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Advancing financial access for the world's poor

BRANCHLESS BANKING PRICING ANALYSIS

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May 2010

CGAP Technology Program

14 projects in 10 countries, 13 policy diagnostics

- Research, policy, advisory and grant funding
- Learning and knowledge sharing
- Co-funded by the Bill & Melinda Gates Foundation, CGAP and the UK Department for International Development
- Find us online at http://www.cgap.org/technology

What we do

•Demonstrate innovation and scale in branchless banking projects resulting from CGAP's technical assistance and/or grant funding.

•Improve broad industry knowledge and practice in the areas of customers, agents, business models and regulatory frameworks.

•Harness existing government payments and remittance flows to provide banking services to large numbers of unbanked people.

•Help policymakers develop regulations that support effective use of mobile technologies for financial inclusion.

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Question: Is branchless banking cheaper for low-income people than formal banking?

Methodology:

1. Compare pricing of 16 leading branchless banking services across 8 ways that customers use branchless banking ("use cases")

2. Compare pricing of these branchless banking services against 10 formal banks targeting the mass market as well as informal money transfer options

BRANCHLESS BANKING SERVICES	BANKS
Bradesco (BN)	ABSA (ZA)
Caixa (BN)	Bradesco (BN)
Easypaisa (PK)	Caixa (BN)
EKO (IN)	Ecobank (CI)
GCash (PH)	Equity (KN)
M-Paisa (AF)	ICICI (IN)
M-PESA (KN)	K-REP (KN)
MTN Mobile Money (CI)	SBI (IN)
MTN Mobile Money (ZA)	Standard (ZA)
Orange (CI)	UBA (CI)
Smart Money (PH)	
Vodafone M-PESA (TZ)	
WING Money (CAM)	
WIZZIT (ZA)	
ZAP (KN)	
ZAP (TZ)	

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Note: 8 use cases are: 1) Sending Money Transfer, 2) Receiving Money Transfer, 3) Short-term safekeeping, 4) Medium-term savings, 5) Bill Payments, 6) High Usage, 7) M-PESA Customer, 8) Kenya Bank Customer

Headline Findings: Slides 5 - 9

Detailed Findings: Slides 10 - 55

Appendix with additional details: Slides 56 - 60

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Key Takeaways

- On average, branchless banking is 19% cheaper than banks
- The lower the transaction value, the cheaper branchless banking is in comparison with banks. For example, at a transactional value of $23, branchless banking is on average 38% cheaper than commercial banks we looked at.
- Branchless banking is 54% cheaper than informal options for money transfer.
- Customer usage is influenced not only by absolute prices but by the way a service is priced. For example, in order to encourage trial of money transfers, some services offer free deposits, which make branchless banking an affordable way to save.

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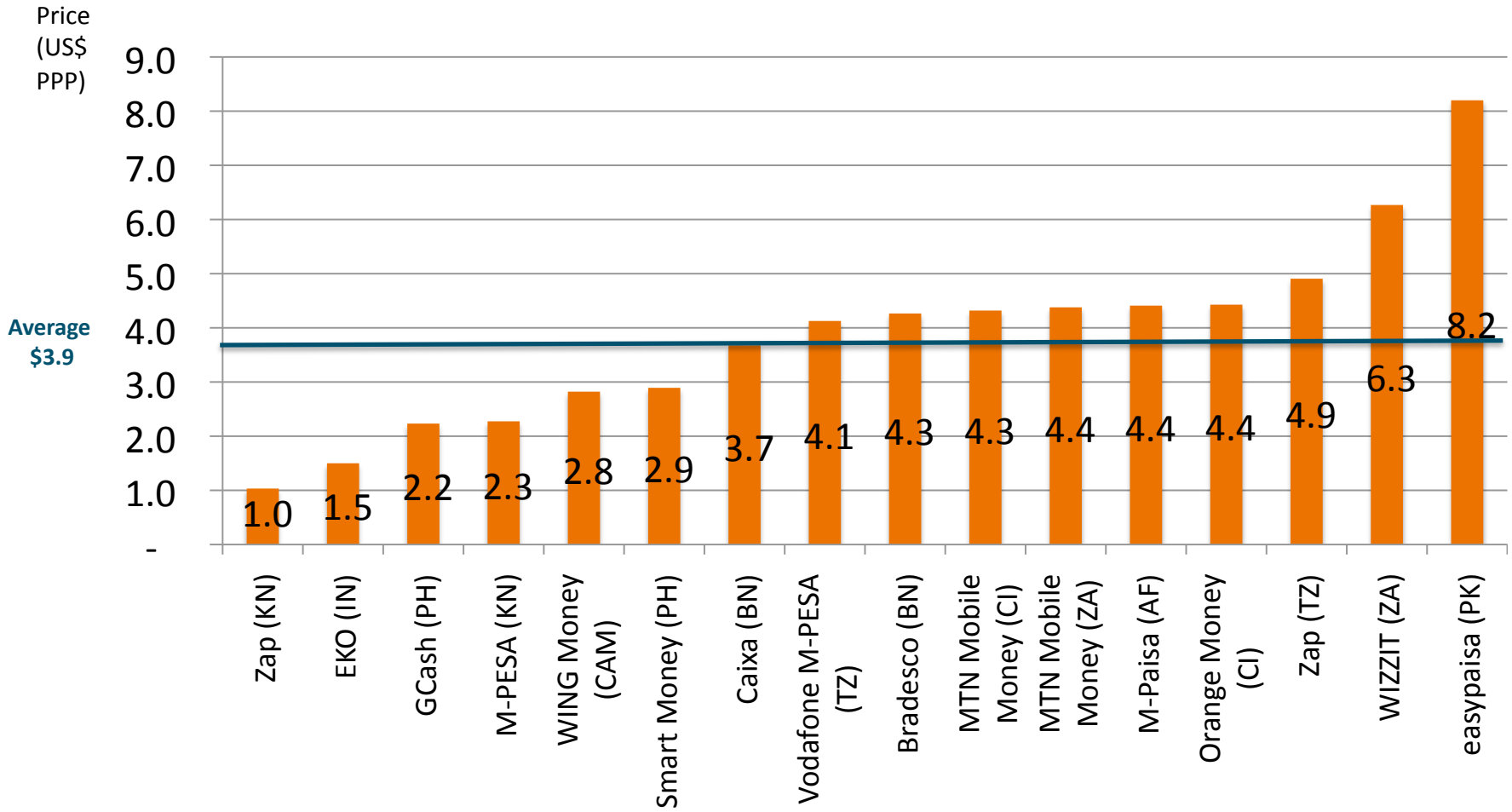
Average branchless banking price is $3.9 per month



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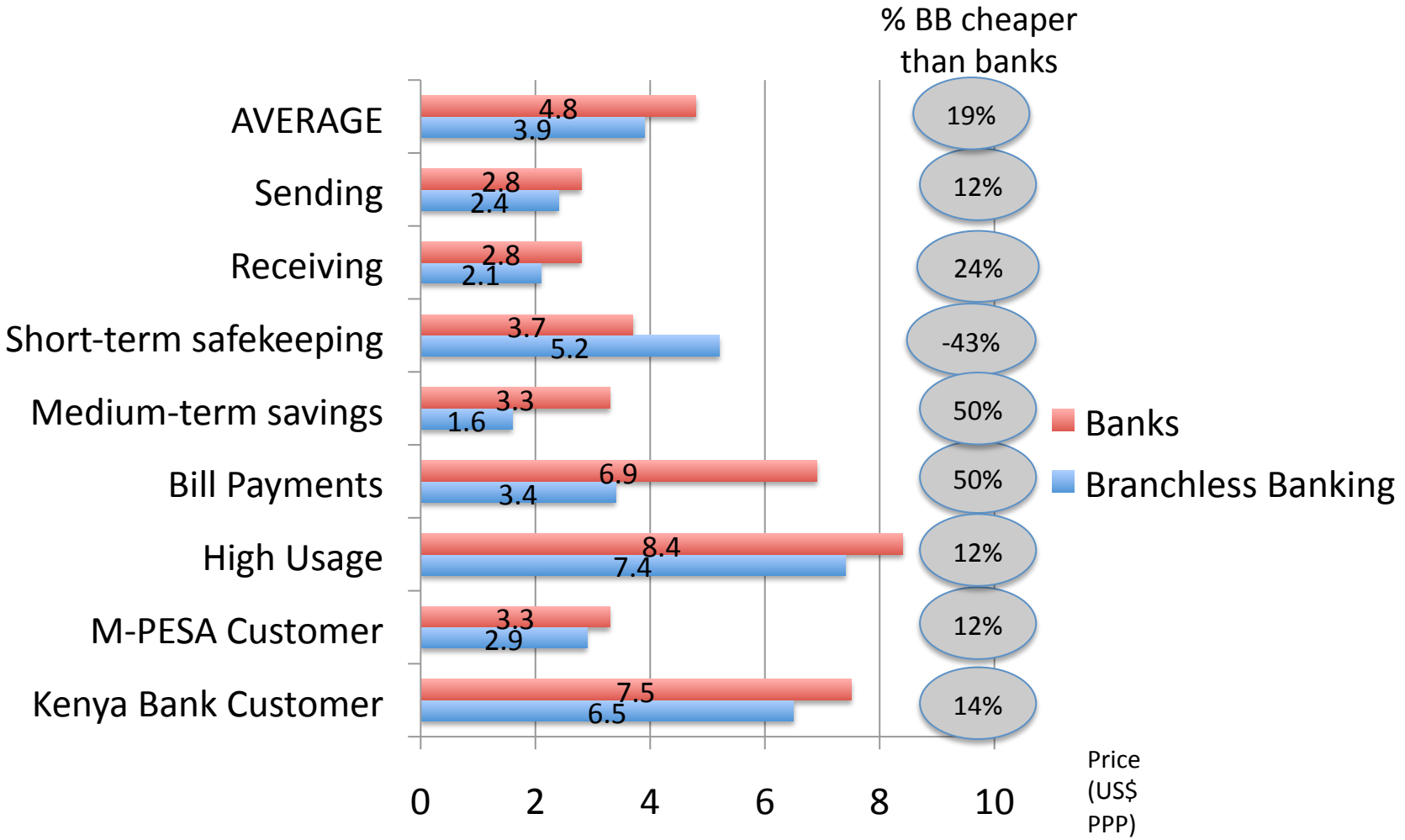
Note: All prices are PPP adjusted so they are comparable for customers in very different markets – see slide 17 for more details. This average is for all providers across all 8 use cases. Nominal average price is $1.50 average.

On average, branchless banking services are 19% cheaper than banks



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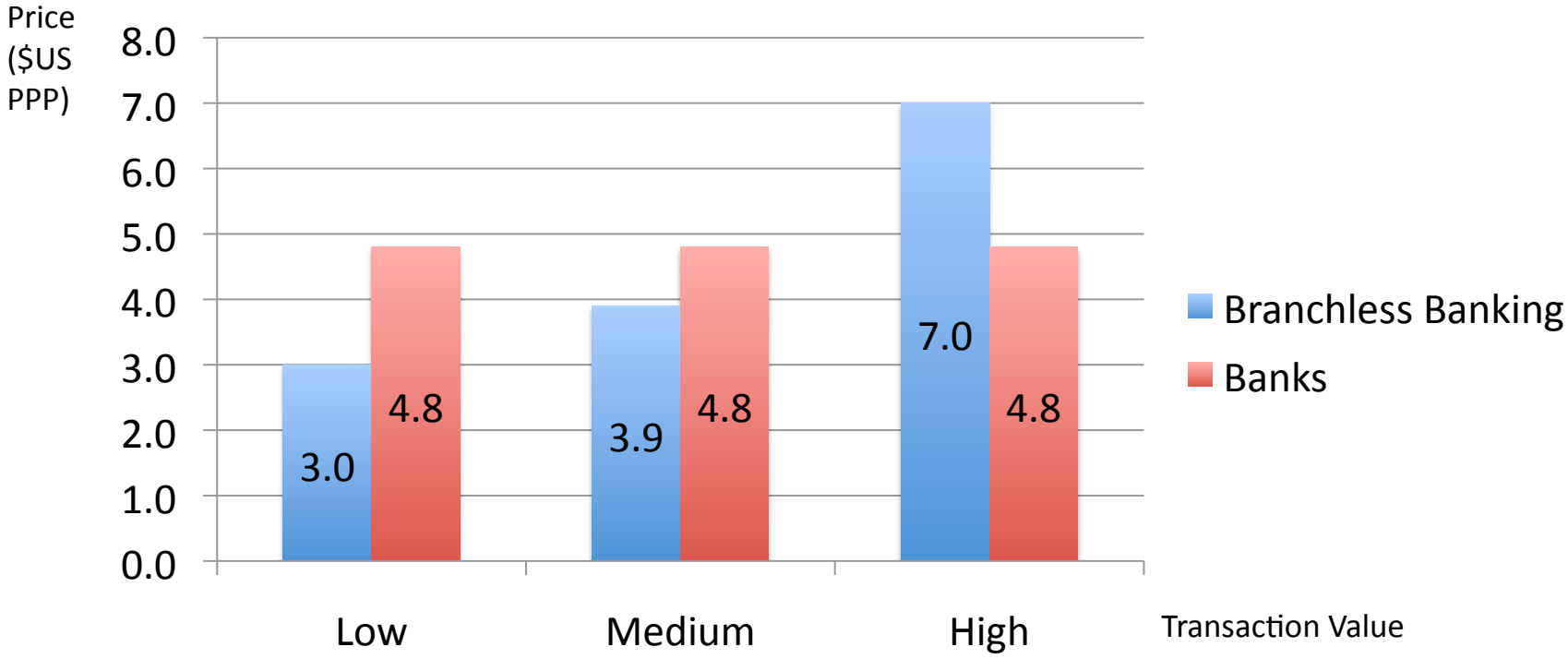
Note: Prices are based on one month usage of services. Data was received on actual average transactions by M-PESA and Kenya Bank customers to develop these use cases.

The lower the transaction value, the cheaper branchless banking is in comparison to banks

Average price across 8 use cases based on low, medium, high values



% Branchless Banking cheaper than banks across 8 scenarios	38%	19%	-45%
Deposit Amount	$23	$69	$207

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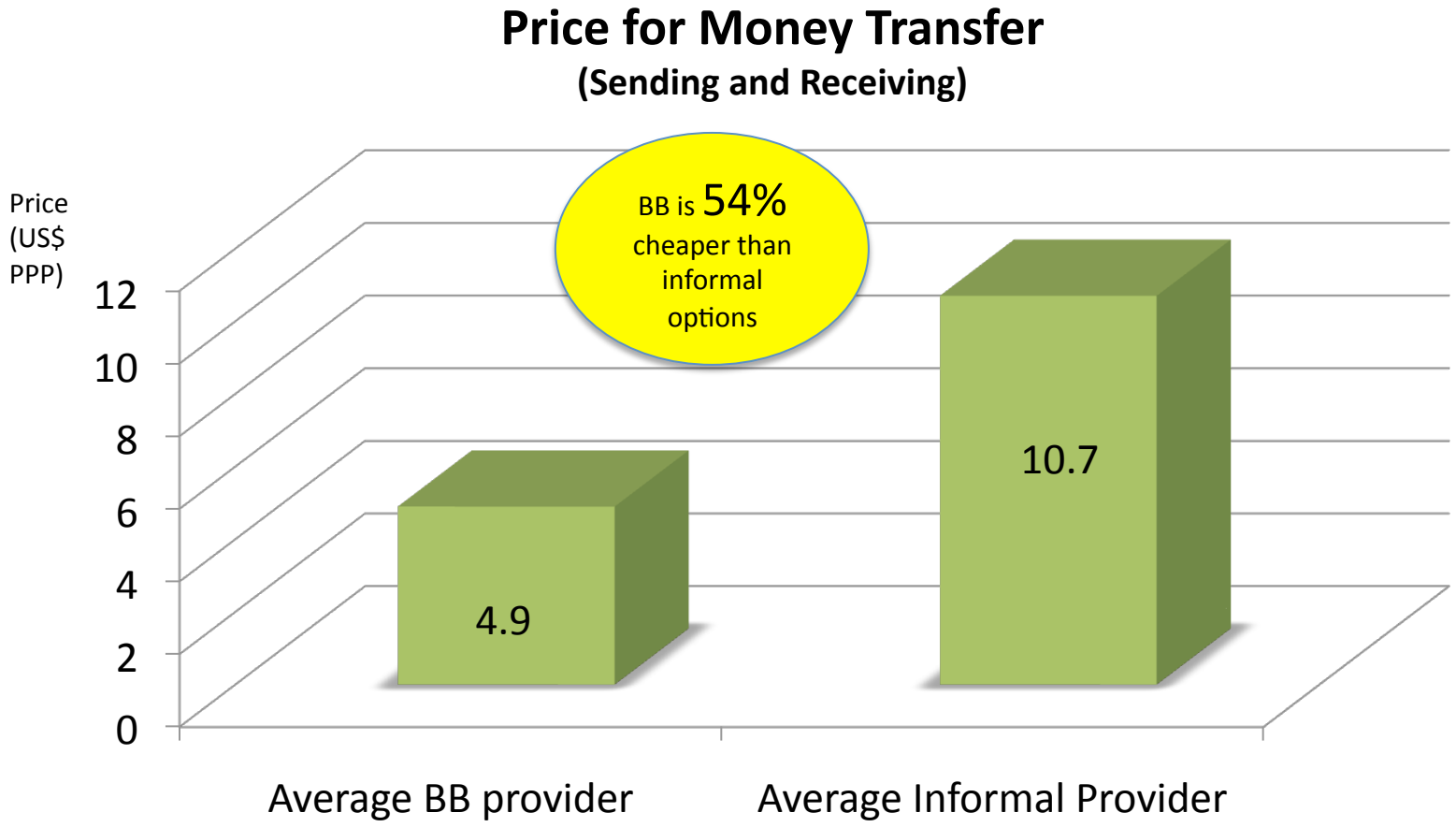
Informal providers charge double the price for a money transfer than a BB provider



Price as % of transfer	3.1%	6.7%

Note: Total price to send and receive $62 ($160 PPP value). $4.9 is the average price for sending and receiving (not including other transactions like airtime top-up) across all 16 providers in 10 countries. $10.7 is the average transfer price for four informal methods (taxi/courier, money changer, bus service, post office) in three countries. Average time to send/ receive is 2 – 4 days for informal.

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Agenda

1. Methodology
2. Branchless banking use cases
3. Pricing strategies
4. Branchless banking vs. formal banks
5. Branchless banking vs. informal alternatives
6. Conclusion

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16 branchless banking providers across 10 countries

Also includes 10 banks from 5 countries

Branchless Banking Providers
Formal Banks

BRAZIL*:
Bradesco
Caixa
(for both BB and banks)

AFGHANISTAN:
M-Paisa

PAKISTAN:
easypaisa

INDIA:
EKO/SBI
ICICI
SBI

PHILIPPINES:
GCash
Smart Money

CAMBODIA:
WING Money

COTE D'IVOIRE:
Orange
MTN Mobile Money
Ecobank
UBA

SOUTH AFRICA:
WIZZIT
MTN Mobile Money
ABSA Msanzi
Standard Bank Msanzi

TANZANIA:
Vodafone M-PESA
ZAP

KENYA:
M-PESA
ZAP
K-REP
Equity

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* The Brazilian institutions are unique as they offer formal bank accounts operated entirely via agents. These accounts have been included in both the branchless banking and the formal bank use cases.

Factors that greatly influenced outcome

1 Institutions	We selected a representative sample of both branchless banking providers and banks in a wide range of countries. We chose banks that specifically target the mass market.
2 Accurate Pricing Data	Branchless banking prices change frequently (almost every provider has changed prices in the past 6 months) and prices listed on websites are often out of date. Prices are accurate as of April 15, 2010.
3 Choice of bank product	Unlike branchless banking providers, banks have many different accounts from which to compare. We picked the lowest cost product with functionality similar to branchless banking products.
4 PPP adjustments	All prices are quoted in 2005 PPP adjusted dollars (most recent available from the World Bank).
5 Use Cases	We chose 8 use cases, or ways customers use a branchless banking service. They vary by type and number of transactions.
6 Average Transaction Amounts	We gathered actual deposit amounts from 5 providers to calculate the medium case deposit of $69. From this, we derived the low ($69/3, $23) and high ($69*3, $207) amounts as well as other transaction amounts.

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Use Cases

- Eight use cases were developed describing the type and volume of transactions a customer might do in a given month
- All cases include one balance inquiry and most include an airtime top-up
- For example, the Sending Money Transfer use case includes 1 deposit, 1 transfer, 1 airtime top-up and 1 balance inquiry
- Prices in this deck are not based on individual transactions but on a monthly use case scenario (e.g., 'sending' refers to the sending use case above not one P2P transfer)

Use Cases

1. Sending Money Transfer
2. Receiving Money Transfer
3. Short-term safekeeping
4. Medium-term saving for asset
5. Bill Payments
6. High Usage (as a proxy for financial inclusion)
7. Average monthly transactions per M-PESA user in 2008*
8. Average monthly transactions per Kenyan banking customer in 2008*

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* Actual average transactions per month for M-PESA users and Kenya bank customers were used to develop these use cases. Data on M-PESA users is from 2008 survey of 3,000 households by FSD Kenya and MIT. Data on Kenya bank customers is from "Technical Report: Bank Pricing Study," Prepared for Central Bank of Kenya, September 2007.

Deriving Transaction Amounts

SENDING MONEY TRANSFER USE CASE:

TRANSACTION	AMOUNT
1 Deposit	$68.6
1 Airtime top-up	$4.3
Fees* (for cash-in, airtime top-up, transfer)	$2.4
Amount remaining for transfer	$61.9

RECEIVING MONEY TRANSFER USE CASE:

TRANSACTION	AMOUNT
Amount transferred	$61.9
1 Airtime top-up	$4.3
Fees (for cash-out, airtime top-up)	$2.1
Amount remaining for withdrawal	$55.5

$68.6 deposit amount comes from actual deposit averages of 5 services. This is the key number (along with airtime top-up value) from which other transaction values are derived. $68.6 is the 'medium' transaction value which is used for all use cases unless otherwise specified.

(Data from: Bradesco (Banco Postal), EKO, M-PESA KN, MTN ZA and Smart Money).

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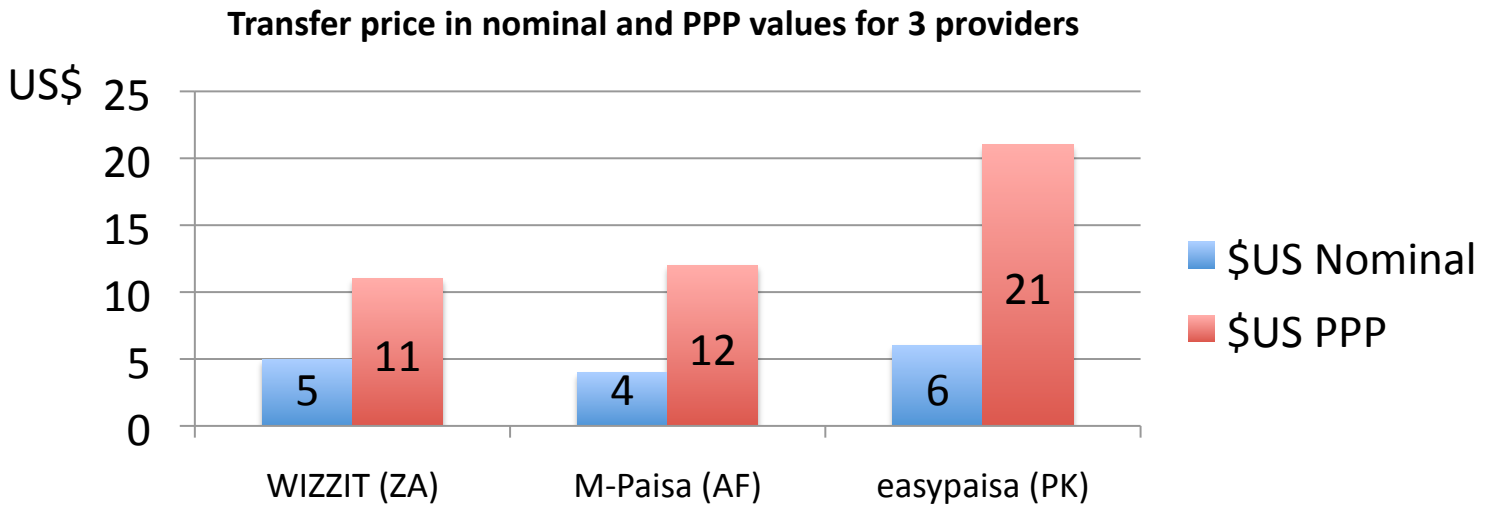
*Fees are average fees charged by all 16 providers (e.g., $2.7 is the average amount charged for the $68.6 deposit, $4.3 airtime top-up and $61.6 transfer).

PPP makes prices comparable across countries

The countries included in the sample vary from very poor (Afghanistan, US$800 per capita) to middle income (Brazil, $10,200 GDP per capita). PPP (purchasing power parity) reflects the relative value of US$ 1 across very different countries.

All prices are quoted in US$ PPP unless otherwise noted. We provide the nominal (e.g., unadjusted) prices in some cases where deemed potentially useful to readers.

In some countries, PPP values are several times higher than nominal:



Note: Nominal exchange rates calculated based on 5 year historic exchange rate.
PPP from World Bank report: Global Purchasing Power Parities and Real Expenditures: 2005 International Comparison Program

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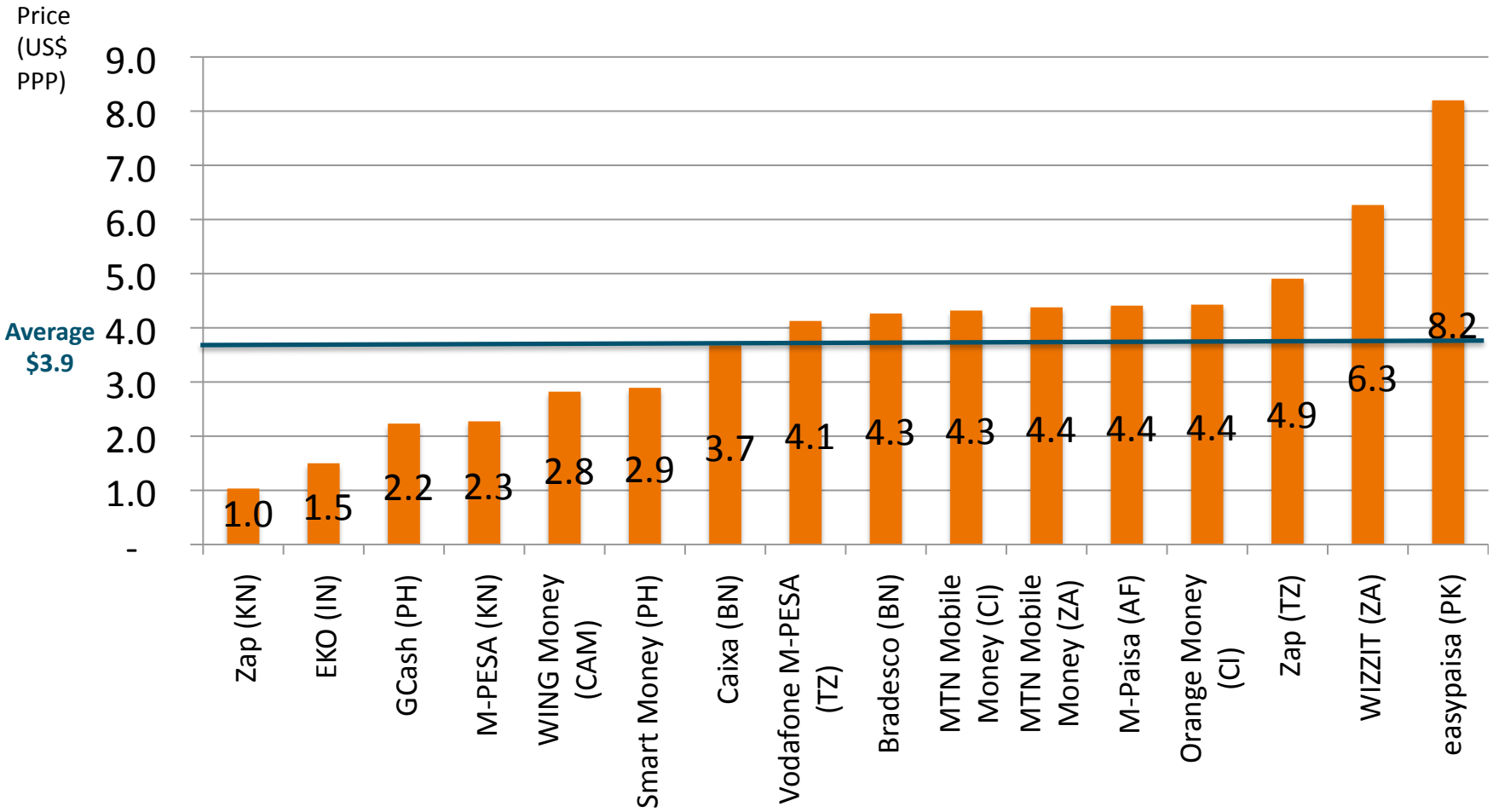

Note: This average is for all providers across all 8 use cases. Nominal average price is $1.5 average. EKO was excluded from some of the more expensive scenarios (high usage, Kenya bank and bill payments) as they do not offer bill payment functionality. ZAP TZ prices are based on recommended cash-in/out prices to agents but they may be higher than those stated.

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Who is cheapest and most expensive?

Who is cheapest?

Zap Kenya is currently the overall cheapest service. WING Money and the Filipino services (Gcash and Smart) are among the cheapest third across most use cases. ZAP and the Filipino services all provide airtime discounts (see slide 35).

EKO is very cheap on the low-end but expensive on the high-end

Who is most expensive?

easypaisa and WIZZIT are the most expensive services. Zap Tanzania and Orange in Côte d'Ivoire are also among most expensive third across most use cases.

These providers operate in very different markets and need to be competitive versus actual alternatives in those markets. CGAP is not making a judgment on whether a provider is too cheap or too expensive but rather is seeking to understand how providers are pricing their services.

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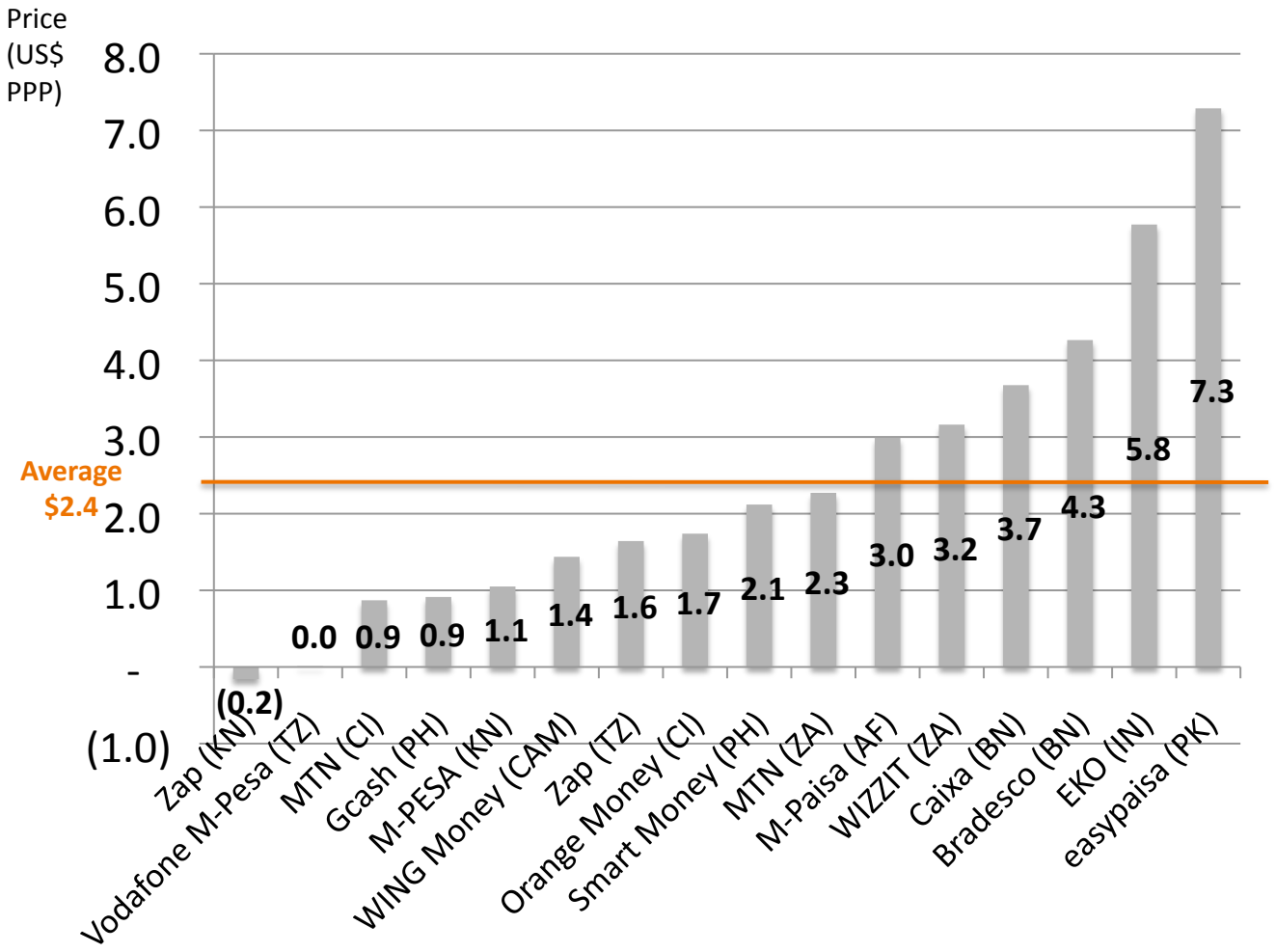
Use Case 1: Sending Money Transfer

Sending Scenario Includes:

- 1 Deposit
- 1 Transfer
- 1 Airtime top-up
- 1 Balance Inquiry

Average price is $2.4, median $1.9

These prices are for medium transaction values (deposit is $68.6, transfer is $61.9, etc. as described on slide 16)



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Note: Zap (KN) appears negative since value of airtime discount is more than price of transactions.

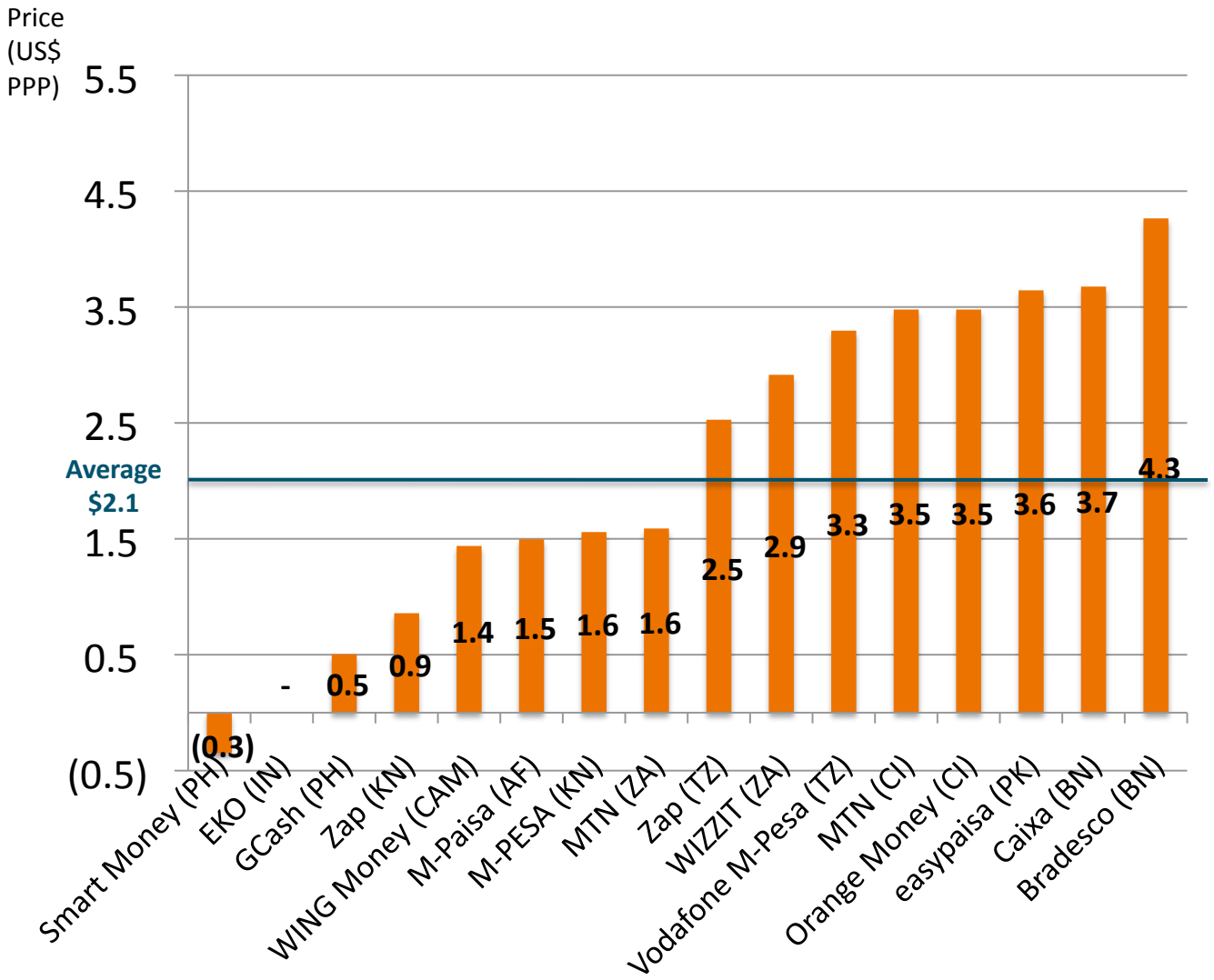
Use Case 2: Receiving Money Transfer

Receiving Scenario Includes:

- 1 Withdrawal
- 1 Airtime top-up
- 1 Balance Inquiry

Average price is $2.1, median also $2.1

These prices are for medium transaction values (withdrawal is $55.5 as described on slide 16)



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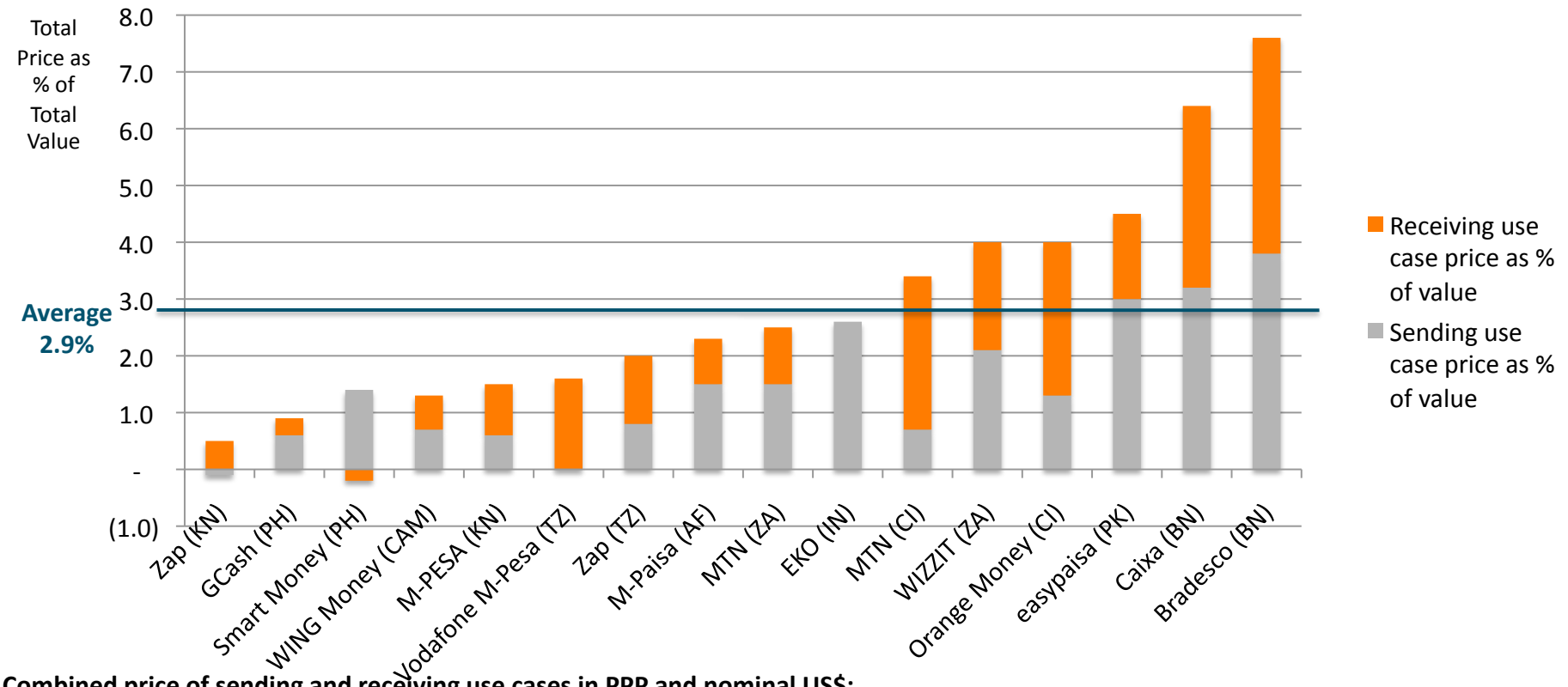
Note: Smart (PH) appears negative since value of airtime discount is more than price of transactions.

On average, complete transfer price is 2.9% of transfer amount



Combined price of sending and receiving use cases in PPP and nominal US$:

	ZAP KN	GCash	Smart	WING	M-PESA (KN)	M-PESA TZ	Zap (TZ)	M-Paisa	MTN ZA	EKO	MTN CI	WIZZIT	Orange CI	easyPaisa	Caixa	Brad.
TOTAL PRICE $US PPP	.7	1.4	1.8	2.8	2.6	3.3	4.2	4.5	3.9	5.8	4.4	6.1	5.2	10.9	7.4	8.5
PRICE $US NOM	.3	0.4	0.6	0.8	1.1	1.2	1.1	1.6	1.8	1.8	1.4	2.8	2.8	3.1	4.5	5.2

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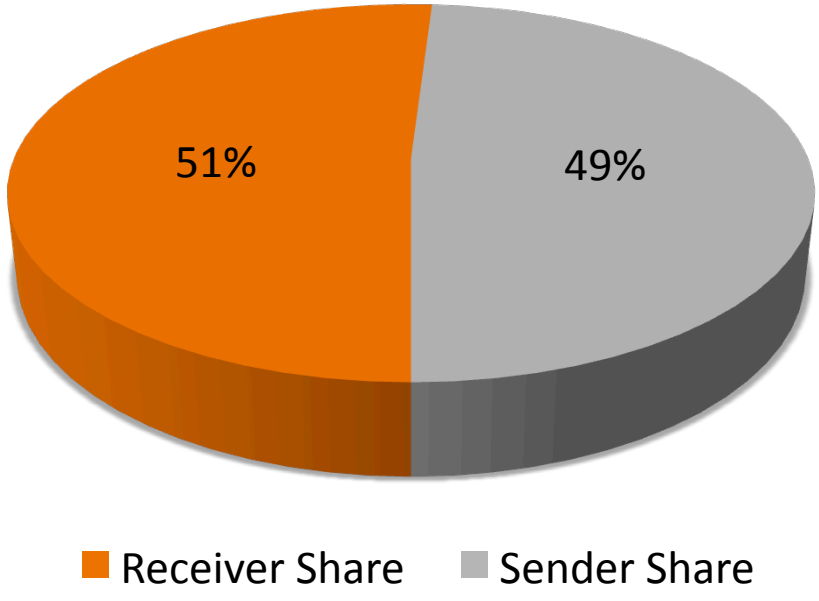
Note: Total value includes transfer value of $61 and airtime top-up for both sender and receiver of $4.3 ($69.6 nominal)

Senders and receivers split transfer fees almost equally

Although only 5 providers charge senders and receivers equally, the other 11 vary widely in charging senders versus receivers – so overall share is split almost equally

In general, we expect senders to finance the transaction as they have the resources as well as the responsibility to find a way to transfer funds

Sender and Receiver price as share of total transfer



However, some providers are charging higher fees to the receiver to compensate for senders avoiding transfer fees through direct deposits into receiving accounts

CGAP Note: Sender share includes cost of cash-in and transfer while receiver share includes cost of cash-out

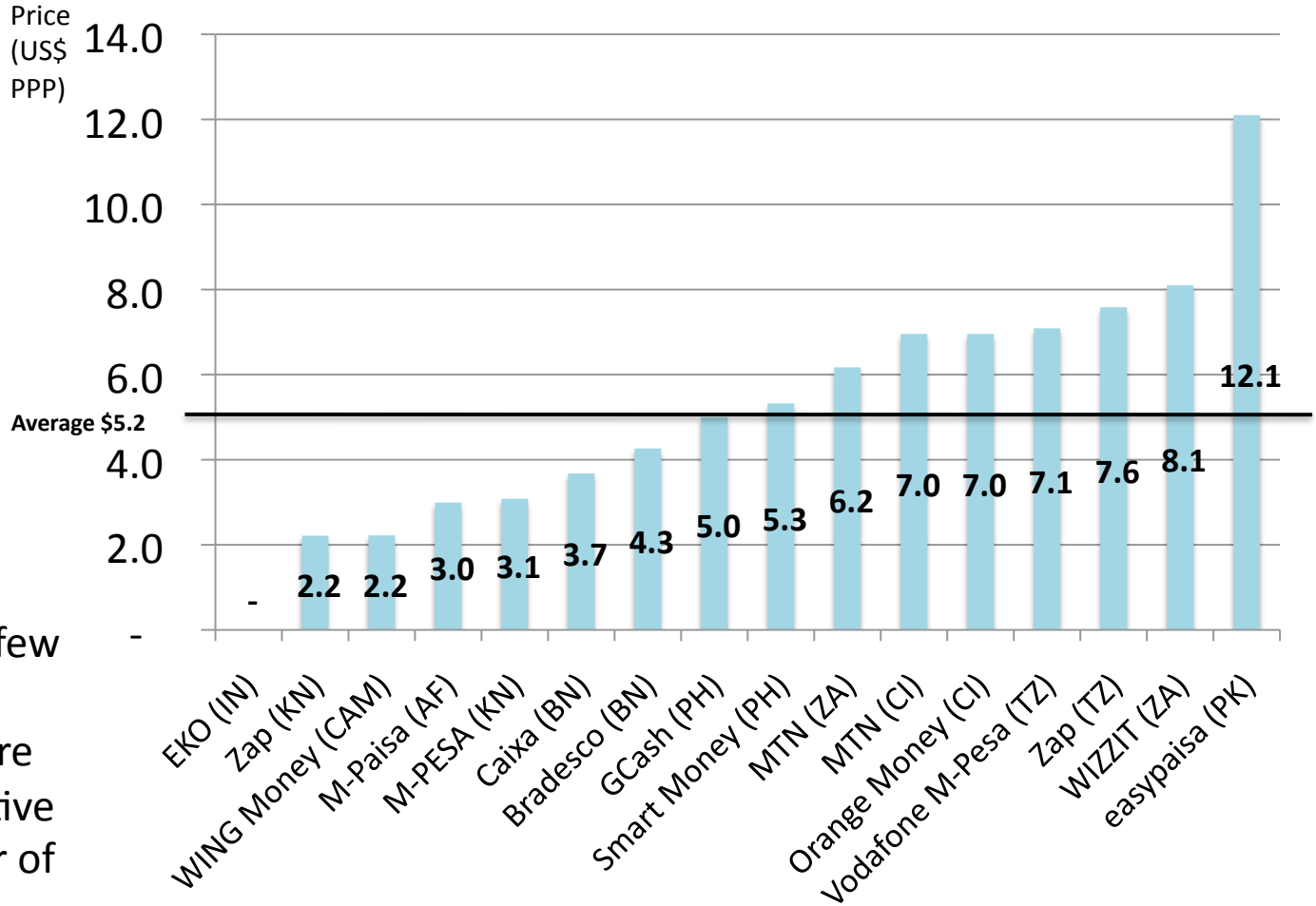
Use Case 3: Short-term Safekeeping

Short-term Safekeeping includes:

- 2 Deposits
- 2 Withdrawals
- 1 Airtime top-up
- 1 Balance Inquiry

Average price is $5.2, median $5.1

In comparison with first few use cases, Brazilian 'bundled' accounts are much more competitive due to larger number of transactions



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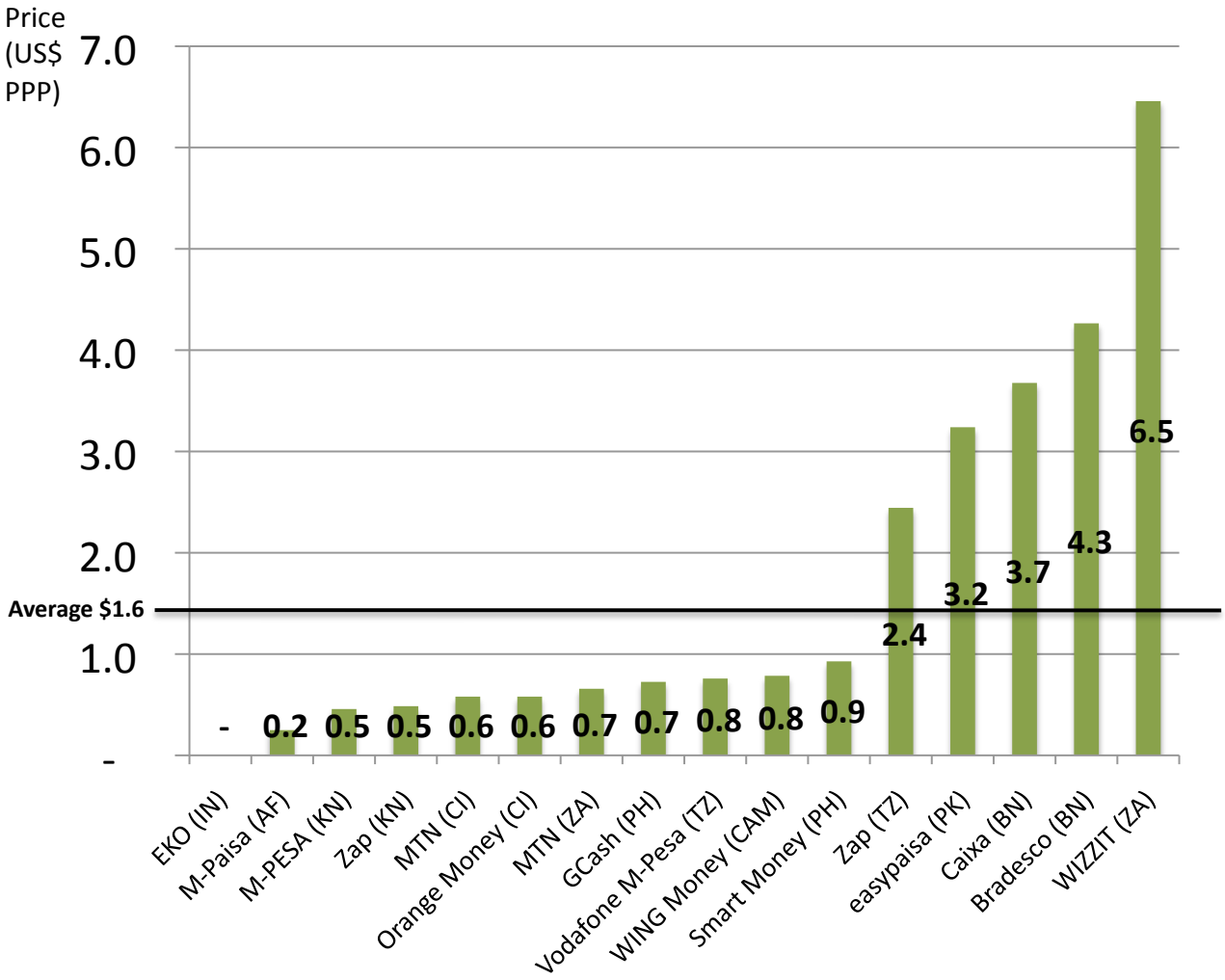
Use Case 4: Medium Term Savings is cheapest

This use case assumes saving for a $75 asset (e.g. sewing machine/ bicycle) over 6 month period

Average price of $1.6 lowest of all use cases, $0.7 median

- Many providers offer free deposits and make money off of transfers
- High-intensity savers making few withdrawals or transfers will pay little

Monthly use case includes 4 deposits of $4.50 and 0.2 withdrawals (1 in 6 months) of $75



Note: Several providers are strictly excluded from offering and marketing a deposit product. However, customer surveys have revealed that customers are storing value via their mobile wallet accounts. See:

- Poor People Using Mobile Financial Services: http://www.cgap.org/p/site/c/template.rc/1.9.36723/
- Window on the Unbanked: http://www.cgap.org/p/site/c/template.rc/1.9.41163/
- FSD Kenya/MIT survey of M-PESA customers 2008.

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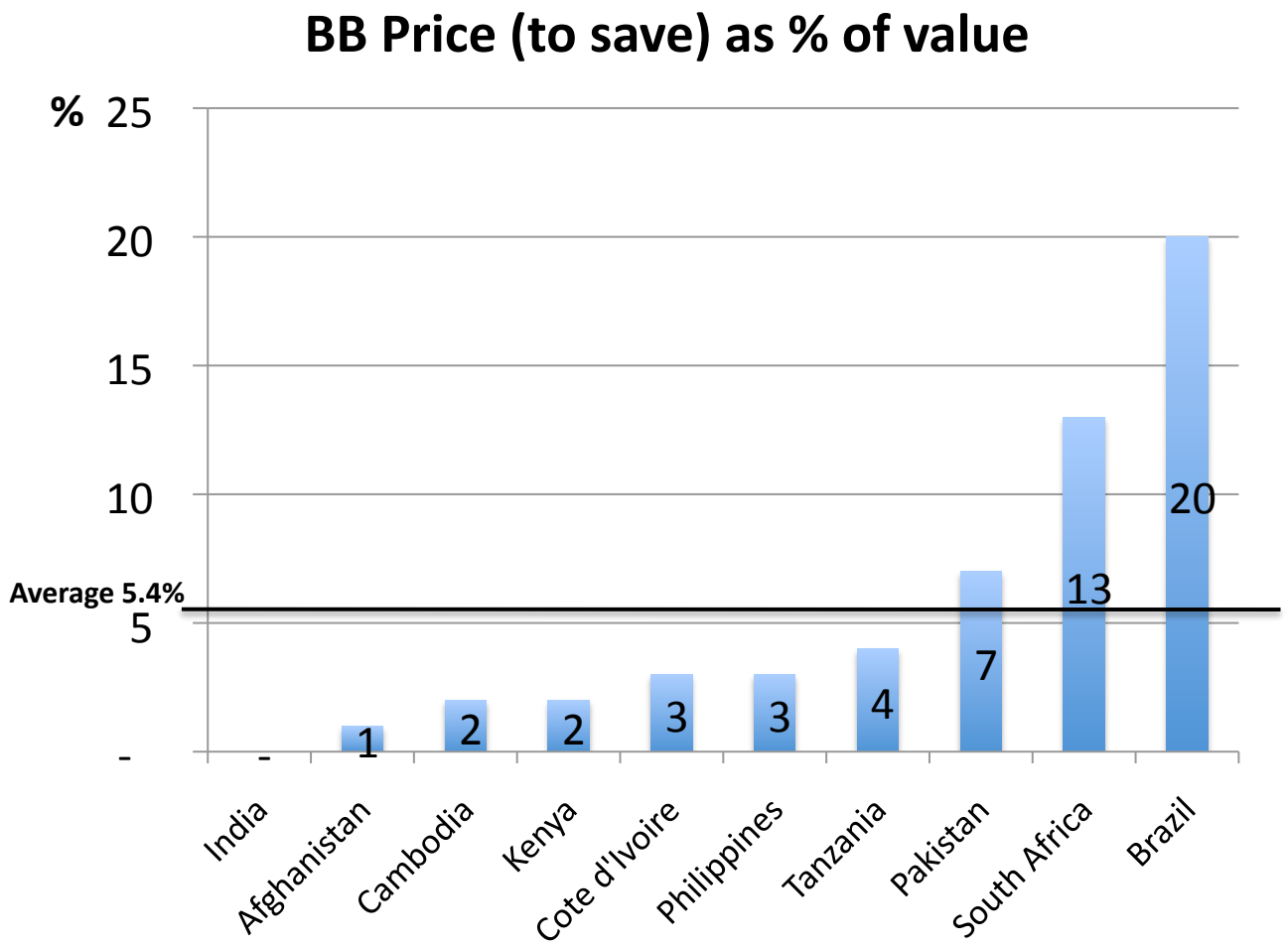
Spend 5.4% of value of asset to save for it over 6 months

- On average, spend $9.6 over 6 months to save for PPP adjusted asset of $178 ($75 nominal)
- Average is 5.4% of PPP price, median (better measure due to few extreme outliers) is 2.4%
- Overall, low compared with cost of credit, SUSU and other alternatives
- Range is from 0% (EKO) to 24% (WIZZIT)



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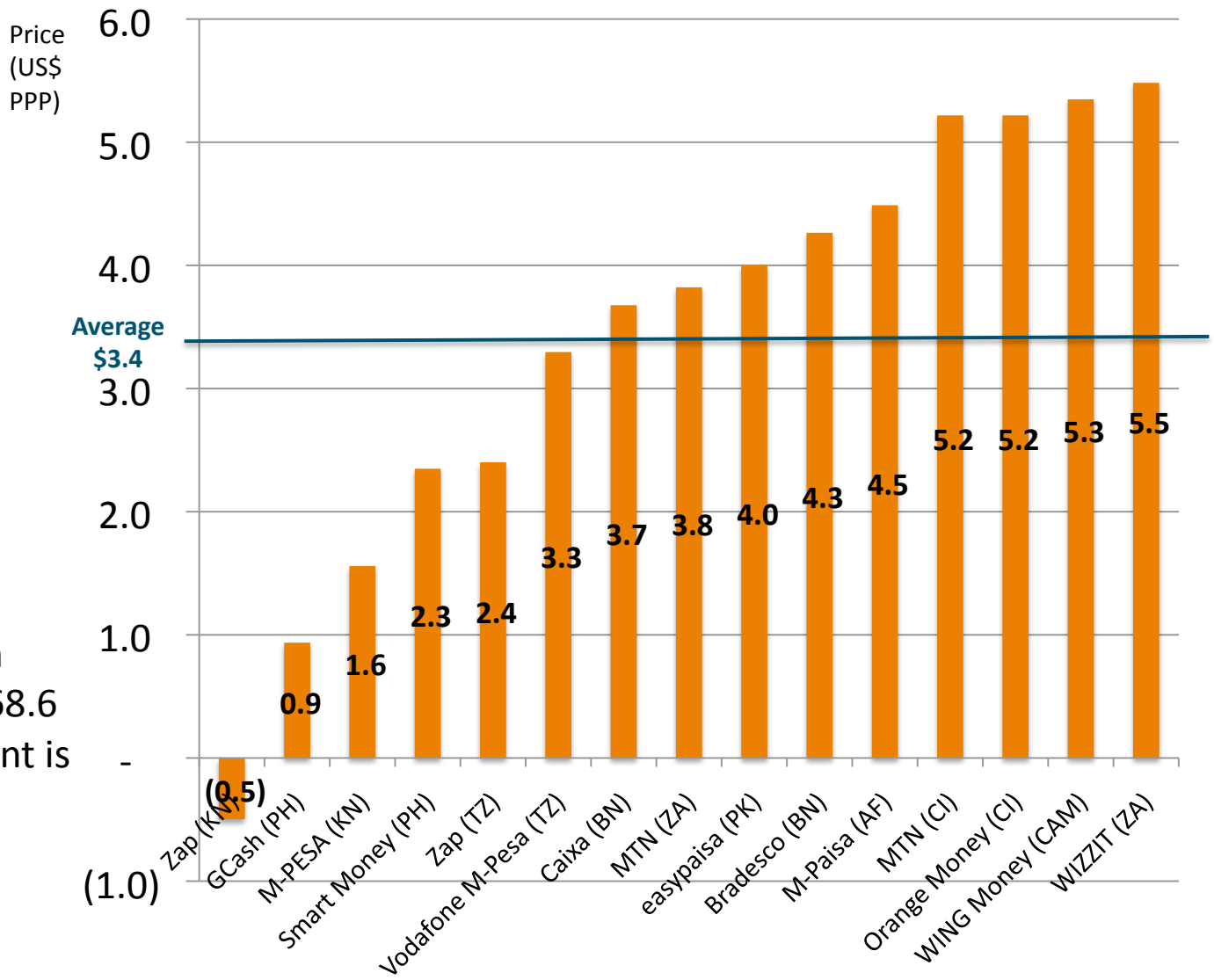
Use Case 5: Bill Payments

Bill Payments Scenario includes:

- 1 Deposit
- 3 Bill Payments
- 1 Airtime top-up
- 1 Balance Inquiry

Average price is $3.4, median $3.8

These prices are for medium transaction values (deposit is $68.6 and each bill payment is $20.7)



CGAP Note: EKO excluded since do not offer bill pay. Zap (KN) value is negative since value of discount from airtime purchased is more than price of other transactions.

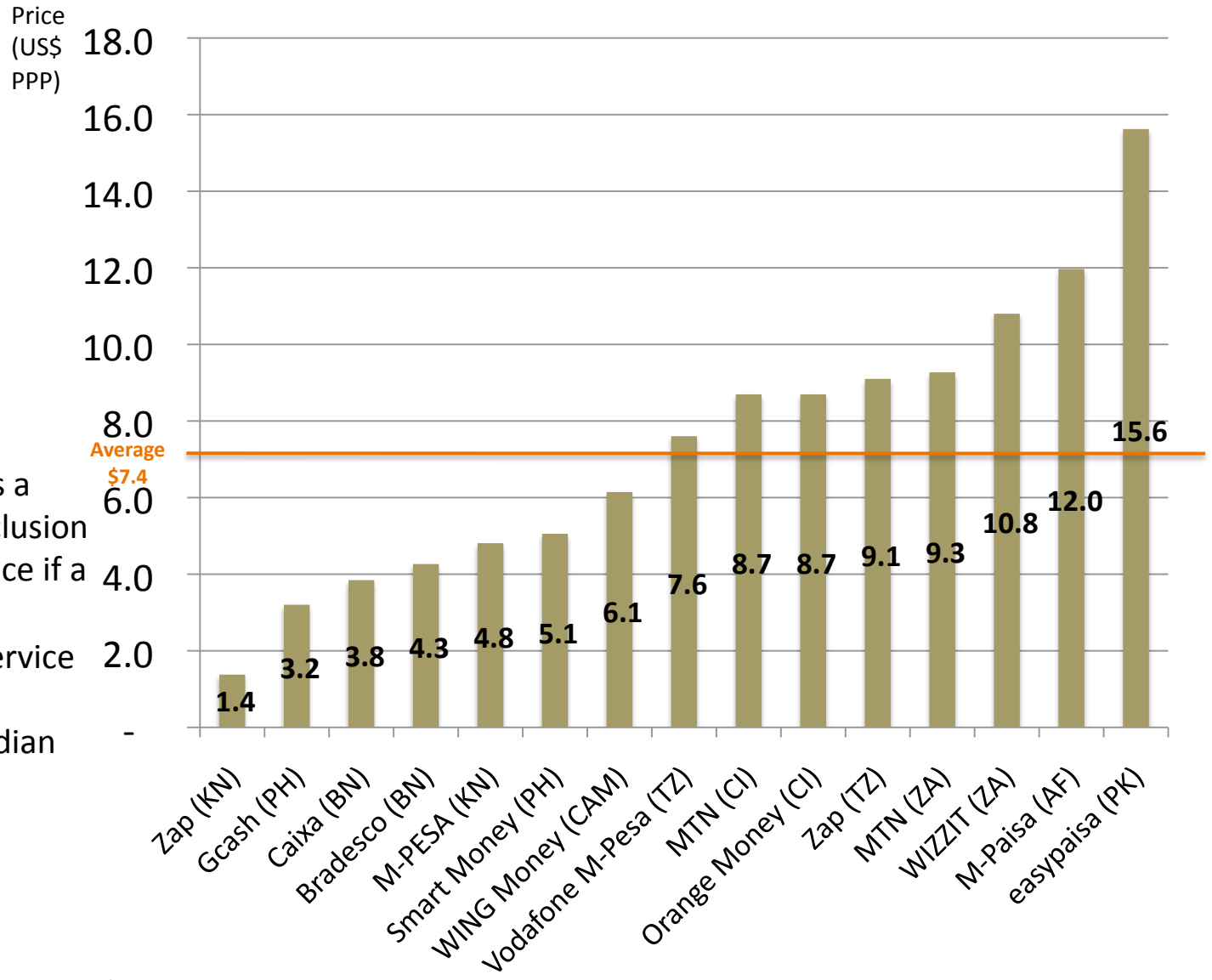
Use Case 6: High Usage Transaction Account

High usage transactional account includes:

- 2 Deposits
- 2 Transfers
- 2 Withdrawals
- 2 Airtime top-up
- 2 Balance Inquiries
- 2 Bill Payments

This high usage account is a proxy for financial inclusion and demonstrates price if a person did most transactions via BB service

Average price is $7.4, median $7.6



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Note: EKO excluded since do not offer bill pay.

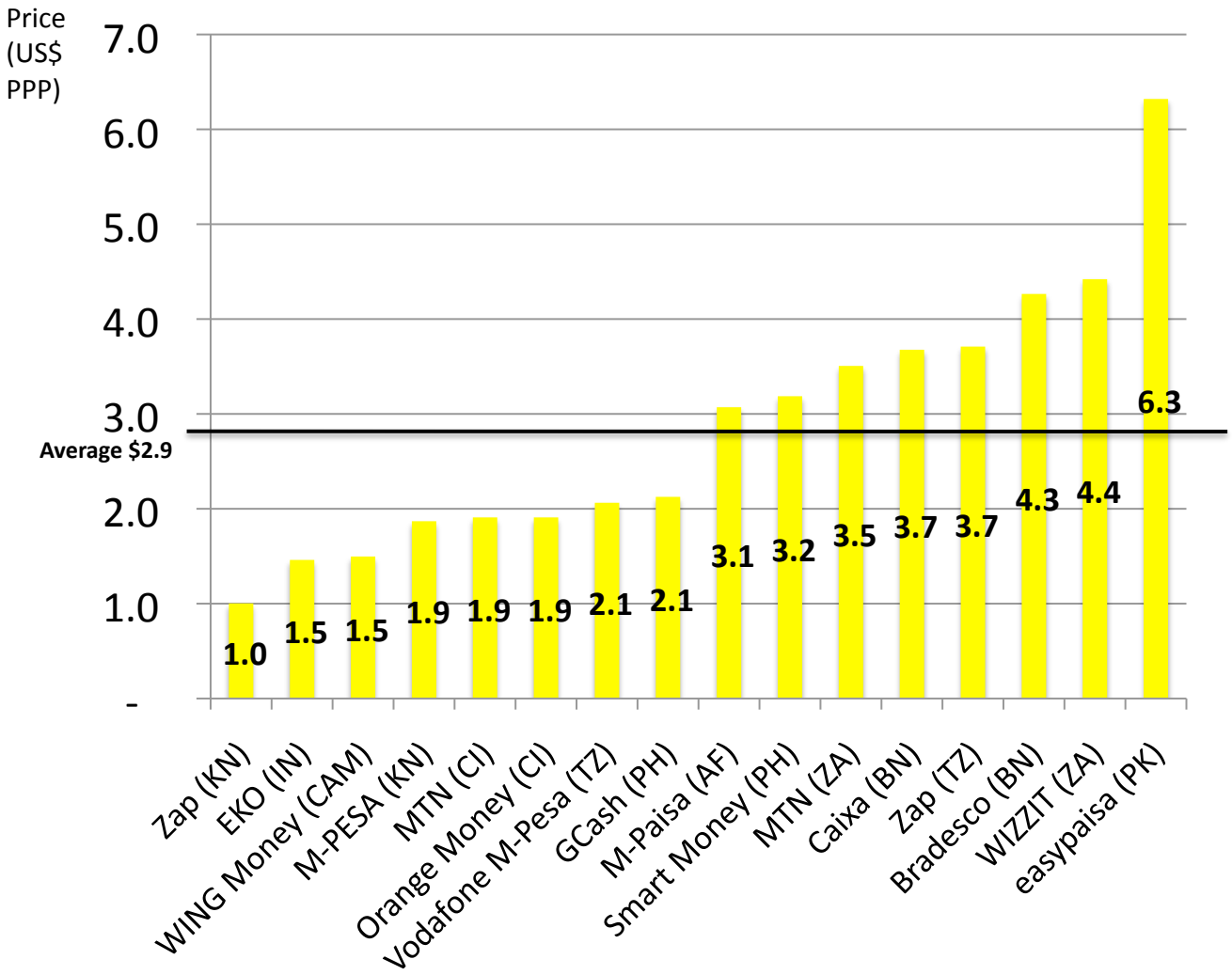
Use Case 7: Typical M-PESA Customer

Actual bundle of transactions that M-PESA users are currently doing:

- 1.2 deposits
- 0.6 transfers
- 0.8 withdrawals
- 0.6 airtime top-up
- 1 balance inquiry

•M-PESA itself charges just $1.9 for this, significantly below the average

- Average is $2.9, median $2.6



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Note: From 2008 survey of 3,000 households by FSD Kenya and MIT.

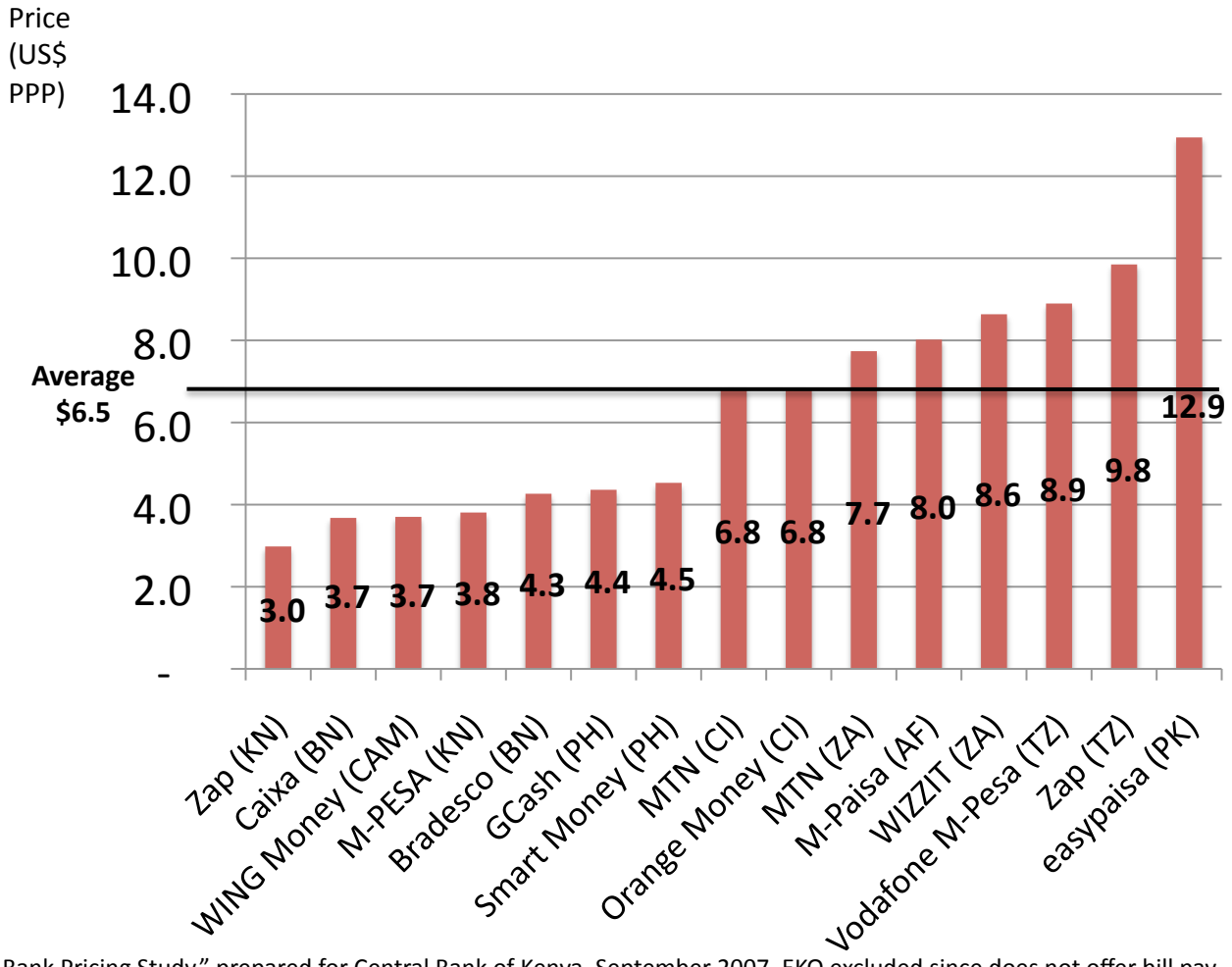
Use Case 8: Typical Kenyan Bank Customer

How much would it cost to do everything via a BB service that bank customers are now doing via the bank?

An average Kenyan bank customer does:

- 1.2 deposits
- 1 transfer
- 3.1 withdrawals
- 0.4 bill payments (checks)
- 1 balance inquiry

To do all this with a branchless banking service would cost $6.5 a month average, $6.8 median



CGAP Note: Data from "Technical Report: Bank Pricing Study," prepared for Central Bank of Kenya, September 2007. EKO excluded since does not offer bill pay.

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Pricing Strategies

This section explores five pricing strategies that influence customer uptake and usage:

1. Price to encourage 'primary product'
2. Offer airtime bonus/discount if purchased via BB service
3. Offer free registration and/or deposits
4. Give agents a say in the price
5. Method of charging (flat, tiered, %)

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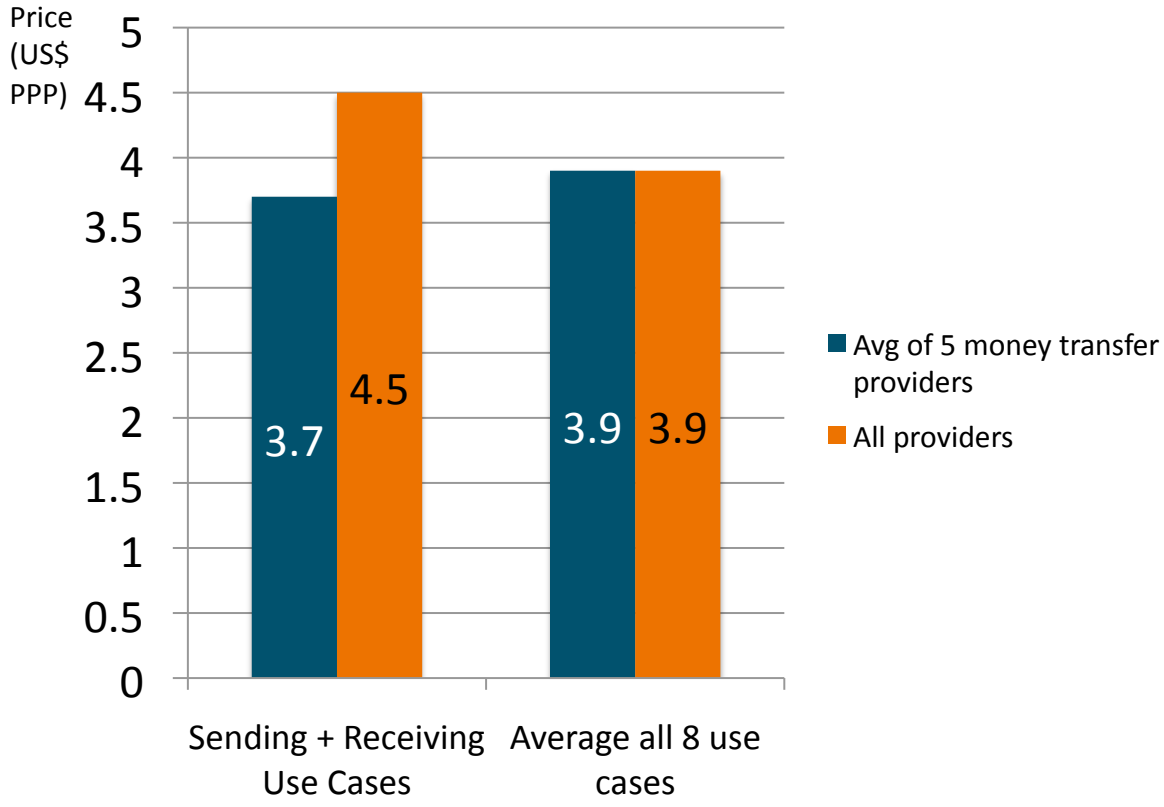
1. Price to encourage 'primary product'

Of the 16 providers, not all are pushing all products equally

For example, the Vodafone implementations (M-PESA in KN and TZ, M-Paisa) and MTN implementations (CI and ZA) target money transfers

As a group, they are 20% cheaper than all providers for money transfers but equal to the group across all use cases

Price of Money Transfer Providers vs. all providers



% Average of 5 providers is cheaper than total average	20%	0%

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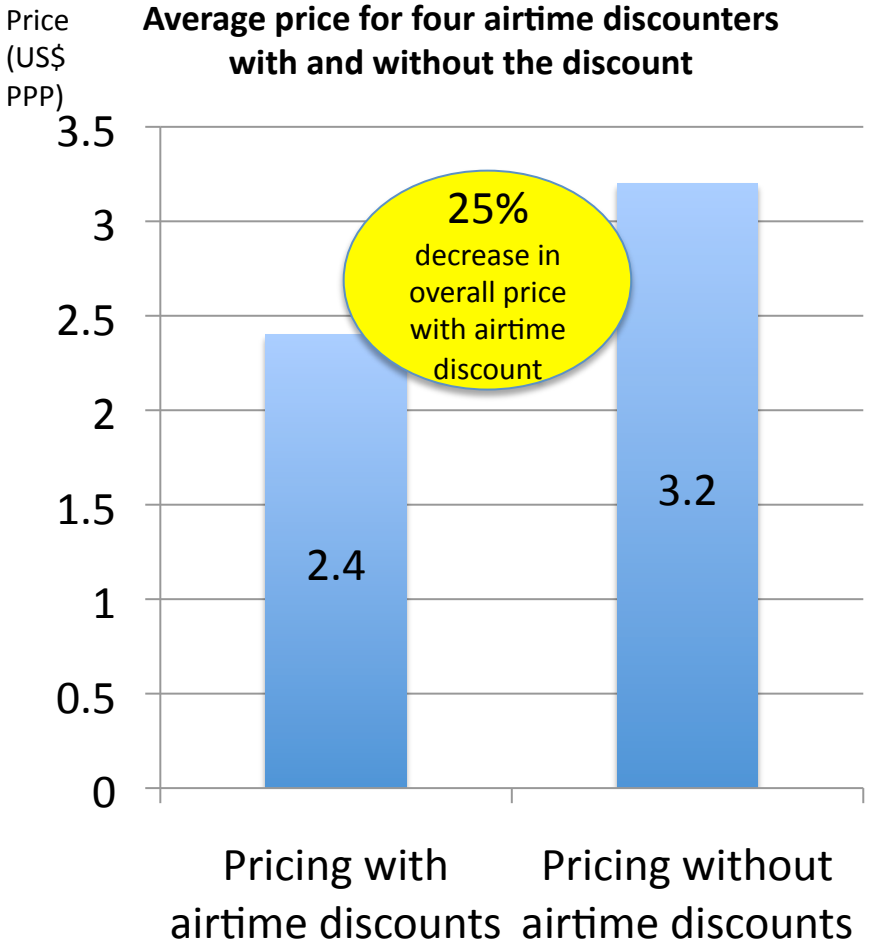
2. Airtime discounts drive down prices and encourage customer uptake

Four providers offer discounts of 5-10% on airtime purchased via phones – GCash, Smart Money, Vodafone M-PESA in Tanzania and Zap in Kenya*

Customers are motivated to learn how to deposit money at agents and transact on the phone – skills that can be applied to other transactions

Discounts drive down pricing across the scenarios – often more than off-setting the prices of transfers and bill payments



* Orange CI also had an airtime promotion but this is scheduled to end April 30, 2010.
Note: Based on the 4 providers who offer airtime discounts and 6 of the 8 scenarios (medium-term savings and Kenya bank customer scenarios did not include airtime purchases)

3. Offer free registration and/or deposits

Vast majority of providers offer free registration

However, two providers (WING and WIZZIT) charge an average of $5 for a customer to register and one provider (Smart) charges about $1 for the debit card

These providers don't lose money on large numbers of officially registered customers, many of whom may never be active

However, as the product offering is so new up-front costs will deter potential poor customers from trying out the service

About half the providers offer free deposits

Free deposits encourage experimentation and usage

They are very important for providers who want to encourage airtime sales via the BB service

Unintended consequence: if a customer transfers/withdraws infrequently, she can deposit daily in a service like M-PESA and maintain a virtually free savings account*

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* In fact, 21% of M-PESA users say that compared to other options (both banks and informal options), M-PESA is their most important savings instrument. FSD Kenya/MIT survey of M-PESA customers 2008.

4. Give agents a say in the price

The ZAP implementations (aside from Kenya) and the Filipino providers have recommended prices but allow agents to set the final price

ADVANTAGES (mainly for agents and providers)	DISADVANTAGES (mainly for customers)
• Market forces of supply and demand might determine best prices, especially in rural areas where the distance to bank branches and cost of transport is higher • Agents benefit as they are paid in real-time and understand exact price of each transaction • BB providers benefit as they do not need to settle commissions separately	• Feels more expensive as they need to hand cash to agent • Difficult to know how much money will be needed for a certain transaction • Annoying if need to negotiate separately each time use service • Difficult for industry to know true prices to customers

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5. Method of charging depends on type of transaction, not provider

Number of Providers that charge specified method of pricing

	FREE	%	TIERED	FLAT
CASH-IN	8	4	2	0
CASH-OUT	1	1	8	4
P2P TRANSFER	0	1	4	9
BILL PAYMENT	1	0	0	12
BALANCE INQUIRY	8	0	0	6

Transactions are either free, charged a flat fee or charged as a % or tier of the transaction value

Each type of transaction has a method of pricing that clearly dominates with over 2/3 of providers charging the same way

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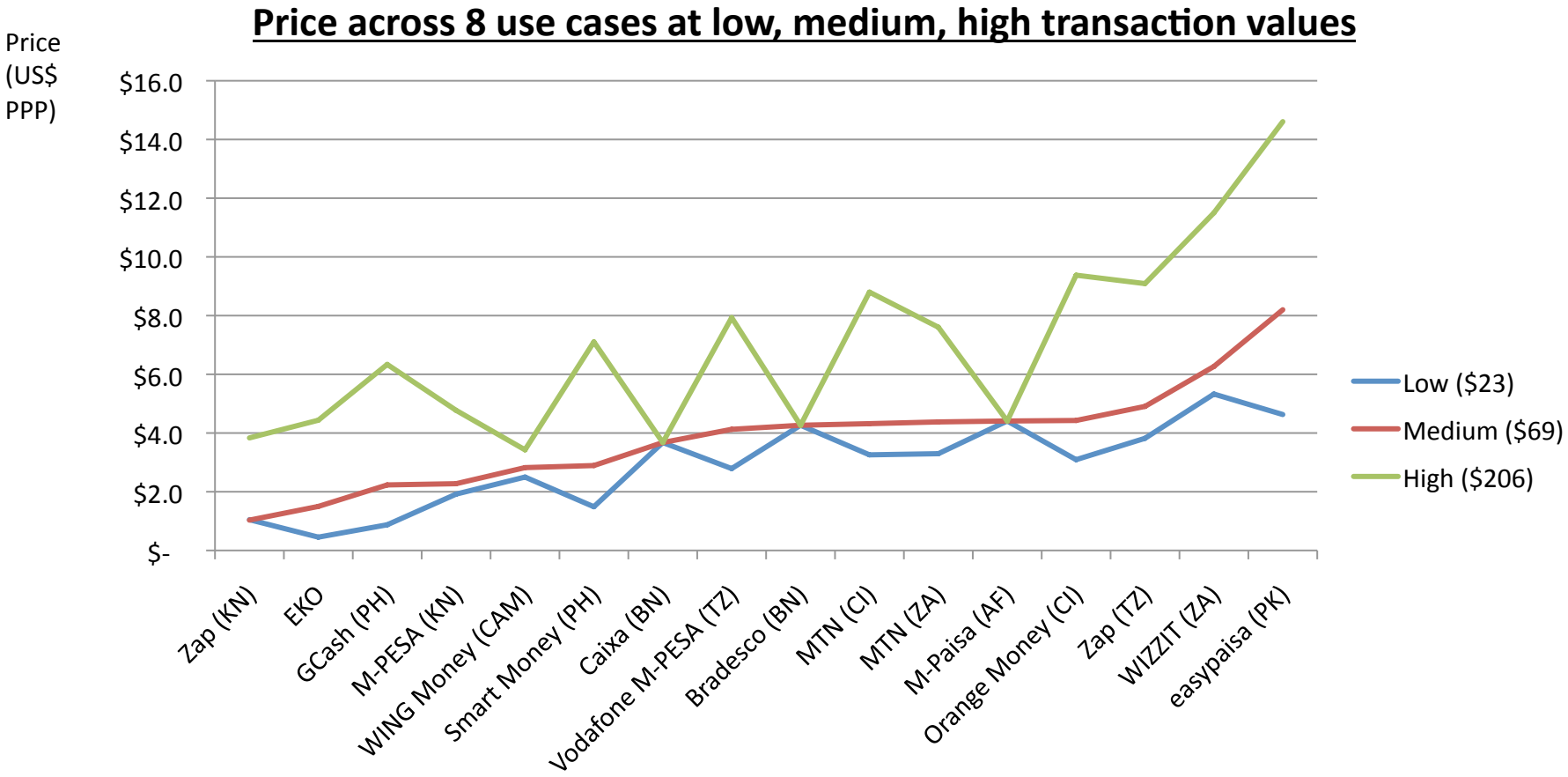
Note: The two Brazilian banks were excluded as they charge a set monthly fee with all transactions included. EKO excluded from Bill Payments as they do not offer this service.

Most pricing varies based on transaction amount

- 13 of the 16 branchless banking providers vary pricing depending on value of transaction
- On average, there is a $4 difference between price of high and low use cases
- In general, services who are cheapest for low amounts are also cheapest at high amounts



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Note: The high value of $206 is higher than the upper limit of several providers. In these cases, their highest price points were used.

Which pricing is best for low-income customers?

%/Tiered pricing cheaper at small amounts	However, flat prices are very simple to understand
For example, %/tiered pricing is 31% cheaper for a $5 transfer than flat pricing (average price $0.55 vs. $0.80) However, flat pricing is 81% cheaper for a $100 transfer (average price $0.80 vs. $4.3)	Tiered pricing and especially % pricing is more difficult to calculate M-Paisa in Afghanistan recently changed from tiered to flat pricing because agents and customers found tiered pricing confusing Vodafone M-PESA in Tanzania recently changed from % to a combination of tiered/flat for same reason

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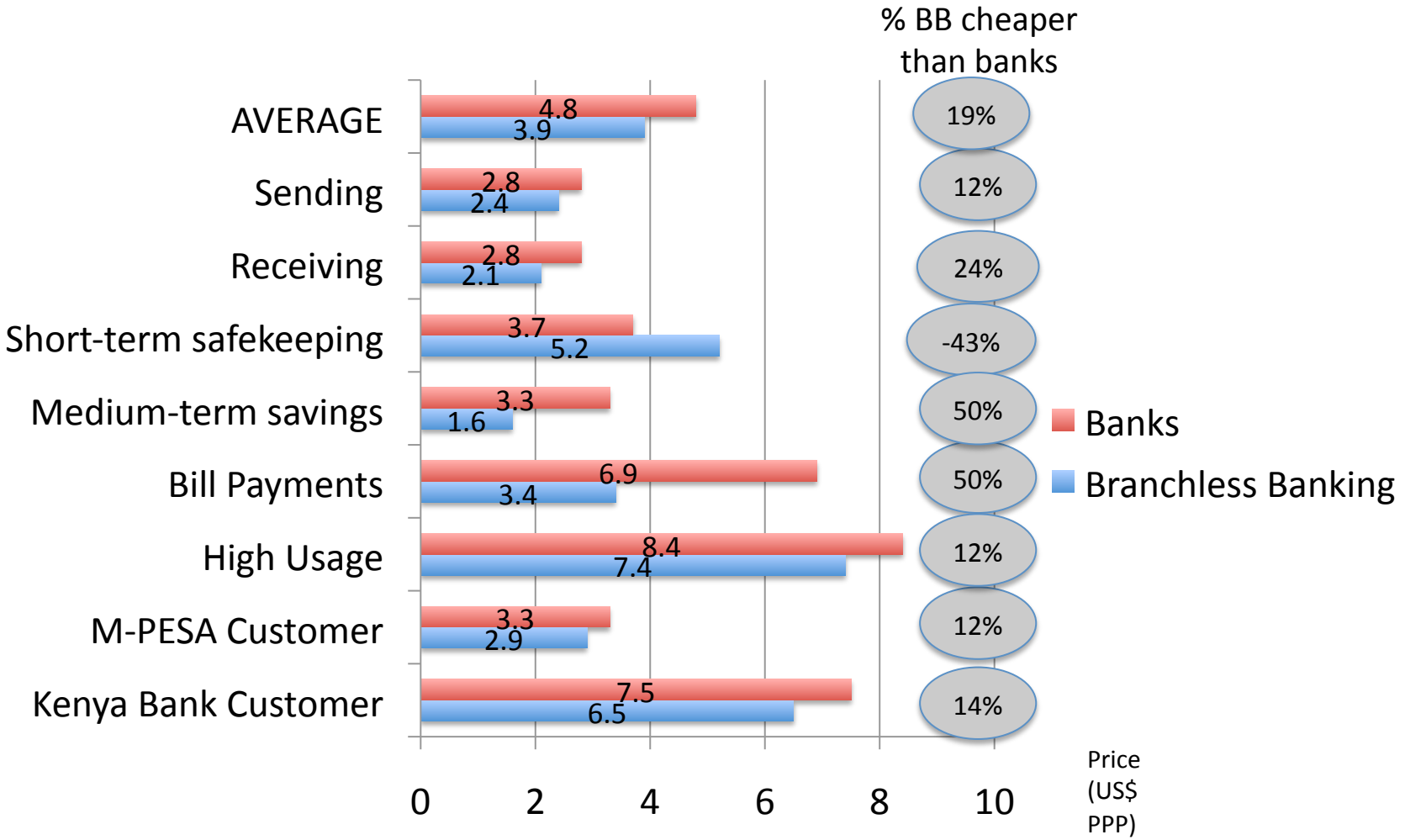
On average, branchless banking services are 19% cheaper than banks



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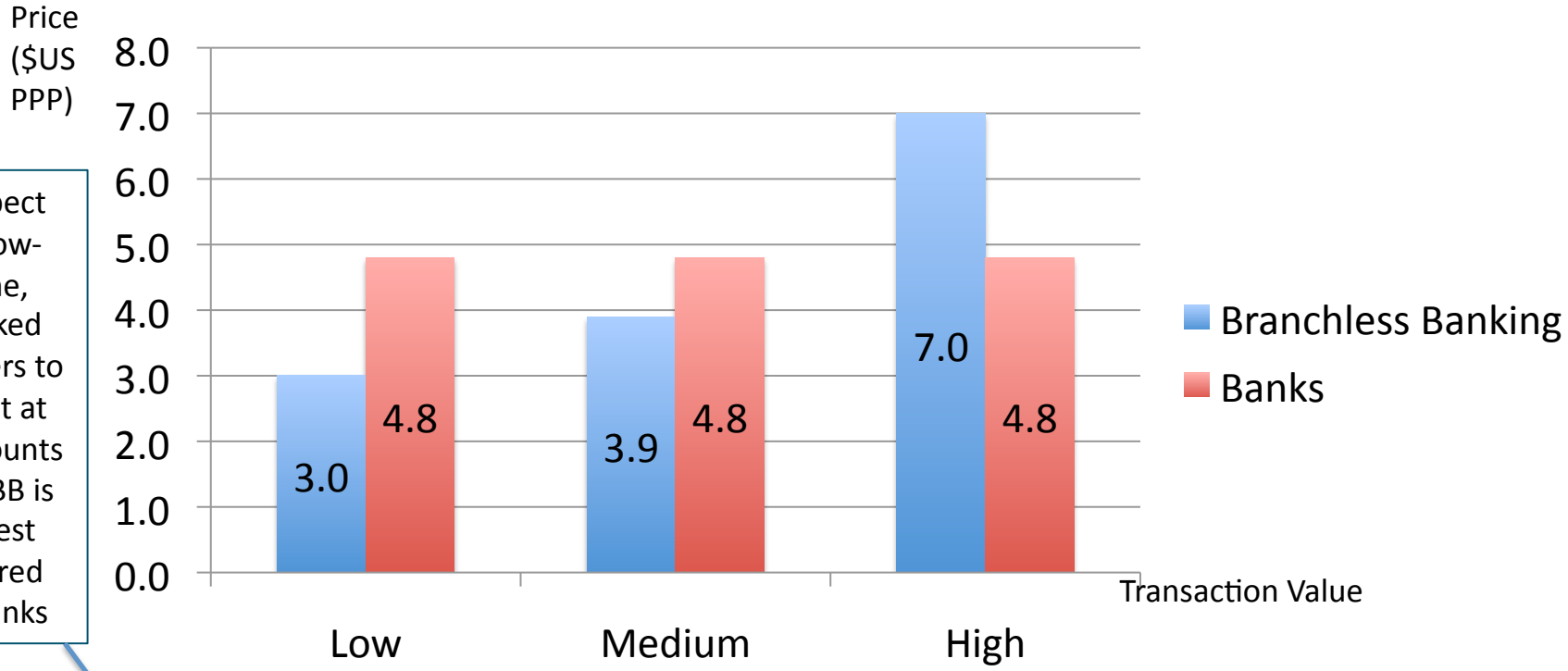
Note: Prices are based on one month usage of services. Data was received on actual average transactions by M-PESA and Kenya Bank customers to develop these use cases.

The lower the transaction value, the cheaper branchless banking is in comparison to banks

Average price across 8 use cases based on low, medium, high values



We expect most low-income, unbanked customers to transact at low amounts where BB is cheapest compared with banks

% Branchless Banking cheaper than banks across 8 scenarios	38%	19%	-45%
Deposit Amount	$23	$69	$207

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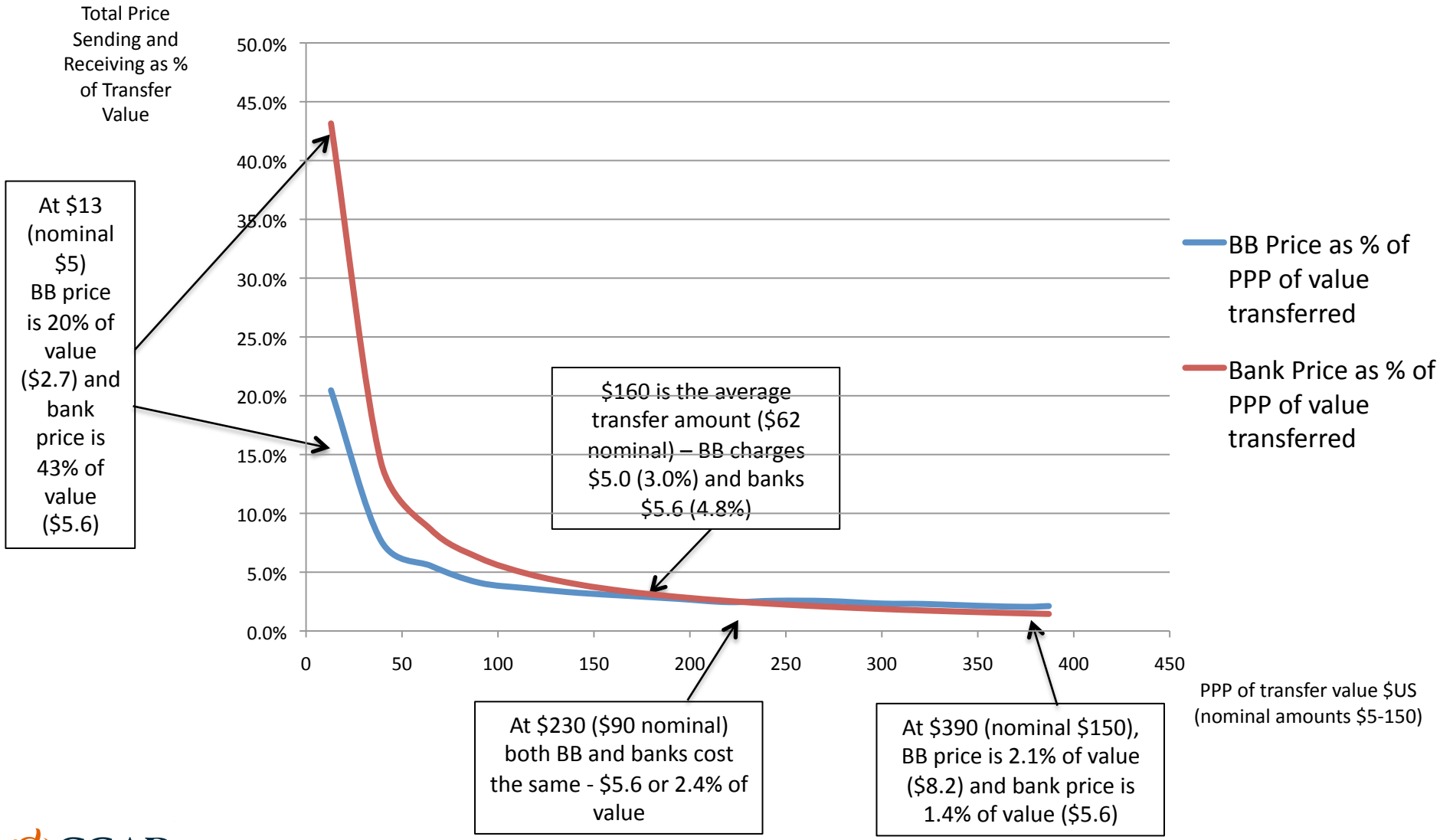
Gap between branchless banking and bank prices for transfers greatest at low amounts



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Why isn't the gap between branchless banking and banks wider?

- We selected banks that target the mass market (minority of banks) and we picked cheapest comparable accounts (e.g., South African Msanzi accounts that are recognized to be loss making)

- Initial investment for successful branchless banking implementation is higher than originally thought (several million dollars) and some providers are setting prices higher to quickly recover this investment

- Some providers indicated they are purposefully setting high prices so they can lower them as competitors enter market

CGAP

Other cost-related advantages of branchless banking

Branchless banking incurs lower cost in terms of transport and time
Customers can do many branchless banking transactions whenever, wherever they want All bank transactions need to be done at physical branch or ATM If we factored in cost of transport and opportunity cost of spending hours to travel and wait in lines, total cost of bank could be much more

Banks usually require a minimum balance that deters low-income customers
Even the mass-market oriented banks in our sample frequently had relatively high minimum balances: • Ecobank and United Bank of Africa Cote d'Ivoire minimum balance is equal to $87 PPP • State Bank of India savings account minimum balance is equal to $68 PPP Interest rates offered are low (average 3%, $0.22 a month based on medium term savings avg. balance of $89) and often tied to higher balances

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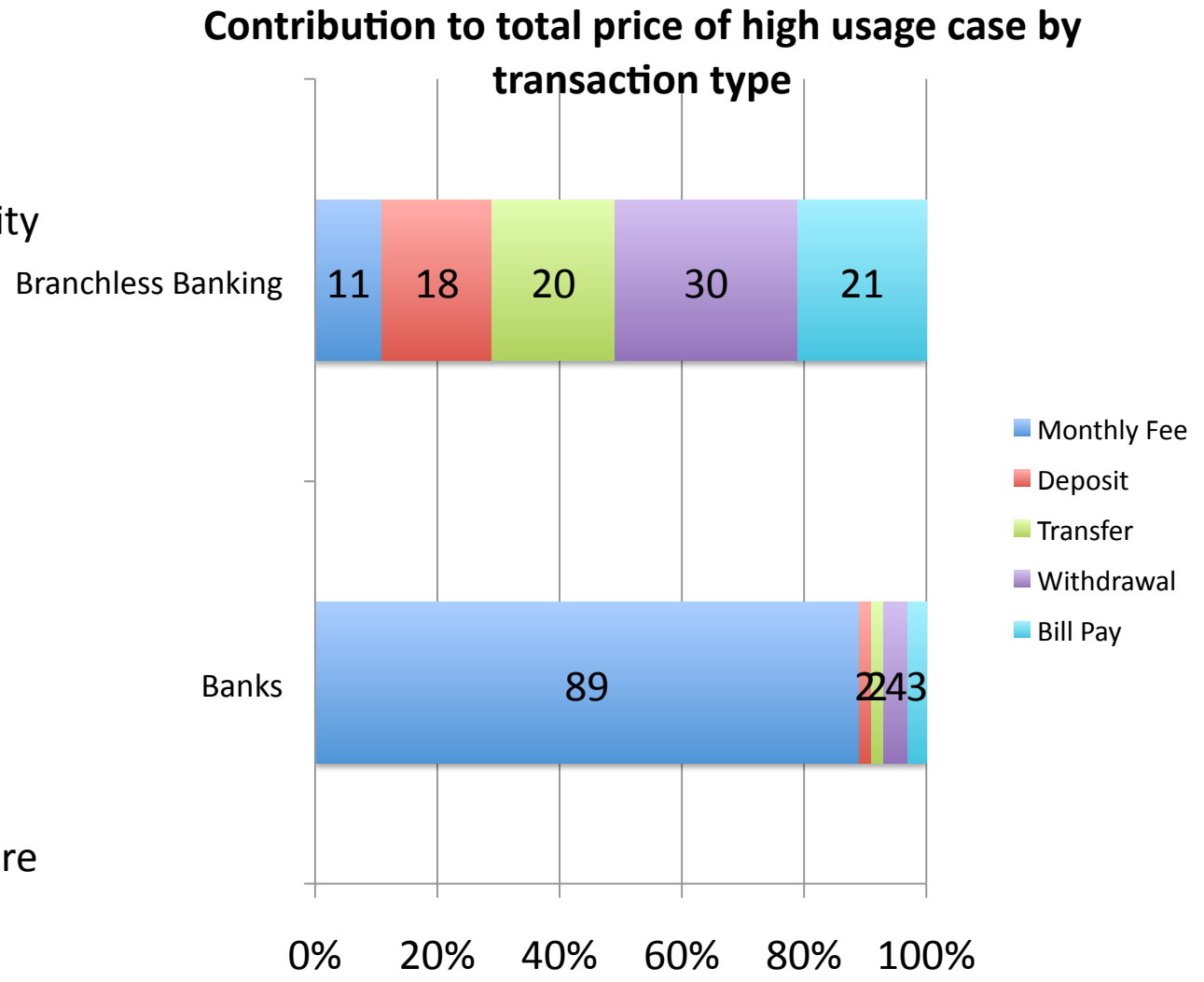
Branchless banking offers pay-as-you-go pricing while banks charge fixed monthly fees

Pay-as-you-go model of branchless banking is preferred by low-income customers (e.g., vast majority buy airtime pre-paid)

Also, it's much cheaper for fewer transactions

89% of bank fees in high usage scenario are fixed monthly fees and only 11% are variable fees

In contrast, only 11% of branchless banking prices are fixed monthly fees



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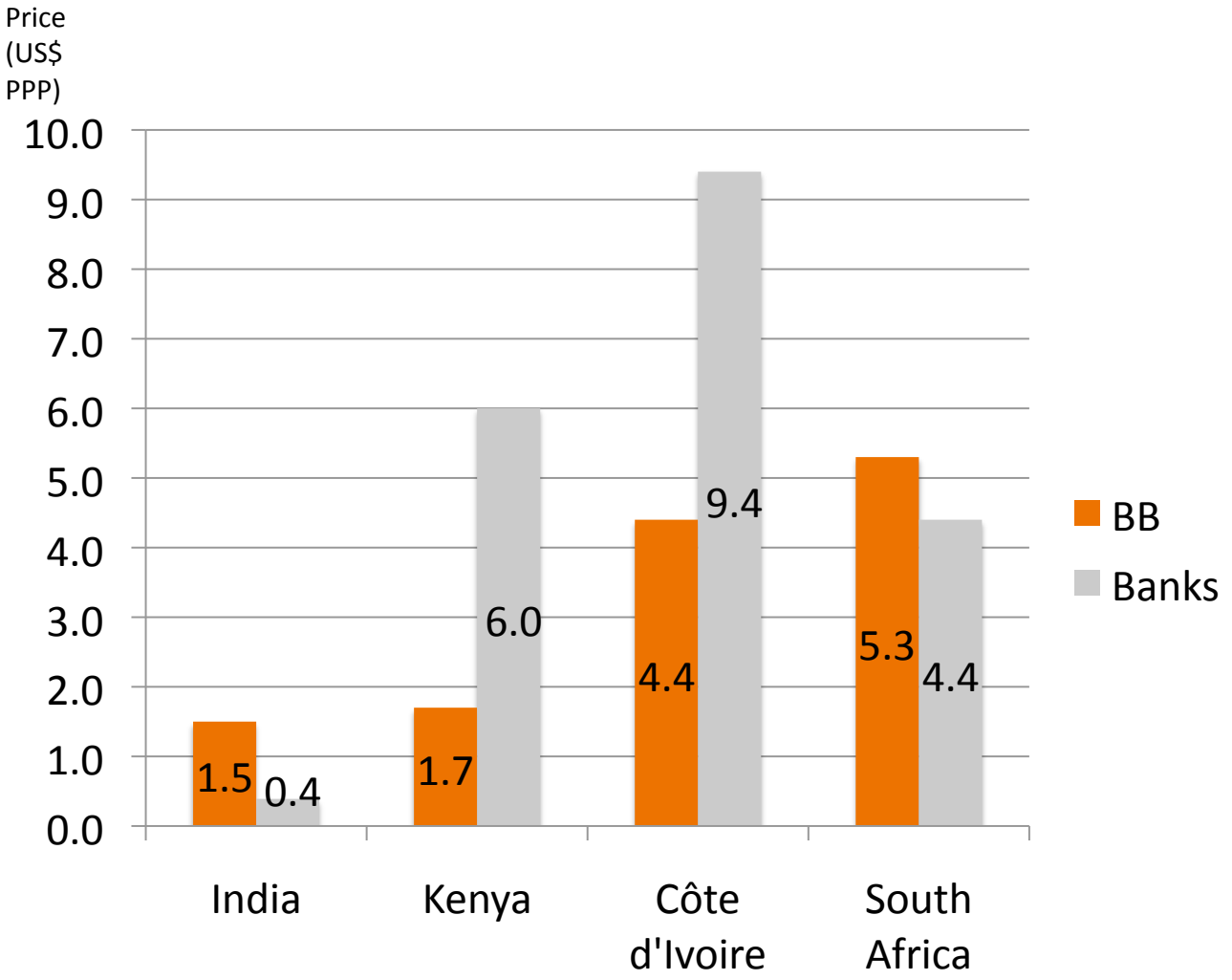
BB and Bank price disparities vary widely country to country

Banks in India and South Africa face political pressure to offer simplified accounts ('no-frills' in India and 'Msanzi' in South Africa) that are not profit-oriented. In these countries, BB is more expensive than banks.

Kenyan banks, in contrast are more expensive. Could this be one reason for the success of M-PESA?



Note: Analysis based on average of all 8 use cases. Brazil banks not included since same products were used for branchless banking and bank prices.

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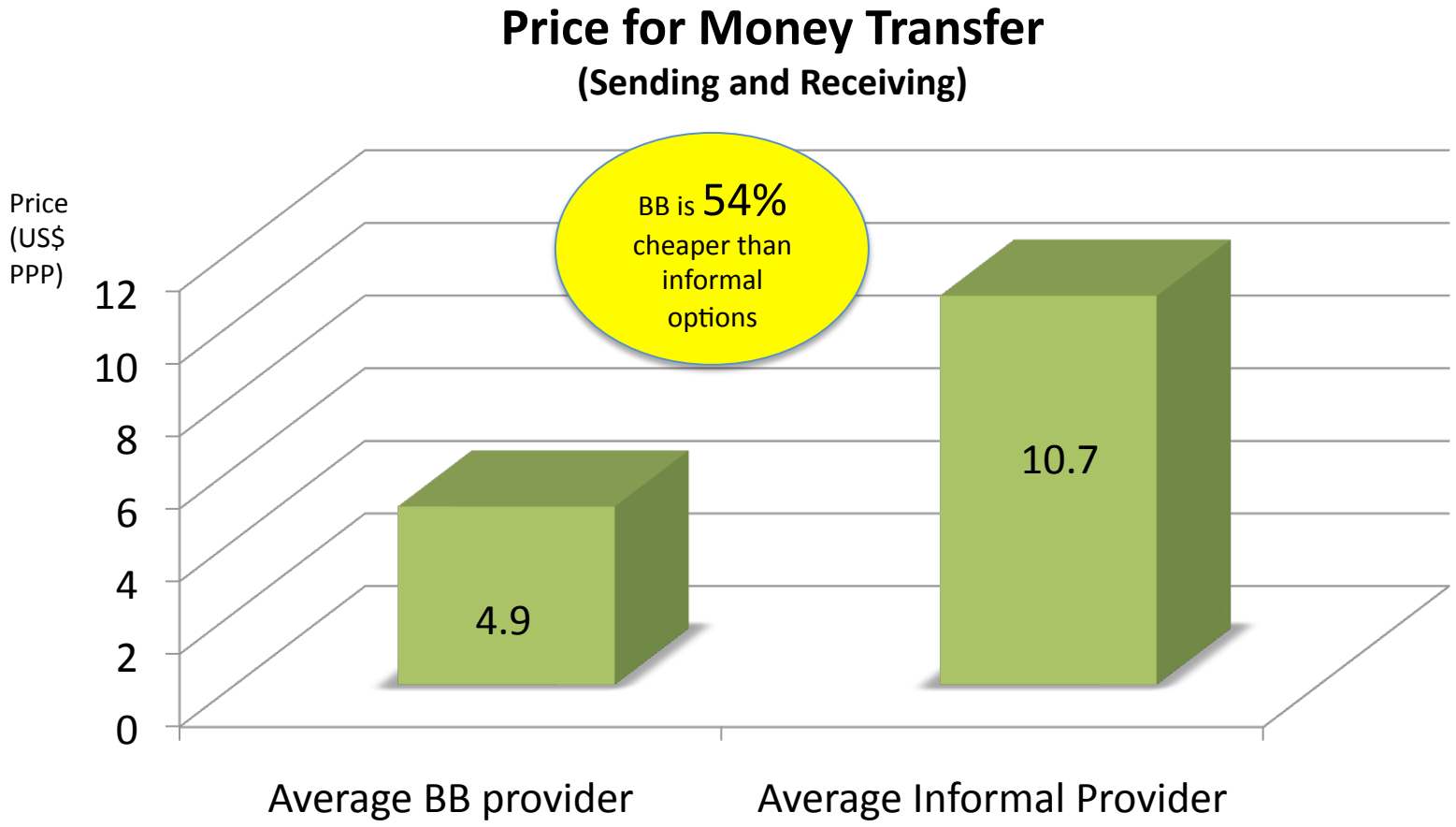
Informal providers charge double the price for a money transfer than a BB provider



Price as % of transfer	3.1%	6.7%

Note: Total price to send and receive $62 ($160 PPP value). $4.9 is the average price for sending and receiving (not including other transactions like airtime top-up) across all 16 providers in 10 countries. $10.7 is the average transfer price for four informal methods (taxi/courier, money changer, bus service, post office) in three countries. Average time to send/ receive is 2 – 4 days for informal.

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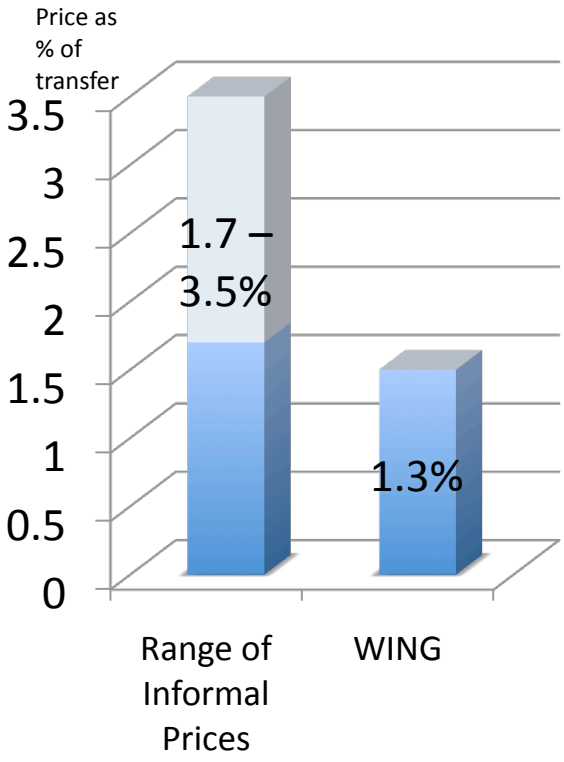
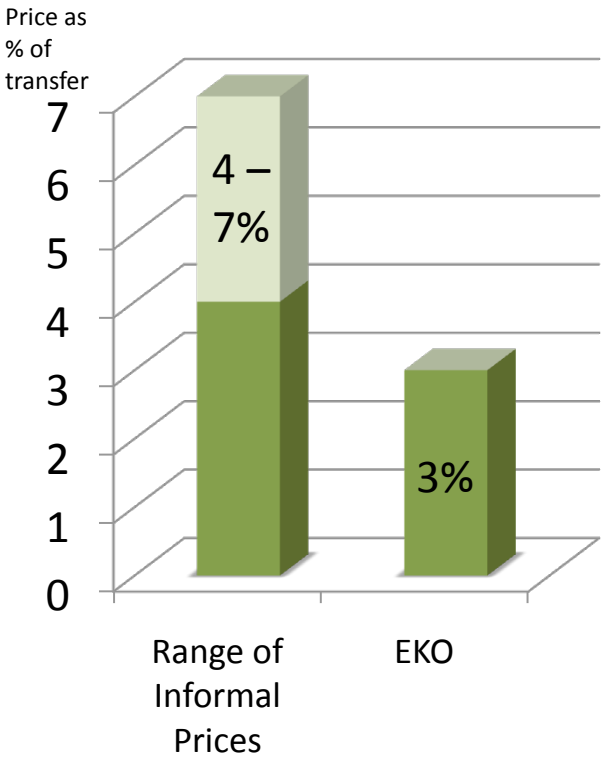
In 3 countries, BB provider cheaper than cheapest informal option for money transfer

CAMBODIA



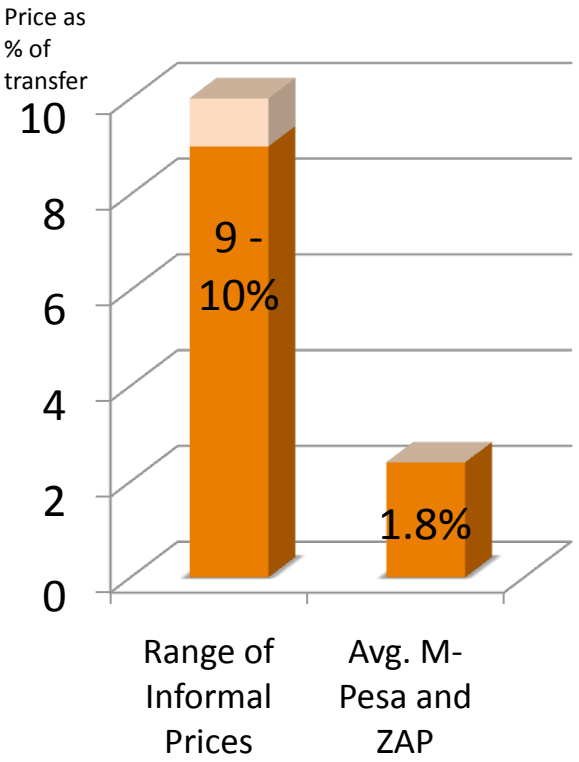
Informal Options: Taxi/courier and money changer

INDIA



Informal Options: Courier (based on prices from 3 different cities to one rural district)

TANZANIA



Informal Options: Post Office Money Fax Service, Bus Service

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Note: The ranges for informal providers represent the way that prices are quoted as these prices are often not fixed and vary based on amount, urgency/ time required, personal relationships and other factors. Sources: Cambodia: WING Money internal research 2009, India: Microsave report 'Research on Usability and Remittances in Bihar,; Tanzania: M-Pesa internal research and Post Office Money Fax website (http://www.tanpost.com/mfxrates.html)

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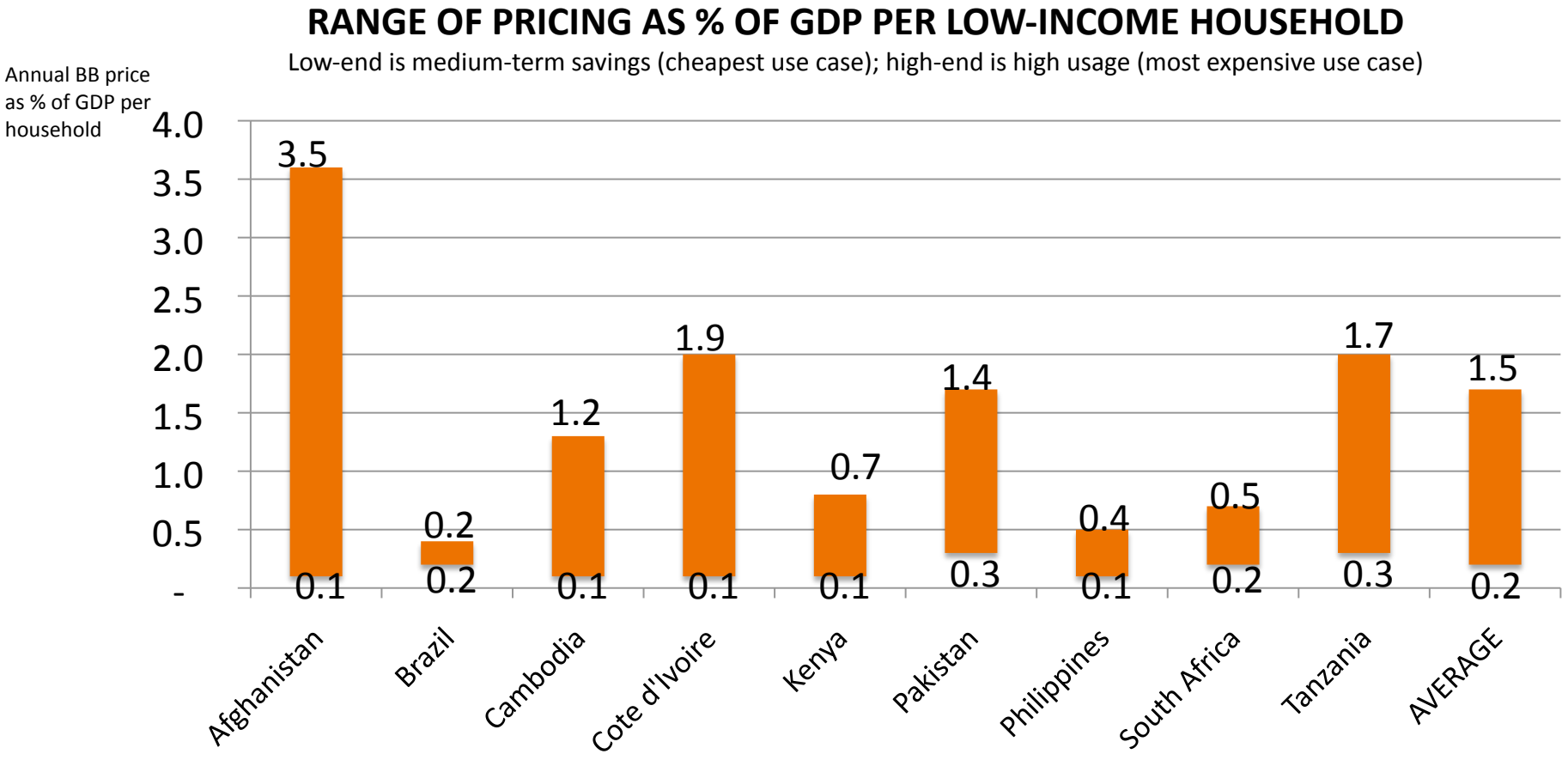
Low-income households spend 0.6% of their share of GDP on branchless banking



Note: 0.6% is average across all 8 use cases. GDP PPP adjusted per capita data is from the World Bank July 2009 (2008 values). We looked at the share of income for the 2nd 20% percentile in each country (i.e., not the poorest 20% in the country but those in the 20th to 40th percentile for income who would tend to be economically active poor in a developing country). We then multiplied this number by the number of people in each household (average 5.3).

Preliminary Conclusions of BB Pricing (I)

- Branchless banking offers a cheaper alternative than existing formal and informal options, but the gap is not as large as expected (at least at the medium deposit size of $69, the average of 5 services that provided CGAP with data)
- However, we believe many low-income people are transacting at lower amounts, and at that point (about $20) branchless banking is 38% cheaper than banks
- The way branchless banking services are priced (e.g., free deposits and airtime discounts) encourage customer uptake and usage as much as the absolute amounts

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Preliminary Conclusions of BB Pricing (II)

- Branchless banking prices have not settled – most providers changed prices in last 6 months

- Actual customer uptake and usage rates will be the most important factor to determine whether branchless banking services offer customers a value proposition worth the price

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APPENDIX

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Summary of Use Cases

USE CASE	TRANSACTIONS	AVERAGE PRICE (US$ PPP)	MEDIAN PRICE (US$ PPP)
1. SENDING MONEY TRANSFER	1 Deposit, 1 Transfer, 1 Airtime, 1 Balance Inquiry	$2.4	$1.9
2. RECEIVING MONEY TRANSFER	1 Withdrawal, 1 Airtime, 1 Balance Inquiry	$2.1	$2.1
3. SHORT-TERM SAFEKEEPING	2 Deposits, 2 Withdrawal, 1 Airtime, 1 Balance Inquiry	$5.2	$5.1
4. MEDIUM-TERM SAVINGS	4 Deposits, 0.2 Withdrawal, 1 Balance Inquiry	$1.6	$0.7
5. BILL PAYMENTS	1 Deposit, 3 Bill Payments, 1 Airtime, 1 Balance Inquiry	$3.4	$3.8
6. HIGH USAGE TRANSACTIONAL ACCOUNT	2 Deposits, 2 Transfers, 2 Withdrawals, 2 Bill Payments, 2 Airtime, 1 Balance Inquiry	$7.4	$7.6
7. TYPICAL M-PESA USER	1.2 Deposits, 0.6 transfers, 0.8 withdrawals, 0.6 Airtime, 1 Balance Inquiry	$2.9	$2.6
8. TYPICAL KENYAN BANK CUSTOMER	1.2 Deposit, 1 Transfer, 3.1 Withdrawals, 0.4 Bills,1 Balance Inquiry	$6.5	$6.8

Transaction Prices

TRANSACTION TYPE	AVERAGE PRICE FOR $50 TRANSACTION	MEDIAN PRICE FOR $50 TRANSACTION	LOWEST PRICE	HIGHEST PRICE
DEPOSIT	$0.61	$0.0	Free (8 providers)	Smart ($1.9)
WITHDRAWAL	$1.93	$1.56	EKO (Free)	M-Pesa TZ ($3.79)
TRANSFER	$1.34	$0.78	Smart and G-Cash PH ($0.11)	EKO ($4.69)
BILL PAYMENT	$0.80	$0.65	Free (ZAP Kenya)	Orange and MTN CI ($1.74)
AIRTIME TOP-UP	-$2.48	$0.00	Smart (-$11)	Free
BALANCE INQUIRY	$0.06	$0.00	Free (7 providers)	WIZZIT ($0.46)

CGAP Note: Two Brazilian banks are excluded from analysis as they only offer one set monthly fee bundled with many transactions

Functionality of Branchless Banking Providers

PROVIDER	MONTHLY FEE	DEPOSITS	TRANSFERS	Withdrawals - registered user	Airtime top-up	Bill Payment	Transfer to unregistered user
Bradesco (BN)	X	X	X	X		X	
Caixa (BN)	X	X	X	X		X	
EKO (IN)		X	X	X			
EasyPaisa (PK)		X	X	X		X	
GCash (PH)		X	X	X	X	X	
M-Paisa (AF)		X	X	X	X	X	X
M-Pesa (KN)		X	X	X	X	X	X
Vodafone M-PESA (TZ)		X	X	X	X	X	X
MTN (CI)		X	X	X	X	X	X
MTN (ZA)		X	X	X	X	X	
Orange Money (CI)		X	X	X	X	X	
Smart Money (PH)		X	X	X	X	X	
WING Money (CAM)		X	X	X	X	X	X
WIZZIT (ZA)		X	X	X	X	X	X
ZAP (KN)		X	X	X	X	X	
ZAP (TZ)		X	X	X	X	X	X

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