

# **Global Money** *Transfer Index*

Uncovering consumer expectations  
of the remittance industry

**The Africa Series**



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## Foreword



It is a busy time in Africa's remittance industry. The continent alone already accounts for 70% of the world's \$1tn value in mobile money services<sup>1</sup>. Money transfers are the beating heart of families and communities.

Western Union pioneered money transfers here almost 30 years ago, providing affordable and convenient services to city dwellers and rural communities alike. More often than not, we built money transfer infrastructures from the ground up.

Today, our focus is on providing the people of Africa with accessible financial services. We continue to provide a vital channel for consumers to connect with loved ones across more than 200 countries and territories.

In our first Global Money Transfer Index, we speak to consumers in Kenya, South Africa, Nigeria, Senegal, and Morocco, about what matters most to them for their money transfer needs. Our companion report, the Middle East and Asia Pacific series, is also available. It features similar analysis between markets in those regions.

We find a majority of Africa's consumers receive money transfers at least once a month (62%), and 59% send funds across borders at the same rate.

Perhaps unsurprisingly, the lion's share of consumers who receive funds like to collect money using standalone digital channels (57%). But the same consumers tell us that in future, choice of channels will be key. More than half (53%) indicate people should be given a full range of in-person and online transfer options from now on.

Those sending money abroad have a different view. Nearly two-thirds (60%) opt for digital-only transfers now, with 54% committing to the same methods in future. But choice still matters here, with a healthy 39% of senders stating it will be critical when selecting money transfer brands in years to come.

Despite an already strong take-up of digital remittances, not every consumer is convinced. This mostly comes down to trust: 23% of receivers and 18% of senders express doubt about the reliability of online-only transfers.

Western Union believes it's incumbent on providers to give people options when moving money, no matter their level of digital sophistication. It maximizes financial inclusion. This is vital as we create long-lasting relationships with consumers and make meaningful impact in communities.

Meanwhile, the cost of living squeeze means consumers are relying more on money transfers. Already, 81% of receivers across the continent are asking senders for bigger sums. A large majority of senders (72%) agree they must transfer more money - but they're also feeling the pinch, since 72% reveal they cannot afford to send receivers as much as they used to.

Money anxieties seem unlikely to abate in the year to come. More than three-quarters of receivers (78%) say they must ask senders for even bigger transfers in 2023, with 76% of senders agreeing.

Africa's fintech industry is forging ahead. In 2021, tech start-ups across the continent tripled year on year to more than 5,000 businesses<sup>2</sup>.

Consumers are driving demand. Seventy-eight percent of receivers would prefer to have money sent directly to a payment card or e-wallet that does not require a bank account. Some 84% of senders want features that help monitor exchange rates in real-time.

With such interest and enthusiasm in evidence it's obviously an exciting era for Africa's remittance, and the broader financial services, ecosystem. Western Union stands ready to play a major part in supporting the millions of consumers who rely on it.

**Mohamed Touhami el Ouazzani**

Regional Vice President, Africa, Western Union

<sup>1</sup> <https://qz.com/africa/2161960/gsma-70-percent-of-the-worlds-1-trillion-mobile-money-market-is-in-africa>

<sup>2</sup> <https://www.mckinsey.com/industries/financial-services/our-insights/fintech-in-africa-the-end-of-the-beginning>

# Kenya

## Receivers

**4<sup>th</sup>** largest 'receive' market in Africa

(World Bank)<sup>1</sup>

Approximately

**3m**

Kenyans live abroad<sup>2</sup>

(World Bank)<sup>1</sup>

USD **4bn** Inflows

**63%**  
receive money at least once a month

↑ Today  
**78%**  
receive more money to cope with higher cost of living

Current preference for receiving international money transfers:

**66%**  
Digital

## Senders

USD **9m** Outflows

(World Bank)<sup>1</sup>

**60%**  
send money at least once a month

↑ Today  
**73%**  
send more money to support with higher cost of living

Current preference for sending international money transfers:

**61%**  
Digital



### Testing times for families

Consumers are being impacted by the global cost of living crisis. More than three-quarters of receivers (78%) say that they are asking senders abroad for more funds. Similarly, 73% of senders in Kenya say they must transfer more money. However, the same amount of senders (73%) reveal the increased cost of living prevents them transferring as much as they used to.

Looking ahead, more than three-quarters of receivers (77%) confirm they will need to ask senders for higher-value transfers in the next 12 months. The same proportion of senders (77%) agree they must transfer bigger sums in the year ahead.

Kenya benefits from a well-developed national payments system to support remittances<sup>3</sup>. At present, 63% receive money at least once a month, and 37% mainly do so to support family members. This increases to 46% of those aged 45 to 54 but drops to 26% of the 18-to-24 age group. Furthermore, 35% of receivers say how often and how much they collect is primarily influenced by family needs - increasing to more than half (52%) of the 45-to-54 age group.

When seeking a brand to complete money transfers, 27% of receivers - rising to 32% of those aged 45 to 54 - rank speed as the main selection factor, while one-quarter (25%) pick a brand offering the lowest fees. Receivers also greatly influence choice in the process: 82% state the brand name is important to them when senders ask how they want to collect money; 73% of senders agree their receiver influences brand selection.

### Consumer choice is key

Two in three receivers (66%) currently use only digital transfers, and 26% prefer both online and in-person formats to be available. However, around double that proportion (53%) believe that in future all money transfer receivers should be able to choose, compared to 46% who will fully embrace digital. Trust is the major barrier preventing further digital take-up among receivers (29%).

<sup>1</sup> <https://www.knomad.org/publication/migration-and-development-brief-37>

<sup>2</sup> <http://www.kenyarep-jp.com/en/kenyans/diaspora02/>

<sup>3</sup> <https://remitscope.org/africa/kenya>

In contrast, senders name digital transfers as their first choice for the future (56%) - rising to 61% of women - with 41% desiring a mix of online and face-to-face options. Some 61% of senders currently opt for digital-only services - rising to 67% of those aged 18 to 24. Trust is less of a barrier for them (17%).

### Currency concerns revealed

Consumers are keen for money transfers to provide them with value and support.

More than six in 10 receivers are conscious of currency fluctuations, with 63% revealing that when the Kenyan Shilling falls in value they receive more money than normal.

Senders also stay abreast of exchange rates. Almost one in five (19%) say strength of currency is a key influence on the value and frequency of transfers. Meanwhile, 89% want brands to provide a service that informs them about currency fluctuations so they can plan better.

More than two in three (68%) increase the value of their transfer if the receiving country's currency value falls. Almost seven in 10 (69%) male senders delay transfers when the currency rate drops in the receiving country, compared to 49% of women.

### Seeking service innovation

Kenya reportedly has one of the highest financial inclusion rates in Africa, driven by the adoption of mobile money. It's therefore unsurprising that a large majority of consumers are keen for even more innovation from money transfer brands, to further evolve the services they use and make the process more convenient, reliable and valuable.

More than nine in 10 (92%) receivers would like to collect funds in currencies other than the Shilling, while 90% of them - along with 86% of senders - are eager for providers to integrate transfer services within a single mobile app. This is so that they can manage transfers alongside other personal finance needs such as paying for utilities.

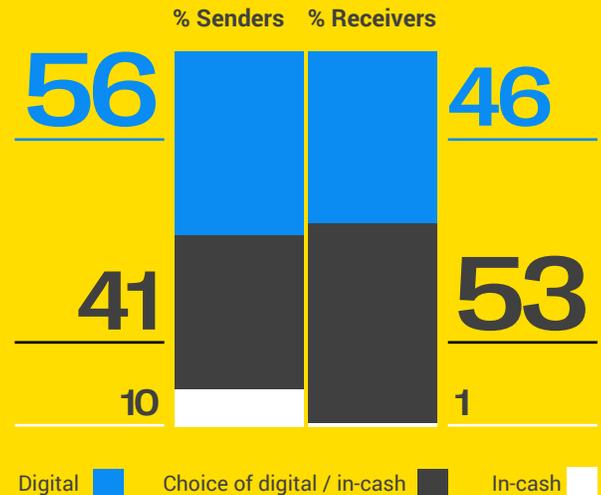
Meanwhile, 82% of receivers say they'd use a pre-paid card or e-wallet not linked to a bank account to manage money sent to them; 84% of senders are also interested in such products. In addition, 85% of senders reveal they'd be happy to use facial recognition/biometric services to improve the process.

Looking further ahead, 82% of receivers are interested in cryptocurrency becoming an option in the money transfer process, along with 80% of senders.

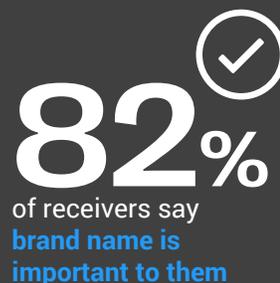
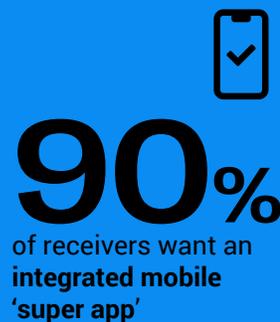
## Remittances set to increase in the next 12 months



### Future preferences for international money transfers



### Current and future expectations



# Morocco

## Receivers

**2<sup>nd</sup>** largest 'receive' market in Africa  
(World Bank)<sup>1</sup>

At least **4.2m** Moroccans live abroad <sup>2</sup>

USD **11.4bn** Inflows  
(World Bank)<sup>1</sup>

**48%** receive money at least once a month  
Today **83%** receive more money to cope with higher cost of living

Current preference for receiving international money transfers: **38%** Choice of digital / in-cash

## Senders

USD **175m** Outflows  
(World Bank)<sup>1</sup>

**63%** send money at least once a month  
Today **76%** send more money to support with higher cost of living

Current preference for sending international money transfers: **42%** Digital



### An increase in payments

Consumers say they are being impacted by the global cost of living crisis, with (83%) of receivers stating that this has already made them request more money from their senders abroad.

More than three-quarters of senders (76%) in the country agree that greater pressure on receivers' personal finances means they must transfer more money.

However, senders are also feeling the pinch, with 71% explaining that the cost of living stops them sending as much money as they used to.

Looking ahead, (78%) of receivers agree they must ask for bigger sums in the next 12 months. Senders also confirm they will need to find a way to transfer more funds abroad in the year ahead (75%).

Receivers are keeping an eye on currency fluctuations, with a majority (64%) stating they receive more money than normal if the Moroccan Dirham (MAD) drops in value. A big majority of senders (83%) are keen to access a money transfer feature that would allow them to monitor exchange rates in real-time.

### Transfers in demand

Almost half (48%) of receivers currently collect funds at least once a month. By far their main reason for doing so is to support their family (43%), while 16% use the money to support their business.

One in 10 (10%) allocates the money they receive to utility bill payments. Just over one-third (34%) say the frequency and amount they receive is influenced by how pressing their or their family's needs are. A further 17% state transfers are made when the MAD is weaker.

There is a similar trend among senders, with 36% revealing family support is their main priority when transferring money across borders and a further 14% seeking to grow their business. Some 11% send funds to pay tuition fees. Transfers are prioritised when the receiver needs financial support (27%), while one-quarter (25%) simply send money as soon as they get paid.

<sup>1</sup> <https://www.knomad.org/publication/migration-and-development-brief-37>

<sup>2</sup> <https://www.arab-reform.net/publication/the-moroccan-diaspora-modes-of-political-participation/>

In the case of both receivers (28%) and senders (14%), speed of transaction is the most influential factor in their choice of brand for money transfer service.

### Boost trust to grow digital

At present, fewer than one-quarter of receivers (24%) opt for completely digital services to collect their money. Considerably more (38%) prefer a choice of online or face-to-face options, while 30% like to pick up their funds in cash. From now on, a majority of receivers will continue to press for choice, preferring a range of digital and retail collection options (64%), while even fewer than those who currently use digital-only services say they will do so in future (19%).

Trust is a key barrier to greater adoption of digital money transfer services (24%) among receivers. It is also the joint top reason why senders are yet to make online transactions (21%), alongside a stated preference for face-to-face interaction when making transfers (21%).

As Morocco continues to evolve its digital payments ecosystem, harnessing the power of technology to drive financial inclusion will be vital to create opportunities and build more inclusive societies.

### Eager for payments innovation

Despite their reticence towards digital transfers, consumers show a keen interest in payments innovation. A hefty majority of receivers (84%) want providers to align services with their other financial commitments - such as utility bills payments - in a single mobile app. This is a feature that 86% of senders would also like brands to make available.

In addition, 81% of receivers are eager to receive their funds using a pre-paid card or e-wallet. Just over four in five (81%) also say they'd be more likely to use a service to receive funds if it was available in their language.

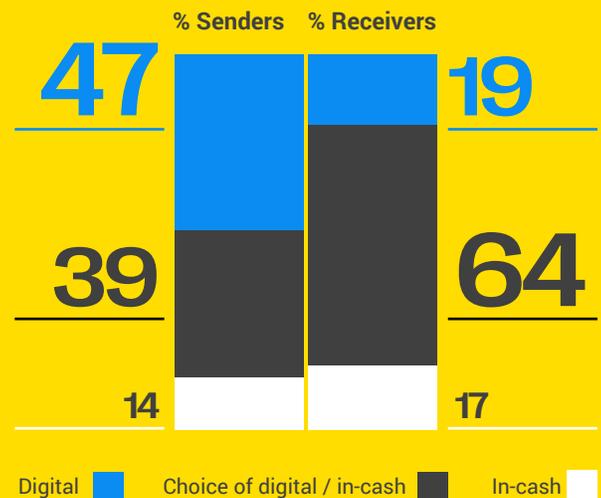
Meanwhile, though 80% of receivers state cryptocurrency must become mainstream before they will use it for transfers, almost three-quarters (73%) believe it will be an acceptable option for moving money in future.

Senders are keen for money transfer brands to respond to their frustrations. Instant and reliable registration using biometrics or facial recognition would suit 86% of them, while 72% are irritated by form-filling and validation for repeat customers (72%).

## Remittances set to increase in the next 12 months



### Future preferences for international money transfers

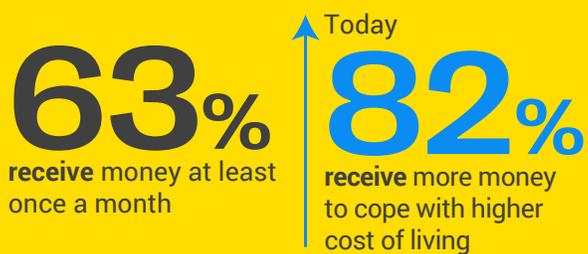


### Current and future expectations

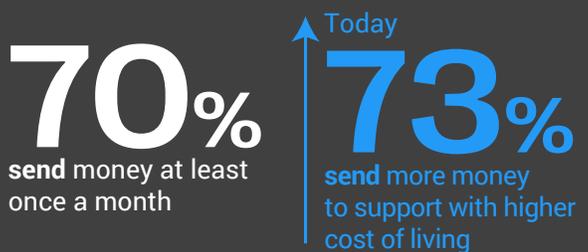


# Nigeria

## Receivers



## Senders



## Tactical transfers

The Central Bank of Nigeria has made significant strides in developing the necessary infrastructure for international money transfer services in the Nigerian economy. In 2022, Nigeria's inbound remittance flows were estimated to be \$21bn. This makes the nation the biggest receiving market in Africa, and ninth largest in the world. Due to the Naira's instability, the Central Bank mandated all international money transfer flows to cash and accounts to be completed in USD (December 2021). Receivers are now also incentivised with cashback schemes to use formal transfer channels.

Almost two in three consumers (63%) collect funds at least once a month; meanwhile, 70% transfer money abroad at the same rate.

These figures seem set to grow in 2023 as a large majority of receivers (85%) say they need to get more money from senders amid the cost of living crisis. This rises to 88% of those aged 35 to 44, but drops to 73% of consumers aged 55-plus.

Senders too generally agree they must transfer bigger sums in the 12 months ahead (82%). However, they face a problem: three-quarters (75%) of them - increasing to 84% of senders aged from 18 to 24 - say global economic conditions mean they cannot transfer as much currently as they did in the past.

To that end, consumers are keeping a keen eye on currency fluctuations to ensure they get the most value from money transfers. Seven in 10 (70%) senders would like a 'send now, pay later' function to help them control costs. More than one in four senders (26%) reveal they increase, reduce or delay forwarding funds depending on the value of the Naira. A further 31% state that getting the best exchange rate and transaction fee is their main factor in choosing a money transfer brand.

Overall, a striking 92% of senders are keen for brands to introduce a 'currency value tracker' function to support planning. Younger senders also like to take charge of transfers, with 72% of those aged from 18 to 24 claiming they move more money if the Naira depreciates.

<sup>1</sup> <https://www.knomad.org/publication/migration-and-development-brief-37>  
<sup>2</sup> <https://nidcom.gov.ng/press-release/diaspora-worthy-representatives-of-nigeria-buhari/>

### Brand choice matters

Adoption of digital money transfer services in Nigeria is strong. This is especially true among senders, 63% of whom already move money through online-only methods and say they'd also prefer to do end-to-end digital transfers in future (59%).

Receivers also choose digital-only transfers more than other channels (61%), yet 53% - increasing to 60% of those aged between 18 and 24 - say that in future customers should have a choice of online and retail formats to collect funds.

Overall, receivers are influential in choice of transfer service. Four in five (80%) say brand name is of importance when their sender asks how they would like to receive their money transfer. Senders in the country hold the same view, with 80% stating they consider brand names when selecting a service. This rises to 87% of 35- to 44-year-olds, and 81% of men compared to 77% of women.

Speed of transfer is ranked the most important factor by 24% of recipients, when ultimately deciding which provider to use. However, exchange rate and transaction fee are the top consideration for senders (31%).

### Demand for digital services

As the Nigerian Government continues to implement its National Digital Economy Policy and Strategy<sup>3</sup> to boost connectivity across the country, it's worth noting that three-quarters of receivers (75%) would prefer to collect funds using an e-wallet or a pre-paid card in future.

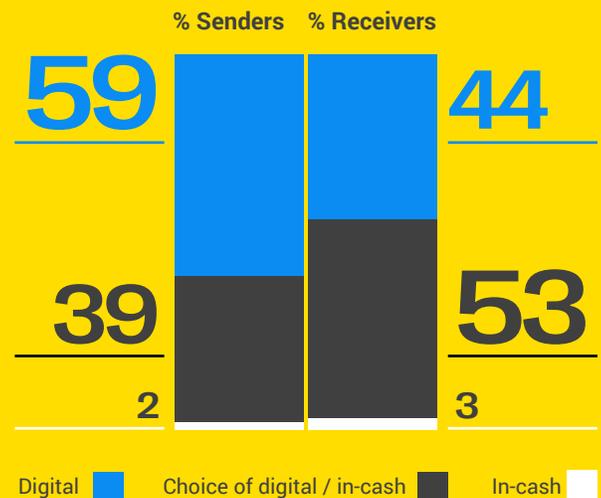
Receivers demand other innovation from money transfer brands. These include access to all personal finance functions, from collecting money to managing utility bills, in a single app (89%).

Meanwhile, 77% suggest the transfer process could be more convenient, citing frustration at needing to repeatedly complete customer validation forms. Nearly three-quarters of senders (74%), climbing to 78% of those aged from 18 to 24, agree.

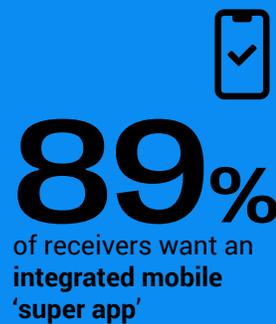
### Remittances set to increase in the next 12 months



### Future preferences for international money transfers



### Current and future expectations



<sup>3</sup> <https://www.ncc.gov.ng/docman-main/industry-statistics/policies-reports/883-national-digital-economy-policy-and-strategy/file>

# Senegal

## Receivers

**5<sup>th</sup>** largest 'receive' market in Africa  
(World Bank)<sup>1</sup>

Approximately **644k** of Senegalese live abroad <sup>2</sup>

USD **2.7bn** Inflows (World Bank)<sup>1</sup>

**45%** receive money at least once a month  
 Today **85%** receive more money to cope with higher cost of living

Current preference for receiving international money transfers:

**49%**  
Digital

## Senders

USD **592m** Outflows (World Bank)<sup>1</sup>

**35%** send money at least once a month  
 Today **70%** send more money to support with higher cost of living

Current preference for sending international money transfers:

**63%**  
Digital



### Bridging the digital gap

With fewer than half the population connected to the Internet (46%) the Government has set its sights on creating universal access by rolling out its Digital Senegal 2025 strategy. Despite this low penetration, almost half of receivers (49%) and nearly two-thirds of senders (63%) currently prefer to use digital-only transfer services.

Meanwhile, 31% of receivers and 51% of senders say they will continue to use digital in future, although half (50%) of receivers would prefer to choose between digital and face-to-face services.

The main barrier to digital transfer growth among receivers is a preference for in-person transfer services (22%) followed by trust in the technology (13%). Senders who don't use digital services are even less trusting (24%).

Relatively low use of e-wallets to receive money typifies low digital take-up, with just 25% collecting funds this way; it is the lowest share of African nations in our study after South Africa (24%).

### Timing transfers right

Fewer than half (45%) of receivers say they collect money more than once a month, although this rises to 72% of 16- to 24-year-olds. Just 35% of senders make transfers at the same pace. Most receivers (28%) need money to support their family, increasing to 41% of those aged 25 to 34.

Consumers are being impacted by the global cost of living crisis. More than four in five receivers (85%) say that they are asking senders abroad for more funds. Meanwhile, 70% of senders in Senegal also say they must transfer more money. However, almost as many senders (69%) also reveal the increased cost of living prevents them transferring as much as they used to.

<sup>1</sup> <https://www.knomad.org/publication/migration-and-development-brief-37>

<sup>2</sup> <https://spectator.clingendael.org/pub/2018/4/the-diaspora-influence/>

Looking ahead, more than three-quarters of receivers (77%) confirm they will need to ask senders for higher-value transfers in the next 12 months. Just under seven in 10 senders (68%) agree they must transfer bigger sums in the year ahead.

Consumers pay attention to detail when moving money, with 62% receiving more than usual if the West African CFA franc falls in value. Senders are also careful, with one in five (20%) saying strength of currency determines the volume and frequency of funds they transfer; 69% want access to a feature allowing them to monitor exchange rates in real-time.

### Receivers rule brand choice

Receivers are highly influential during the selection of money transfer providers. More than eight in 10 of them (81%) - rising to 88% of both 25- to 34-year-olds and those aged 55 and over - specify their preferred brand when senders are choosing a service. Fewer senders (69%) claim their receiver influences the choice although this rises to four in five (80%) of those aged between 25 and 34.

Meanwhile, receivers often determine the exact timing and value of transfers. Almost one in three (31%) say they inform senders when they or their family need financial support the most. Almost as many (30%) have extra money sent their way either during festive events such as Ramadan or Eid, or special occasions.

### Future digital desires

Receivers have strong views about the future of money transfer services. Some 80% wish validation was less repetitive with no need to complete forms for each transaction; 69% of senders agree. Almost nine in 10 receivers (87%) would like providers to make available a mobile app that wraps in transfers alongside other aspects of personal finance, such as utility bills.

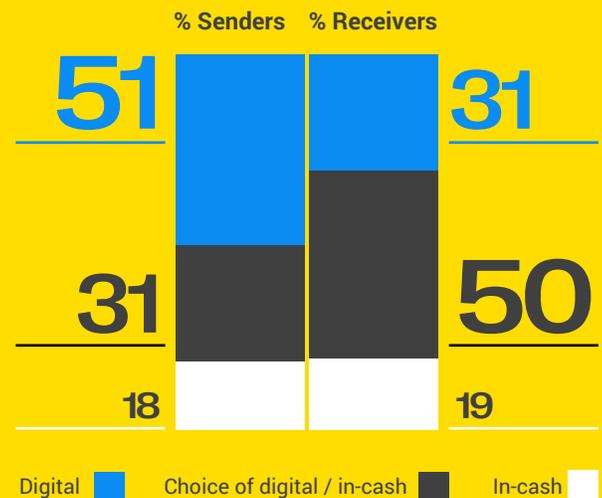
In addition, pre-paid cards and e-wallets as a means of collection are of interest to 84% of receivers. For their part, two in three senders (67%) would welcome the launch of a 'send now, pay later' option.

The nation's connectivity conundrum does not stop Senegalese championing a digital future: 85% say they would like the choice between transferring money via cryptocurrency and existing currencies within five years. Senders are more skeptical of this idea (69%).

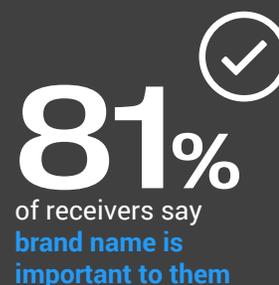
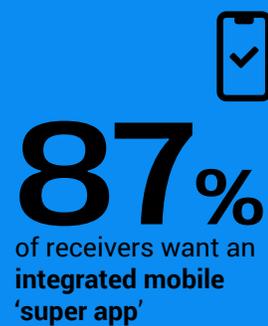
## Remittances set to increase in the next 12 months



### Future preferences for international money transfers

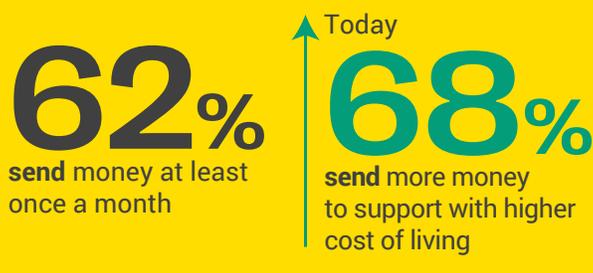


### Current and future expectations

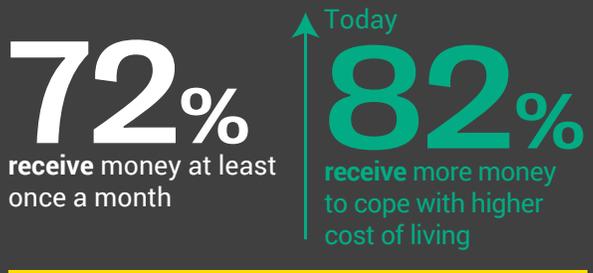


# South Africa

## Senders



## Receivers



### Consumers want choice

Following pandemic lockdowns, South Africa's Government announced plans to rebuild the national economy and boost digital inclusion<sup>3</sup>.

At present, around two in three consumers prefer to use digital-only services to transfer money: 64% of senders and 66% of receivers choose digital. However, choice between online and retail channels will be important in the future, according to 42% of senders. This is also true of 47% of receivers, rising to 49% of 25- to 34-year-olds.

Senders in the same age group transfer money at least once a month more than other consumers, with 73% moving money at this rate compared to 62% overall. Meanwhile, 18- to 24-year-old receivers are the most likely group to collect funds once a month or more: 81%, compared to the average of 72%.

### Cost of living concerns

Family support is named as the main reason for sending (43%) and receiving (27%) money. Older consumers are the most likely to need funds for this purpose: 38% of receivers aged 55 and over. More than three in 10 women (31%) say they collect funds for family financial support, compared to 20% of men. Around one in seven receivers (14%) intends to save what they can after collecting, with 17% of senders agreeing this is the main reason they move money.

Consumers are being impacted by the global cost of living crisis. More than four-fifths of receivers (81%) in the country say they are asking senders for more funds; 68% of senders say they must transfer more money. However, more than seven in 10 senders (71%) also reveal the increased cost of living prevents them transferring as much as they used to.

Looking ahead, nearly three-quarters of receivers (74%) confirm they will need to ask senders for higher-value transfers in the next 12 months. The same proportion of senders (74%) agree they must transfer bigger sums in the year ahead.

<sup>1</sup> <https://www.knomad.org/publication/migration-and-development-brief-37>  
<sup>2</sup> <https://www.migrationdataportal.org/regional-data-overview/southern-africa>  
<sup>3</sup> <https://mg.co.za/business/2022-03-29-south-africa-looks-to-capitalise-as-digital-economy-set-to-grow/>

### Choosing brands today

Fees are front of mind when consumers are choosing a money transfer service. Getting the best exchange rate and keeping down the cost of transactions matters more than anything else to senders (22%), while almost one-quarter (24%) of receivers also seek providers that offer the lowest deductions as they collect their funds.

Beyond this, receivers have a strong influence on service selection. Three-quarters of them (75%) - increasing to 80% of 25- to 34-year-olds - say the brand name is important when senders suggest a money transfer provider. Almost four in five (79%) are more likely to select a service if it is available in their language.

Senders also shop around for services. Eighty percent say they seek promotions such as zero-fee transfers.

### Choosing brands tomorrow

Consumers have a clear vision of money transfer features they would like to use in the future.

More than eight in 10 senders (86%) - and 88% of female senders, compared to 82% of males - say a service to help them monitor currency fluctuations would be useful so they can plan money transfers. Senders also like the idea of a pre-paid top-up card through which they can trigger transfers without having to use a bank account (76%).

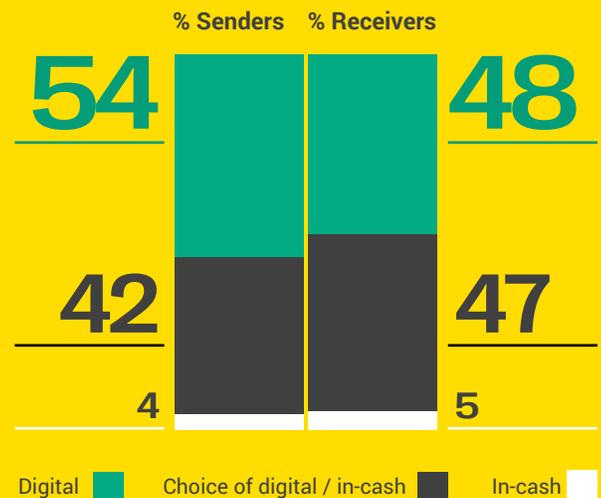
Meanwhile, receivers are keen on innovations. Eighty-two percent would like money transfer brands to introduce a single mobile app that features the ability to move funds alongside other financial commitments such as paying utility bills. In addition, 84% say collecting money in currencies other than the Rand would be beneficial.

For a majority of both senders and receivers, cryptocurrency is of interest as a remittance option. More than four-fifths (84%) of senders would like to be able to choose between existing and cryptocurrencies within the next five years; the figure for receivers is 81%. Despite this apparent enthusiasm, 73% of senders and 72% of receivers state cryptocurrency must become more established before they'll use it.

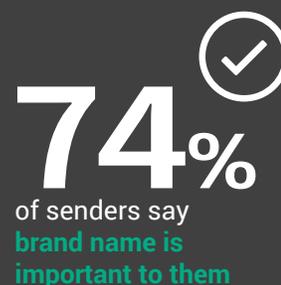
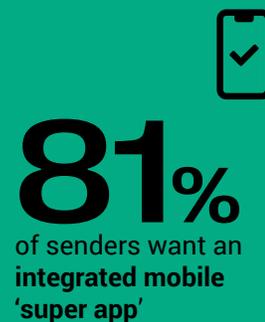
### Remittances set to increase in the next 12 months



### Future preferences for international money transfers



### Current and future expectations



## **Methodology**

The Western Union Global Money Transfer Index is based on a survey study of 30,599 consumers aged 18+ who send and/or receive international money transfers. 'Send' and 'receive' consumers were sampled from the United Arab Emirates, Kingdom of Saudi Arabia, India, Australia, Singapore, Philippines, South Africa, Bangladesh, Nigeria, Morocco, Kenya, Egypt, Qatar, Kuwait, Pakistan, Indonesia, Malaysia, China, Vietnam and Senegal. The study was conducted between 31 October 2022 and 10 January 2023.

Western Union commissioned the study to Censuswide, an independent research consultancy who abide by and employ members of the Market Research Society - which is based on the ESOMAR principles.