Nigeria Consumer Protection in Digital Finance Survey

March 2021

Innovations for Poverty Action (IPA)

Associated survey dataset available here: https://doi.org/10.7910/DVN/USMYWW

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IPA Consumer Protection Research Initiative

Four-year program to support policymakers, financial service providers, and civil society to develop and test consumer protection solutions in four emerging markets.
Understanding the challenges Nigerian consumers face with digital finance

- Digital finance in Nigeria includes a mix of bank and mobile-money based products, as well as a growing FinTech market focused primarily on payments and credit products.
- New products—e.g. payments and digital credit, and channels—e.g. agents or apps, raise new risks for consumers which must be understood and addressed.
- IPA conducted a survey of users of digital financial services (DFS) to understand their experiences, challenges faced, and opportunities for improvements in consumer protection in Nigeria.
- Reports from similar surveys conducted in Kenya and Uganda allow for comparison across countries.
Contents

05: Methodology
06–12: Respondent Profile
11–18: Access and Usage
19–30: Challenges
31–36: Competition and Choice
37-41: Financial Stress
42–47: Redress Process
48-50: Policy Takeaways
Methodology

Survey used an in-person intercept methodology to identify respondents

Conducted surveys in urban and peri-urban areas around the cities of:
• Kaduna (205 surveys from Aug. 21 – Sept. 10, 2020)
• Enugu (278 surveys from Dec. 1 – Dec. 15, 2020)
• Lagos (269 surveys from Jan. 25 – Feb. 12, 2021)

Enumerators positioned themselves in public spaces near DFS agent locations (typically in market areas) and invited random* passersby

Enumerators alternated between interviewing men and women, so the sample is balanced on gender by design.

Selected interview locations to include respondents from a variety of socio-economic backgrounds.

* Enumerators selected every \( n \)th man or women passing by, with \( n \) depending on the crowd density of the area.
Respondent profile

• Respondents have higher education and income levels than general Nigerian population

• This makes sense given focus on urban and peri-urban users of digital financial services

• Survey results should be taken as indicative of common challenges faced by DFS users, and not nationally representative
Notes: n=752, survey data comes from the cities of Kaduna (mean age=33), Enugu (mean age=30), and Lagos (mean age=33) only, Census data is from 2006 and includes entire states with mean age=; Source: https://nigeria.opendataforafrica.org/xsspplpb/nigeria-census.
Our respondents are significantly better educated than the typical Nigerian.

Our sample is restricted to DFS users in urban centers. Both these population segments tend to be highly educated.

n = 205

Afrobarometer is non-partisan, pan-African research institution conducting public attitude surveys on democracy, governance, the economy and society in 30+ countries repeated on a regular cycle. Source: https://afrobarometer.org/data/nigeria-round-7-data
**Economic background**

**Respondent profile**

Household member with formal employment (n=701)

- Yes: 27%
- No: 73%

**Monthly income (NGN) (n=752)**

- Kaduna
- Enugu
- Lagos

Income distribution by location and range:

- Less than 7,500: [Graphical representation]
- 7,501-15,000: [Graphical representation]
- 15,001-25,000: [Graphical representation]
- 25,001-50,000: [Graphical representation]
- 50,001-75,000: [Graphical representation]
- 75,001-100,000: [Graphical representation]
- 100,001-150,000: [Graphical representation]
- 150,001-200,000: [Graphical representation]
- 200,001-250,000: [Graphical representation]
- Above 250,000: [Graphical representation]
- No response: [Graphical representation]
**Household composition**

**Respondent Profile**

**Relationship to head of household (n=751)**

- **Head of household**
  - Female: 60%
  - Male: 40%
- **Spouse of head of household**
  - Female: 50%
  - Male: 50%
- **Other**
  - Female: 10%
  - Male: 90%

**Marital status (n=749)**

- **Married or cohabitating**
  - Female: 60%
  - Male: 40%
- **Divorced, separated or widowed**
  - Female: 15%
  - Male: 10%
- **Never married**
  - Female: 25%
  - Male: 35%
Access and usage of digital financial services

- DFS in Nigeria is predominantly bank-based, contrasting with mobile-money led African markets like Kenya and Uganda (see IPA's Kenya and Uganda consumer protection surveys)

- Agent networks are an essential element of DFS in Nigeria, and over-the-counter transactions (transactions by customers without accounts) are common. 32% of DFS users in our sample only conducted over-the-counter transactions

- DFS usage skews towards higher educated and higher income consumers in all three survey locations

- Unlike other leading DFS markets in Africa, mobile loans have only limited uptake so far
Access and Usage

Phone ownership

Phone sharing (n=733)

- Share with spouse: 8%
- Own phone, do not share: 92%

Phone type (n=733)

- Smart phone: 79%
- Basic/feature phone: 21%

Note: Data exclude respondents who have not used DFS
## Access and Usage

### Digital financial service usage, by service type

<table>
<thead>
<tr>
<th>Service Type</th>
<th>In the last 90 days</th>
<th>More than 90 days ago</th>
<th>Never</th>
</tr>
</thead>
<tbody>
<tr>
<td>DFS agent</td>
<td>78%</td>
<td>9%</td>
<td>13%</td>
</tr>
<tr>
<td>Mobile banking</td>
<td>57%</td>
<td>5%</td>
<td>38%</td>
</tr>
<tr>
<td>Mobile money</td>
<td>8%</td>
<td>3%</td>
<td>89%</td>
</tr>
<tr>
<td>Mobile loans</td>
<td>1%</td>
<td>1%</td>
<td>99%</td>
</tr>
</tbody>
</table>

- **87%** of respondents have ever used a **DFS agent**
- **62%** of respondents have ever used a **mobile banking**
- **11%** of respondents have ever used **mobile money**
- **1%** of respondents have ever used **mobile loans**

Notes: n=752; Data exclude respondents who have not used DFS in the last 90 days.
Mobile banking users are significantly higher educated and have higher income on average than the Nigerian population. This can be seen in the number of mobile banking users who find it “not” difficult to come up with funds for an emergency or unanticipated expense.

Mobile banking users also are more likely to be male and are older on average.
Access and Usage

Mobile banking providers

- Access Bank: 21%
- Guaranty Trust: 17%
- First Bank: 15%
- United Bank: 10%
- Zenith Bank: 5%
- First City Bank: 3%
- Union Bank: 4%
- All others: 6%

Note: Of mobile banking users

Ever used (n=463)
Used most often in last 90 days (n=462)
Access and Usage

Mobile money providers

AccessMobile: 42% Ever used (n=79), 38% Used in the last 90 days (n=57)
FirstMonie: 28% Ever used (n=79), 26% Used in the last 90 days (n=57)
U-Mo /U-Mobile: 14% Ever used (n=79), 18% Used in the last 90 days (n=57)
Eazymoney: 11% Ever used (n=79), 12% Used in the last 90 days (n=57)
Other: 1% Ever used (n=79), 0% Used in the last 90 days (n=57)

Note: Of mobile money users
### Mobile money

**Access and Usage**

#### Date of last mobile money transaction (n=56)

<table>
<thead>
<tr>
<th>Date</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Today</td>
<td>18%</td>
</tr>
<tr>
<td>Yesterday</td>
<td>18%</td>
</tr>
<tr>
<td>Last 7 days</td>
<td>16%</td>
</tr>
<tr>
<td>Last 14 days</td>
<td>11%</td>
</tr>
<tr>
<td>Last 30 days</td>
<td>16%</td>
</tr>
<tr>
<td>Last 60 days</td>
<td>13%</td>
</tr>
<tr>
<td>Last 90 days</td>
<td>9%</td>
</tr>
</tbody>
</table>

**Mobile money is still nascent in Nigeria:**
48% of “active” users use mobile money less than once per week.

#### Change in mobile money vs cash since pandemic started (n=54)

<table>
<thead>
<tr>
<th>Change</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>More mobile money use now</td>
<td>35%</td>
</tr>
<tr>
<td>More cash use now</td>
<td>33%</td>
</tr>
<tr>
<td>No change</td>
<td>31%</td>
</tr>
</tbody>
</table>
Access and Usage

Mobile money primarily used for person-to-person transfers

Uses for mobile money account (n=57)

- Send money to friends/family: 80%
- Receive money: 70%
- Pay bills/purchase items: 60%
- Buy airtime: 50%
- Receive payments for business: 40%
- Make payments for business: 30%
- Receive salary: 20%
- Save or keep money: 10%
- Gambling: 0%
Challenges experienced using DFS

The survey asked consumers about a set of common DFS challenges, to understand how many consumers may experience these issues across two periods:

• Any challenges experienced since January 2020
• The most significant challenge ever experienced—to not miss any issues which may have caused substantial difficulty or harm in the past.

Extra or unexpected charges, and phishing or scam attempts appear to be the most frequent challenges DFS consumers face
Challenges experienced using DFS

Which challenges are most common for consumers

- Agent charged you extra to complete a transaction (n=741) - 33%
- Unexpected or unclear charges (n=739) - 29%
- Phishing by phone or SMS (n=751) - 26%
- Difficulty using shortcode menu or app (n=508) - 16%
- Money was missing or taken without your permission (n=748) - 14%
- Poor quality of customer care (n=729) - 12%
- Could not reach customer care (n=748) - 7%
- Incorrectly sent money (n=316) - 1%
- Agent did not keep your information safe or private (n=741) - 1%

Note: sample sizes vary because respondents were asked only about challenges that applied to them based on their DFS usage. For example, a consumer who uses only OTC services would not be asked about incorrectly sending money.
Respondents are most likely to experience challenges with mobile money and mobile banking. All users report agent overcharging as a major concern, while many mobile money and mobile banking users experience unclear charges and missing money.
Challenges by consumer segment

Education and age appear to be the most significant demographic factors in whether consumers report experiencing challenges with their DFS products. This is similar—if not identical—to findings from IPA’s Kenya and Uganda DFS consumer protection surveys.

Understanding why those with more education may report more challenges, e.g., due to higher awareness of these issues than other consumers, is an open question for further research to explore.

Percent reporting any challenge

<table>
<thead>
<tr>
<th>Gender</th>
<th>Percent reporting any challenge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age</th>
<th>Percent reporting any challenge</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-24</td>
<td></td>
</tr>
<tr>
<td>25-44</td>
<td></td>
</tr>
<tr>
<td>45+</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Education</th>
<th>Percent reporting any challenge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td></td>
</tr>
<tr>
<td>Secondary</td>
<td></td>
</tr>
<tr>
<td>Tertiary</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Income</th>
<th>Percent reporting any challenge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher</td>
<td></td>
</tr>
<tr>
<td>Middle</td>
<td></td>
</tr>
<tr>
<td>Lower</td>
<td></td>
</tr>
</tbody>
</table>

90% confidence intervals; n=752, income n=659
Experience being targeted by scammers is higher across several different respondent characteristics: male, 25–44 years old, higher education levels, and higher income levels.

Similar to experiences with challenges, further research is needed to determine if this is due to wider use of product types, increased ability to detect scams, or other reasons.
What do scammers seek when they contact DFS users?

Types of scam requests

- **41%** Ask for PIN, Bank Verification Number, or one-time password
- **31%** Account details
- **24%** Send them money
- **4%** Other

Challenges experienced using DFS
Challenges experienced using DFS

Scam attempts: How consumers identify scams

Scams requesting money (n=261)

- Requested personal info
- Did not know caller/sender
- Personal awareness
- From others' experiences
- Poor language/grammar
- Regular number
- Other

Scams offering a product or service (n=72)

- From others' experiences
- Never used service
- Poor language/grammar
- No recent transactions
- Regular number
- Requested personal info
- Incorrectly identified me
- Other
Challenges experienced using DFS

Scam attempts: How consumers respond

Consumers' action after scam (n=350)

- Ignored: 84%
- Responded: 13%
- Contacted friends & family: 3%
- Reported to Provider: 1%
- Other: 3%

Consumers' action if they responded to the scam (n=50)

- Followed instructions: 40%
- Didn't follow instructions: 30%
- Exposed scammer: 20%
- Called back: 10%
- Asked for details: 10%
- By calling them back but they won't pick: 0%
- I told him to come and collect: 0%
Scams are quite common during the pandemic

Challenges experienced using DFS

Percentage of respondents who experienced attempted scams or fraud since COVID-19 began (n=751)

- Yes: 51%
- No: 49%

Mode of scams (n=383)

- Phone: 70%
- SMS: 40%
- Social media: 10%
Financial loss: Where and how it occurs

How money was lost (n=109)

- High deductions for a transaction: 20%
- Account debited but funds not received: 15%
- Someone accessed my mobile money account: 15%
- Sent to the wrong number: 10%
- Received a hoax SMS: 10%
- Don't know: 10%
- Received a hoax phone call: 5%
- Unclear bank charges: 5%
- Paid for a fake service or product/scam: 5%
- Sender reversed genuine transaction: 0%

Where money was lost (n=94)

- 70% Mobile banking
- 23% OTC
- 6% Mobile money
109 respondents report losing money on their phone.

In their worst incident, consumers lost an average of **12,000 Naira** (median: **5,000 Naira**).
Lost money issues most likely largest challenges consumers cite

The survey asked participants to recall their largest challenge ever experienced with DFS, regardless of whether it occurred in 2020 or not.

Responses focused on issues that involved financial loss for the consumer. Surprisingly, a majority of these consumers took no action to resolve this challenge—signaling an area for improvement in consumer redress channel access and usage.

Largest challenge ever experienced (n=463)

- 25% Unexpected or unclear fees
- 19% Agent overcharging
- 16% Missing money

Person or entity consumer blamed for challenges experienced, top 3 (n=365)

- 60% Bank/loan provider
- 24% Mobile money agent
- 8% Mobile money provider

45 percent of respondents took some action to try to resolve their largest challenge.

Note: Largest challenge question did not include phishing as an option.
Consumer choice and decision-making

- Financial choices are often made for a variety of financial and non-financial reasons.
- Understanding these factors is important to encourage more informed decision-making, consumer choice and product comparison.
- DFS consumers were asked to share the factors that go into their choice in mobile money, mobile banking, and agents; as well as their uses for these products.
- Brand reputation and familiarity are the primary factors in choice of mobile money and mobile banking providers—price is a surprisingly low-rated factor in choosing providers.
- Agent selection is primarily based on proximity to the consumer.
Consumer choice and decision-making

Reputation and familiarity dominate mobile money choice

Reason for choosing mobile money provider (n=57)

- Provider is reputable: 30%
- Use provider for phone services: 25%
- Better network quality/coverage: 20%
- First provider tried: 15%
- Family/friend recommendation: 10%
- Least expensive provider: 5%
- Only nearby provider: 5%
- Others use this provider: 5%
- Only known provider: 5%
- Some transactions now free: 5%
- Accessibility: 5%
- Ease of use: 5%

Price a limited factor in choice
Consumer choice and decision-making

Mobile money consumers learn about fees primarily via handsets

Mobile money users were asked how they learned about the fees in their last mobile money transaction.

Most respondents obtain this information via their phones, either before or after the transaction.

Could comparison information be integrated into transaction communications or menus to increase price-based choices in providers and services?
Reputation and familiarity influence mobile banking choice of provider

Reasons for using mobile banking provider (n=300)

- This provider is reputable/trustworthy: 40%
- Linked to my bank account/salary payment: 25%
- I tried this provider first: 20%
- Interface is easy to use: 15%
- Some transactions are now free: 10%
- Least expensive provider my agent offers: 5%
- Only provider my closest agent offers: 5%
- This is the only provider I know: 5%
- Person am sending to/receiving from uses provider: 5%
- Friends/family use this provider: 5%
- Accessibility: 5%

Mobile banking security (n=277)

- Very secure: 80%
- Somewhat secure: 15%
- Not very secure: 5%
Proximity by far the leading factor in agent selection

How agents are chosen (n=602)

- I chose the one close by: 70%
- The agent is a respected person/trustworthy: 9.1%
- There is only one agent close to me: 6.0%
- Charges lower fees: 4.8%
- S/he is a friend: 3.7%
- A friend/family member recommended this agent: 2.3%
- I know this agent has enough cash/float for me: 2.2%
- There is only one agent who works with my preferred provider near me: 1.7%
- Has reliable network: 0.7%

Top 5 ways agents are used (n=606)

- Receive money: 52%
- Send money: 48%
- Cash out: 44%
- Deposit money: 12%
- Pay bills: 5%
**Consumer concerns regarding agent conduct**

Consumers show a healthy amount of caution regarding how agents handle their information and whether they will cheat or deceive them.

### Respondents’ perception of agents or the likelihood an agent will:

<table>
<thead>
<tr>
<th></th>
<th>Completely</th>
<th>Somewhat</th>
<th>A little</th>
<th>Not at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>Act in your best interests (n=606)</td>
<td>22%</td>
<td>34%</td>
<td>19%</td>
<td>26%</td>
</tr>
<tr>
<td>Not cheat or deceive you (n=605)</td>
<td>40%</td>
<td>34%</td>
<td>19%</td>
<td>7%</td>
</tr>
<tr>
<td>Keep your information safe (n=606)</td>
<td>22%</td>
<td>31%</td>
<td>15%</td>
<td>32%</td>
</tr>
</tbody>
</table>

Percentage of DFS users that report sharing a PIN number or other account details with an agent (n=606): 3%
Participants were asked a series of questions about their financial situation and security during the COVID-19 pandemic.

- Most respondents report increased financial difficulties during the pandemic.
- Signs of loan repayment difficulties as a result of the pandemic.
Financial stress during COVID-19

Respondents rate difficulty of coming up with emergency money (n=712)

- Impossible: 14%
- Very difficult: 39%
- Somewhat difficult: 35%
- Not difficult: 12%

Source of emergency funding (n=609)

- Family, relatives, or friends: 40%
- Money from working: 30%
- Savings: 20%
- Borrowing from a bank, employer, or private lender: 10%
- Selling assets: 0%

35,000 Naira (~1/20th GNI) in 30 days
Financial Stress

Perceived capacity to deal with a crisis

- Strongly agree - Somewhat agree - Somewhat disagree - Strongly disagree

**Sufficient emergency funds (n=747)**
- 7% Strongly agree
- 16% Somewhat agree
- 20% Somewhat disagree
- 57% Strongly disagree

**Enough money for living expenses (n=749)**
- 8% Strongly agree
- 28% Somewhat agree
- 23% Somewhat disagree
- 41% Strongly disagree
COVID-19 pandemic has reduced income and assets

Financial Stress

Change in income since start of pandemic (n=719)

- Less income: 60%
- Same income: 30%
- More income: 10%

Actions taken to pay for food, healthcare, or other expenses (n=752)

- Depleted savings: 25%
- Borrow regardless of ability to pay: 20%
- Self off assets: 15%
- Skip required loan payment: 5%

6 percent relocated due to the pandemic
Financial Stress

Loan repayment has suffered during the pandemic

Loan repayment since start of pandemic (n=751)

- 73% No loan
- 27% Took out a loan

- 10% No difficulty repaying
- 10% Plan to repay later
- 4% Plan to pay part only
- 3% Don’t plan to repay

Anticipate not being able to make debt payments on time due to pandemic? (n=203)

- Yes 59%
- No 41%

Of the 27% who took out a loan

- 41% No
- 59% Yes
Consumers who experienced challenges with DFS were asked whether they had taken any actions to resolve these challenges, and what the outcomes were.

Most consumers did not take action to try to resolve their challenges, but this varies widely by type of challenge experienced and the education and income level of the consumer.

Surprisingly, consumers tend to try and resolve DFS issues via in-person channels.

Consumers whose challenges were not resolved were more likely to change or reduce DFS usage.
Most consumers do not take action to resolve challenges they experience, but this varies by challenge type.

### Number of consumers experiencing each challenge

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Number of Consumers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unexpected/unclear fees</td>
<td>117</td>
</tr>
<tr>
<td>Agent overcharging</td>
<td>87</td>
</tr>
<tr>
<td>Missing money</td>
<td>76</td>
</tr>
<tr>
<td>Difficulty with shortcode/app</td>
<td>48</td>
</tr>
<tr>
<td>Poor customer care</td>
<td>19</td>
</tr>
<tr>
<td>Other challenge</td>
<td>14</td>
</tr>
</tbody>
</table>

### Type of action in response to the challenge reported as most formidable

- **Contacted agent**
- **Contacted provider**
- **Other response**
- **Took no action**

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Contacted agent</th>
<th>Contacted provider</th>
<th>Other response</th>
<th>Took no action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unexpected/unclear fees (n=117)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
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<tr>
<td>Difficulty with shortcode/app (n=48)</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Poor customer care (n=19)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other challenge (n=14)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Lower education and income consumers are less likely to take action to resolve challenges experienced.

Percent of each respondent type n=361

- **Gender**
  - Female
  - Male

- **Age**
  - 18-24
  - 25-44
  - 45+

- **Education**
  - Primary
  - Secondary
  - Tertiary

- **Income**
  - Higher
  - Middle
  - Lower

90% confidence intervals
Complaints handling and redress

Even with digital products, most consumers try to resolve challenges in-person

Type of channel used by those who took action (n=153)

- Phone (Voice, SMS, USSD)
- In person
- Other channel

Consumers reporting whether or not the issue was resolved, by channel

- Resolved problem
- Failed to resolve problem
- Other outcome

No evidence in-person complaint leads to higher rate of resolution of problem
Complaints handling and redress

More than 1/3 of consumers with unresolved problems changed their usage as a result

Consumers’ behavior change as a result of problem resolution

- Did not affect usage: 79% (Resolved problem, n=78) vs. 62% (Failed to resolve problem, n=45)
- Stopped using service: 5% (Resolved problem) vs. 7% (Failed to resolve problem)
- Reduced usage: 15% (Resolved problem) vs. 31% (Failed to resolve problem)
In cases of financial loss most consumers do not receive resolution of their issue

Of respondents who experienced a problem involving a financial loss (n=109)

<table>
<thead>
<tr>
<th></th>
<th>45%</th>
<th>47%</th>
<th>32%</th>
<th>28%</th>
</tr>
</thead>
<tbody>
<tr>
<td>reported taking some action</td>
<td>reported trying to resolve</td>
<td>reported successful</td>
<td>reported resolution took</td>
<td>reported having to spend</td>
</tr>
<tr>
<td>to try to resolve the issue</td>
<td>their issue</td>
<td>their issue</td>
<td>a day or less</td>
<td>additional money as part of</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>the resolution process</td>
</tr>
</tbody>
</table>
Policy takeaways from consumer survey

Transparency and hidden charges

- Extra or unclear fees and charges were experienced by consumers across the different DFS products and channels. This signals there may be common challenges of extra or hidden fees, and/or consumers not understanding fully the terms of the products they use in DFS.

- Review of digital interfaces and improved standards on digital disclosure of product terms and charges could help address hidden fees.

- Particular attention should be paid to experiences with agents, as there are indications of extra fees being applied. Addressing these charges could likely take three approaches:
  - Improved monitoring and enforcement of fee structures.
  - Revised incentive and commission structures where they may lead to extra charges and fees.
  - Greater consumer awareness of official fees and encouragement to resist paying extra charges or switching of agents used—agent proximity appears a strong driver in choice of agents.
Policy takeaways from consumer survey

Redress and complaints handling

- There is less likelihood for lower-income and lower-education consumers to use formal redress channels when problems arise. This raises concerns about consumers’ sense of agency, and equal use of rights to redress across Nigeria’s DFS population.

- More research is needed to understand the causes of these discrepancies.

- Once causes are identified, possible solutions could be tested to increase use of formal redress channels by under-represented populations.

- Even when issues relate to digital products, consumers default to in-person resolution channels. However, these channels do not appear to be substantially more effective than remote channels like call centers. Is this an inefficiency that could be improved upon to reduce in-person complaints traffic?

- Poor redress impacts usage. One-third of those with unresolved challenges reduced or shifted their DFS usage as a result. Poor redress is a risk to inclusion and DFS growth and so improving resolution rates should be a priority for the entire DFS sector.
Policy takeaways from consumer survey

Scams and fraud

- Fraud and phishing attempts primarily focus on obtaining account or personal information.
- 13% of those targeted responded to a scam, and one-third of those followed the scammers instructions. This raises concerns about consumer susceptibility to scams. Industry and regulators could test targeted interventions to the most susceptible populations to see if this can reduce success rates of fraudsters.

Consumer choice

- For both mobile money and mobile banking, cost was not a leading factor for choice of provider.
- Provider reputation and linkage to existing mobile or bank accounts are leading factors in mobile money and mobile banking, while proximity is key factor for agents.
- Lack of importance of price and the linkages of DFS choice to existing services raise concerns for consumer switching and price-based competition.
Thank you