

Africa leads mobile money boom

New data from Juniper Research has revealed how Service Providers are benefiting from the boom in mobile money transfer services - with \$2bn in revenues forecast for this year and \$4bn annually 2018...

Africa leads the way

The new research, Mobile Money Transfer & Remittance: Domestic & International Markets 2015-2020, pointed to Africa as being the leading market. Several African mobile operators - such as Vodacom Tanzania and MTN Uganda - are now generating more than 10% of their revenues from mobile money.



Image via [123RF](#)

Meanwhile, Safaricom's MPESA service, the trailblazer in the sector, recorded mobile money revenues of more than \$330m in the latest financial year, making it the most successful mobile or online money transfer service worldwide.

Interoperability agreements spur traffic growth

According to the research, recent surges in both transaction volumes and values were being driven by increased implementation of both cross-border and intra-national remittance interoperability. The research cited the traffic uplifts engendered by recent agreements between Safaricom and MTN (for the Rwanda-Kenya corridor) and by national interoperability agreements in markets such as Tanzania and Pakistan.

The research also highlighted a shift in service provider requirements, with the majority now seeking to deploy smartphone applications in tandem with USSD (Unstructured Supplementary Service Data)/IVR (Interactive Voice Response) mobile money solutions, thereby futureproofing them in anticipation of great medium-term smartphone adoption.

'Inappropriate' service pricing and marketing

However, the research cautioned that while inadequate regulation still constrained growth in a number of markets, in many cases low adoption or activity rates could be attributed to poor decision making by service providers. According to research author Dr Windsor Holden, 'There are too many instances where service

marketing is inappropriate or incorrectly targeted; where the message simply isn't reaching the desired audience.'

The research also observed that in Nigeria, a number of services had failed to gain repeat usage because of the high cash-out fees, while savings accounts in other markets had withdrawal fees that were inappropriate for low-income users/savers.

The whitepaper, [Cash-in on Money Mobile Transfer](#), is available to download from the Juniper Research website together with further details of the new research and interactive dataset.

[Click here](#) to read the full press release on the website.

For more, visit: <https://www.bizcommunity.com>