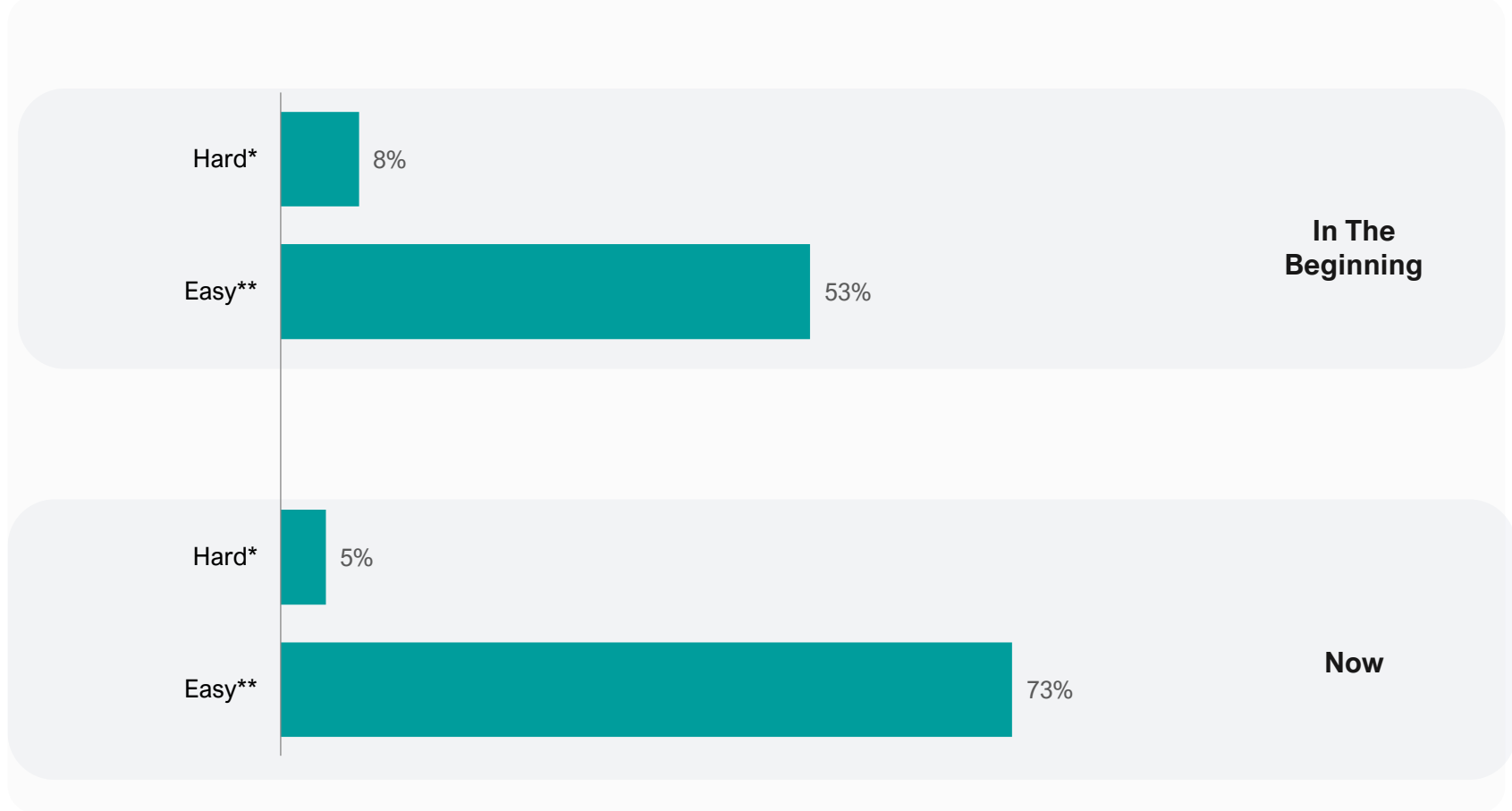
USAGE DIFFICULTY

- BASED ON TOP TWO BOX SCORE* -



USAGE DIFFICULTY

Out of Total Sample = 2169



Q. On a scale of 1-10 (where 1 being very easy and 10 being very hard) how hard was using the Mobile Wallet in the beginning?

Q. On a scale of 1-10 (where 1 being very easy and 10 being very hard) how hard is using the Mobile Wallet now?

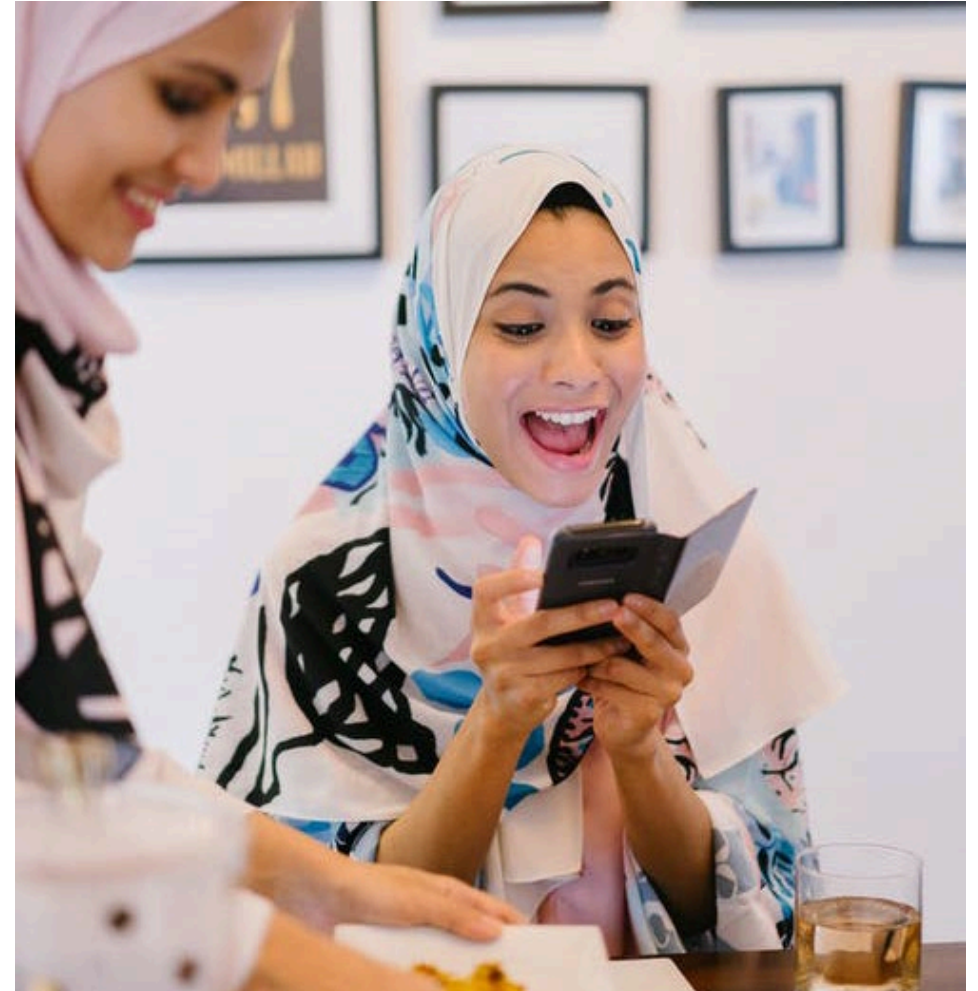
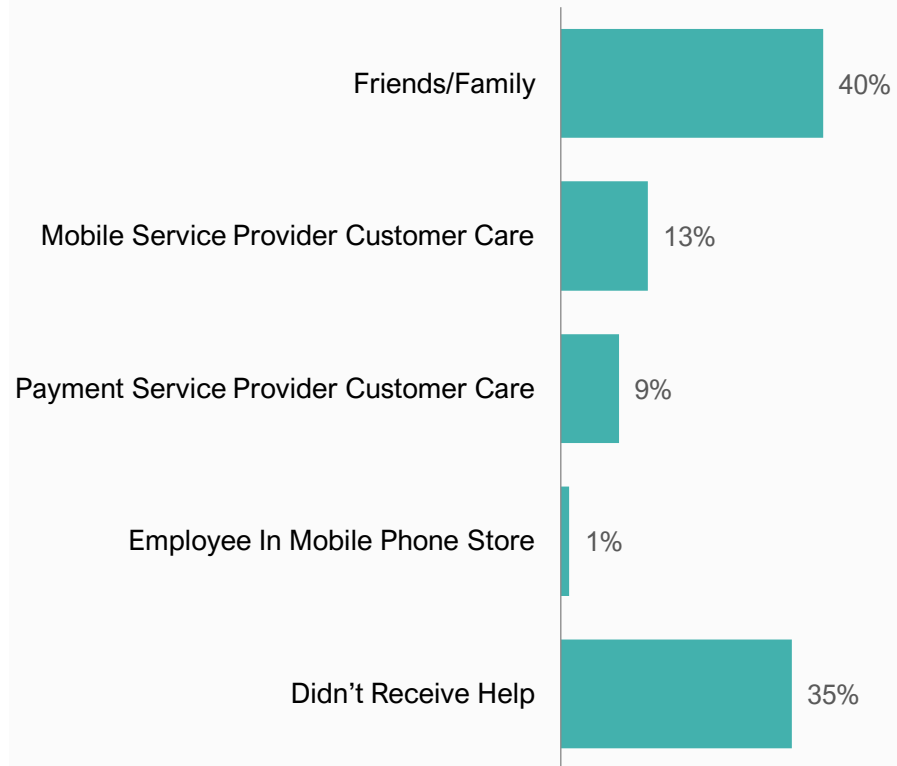
**Bottom 2 box score includes those who gave a score of 1 or 2 on how hard is using their mobile wallet, while top 2 box score are those who gave a score of 9 or 10 on how hard is using your Mobile Wallet*

ASSISTANCE RECEIVED DURING SET-UP

TOP ASSISTANCE DURING SET-UP

Out of Total Sample = 2169

Q. Who helped you set up your mobile wallet?





SECTION 4.4

SATISFACTION LEVELS

OVERALL MOBILE WALLET SATISFACTION

OVERALL SATISFACTION

Out of Total Sample = 2169

Q. On a scale from 1-10 where 1= Very Unsatisfied and 10=Very Satisfied, to what extent are you satisfied or dissatisfied with your Mobile Wallet?

Top Two Box Score*

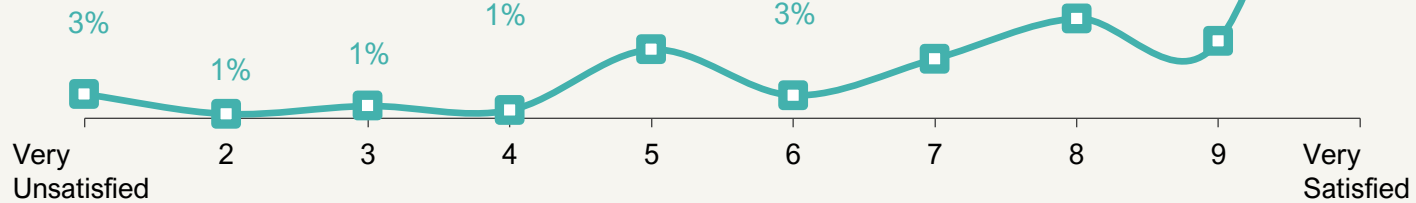
Average Score

Users

66%

8.5

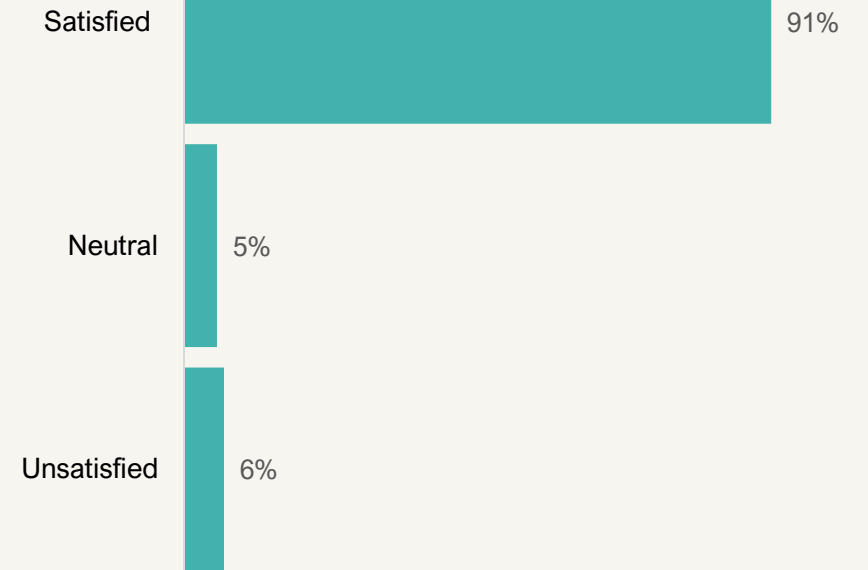
57%



OVERALL SATISFACTION

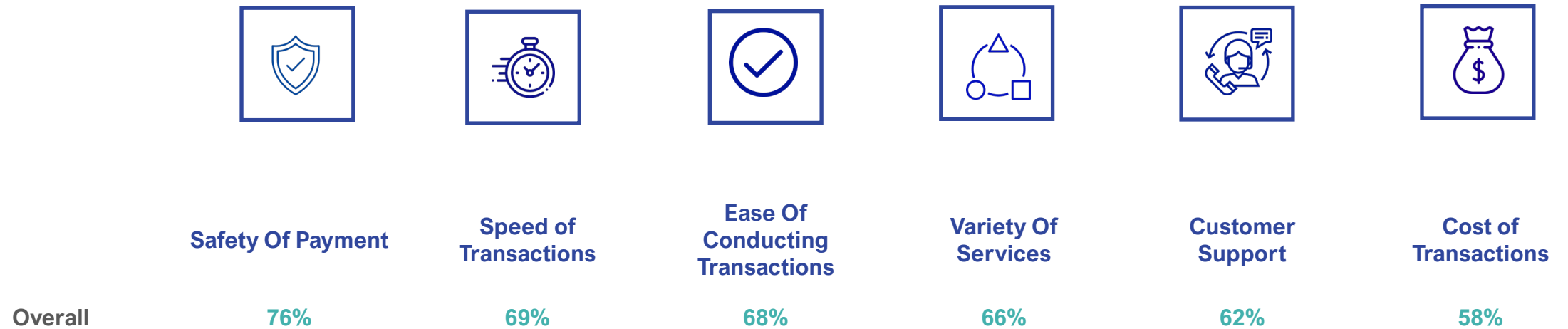
Out of Total Sample = 2169

Q. You previously gave a score of - when asked about your satisfaction regarding your Mobile Wallet, does that mean you are?



SATISFACTION WITH SERVICES

Top 2 Box Score*



Q. On a scale from 1-10 where 1= Very Unsatisfied and 10=Very Satisfied, to what extent are you satisfied with the following aspects of your Mobile Wallet?

**Top 2 box score are those who gave a score of 9 or 10 on how much they are satisfied with each service of their mobile wallet provider.*

Out of Total Sample = 2169

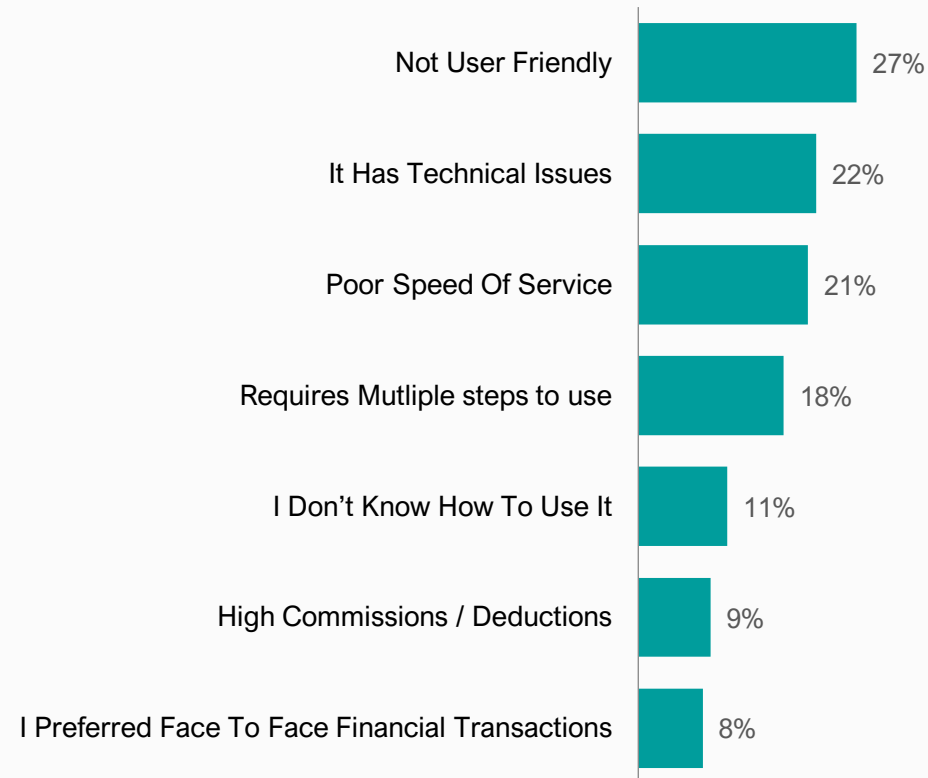
REASONS FOR DISSATISFACTION



REASONS FOR DISSATISFACTION

Out of Those Who Are Dissatisfied = 133

Q. You previously mentioned that you are Unsatisfied with your Mobile Wallet, what is the reason for that?



A close-up photograph of a person's hand holding a smartphone over a payment terminal. The terminal is blue and white with a keypad. The background is blurred, showing a person in a blue uniform. A dark blue semi-transparent banner is overlaid at the bottom of the image.

SECTION 4.5

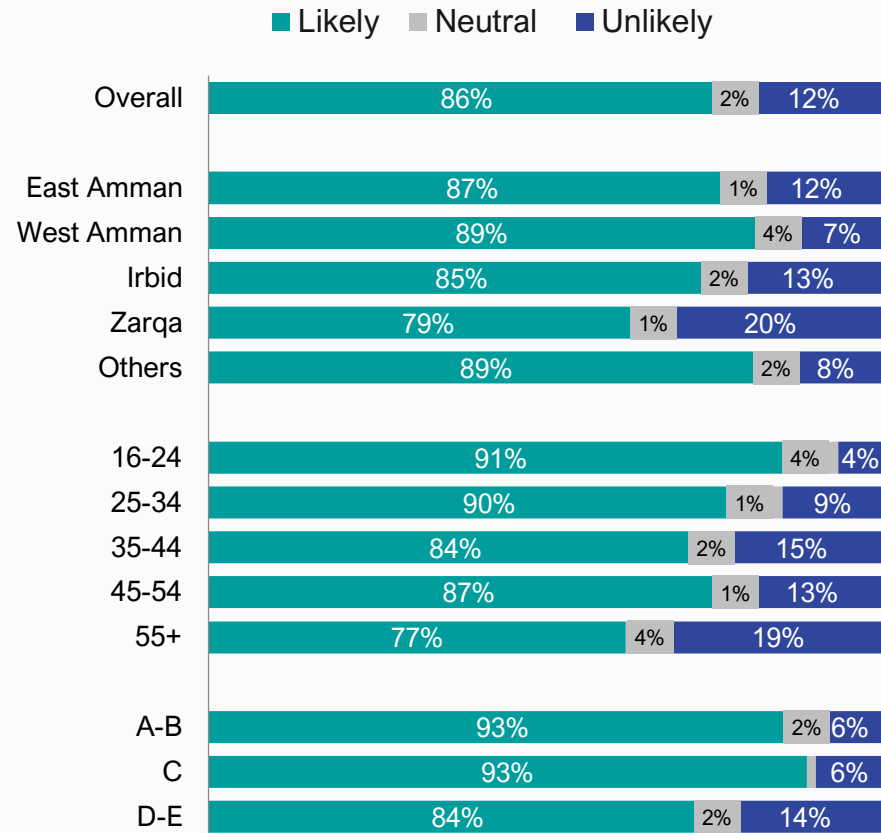
FUTURE INTENTIONS

LIKELIHOOD TO CONTINUE USAGE – By Demographics

LIKELIHOOD TO CONTINUE USAGE

Out of Total Sample = 2169

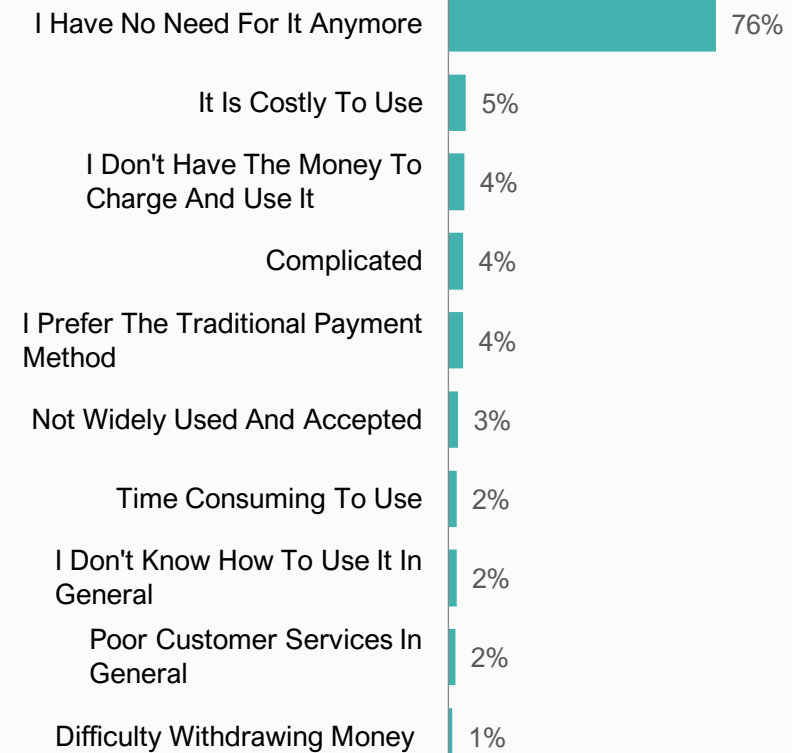
Q. How likely are you to continue to use Mobile Wallets in the future?



REASONS FOR DISCONTINUING USAGE

Out of Users Who Will Discontinue Usage – N=267

Q. You mentioned that you are more likely to not use Mobile Wallet in the future, what are the reasons behind that decision?



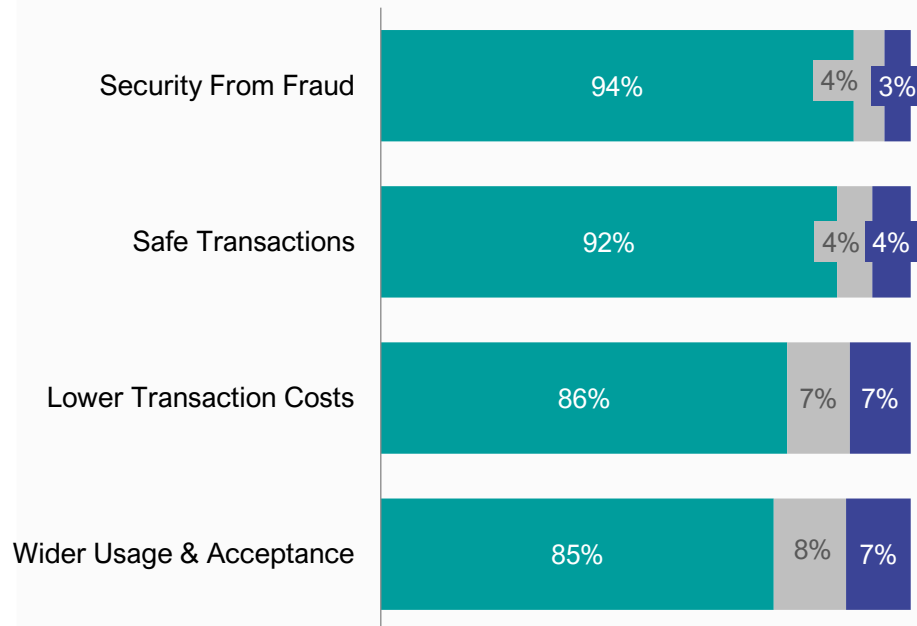
FACTORS THAT DRIVE CONSIDERATION

FACTORS THAT DRIVE CONSIDERATION

Out of Total Sample = 2169

Q. Please rate how important the following factors are for you to consider using Mobile Wallet?

■ Important ■ Neutral ■ Not Important

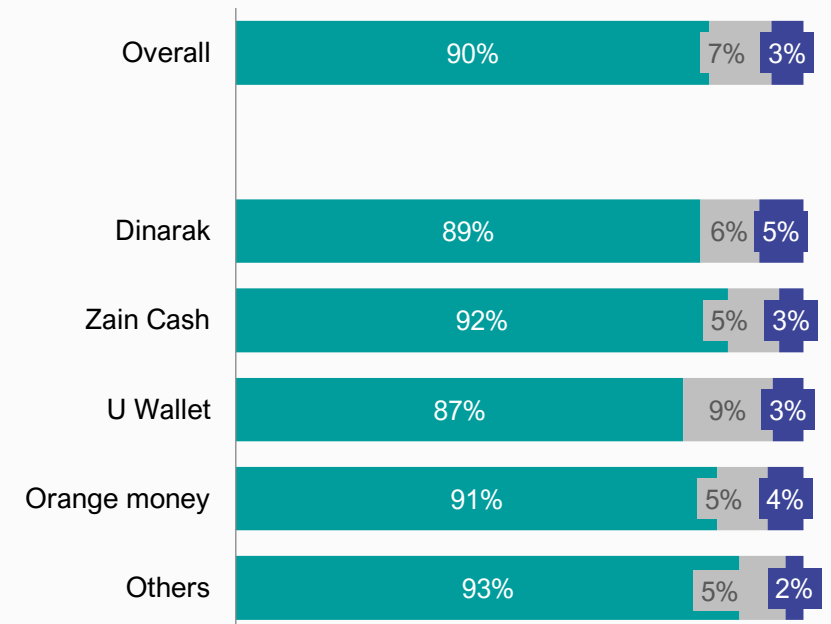


CONFIDENCE IN RECOMMENDING MOBILE WALLET

Out of Total Sample = 2169

Q. How confident are you in recommending Mobile Wallets to friends and family?

■ Confident ■ Neutral ■ Not Confident



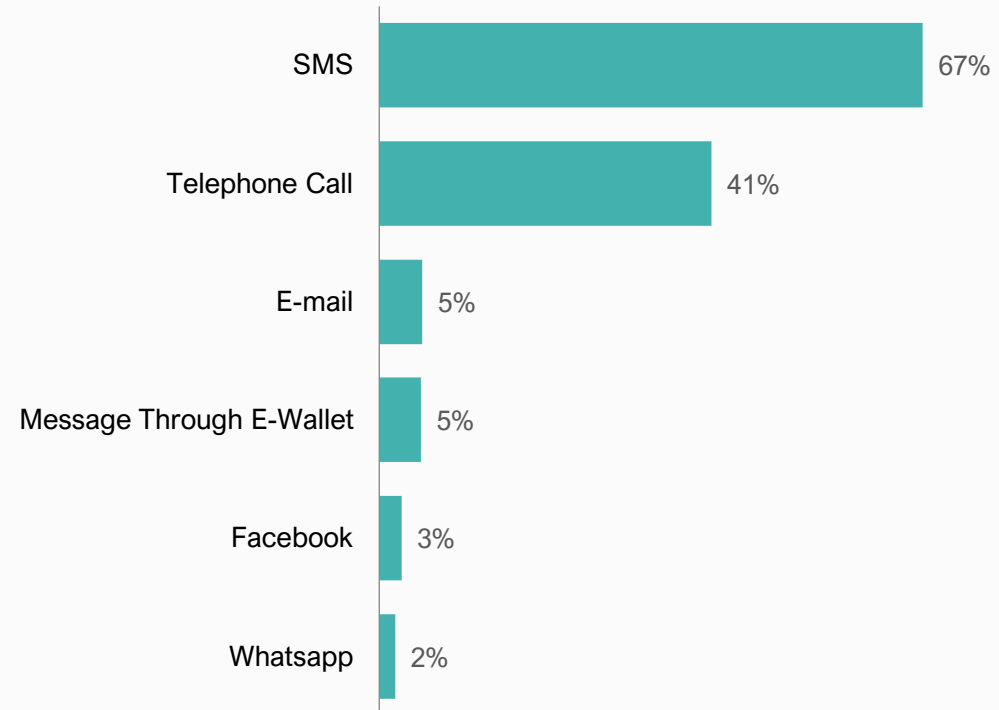
PREFERRED METHOD FOR COMMUNICATION



PREFERRED METHOD FOR FUTURE COMMUNICATION

Out of Total Sample = 2169

Q. How would you prefer your Mobile Wallets service provider communicate with you about upcoming financial services to be offered?



A close-up photograph of a person's hand holding a smartphone over a payment terminal. The terminal is blue and white with a keypad. The background is blurred, showing a person in a blue uniform. A dark blue semi-transparent banner is overlaid at the bottom of the image.

SECTION 4.6 APPENDIX

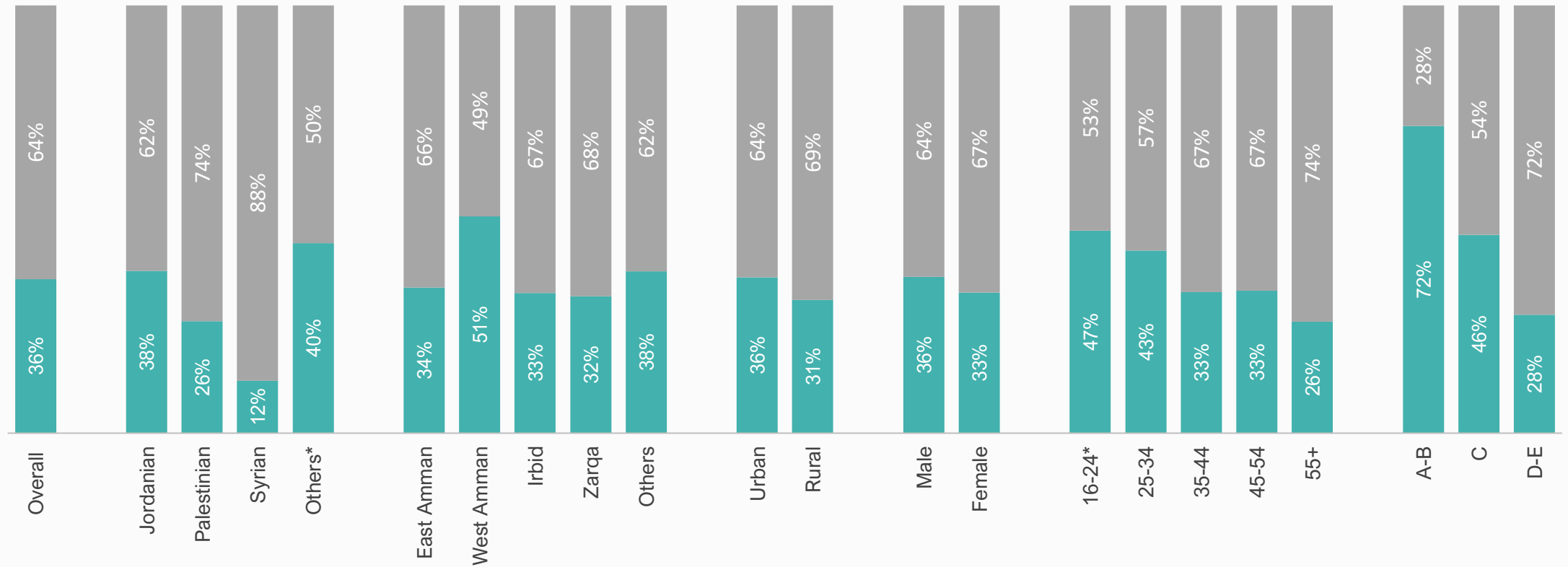
BANK ACCOUNT OWNERSHIP – BY DEMOGRAPHICS

BANK ACCOUNT OWNERSHIP

Out of Total Sample = 2169

Q. Do you have an active bank account in Jordan?

■ Have A Bank Account ■ Don't Have A Bank Account



PERIOD OF MOBILE WALLET USAGE AND ADDITIONAL SERVICES REQUESTED

PERIOD OF MOBILE WALLET USAGE

Out of Total Sample = 2169

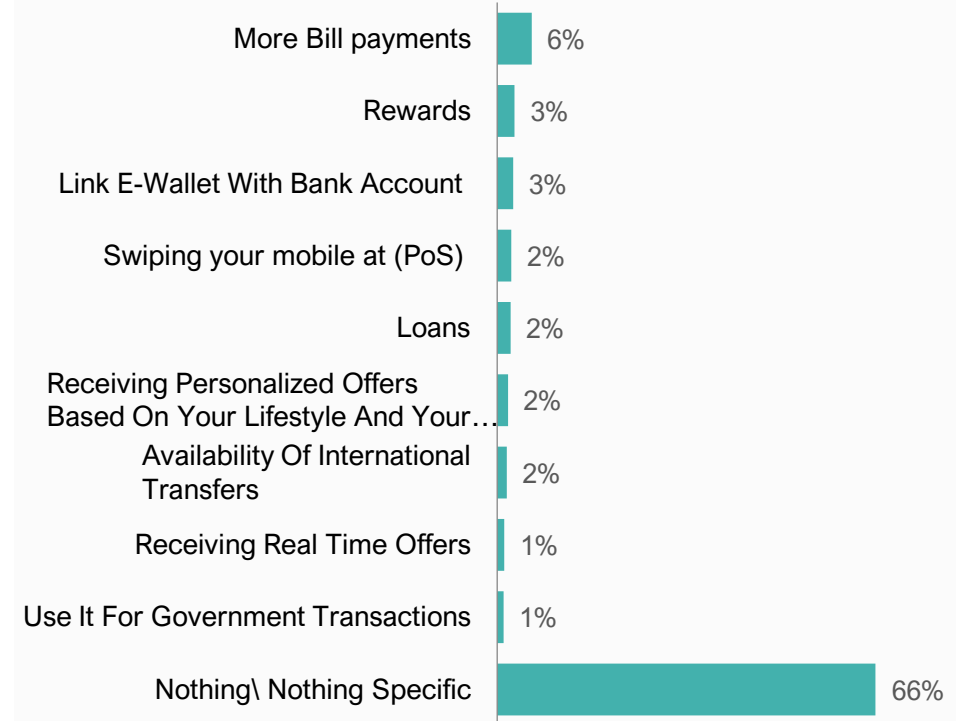
Q. For how long have you been using Mobile Wallets for financial transactions?



ADDITIONAL SERVICES REQUESTED

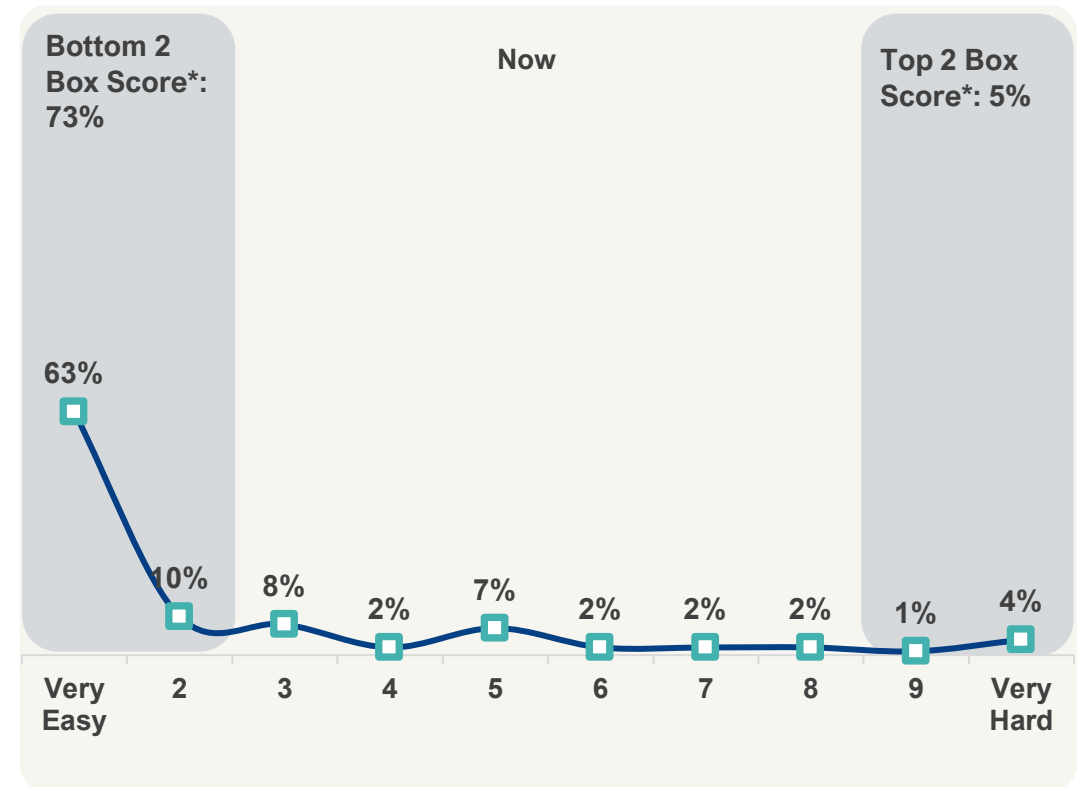
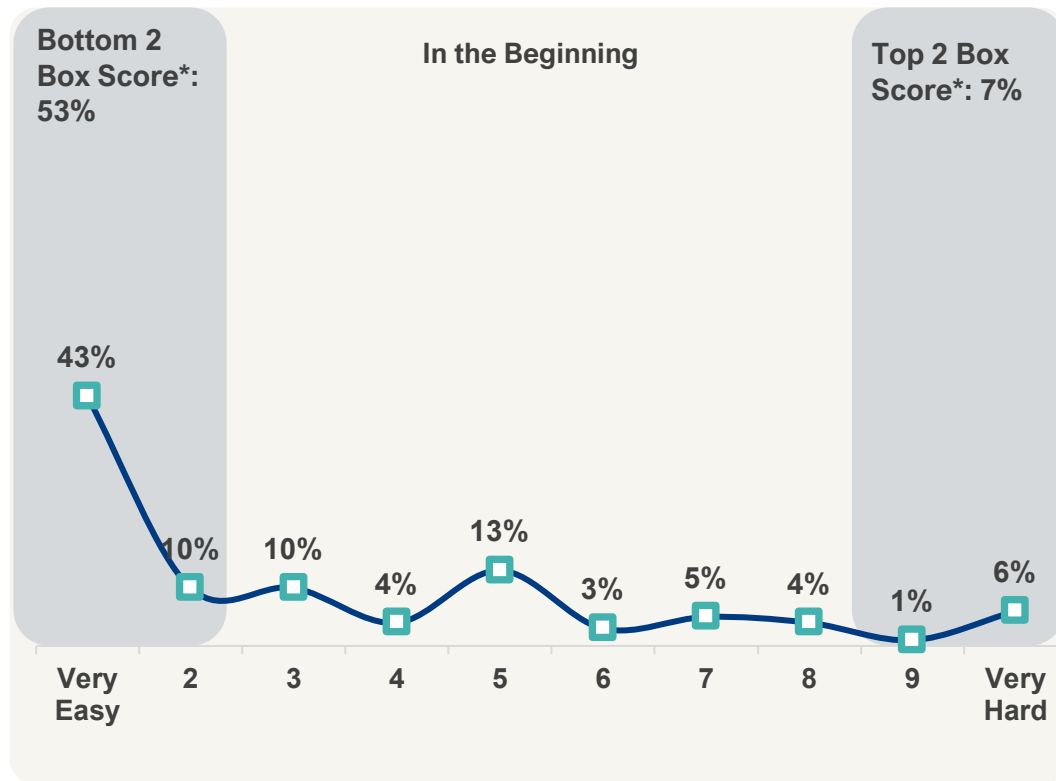
Out of Total Sample = 2169

Q. Which services would you like to see being offered by your Mobile Wallet?



HARDSHIP OF USING MOBILE WALLET

Total Sample (N= 2169)



TRUST IN SERVICE PROVIDER

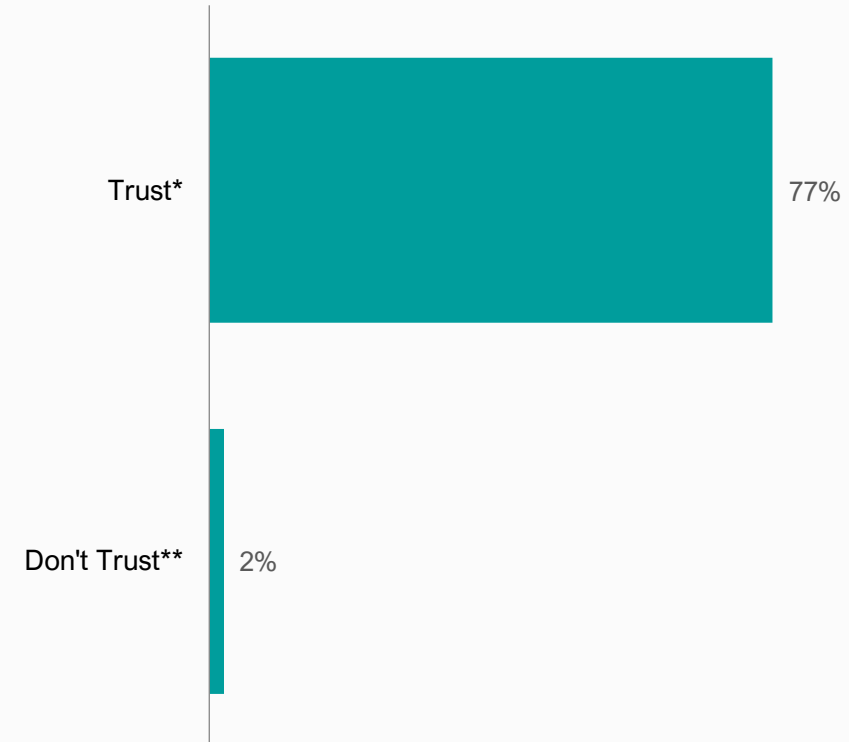


TRUST IN SERVICE PROVIDER

Out of Total Sample = 2169

*Based on Top 2 Box Score

** Based on Bottom 2 Box Score



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THANK YOU!

