

A Market Study on the Adoption of Digital Financial Services

Jordan Payments and Clearing Company (JoPACC)
December 2021

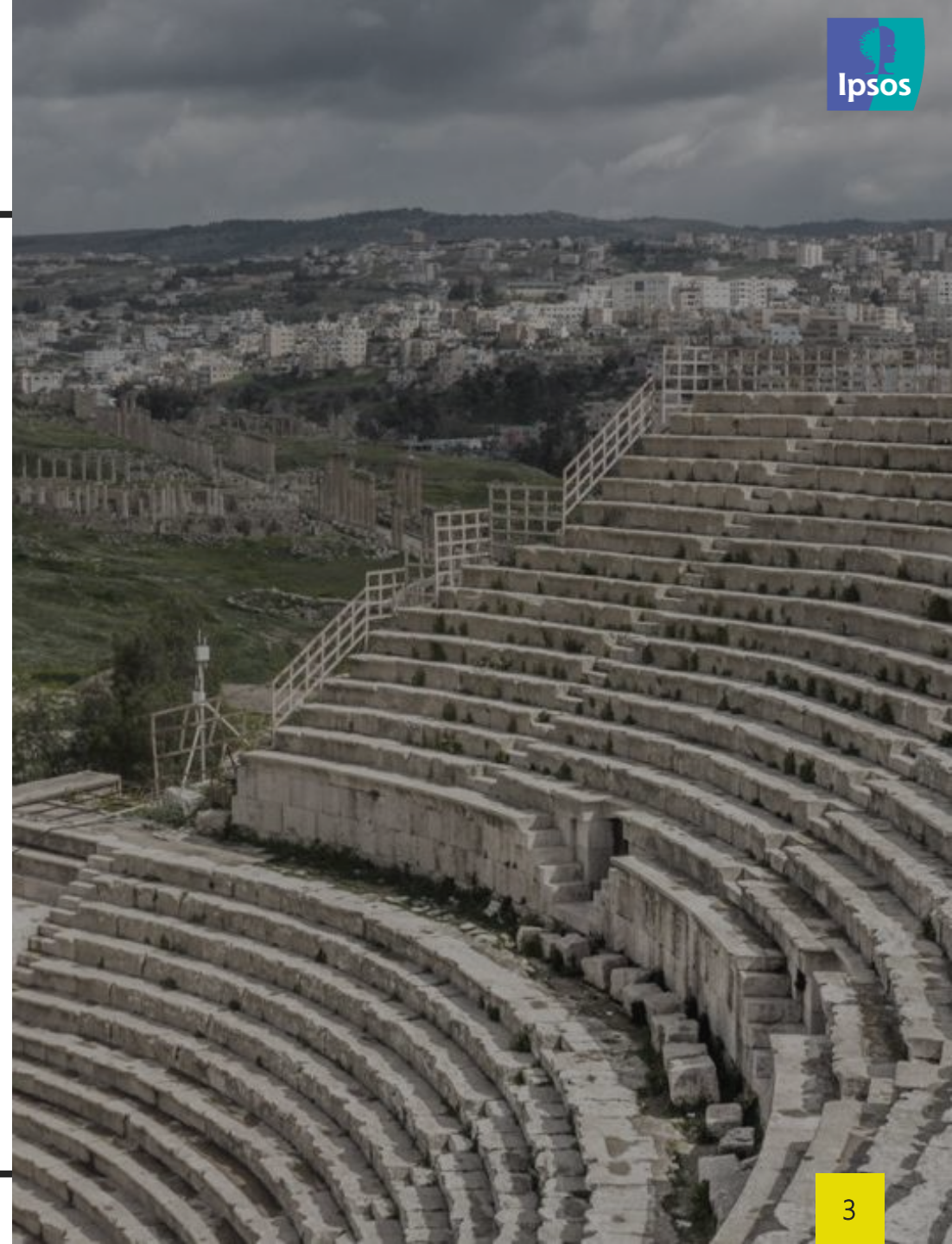
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STUDY OVERVIEW

This study aims to investigate the general attitude towards the adoption of digital solutions in making everyday financial services instead of traditional methods. The goal is to measure awareness and usage of various digital services currently offered by financial institutions as well as intentions for future use.

In order to achieve the goal of the study, it is necessary to first understand the current financial situation of those financially included and financially excluded, and their financial behavior and attitudes. The study also highlights opportunities to bridge the gap between financially included and financially excluded individuals in the community and uncover the primary triggers and barriers for future adoption of digital services.



SAMPLE & METHODOLOGY

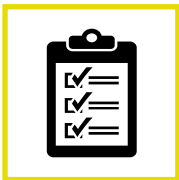
OUR APPROACH TO THE DATA COLLECTION & SAMPLING PROCEDURES WAS AS FOLLOWS



1013 INTERVIEWS
508 FINANCIALLY INCLUDED
505 FINANCIALLY EXCLUDED



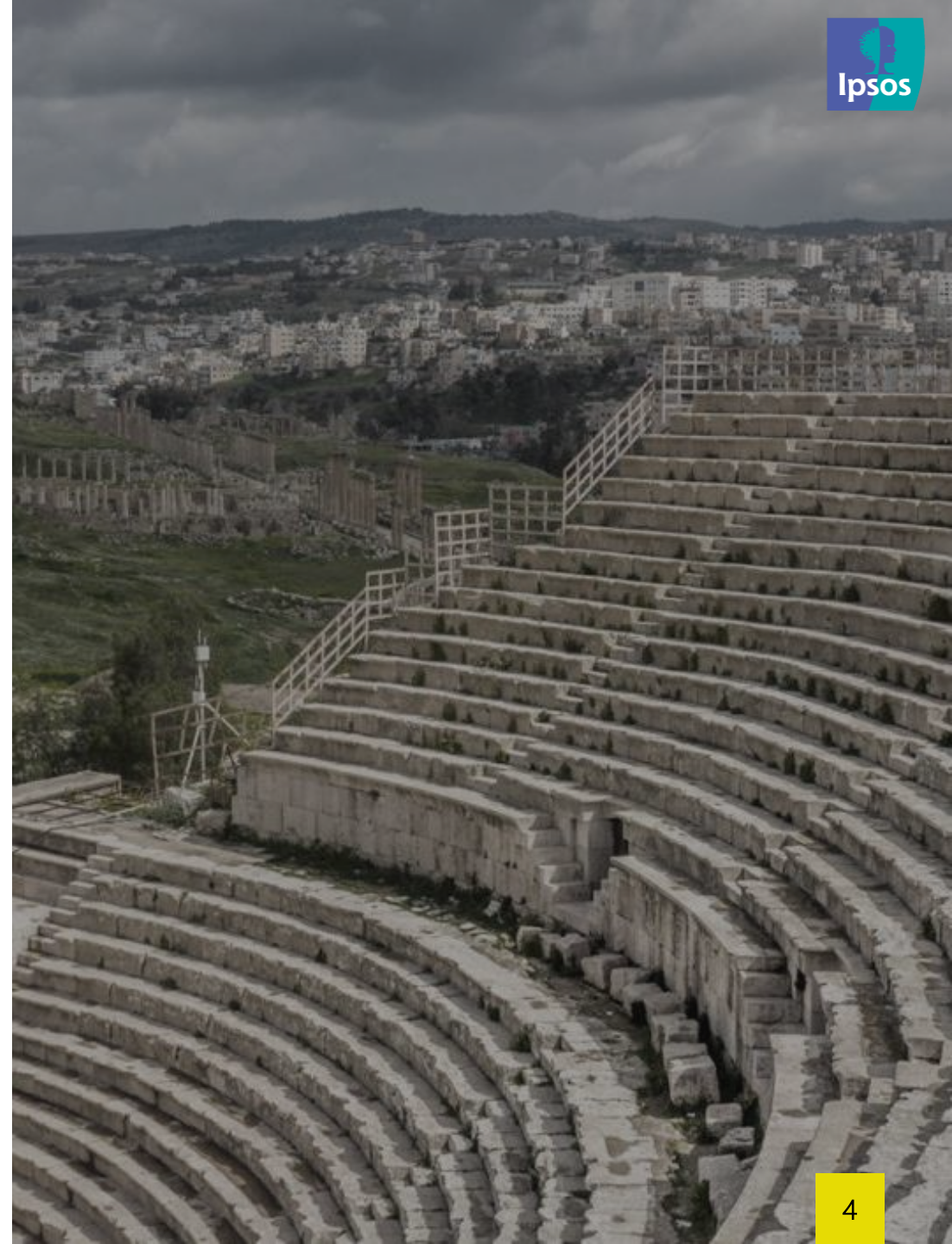
FACE TO FACE COMPUTER ASSISTED
PERSONAL INTERVIEWS – **CAPI**



ADMIN TIME **30 MINUTES**



SAMPLE OF **JORDANIANS & NON-
JORDANIANS, 18+ YO**





EXECUTIVE SUMMARY

The Jordanian Society is Barely Making Ends Meet

Vulnerable Segments Exhibit Very High Financial Dependence

- Jordan's population is predominantly young, where nearly 50% of individuals are the age of 30. That said, Jordan currently faces high unemployment rates, with 60% currently unemployed. This translates to high dependence on allowance as a form of income. 31% receive an allowance and 20% do not have any form of income, making them heavily reliant on others when it comes to finances. This is predominantly common amongst lower age brackets and females. Moreover, the allowance or income is limited considering that 77% of individuals make less than 400 JOD per month.
- The Jordanian society remains highly reliant on cash when it comes to the preferred payment method in Jordan, where out of the last payments made 88% were in cash. Furthermore, The pandemic had little impact on the preferred payment methods, where 80% still make cash payments more often than digital ones.

Banking Behavior

Banked Segments Are Predominantly Male

- Banking in Jordan is largely restricted to specific segments, most notably core age brackets, men and employed individuals as they are generally capable of meeting the minimum requirements of owning a bank account.
- As such, salary accounts were found to be the most common type of accounts owned (37%). Furthermore, debit cards are prevalent amongst banked individuals (91%) while owning credit cards is relatively rare (13%).
- The majority of bank account owners have had their accounts for more than 6 years (45%). When asked about their service preferences, 77% prefer to use automated services.

Unbanked Individuals Are Overwhelmed By Their Financial Burdens

- The lack of regular income has led to the exclusion of many from the formal financial system. For example, 60% of the sample do not meet the minimum financial requirements to open a bank account, notably married females of younger age groups.
- Nevertheless, one third of the unbanked population intends to open a bank account in the next 6 months, and these intentions are mostly exhibited by males of lower age brackets.

Banked Digital Financial Services

The Youth Are The Catalyst For Digital Banking Services

- The digital banking service with the highest awareness is mobile banking where more than half are awareness of such services followed by online banking (37%). Awareness decreases for relatively newer digital services such as CliQ and QR payments. Moreover, consideration is the main bottleneck where retention rates out of those aware of the services is generally low. However, once users consider the service converting them to trialists and then regular users becomes easier as retention rates witness higher and improved figures.
- Therefore, increasing awareness would drive consideration, entice trial and eventually convert trialists to frequent users. That said, those who use services had also expressed very high intentions to keep on using them in the future.
- Those who had considered using digital banking and those likely to start using it in the future are predominantly of lower age groups. For the majority, those who are not considering the services believe they do not need it. However, trust is another factor for many who believe the services are not secure nor safe.
- When tried for the first time, the majority will attempt to use the service without seeking help or advice. This is especially true for the core age brackets.
- Learning about the new digital banking services is largely driven through banks' communication channels, where most of those aware of services learned of them through channels such as SMS, emails, and call center of the financial institution.

Digital Financial Services – Mobile Wallets

Mobile Wallet Usage is on the Rise

- 60% are aware of Mobile wallets, and awareness is significantly higher amongst lower age groups.
- 14% of the population uses a mobile wallet. This is most prevalent amongst men, core age brackets, those who are self-employed, and banked individuals. The main reason for mobile wallet usage is to receive aid followed by the need to make transfers to those in their circles.
- More than half of mobile wallet users have had their wallets for longer than a year. Furthermore, only 27% of mobile wallet owners have cards associated with their wallets.
- The low usage of cards is justified by usage habits of mobile wallets where 47% mentioned using the wallet for cash withdrawal exclusively, mainly from agents (59%). Similarly, mobile wallet agents are the most frequently used option for making deposits into the wallet.
- Approximately 30% intend on opening a mobile wallet in the future, especially women, lower age groups and those who are not currently in the workforce, where the most prominent reason is to make digital money transfers (44%).



WAY FORWARD

The Way Forward

Raise awareness for digital financial services

Awareness of digital services is still at a nascent stage. To overcome the first bottleneck, it is necessary to raise awareness for these services and the optimal way to communicate this is through direct advertisements from financial institutions.

Communicate the benefits and security of digital services to facilitate experimentation by end users

The main reason for not considering using any digital service is the lack of need. However, digital payments have higher preference rates than average in places where it is either enforced (such as government payments), or where it is widely available, namely telecom payments. Communicating the features available for each of the services along with the ease and speed should aid in facilitating trial and experimentation by end users.

CliQ fees will reduce the number of users to half

Currently, CliQ is being mainly used for money transfers between different bank accounts. It is also used for small transactions like paying for shared bills. 52% mentioned they will stop using the services should there be any fees applied.

Partner with retailers to offer digital Financial Services

There is above average preference to digital service where it is well established such as when paying bills. The adoption of digital financial services at retailers is still low. Partnering with them by providing benefits or incentives should increase the adoption rate amongst business owners and in return increase digital financial service adoption.

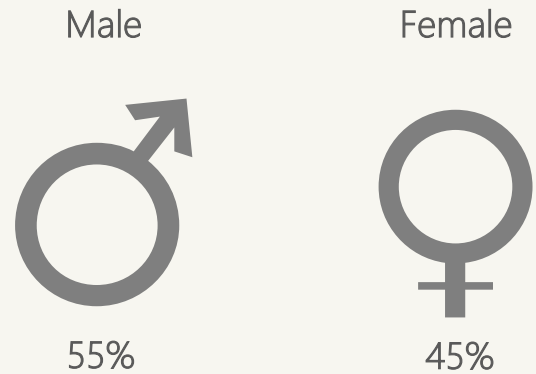


CHAPTER 1

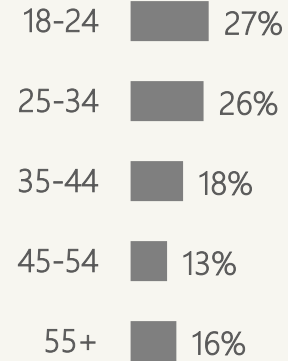
PROFILING RESPONDENTS

Demographics

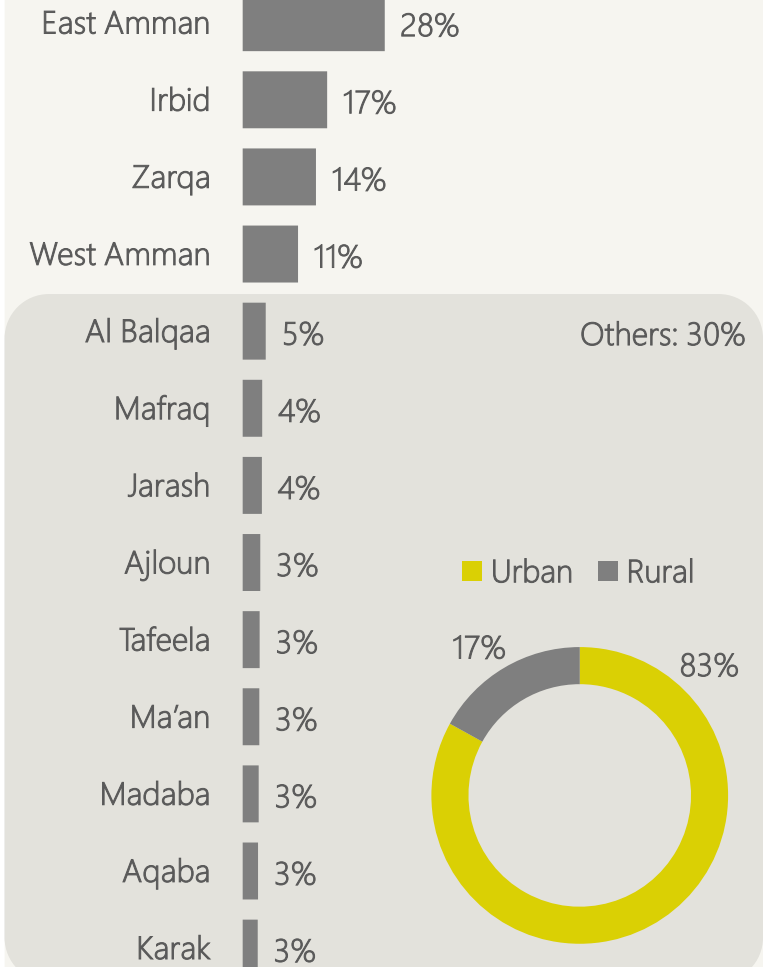
Gender



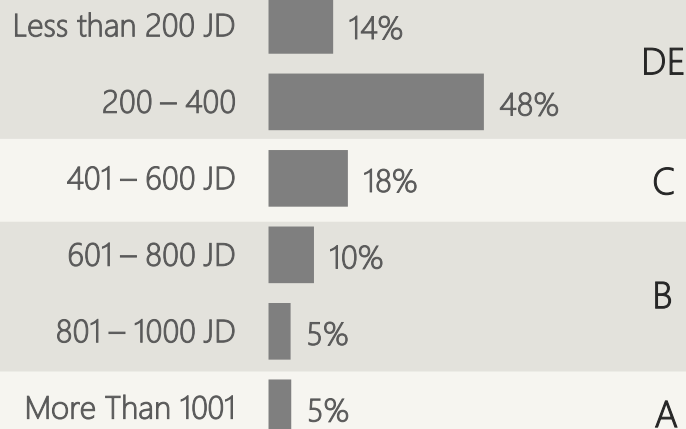
Age



Region

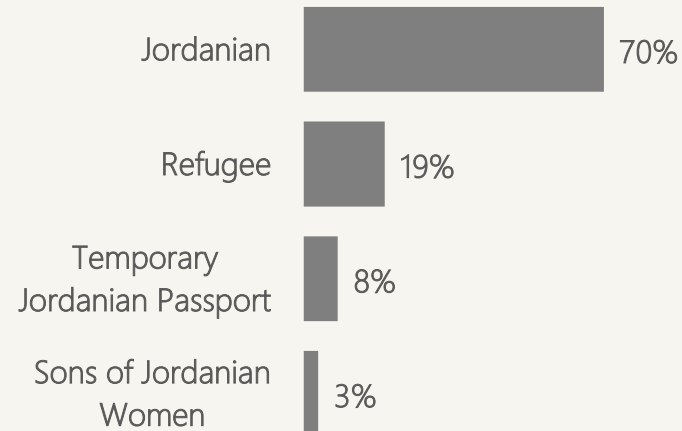


Household Monthly Income



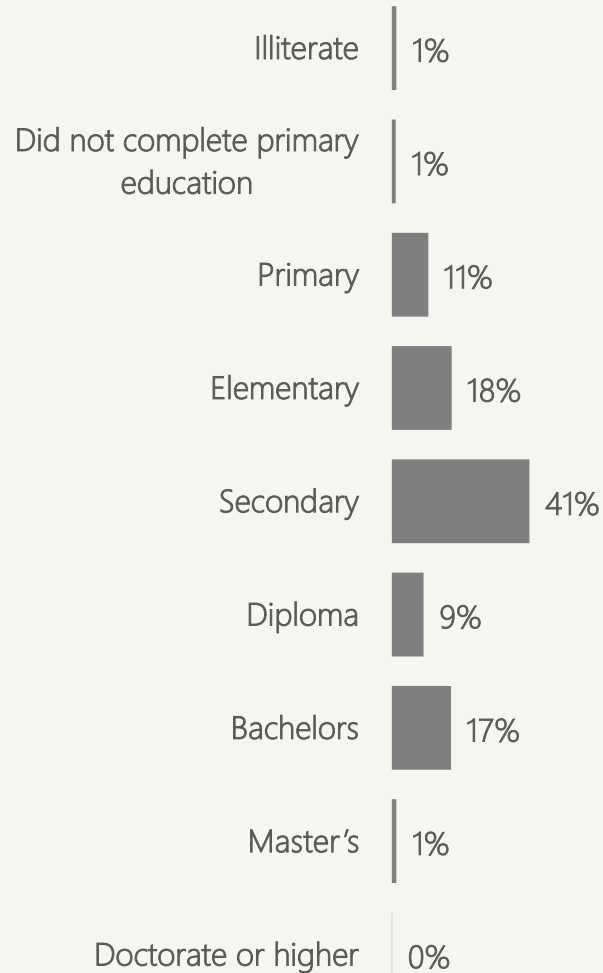
Nationality

Controlled Criterion

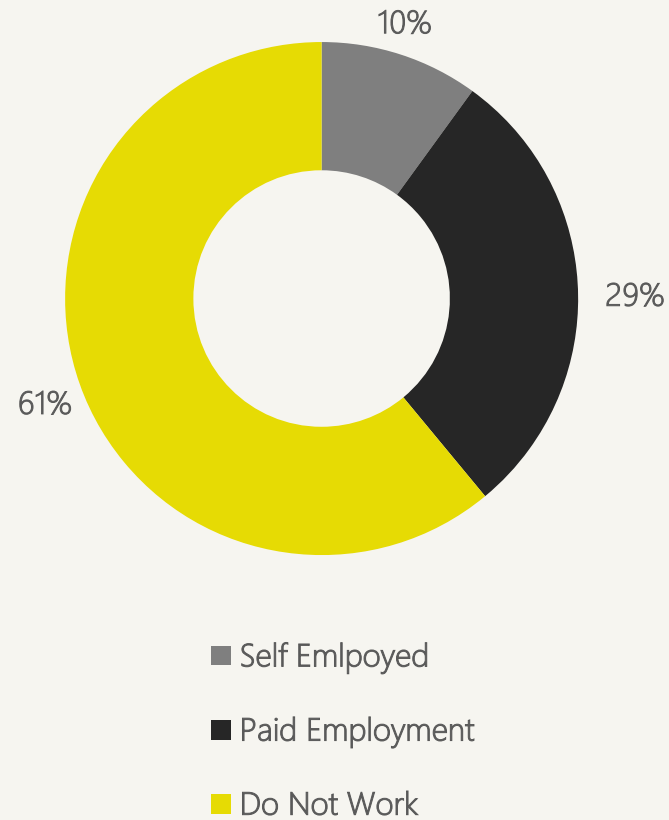


Demographics

Education

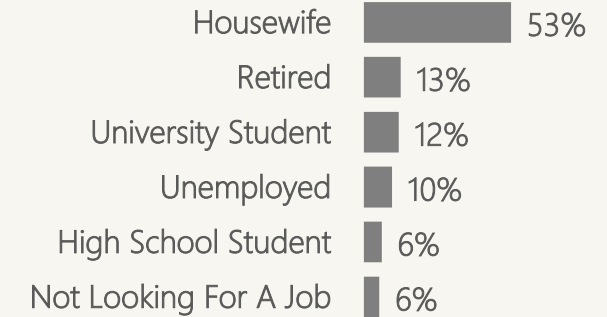


Employment

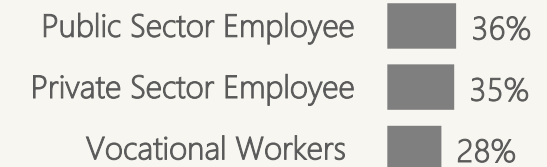


Occupation

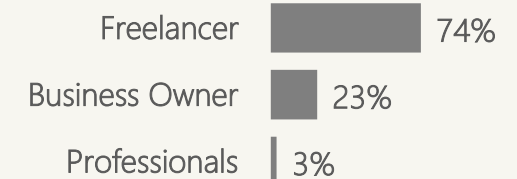
Do Not Work 61%



Paid Employment 29%



Self Employed 10%

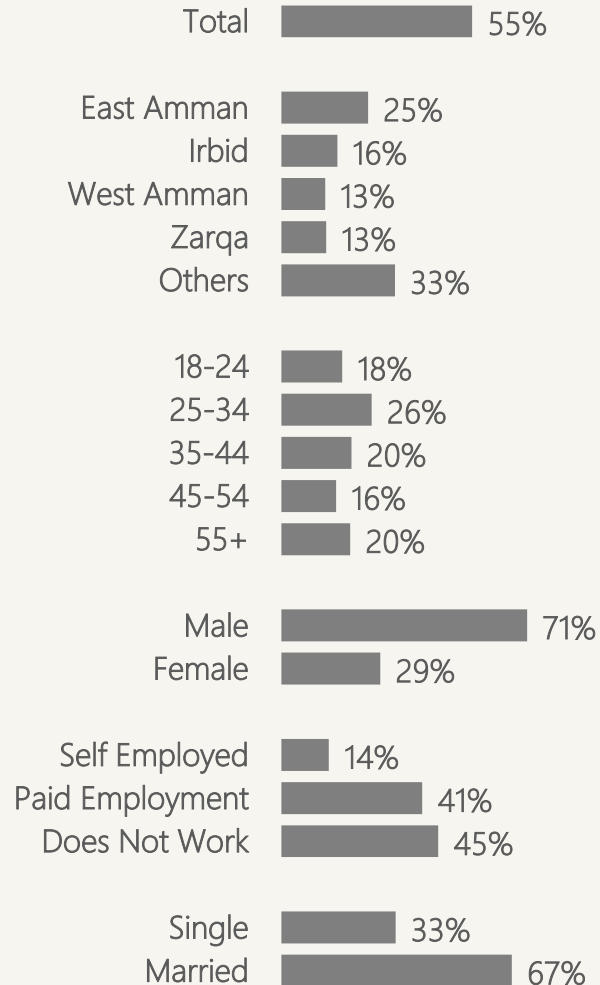


Demographics



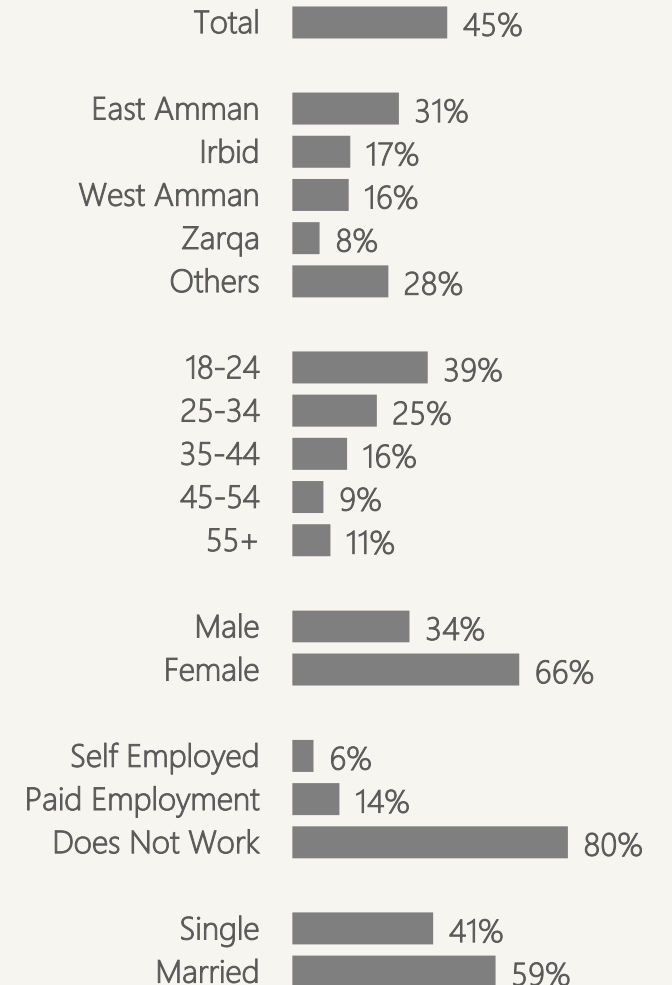
Financial Account Owners*

Controlled Criterion



Financial Account Non-Owners*

Controlled Criterion

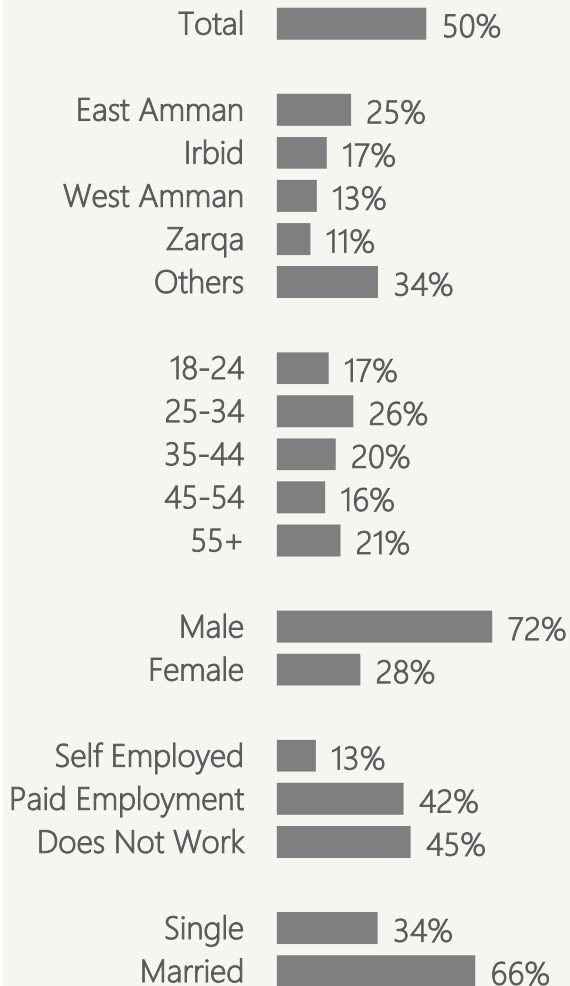


*Financially account owners includes those who own a bank account or mobile wallet or both

Demographics

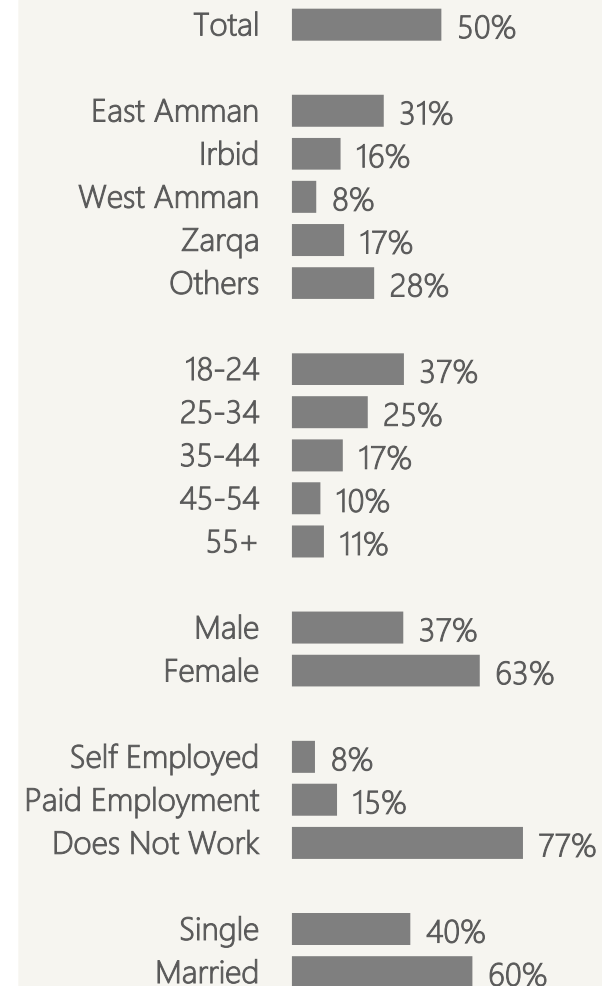
Banked Population Profile

Controlled Criterion



Unbanked Population Profile

Controlled Criterion

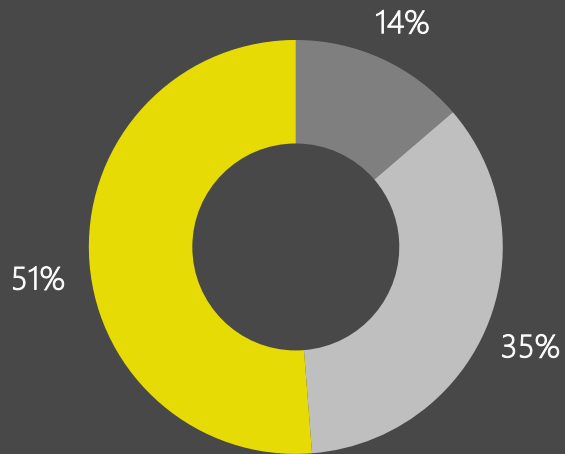




CHAPTER 2 **DIGITAL FINANCIAL SERVICES**

INTERNET USAGE & OUTLOOK

■ Home internet ■ Mobile subscription ■ Both



Q. How often do you use the internet (anywhere), and by any method (internet through Wi-Fi, mobile data etc.)?.

Q. Which of the following methods do you use to access the internet?

<p>96%</p> <p>Use The Internet</p>	<p>95%</p> <p>Use the internet daily</p> <p><i>*Out Of Those Who Use The Internet</i></p>
<p>86%</p> <p>Believe the internet is a good way to learn about new things</p>	<p>61%</p> <p>Believe the internet is a great place to buy products</p>
<p>70%</p> <p>Use the internet as a source of entertainment</p>	<p>51%</p> <p>Would feel disconnected without the internet</p>

Q. Out of the following statements, please select what applies to you the most.

ATTITUDES TOWARDS THE INTERNET

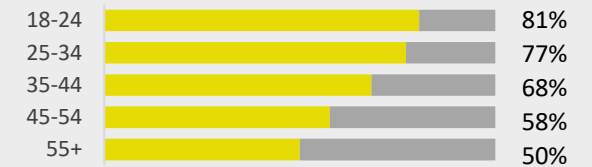
80%

The Internet is a great way to gather information on products/services I'm considering to purchase



70%

The Internet is a main source of entertainment for me



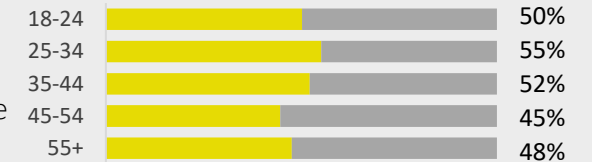
86%

The Internet has allowed me to learn things I probably wouldn't have learned otherwise



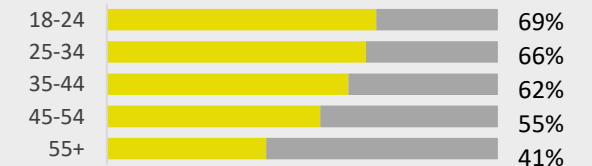
51%

I would feel disconnected without the Internet



61%

The Internet is a great way to buy products



Q. Out of the following statements, please select what applies to you the most.



CHAPTER 2.1

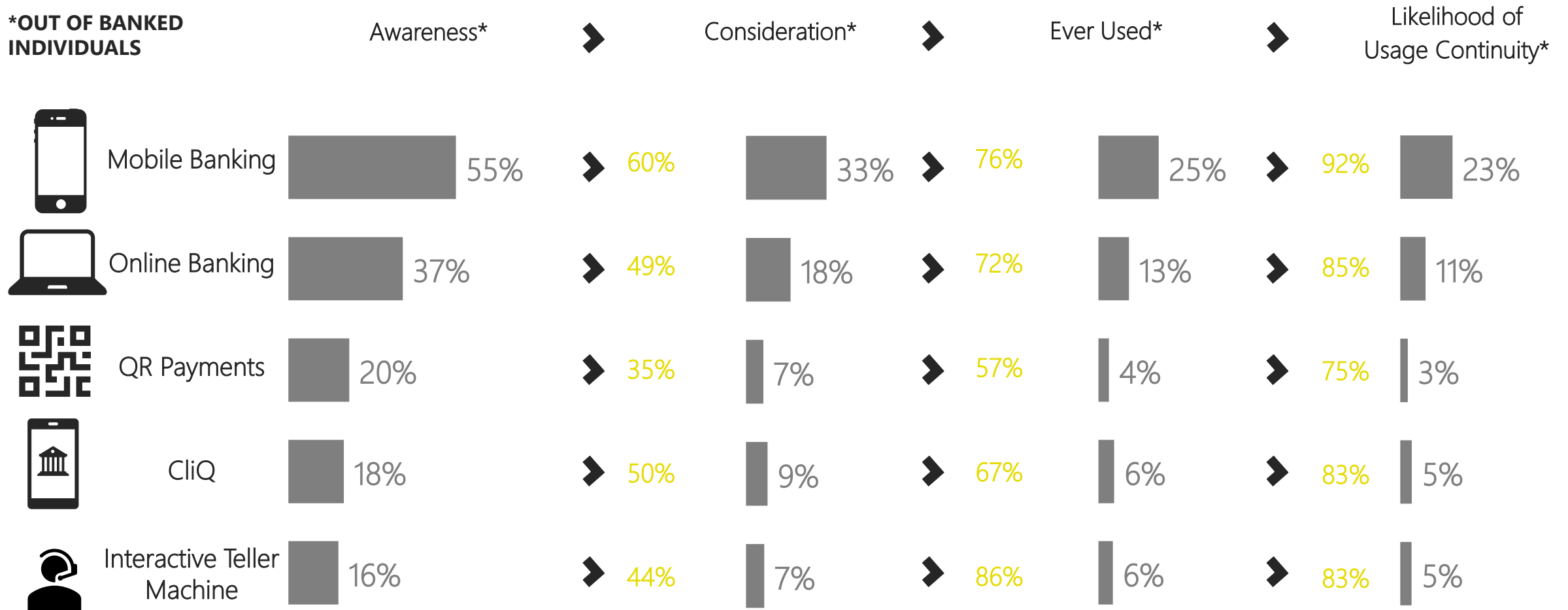
DIGITAL BANKING SERVICES

Out Of Banked Individuals - N = 508

DIGITAL FINANCIAL SERVICES FUNNEL

Jordanians are found to be more aware of mobile banking compared to other services, however, promoting trial is the main challenge that these service providers are facing. Higher retention rates are prevalent only when clients use these services for the first time and are more likely to continue using them in the future.

*OUT OF BANKED INDIVIDUALS








- Q. Which of the following digital financial services offered by banks are you aware of?
- Q. Have you ever considered using each of these digital finance services?
- Q. Have you ever used these digital finance services?
- Q. How likely are you to continue using these digital financial services?

*Figures denoted by ➤ are conversion rates

AWARENESS OF DIGITAL BANKING SERVICES

As lower age groups are more prone to adopt technology into their daily lives, awareness levels are higher than the overall average amongst this group especially for more recently introduced services such as QR Payments and CliQ.

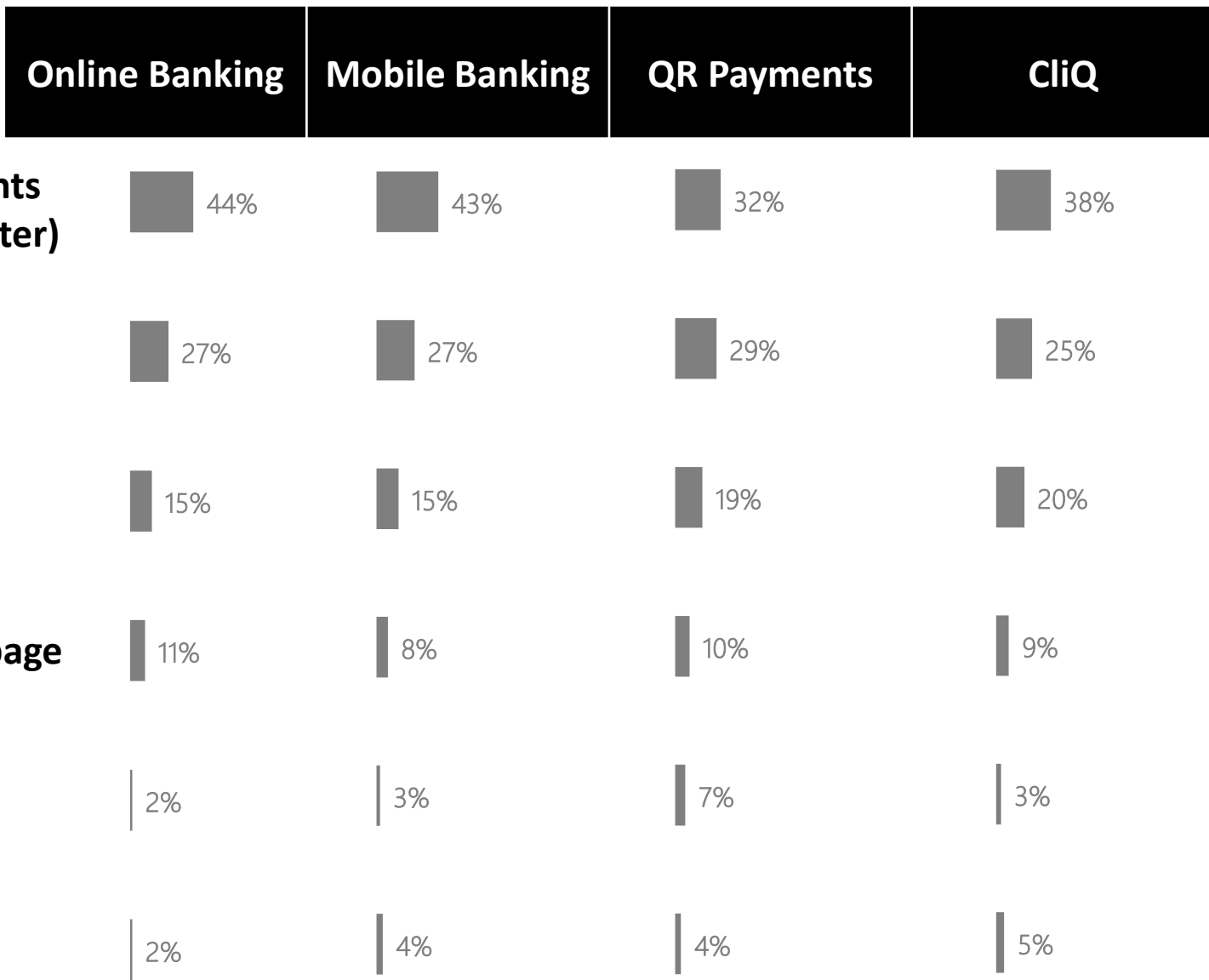
BY DEMOGRAPHICS

	 Mobile Banking	 Online Banking	 QR Payments	 CliQ	 ITM
Overall	55%	37%	20%	18%	16%
Jordanians	57%	38%	22%	20%	18%
Non-Jordanians	50%	37%	15%	15%	13%
18-24	76%	44%	27%	23%	19%
25-34	60%	44%	23%	20%	18%
35-44	56%	37%	28%	23%	17%
45-54	50%	37%	16%	17%	10%
55+	33%	25%	6%	8%	16%
Male	58%	40%	22%	19%	18%
Female	46%	32%	14%	15%	13%
Self Employed	71%	44%	30%	26%	23%
Paid Employment	60%	42%	25%	20%	16%
Does Not Work	45%	31%	12%	14%	15%
Single	64%	43%	26%	22%	22%
Married	50%	34%	17%	16%	14%

Q. Have you ever used these digital finance services?

AWARENESS IS SPREAD BY DIRECT ADVERTISEMENTS

OUT OF THOSE AWARE OF THE SERVICE



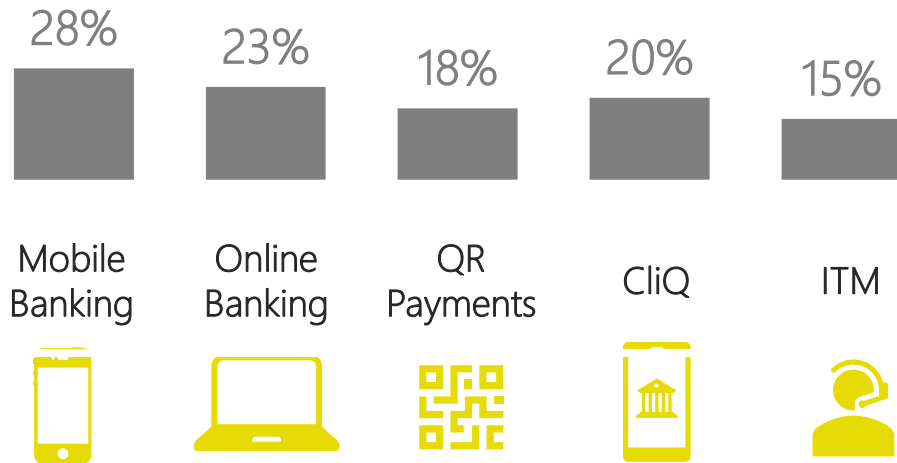
The bank's communication with their clients is comes first in spreading awareness of new services and features, while word of mouth comes in the second place followed by social media.

Q. How did you learn about any of the digital financial services?

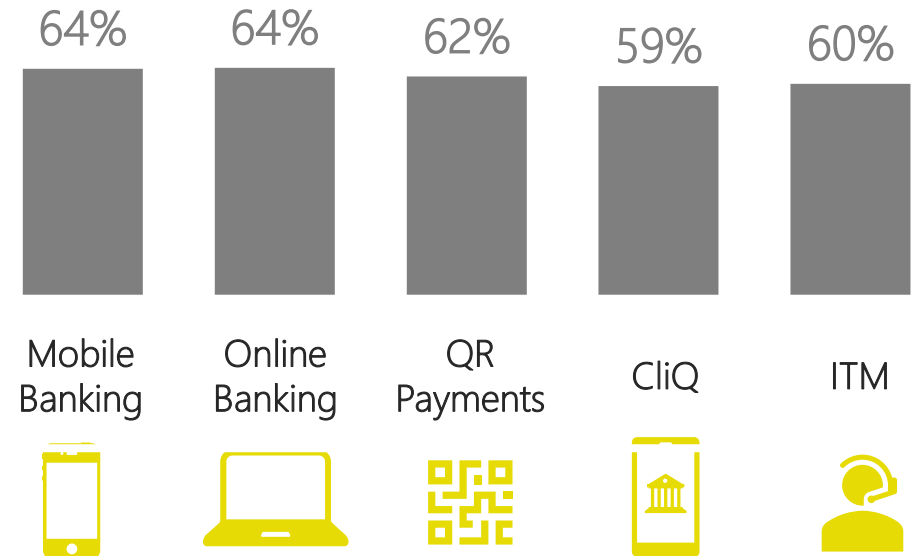
DIGITAL FINANCIAL SERVICES ARE GAINING MOMENTUM

With technology becoming an integral part of our daily life, it comes as no surprise that future consideration of Digital Financial Services is much higher than past consideration. This is a good indicator that people are closer than ever to adopt Digital Payments.

Ever Considered Using *(Out of Non-Users Who Are Aware)*



Likelihood Of Future Usage *(Out of Non-Users Who Are Aware)*



About 1 in 3 non-users have considered using any of the digital solutions

More than half of non-users are prone to adopt digital banking in the future

Q. have you ever considered using these digital finance services?
Q. How likely are you to use these digital financial services in the future?

THOSE WHO CONSIDERED DIGITAL BANKING SERVICES

As awareness is high among lower age groups, females of middle and higher age groups are considering the adoption of various digital banking services, namely QR payments and CliQ.

BY DEMOGRAPHICS

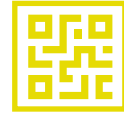
OUT OF THOSE AWARE OF THE SERVICE



Mobile Banking



Online Banking



QR Payments



CliQ



ITM






	Mobile Banking	Online Banking	QR Payments	CliQ	ITM
Overall	28%	23%	18%	20%	15%
Jordanians	31%	25%	21%	27%	18%
Non-Jordanians	20%	19%	10%	-	7%
18-24	20%	17%	17%	8%	8%
25-34	31%	26%	19%	35%	11%
35-44	29%	20%	23%	20%	-
45-54	33%	26%	-	-	-
55+	26%	24%	40%	50%	42%
Male	28%	22%	15%	16%	14%
Female	25%	25%	28%	31%	18%
Self Employed	33%	18%	6%	20%	10%
Paid Employment	24%	28%	22%	17%	18%
Does Not Work	29%	19%	18%	25%	14%
Single	28%	22%	15%	24%	13%
Married	28%	24%	20%	18%	17%

LIKELIHOOD OF FUTURE USE

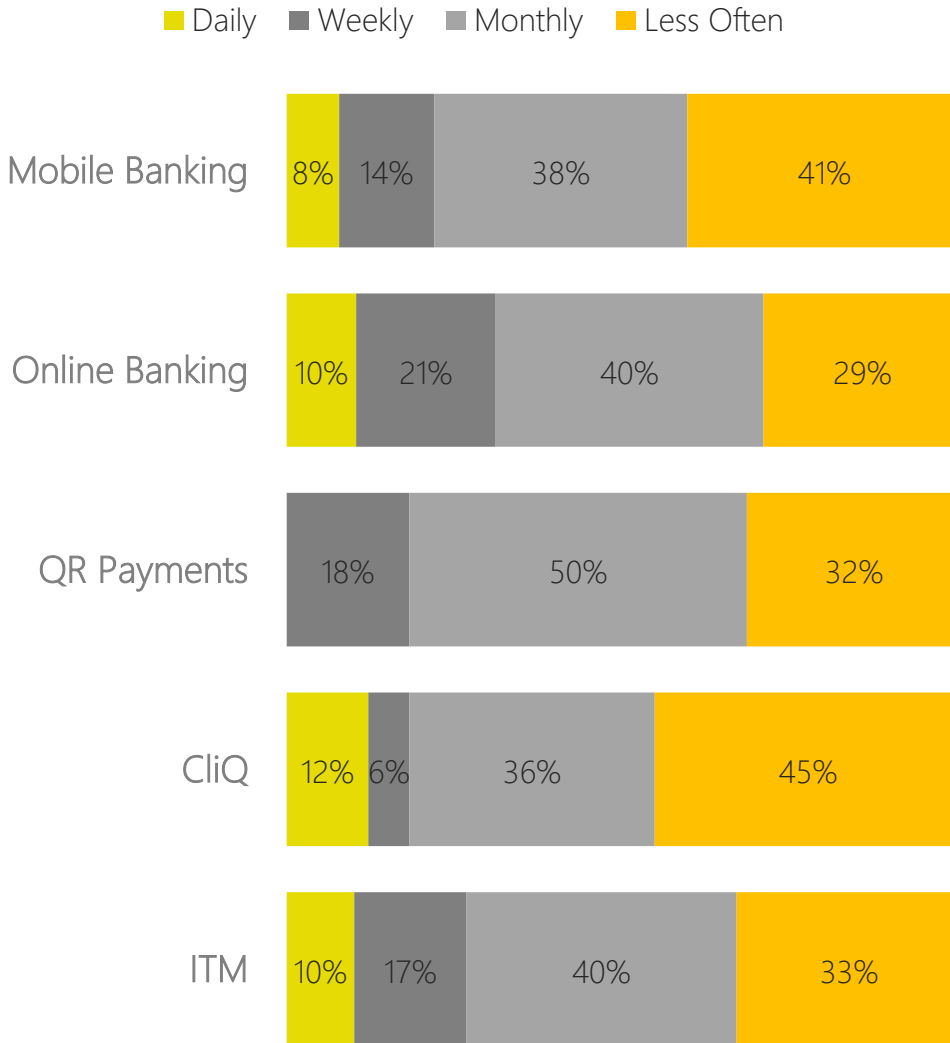
As mentioned, likelihood of future use depends on communicating the benefits provided by digital financial services, mainly the speed, security and reliability of the service. Younger generations are very likely to consider using CliQ and QR payments, while higher age groups tend to like using the ITMs to carry out their usual banking needs.

BY DEMOGRAPHICS

OUT OF THOSE AWARE OF THE SERVICE

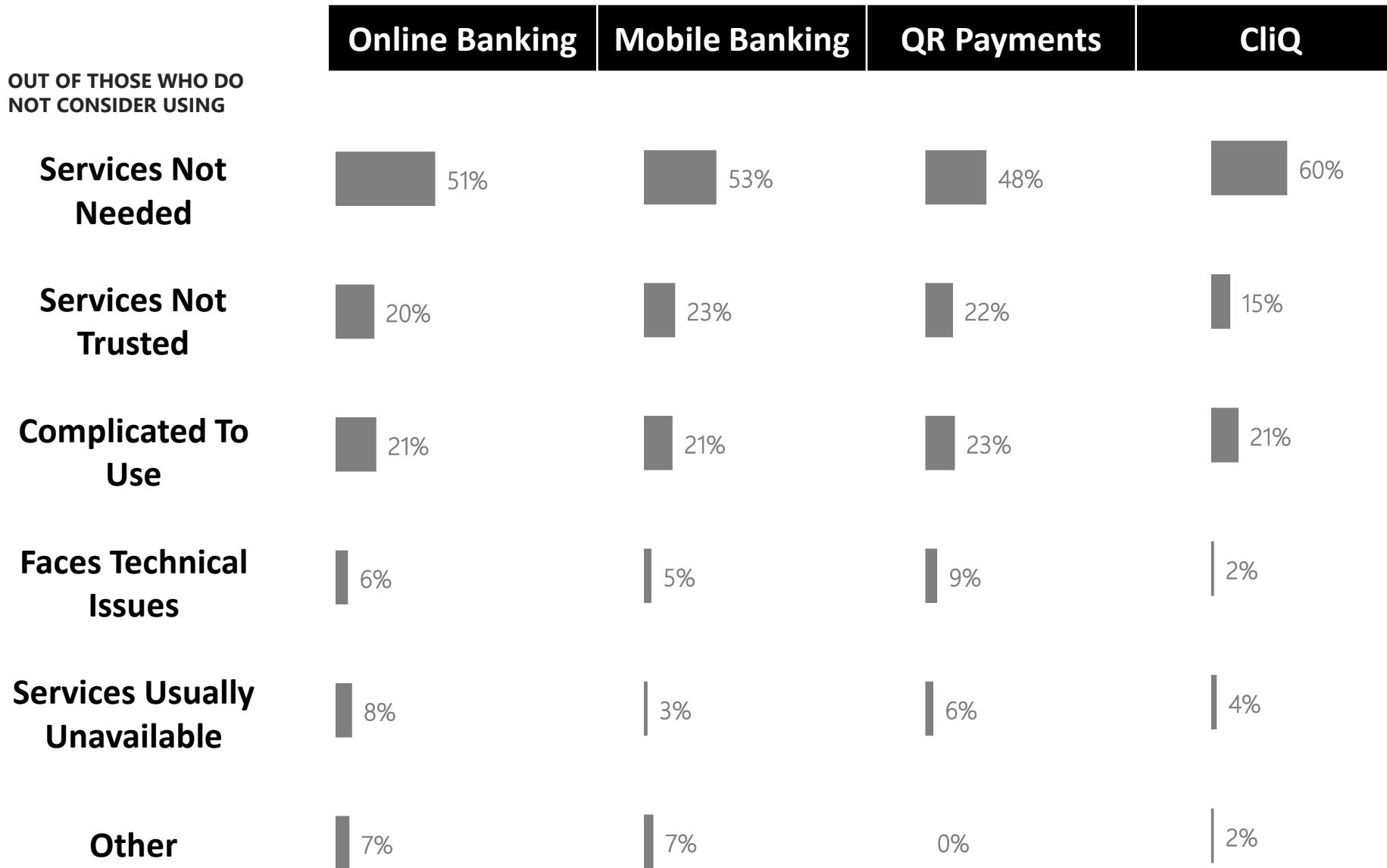
	 Mobile Banking	 Online Banking	 QR Payments	 CliQ	 ITM
Overall	64%	64%	62%	59%	60%
Jordanians	63%	63%	57%	61%	55%
Non-Jordanians	68%	67%	76%	53%	73%
18-24	80%	70%	83%	75%	67%
25-34	62%	69%	67%	71%	61%
35-44	68%	50%	59%	40%	40%
45-54	50%	65%	31%	45%	100%
55+	57%	62%	60%	75%	67%
Male	64%	60%	61%	58%	60%
Female	67%	78%	67%	63%	64%
Self Employed	67%	59%	63%	40%	30%
Paid Employment	61%	61%	63%	55%	64%
Does Not Work	67%	69%	59%	75%	71%
Single	71%	63%	64%	76%	71%
Married	61%	65%	61%	47%	52%

FREQUENCY OF USING DIGITAL BANKING SERVICES



For the majority of users, digital banking services are used once a month or less. However, CliQ is the most used service on a daily basis.

REASONS FOR NOT CONSIDERING DIGITAL FINANCIAL SERVICES



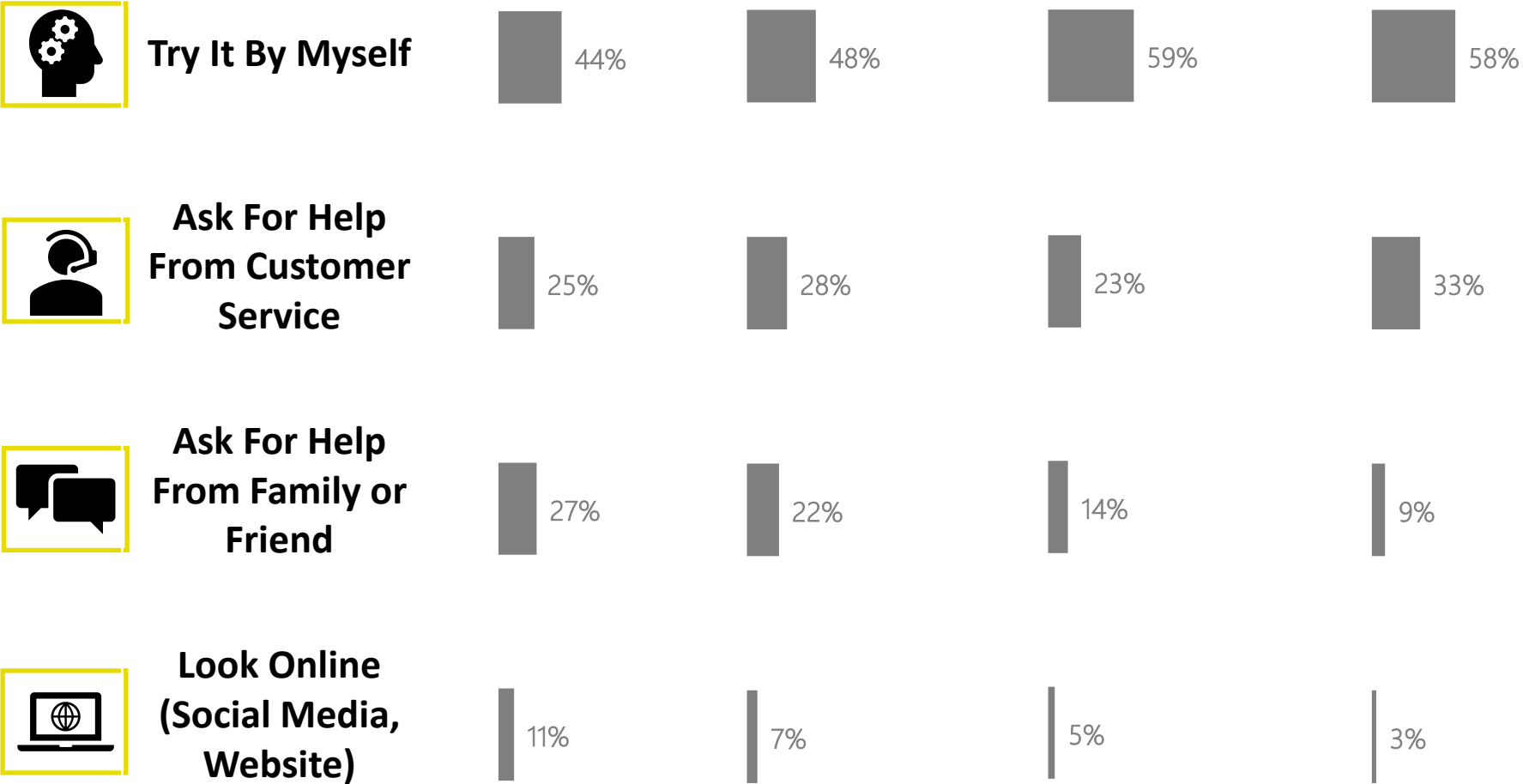
In general, those who never considered the mentioned services never felt the need for any of them. Along with the little need for digital financial services, trust is the second issue where many believe the services are not secure or safe.

Q. Why did you not consider using any of the services mentioned?

WHEN USING THE FOLLOWING DIGITAL BANKING SERVICES

OUT OF THOSE WHO USE ANY OF THE SERVICES

	Online Banking	Mobile Banking	QR Payments	CliQ
--	----------------	----------------	-------------	------







People are very likely to start using any digital banking service without asking for help. A user-friendly application free of glitches in performance is key to the success and continued use of the service

Q. When using a digital financial service for the first time, you...

METHODS OF LEARNING BY AGE GROUPS

OUT OF THOSE WHO USE ANY OF THE SERVICES

	Overall	18-24	25-34	35-44	45+
 Try It By Myself	51%	51%	57%	55%	41%
 Ask For Help From Customer Service	35%	27%	22%	48%	49%
 Ask For Help From Family or Friend	25%	27%	30%	18%	21%
 Look Online (Social Media, Website)	10%	16%	7%	9%	8%

While the majority try the services themselves when using them for the first time, core age brackets tend to do as such the most, while younger groups search for answers online more than the average. Higher age groups on the other hand rely heavily on customer service.

Q. When using a digital financial service for the first time, you...

MOBILE BANKING FOR QUICK ACCESSIBILITY AND ONLINE BANKING FOR SECURITY

It's imperative to highlight that users are more active on the mobile banking front when it comes to their standard banking activities - namely balance checking and bill payments, given its easy accessibility. On the other hand, more complex banking transactions or activities, such as money transfers, are carried out using online banking channels, giving users a sense of security and trust.

Satisfaction Levels With Digital Banking

(Based On Top 2 Box Score)

Online Banking



55%

Mobile Banking



64%

CliQ



55%

QR Payments*



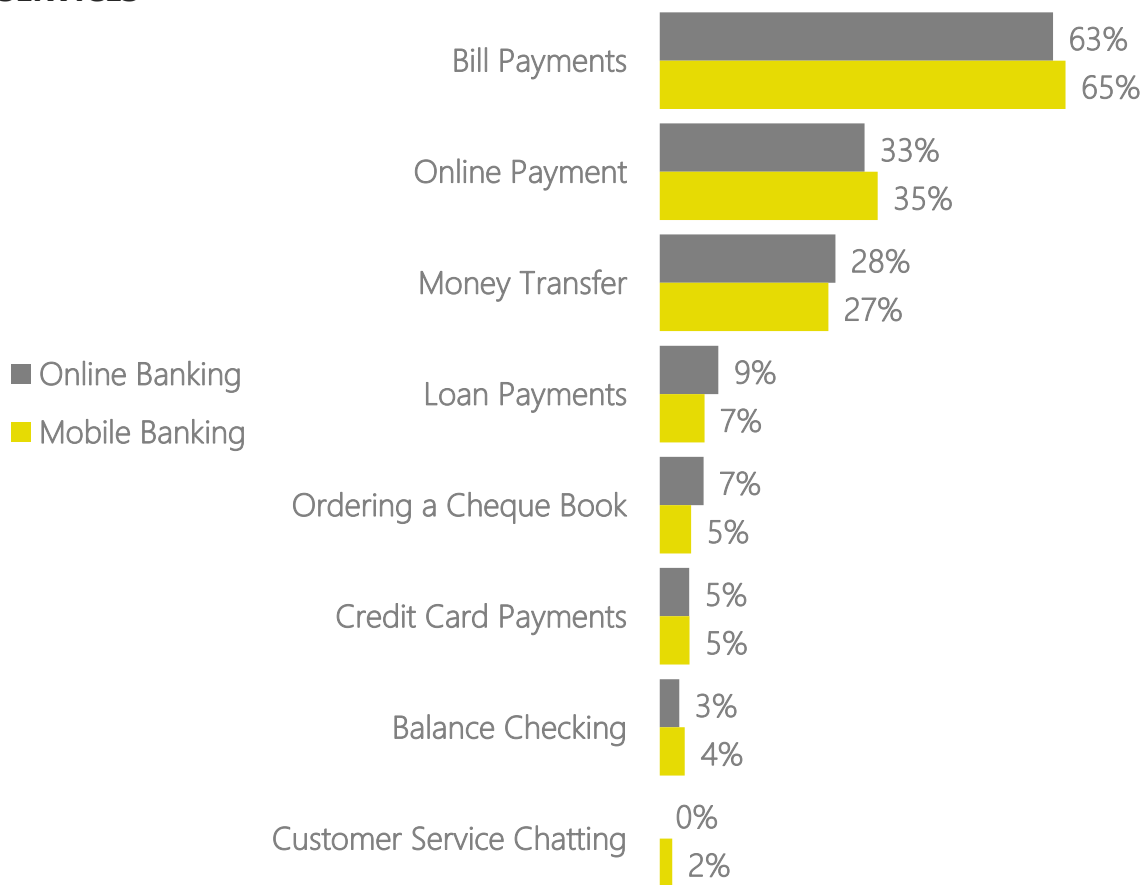
54%

Are satisfied with their digital banking experiences

Q. How satisfied are you with each of the following services?
Q. Which of the following transactions have you engaged in through digital finance services?

OUT OF THOSE WHO USE DIGITAL FINANCIAL SERVICES

TOP TRANSACTIONS DONE



SATISFACTION IS HIGH FOR DIGITAL BANKING SERVICES

The user-friendly interface of any banking application is key for satisfaction and continued use of the service. Generally, those who use digital banking services expressed overall satisfaction with their experience using various applications.

Satisfaction Levels With Digital Banking

(Based On Top 2 Box Score)

Online Banking

Mobile Banking



81%

85%

CliQ

QR Payments*



82%

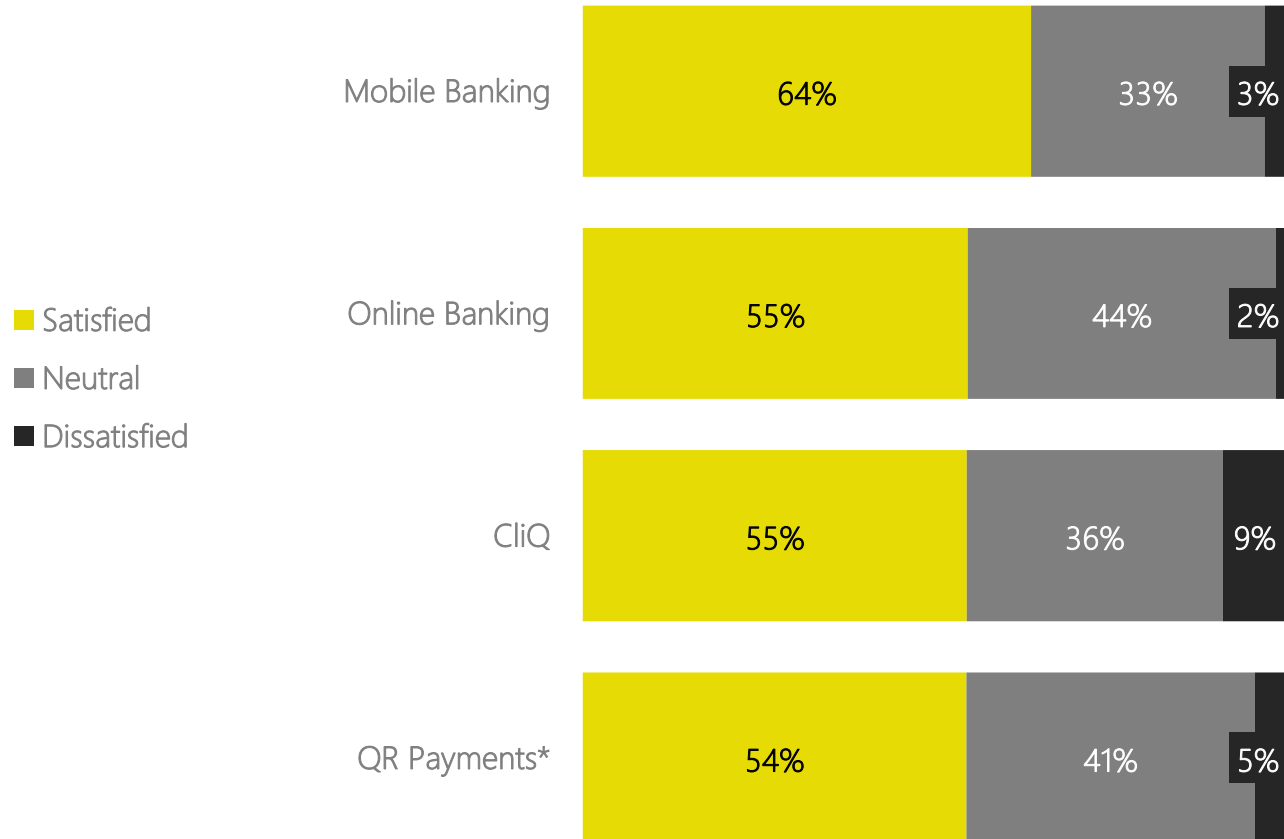
77%

Never Faced Any Issues While Using The Services

Q. How satisfied are you with each of the following services?
Q. Which of the following transactions have you engaged in through digital finance services?

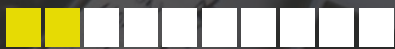
OUT OF THOSE WHO USE DIGITAL BANKING SERVICES

SATISFACTION WITH THE SERVICE



*Small Sample Size

17% Had Made Money Transfers Within The Past 3 Months



International Transfers 7%

	Financially Covered	Financially Not Covered*
Exchange Houses	74%	96%
Main Bank Branch	21%	-
Online/Mobile Banking	7%	-
Paypal	-	4%

Local Transfers 11%

	Financially Covered	Financially Not Covered*
Exchange Houses	52%	88%
Online/Mobile Banking	25%	-
Main Bank Branch	22%	-
ATM	6%	-
Mobile Wallets	5%	4%
Other	6%	8%

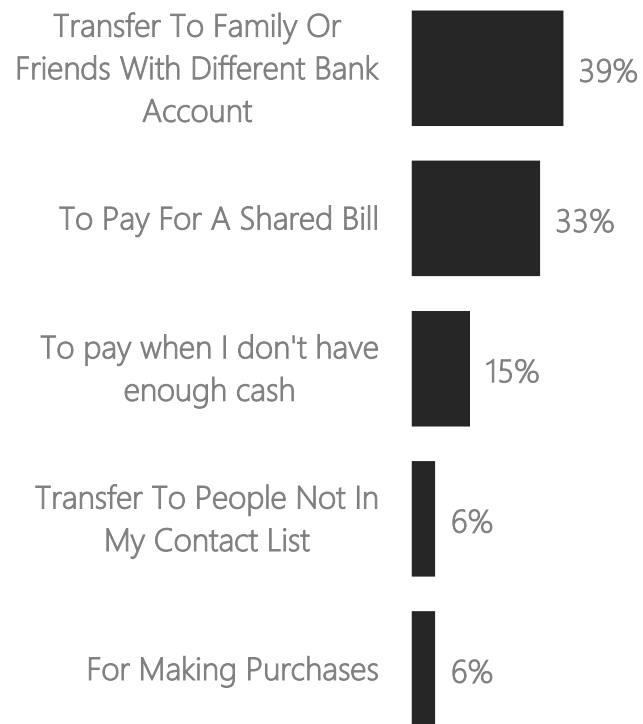
Q. What type of transfers have you made within the past 3 months?

Q. How do you usually make international money transfers?

EXCHANGE HOUSES ARE THE MAIN METHOD FOR MONEY TRANSFERS

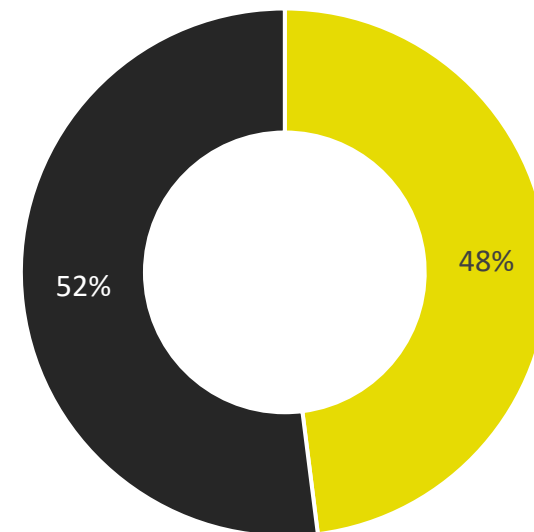
Exchange houses are the primary channel for making international transfers for the banked and unbanked. Besides from exchange houses for local transfers, digital methods are gaining momentum. Banked users are making use of their mobile/online services for transfers while the unbanked are starting to adopt mobile wallet transfers. Having said that, both methods have room for expansion.

Transactions done using CliQ



Likelihood of continued use if fees are applied

■ Continue To Use ■ Will Stop Using



OUT OF THOSE WHO USE CliQ (N = 33)

Q. You mentioned using CliQ for payments. Please select the most often occasion where you used CliQ.

Q. If there were fees to be applied to each transaction using CliQ services, would you continue to use CliQ?

*Small Sample Size



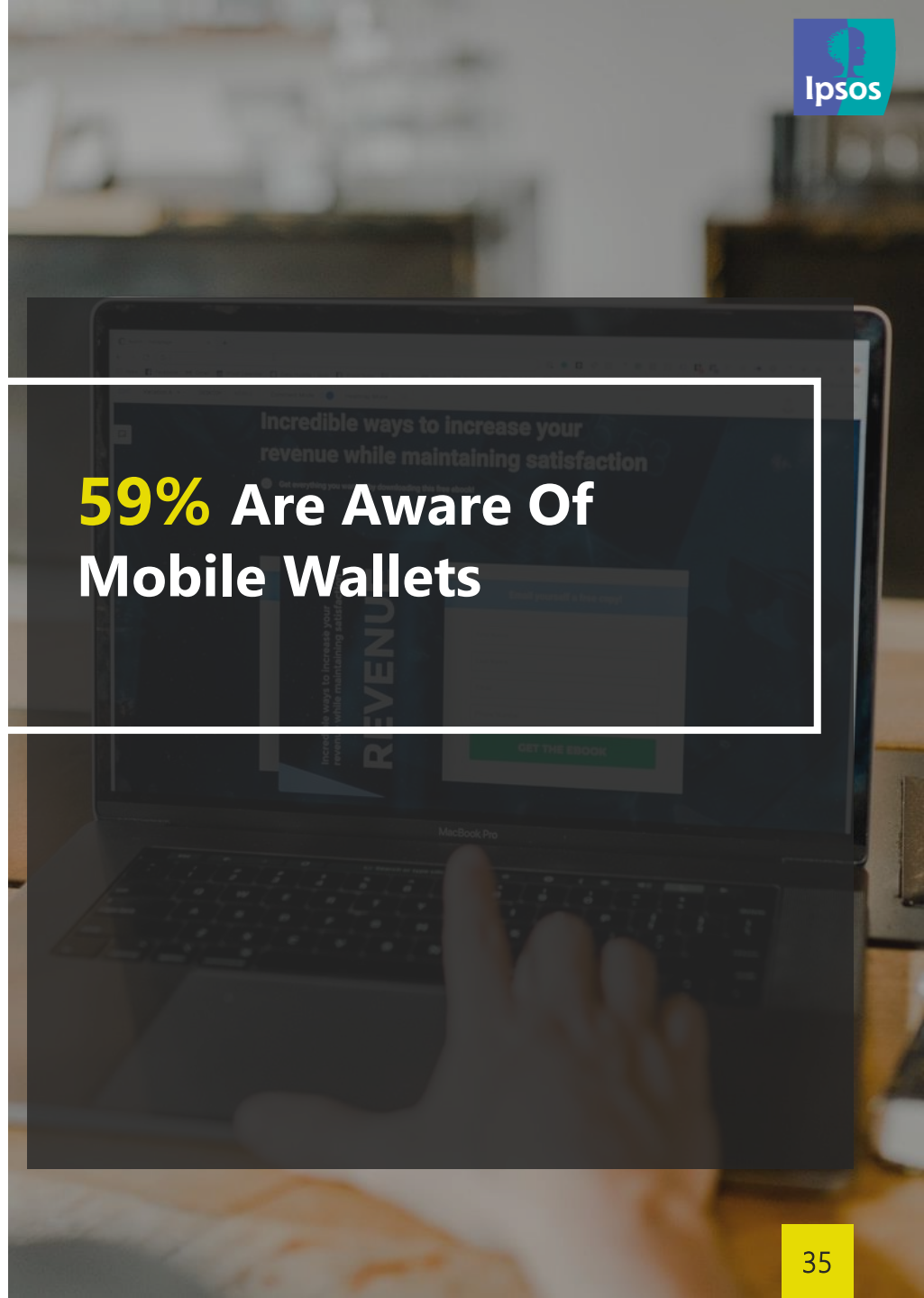
CHAPTER 2.2

MOBILE WALLETS

Out Of Total Sample - N = 1013

MOBILE WALLETS AWARENESS BY DEMOGRAPHICS

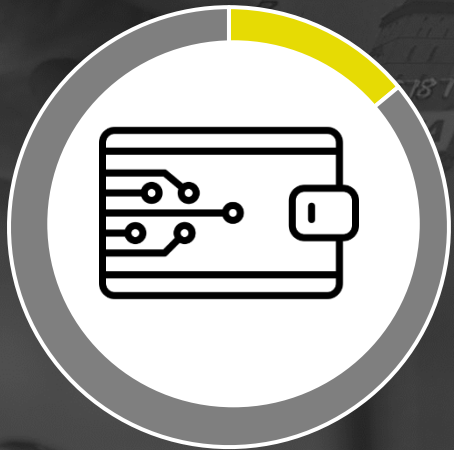
Q. Are you aware of mobile wallets available in Jordan?



59% Are Aware Of Mobile Wallets

USAGE OF MOBILE WALLETS

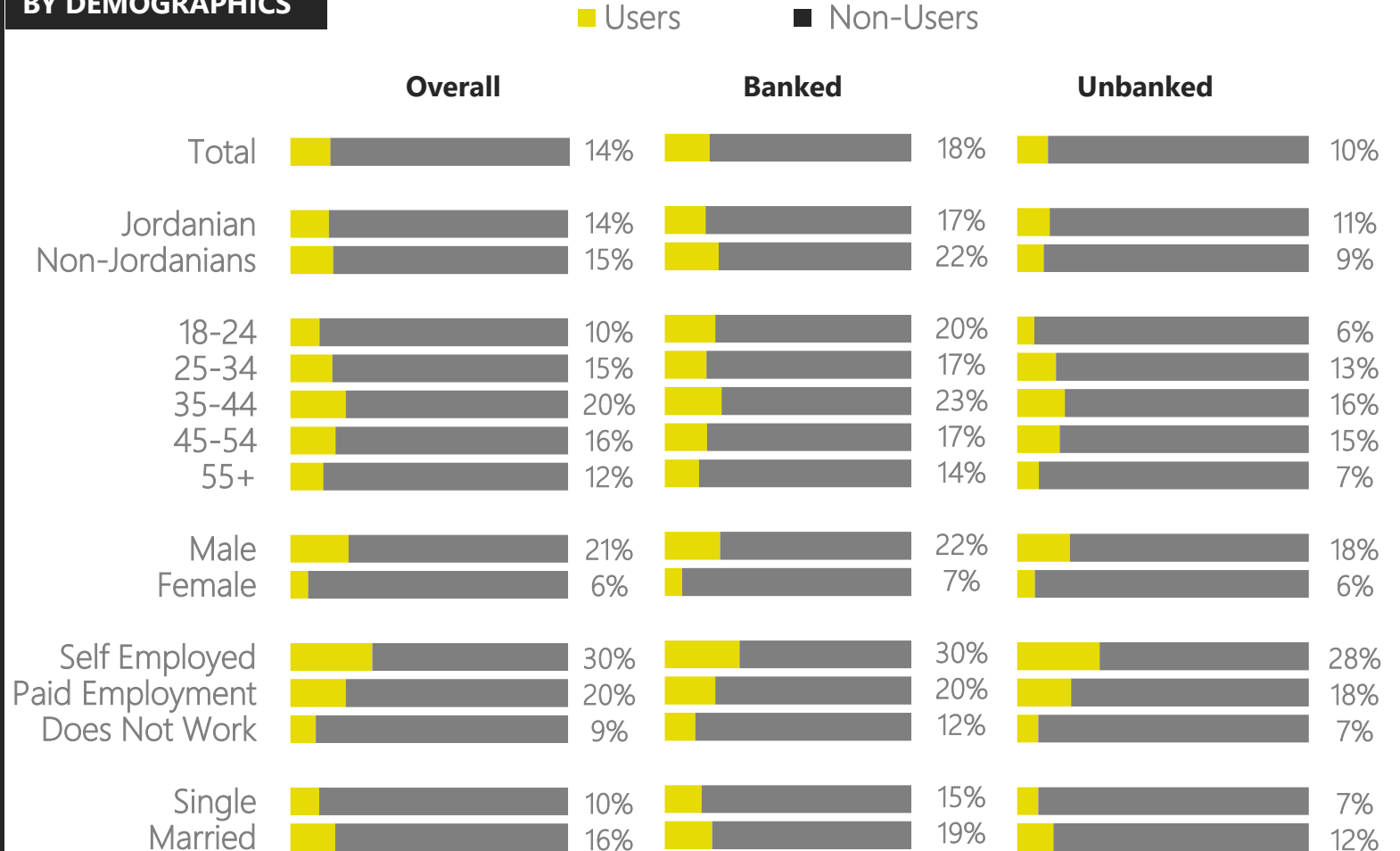
About 1 in 10 of Jordanians use Mobile Wallets, this low usage is primarily driven by the low saliency of Mobile Wallets throughout the Jordanian Market. However, the banked segment has shown higher than average usage rates namely through the lower age brackets and those who are self-employed.



**14% USE
MOBILE WALLETS**

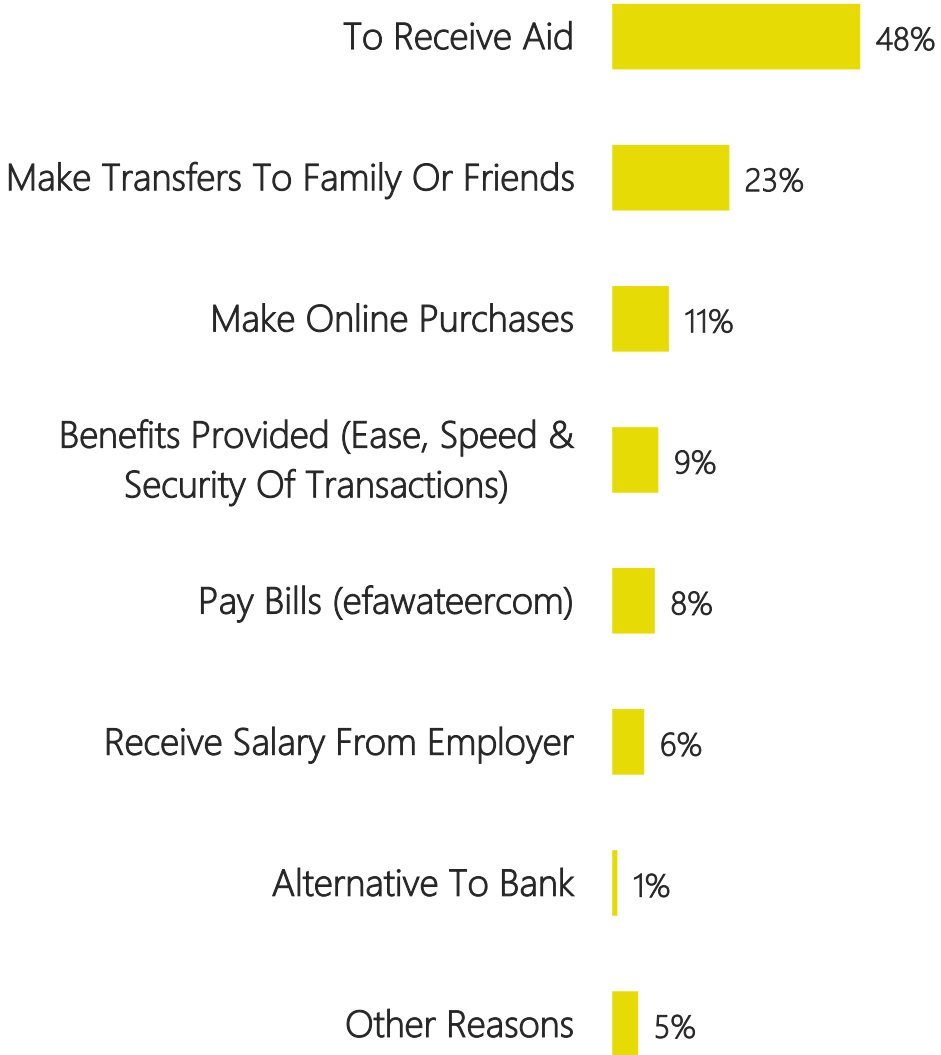
Q. Do you use a mobile wallet/ mobile wallet for financial transactions?

BY DEMOGRAPHICS

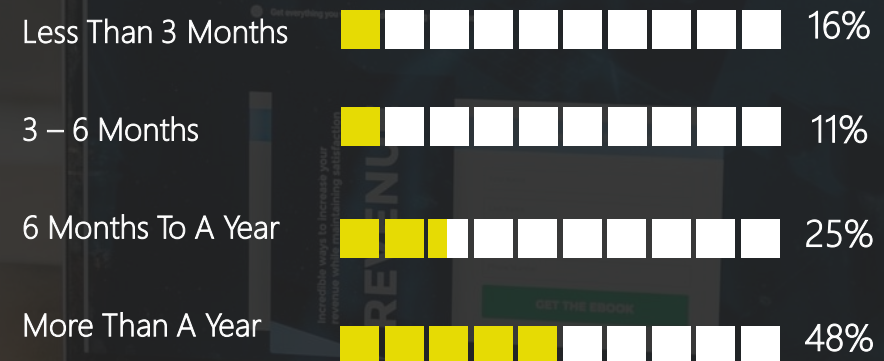


MOBILE WALLETS AND REASONS OF OWNERSHIP

Q. What are the reasons for owning a mobile wallet?



DURATION OF MOBILE WALLET OWNERSHIP

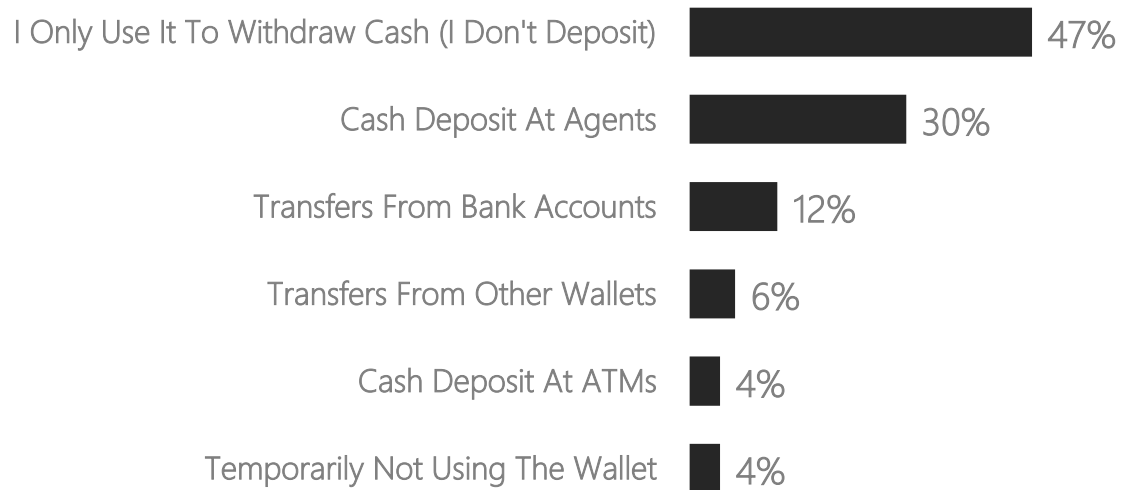


27% Of Mobile Wallet Owners Have A Card Associated With The Wallet

Q. Please specify for how long you have had your mobile wallet (s)....
Q. Do you have a card associated with your mobile wallet?

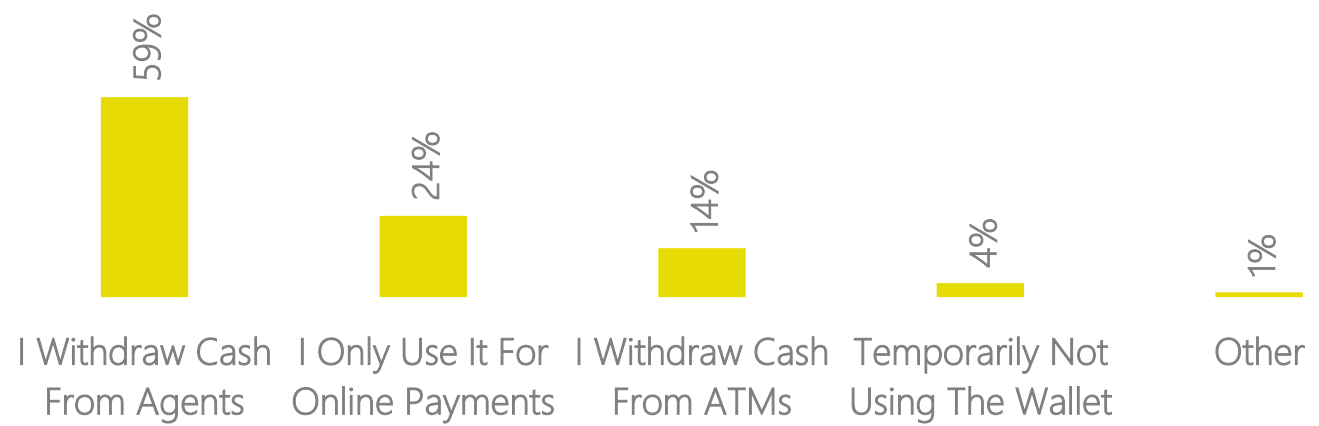
METHODS OF DEPOSIT INTO MOBILE WALLETS

Q. How do you deposit money into your mobile wallet?



METHODS OF CASH WITHDRAWAL FROM MOBILE WALLETS

Q. How do you withdraw cash from your mobile wallet?



47% Do Not Make Any Deposits Into Their Wallets

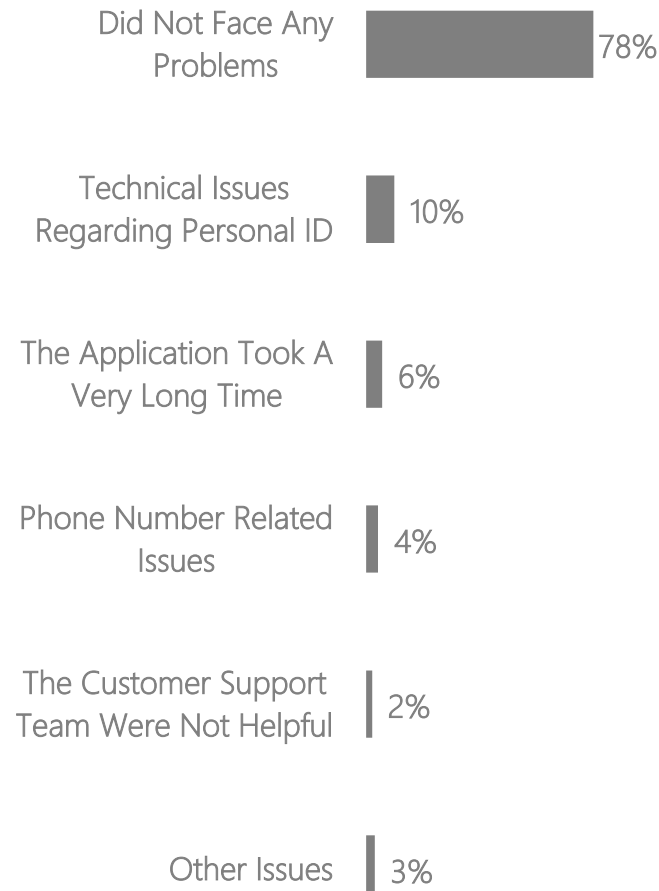
90% Cash Out From Agents Once Or Twice A Month

Q. How do you deposit money into your mobile wallet?
 Q. How many times do you cash-in or cash-out at an agent per month?

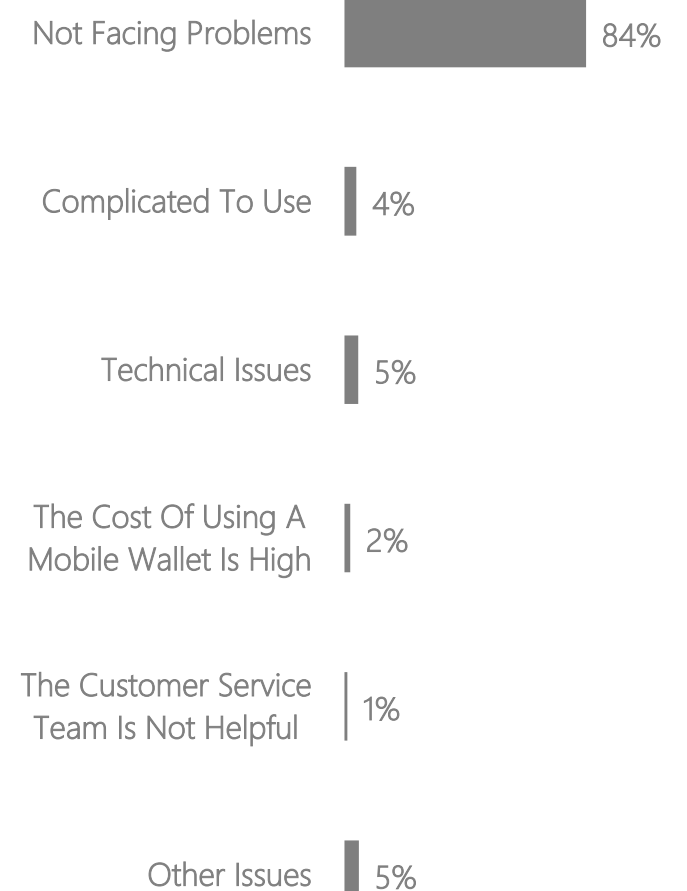
78% Did Not Face Any Issues Setting Up Their Mobile Wallet

84% Are Currently Not Facing Issues With Their Mobile Wallets

ISSUES FACED SETTING UP THE WALLET



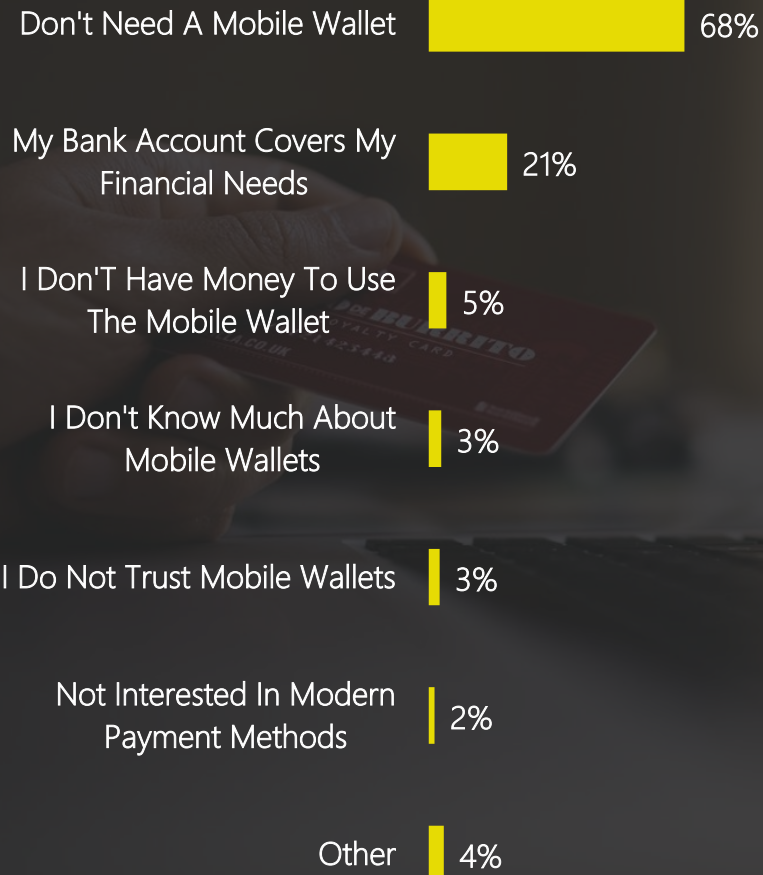
ISSUES CURRENTLY FACED FROM THE WALLET



Q. What are the challenges that you have faced when you first set-up your mobile wallet?

Q. What are the challenges that you are currently facing with your mobile wallet?

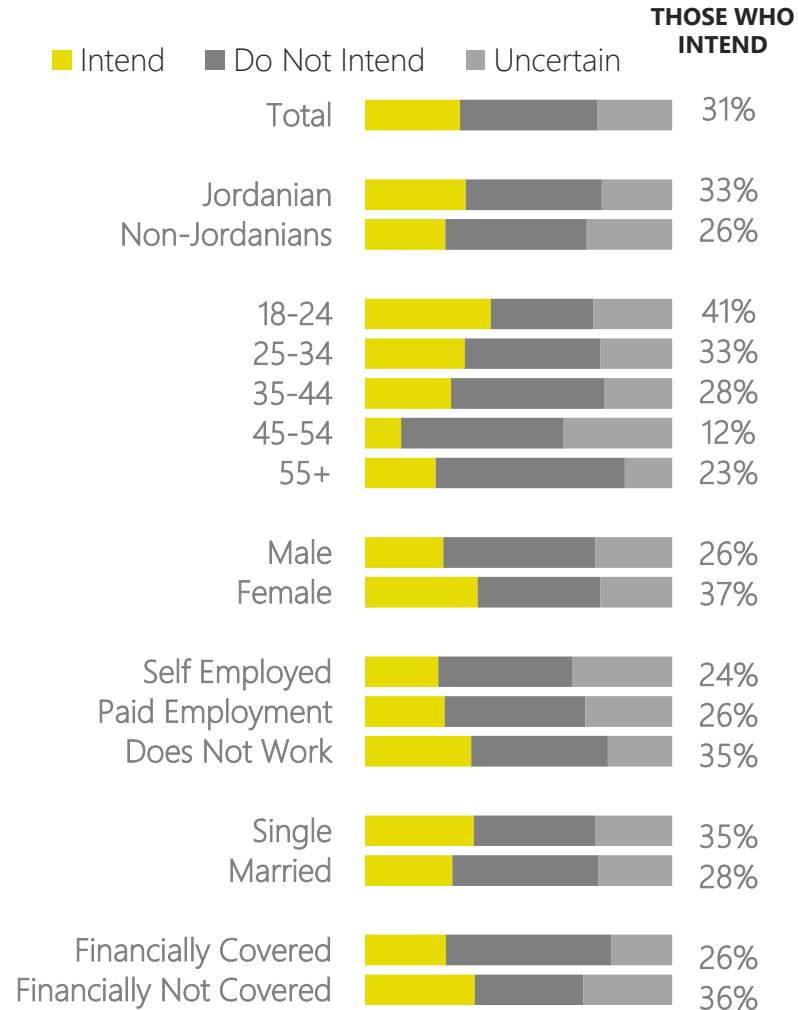
REASONS FOR NOT OWNING A MOBILE WALLET



Q. Why don't you own a mobile wallet?

INTENTIONS TO OWN A MOBILE WALLET BY DEMOGRAPHICS

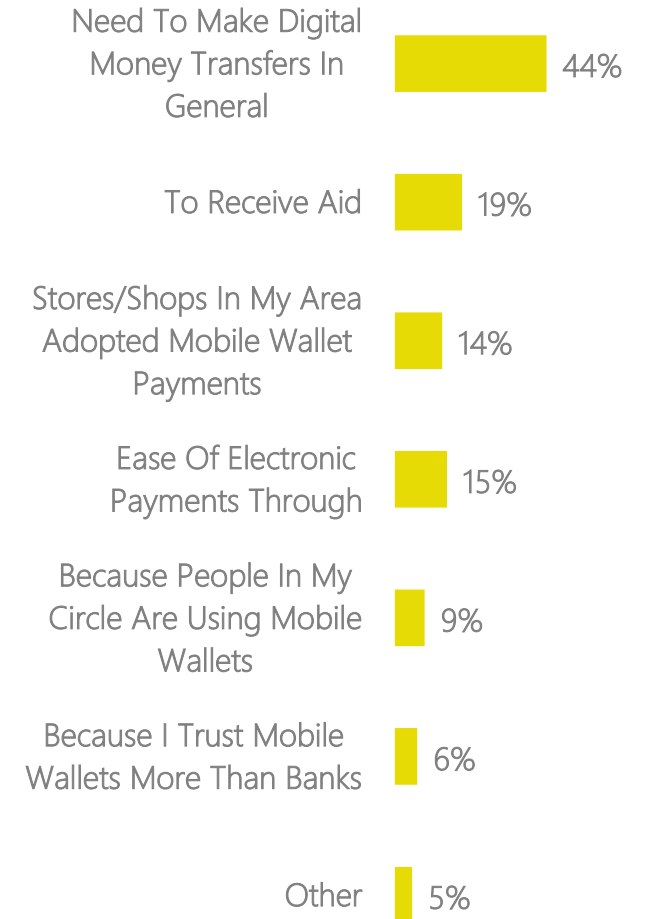
Q. Do you have intentions to obtain a mobile wallet in the future?



OUT OF THOSE WHO DO NOT HAVE A MOBILE WALLET

TOP REASONS FOR THE NEED OF HAVING A MOBILE WALLET

Q. Why do you intend on obtaining a mobile wallet in the future?





CHAPTER 2.3

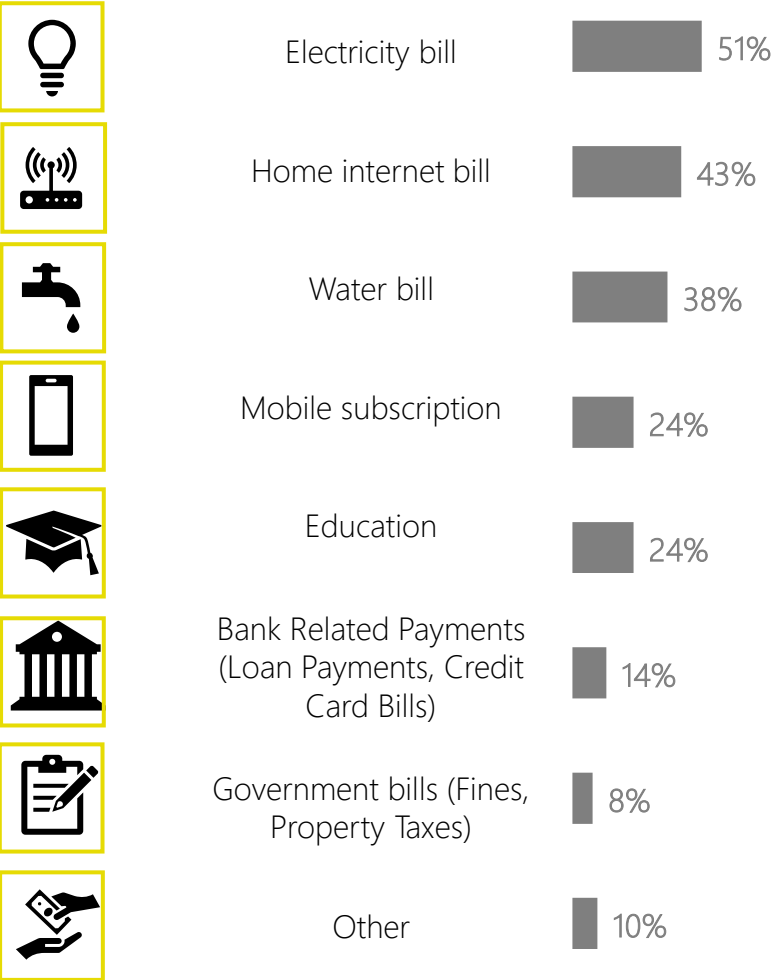
eFAWATEER.com

Out Of Total Sample - N = 1013

EFAWATEERCOM IS PREDOMINANTLY USED FOR BILL PAYMENTS

TYPE OF BILLS PAID THROUGH eFAWATEERcom

OUT OF THOSE WHO USE EFAWATEERCOM



2.2 Bills Are Paid On Average Out Of Those Who Use eFAWATEERcom's Services

89% Are Satisfied With eFAWATEERcom's Services

23% USE eFAWATEERcom SERVICE

■ Weekly
 ■ Monthly
 ■ Less Often

EFAWATEERCOM'S ACCESSABILITY

Through eFAWATEERcom's mobile application	35%
From eFAWATEERcom Agents	22%
Through Bank's Website/Application	16%
From One Of eFAWATEERcom's Branches/Booths	14%
Through eFAWATEERcom's Website	8%
Through My Mobile Wallet	5%

Q. What bills or services did you specifically pay for online?

Q. How often do you use any of eFAWATEERcom's services?
 q. How do you access eFAWATEERcom's services?



CHAPTER 3 **DIGITAL PAYMENT PREFERENCES**

Out Of Total Sample - N = 1013

Attitude Towards Digital Payments

(Based On Top 2 Box Score)



45% Believe That Digital Payment Methods Are Safe And Secure

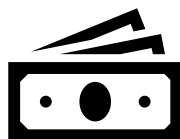


62% Trust Their Financial Service Provider

Q. On a scale from 1 to 7, where 1 means you strongly agree and 7 means you strongly disagree, do you think that digital financial services are safe and secure?

Q. On a scale from 1 to 7, where 1 means you strongly agree and 7 means you strongly disagree, do you trust your payment service provider?

LAST 10 PAYMENTS



CASH 88%



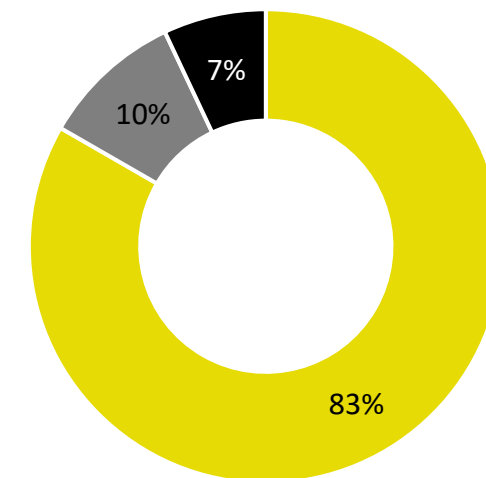
DIGITAL 5%



BOTH EQUAL 7%

CHANGE IN PAYMENTS DUE TO COVID-19

- Make Cash Payments More Often
- Pay With Cash As Often As Digital
- Make Digital Payments More Often



Q. Has your payment method changed due to COVID-19?
Q. Considering the last 10 payments you have made, please specify which method of payment was the most frequent?

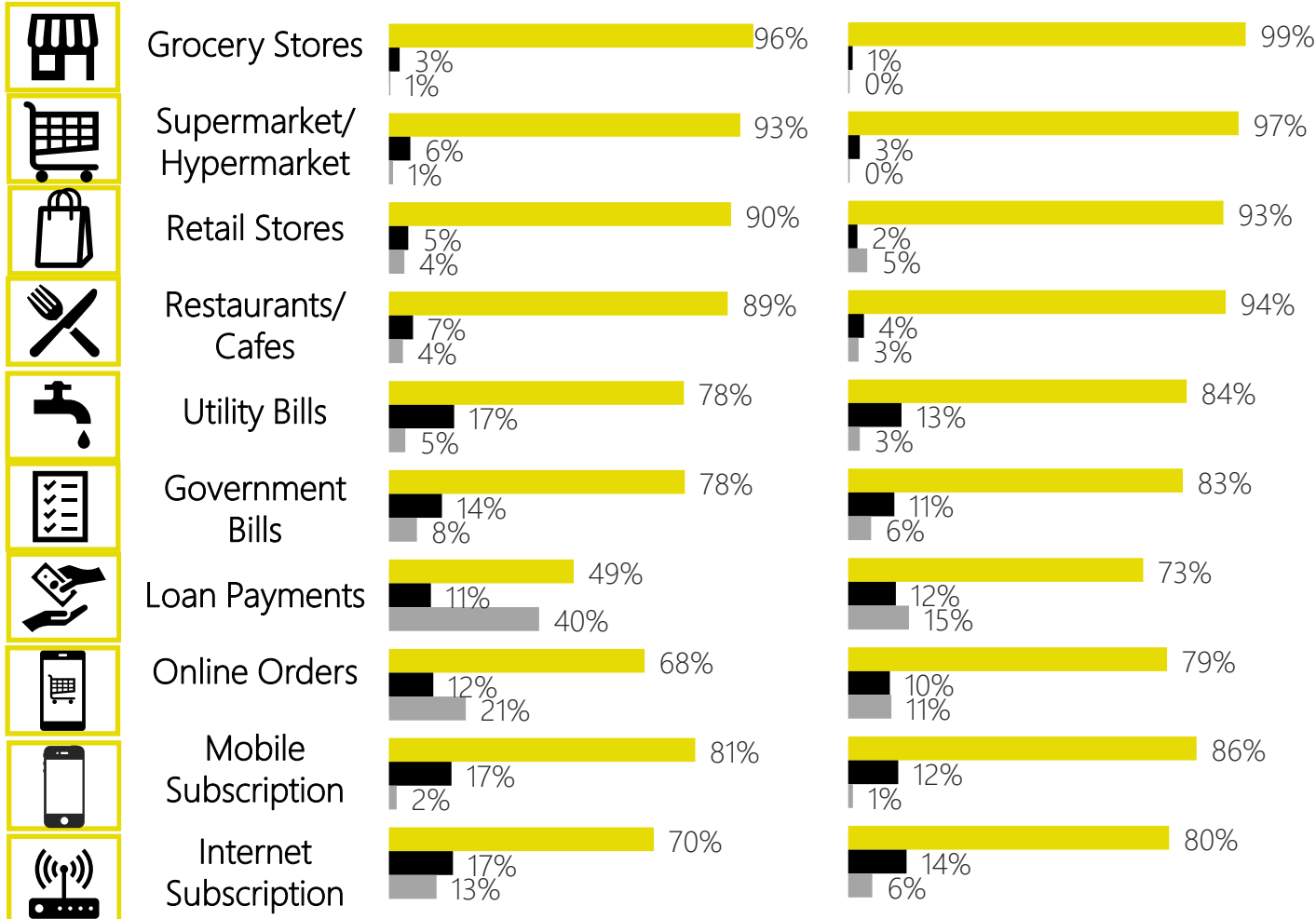
PAYMENT PREFERENCES

PREFERRED PAYMENT METHOD

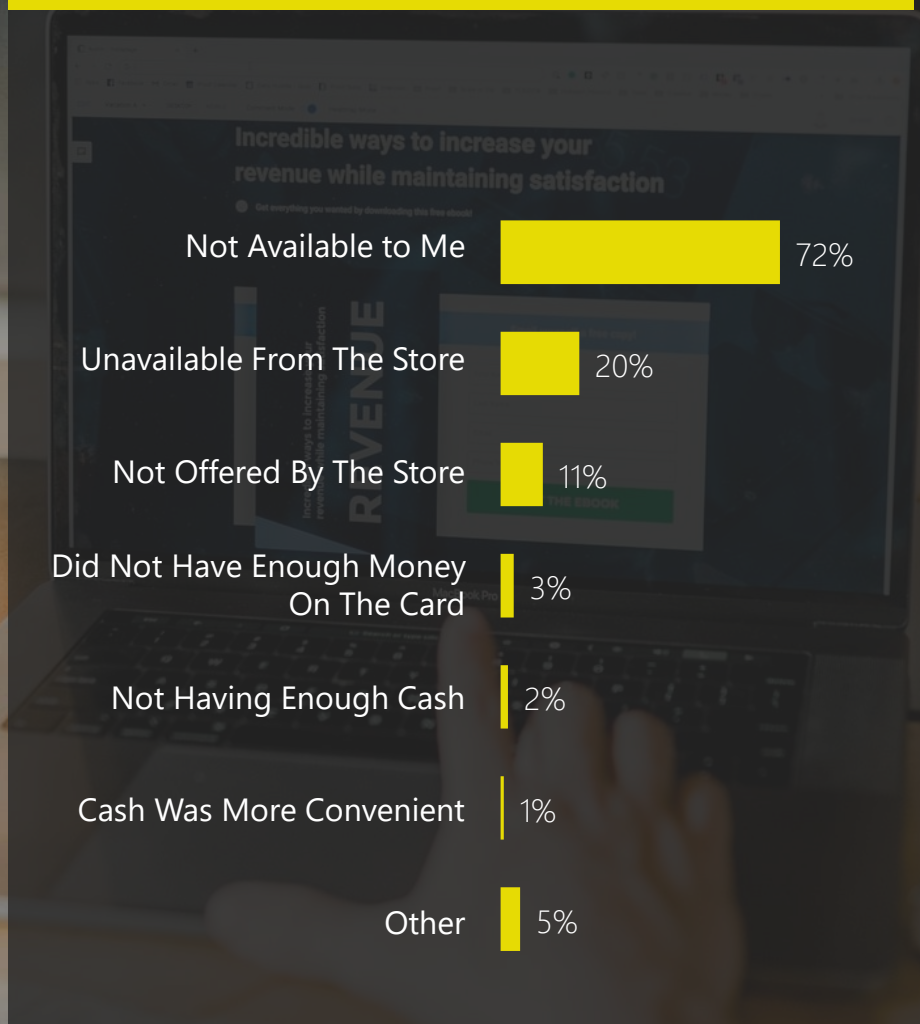
LAST PAYMENT METHOD USED

■ Cash ■ Digital ■ No Preference

■ Cash ■ Digital ■ Did Not Make Payment



REASONS FOR NOT USING PREFERRED PAYMENT METHOD



Q. Please indicate why your preferred payment method was not used last payment for each of the following locations. My preferred payment method was...

CHAPTER 4

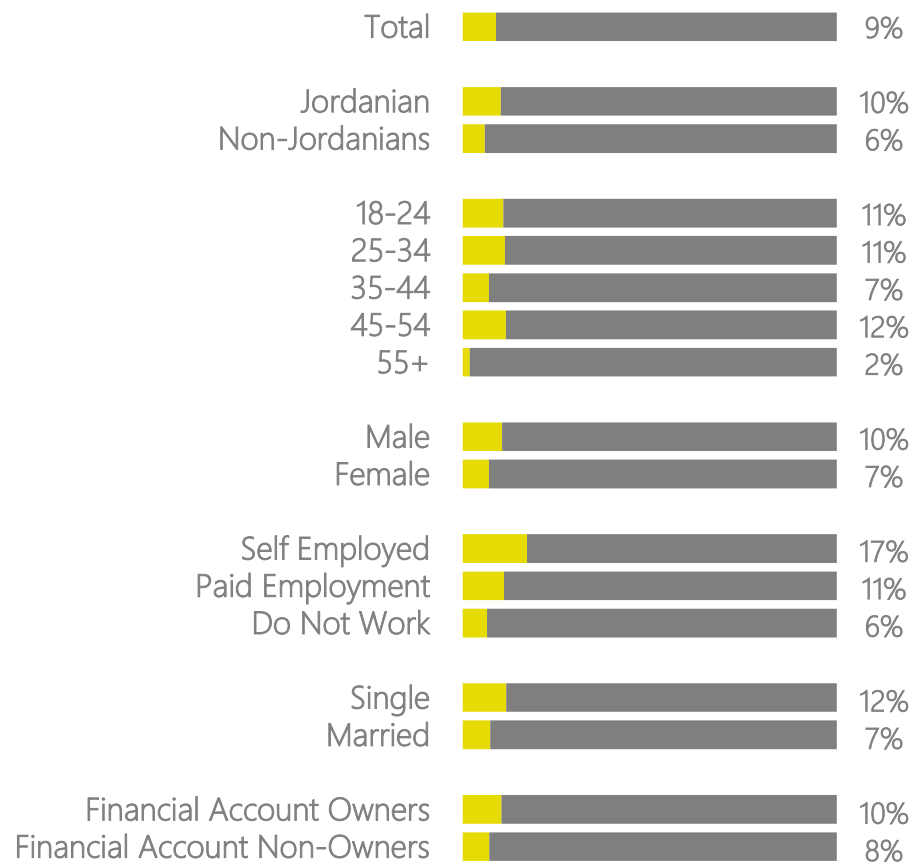
eCOMMERCE

Out Of Total Sample - N = 1013

eCOMMERCE PARTICIPATION

Despite the high rate of technology adoption, people still prefer to make their usual purchases at physical stores instead of conducting eCommerce purchases. Having said that, eCommerce is more common amongst low to middle age groups.

BY DEMOGRAPHICS



1 in 10



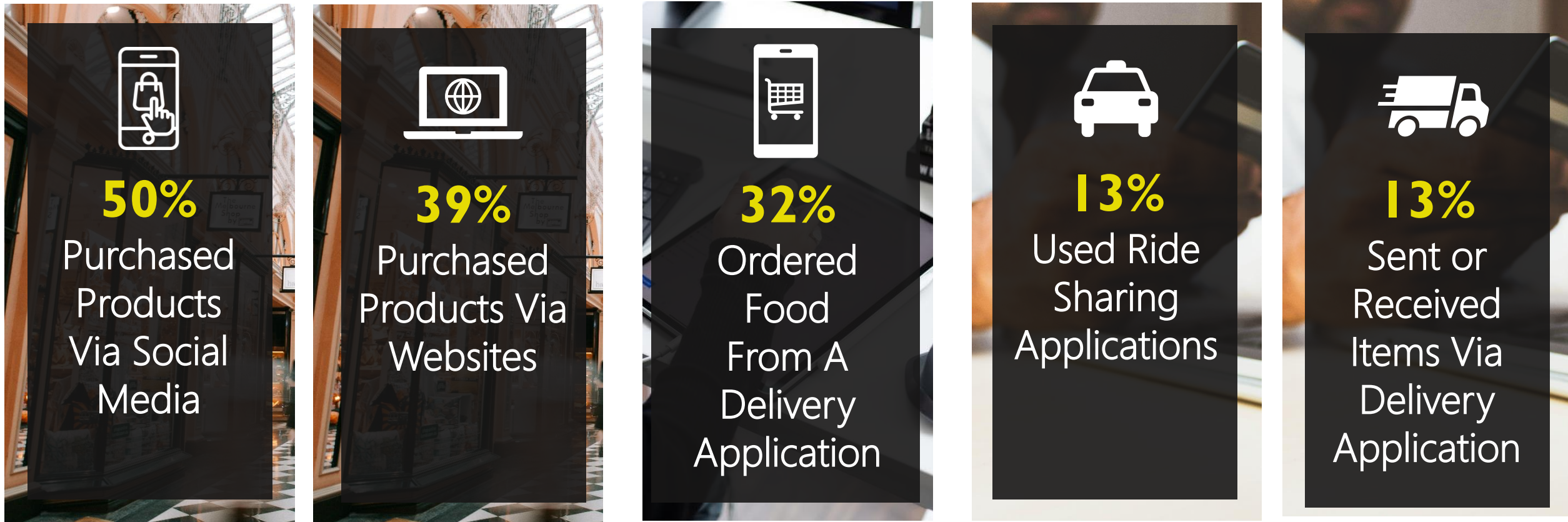
OF THE SAMPLE HAVE ENGAGED IN eCOMMERCE ACTIVITIES WITHIN THE PAST 3 MONTHS

Q. In the past 3 months, did you conduct any ecommerce activities, regardless of which payment method you used?

eCOMMERCE IS MOSTLY USED FOR PRODUCT PURCHASES

Despite ecommerce being in its infancy stages when compared to instore purchasing, most ecommerce activates involve product purchasing mainly through social media or websites.

eCommerce Activities Conducted In The Past 3 Months.....



Q. You mentioned you purchased a product/service in the past 3 months, which of the following ecommerce activities did you conduct, regardless of which payment method you used.

PRODUCTS PURCHASED THROUGH eCOMMERCE

TOP PRODUCTS PURCHASED FROM SOCIAL MEDIA

	Clothes/Accessories	60%
	Groceries	22%
	Personal Care Products	16%
	Home Appliances & Furniture	13%
	Electronics	13%
	Games	4%
	Computer Accessories & Gadgets	4%
	Books	4%
	Entertainment (Music, videos)	2%
	Food	2%

TOP PRODUCTS PURCHASED FROM WEBSITES

	Clothes/Accessories	60%
	Groceries	22%
	Electronics	16%
	Entertainment (Music, videos)	13%
	Games	13%
	Personal Care Products	4%
	Airline Tickets	4%
	Computer Accessories & Gadgets	4%
	Books	2%
	Home Appliances & Furniture	2%



Q. You mentioned you purchased products from social media /website in the past 3 months, what kind of products did you purchase?



CHAPTER 5

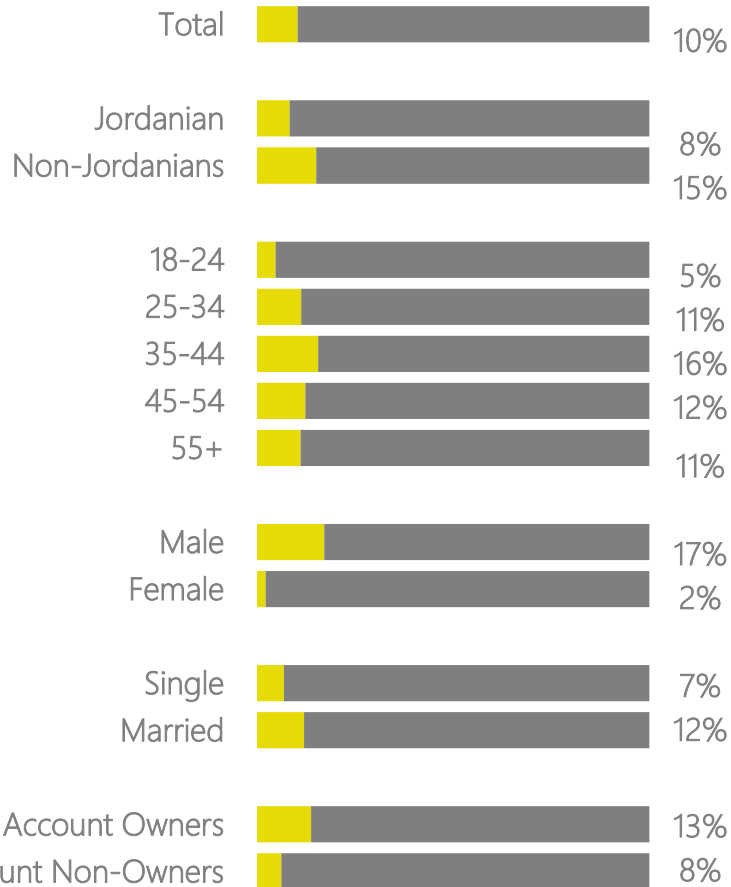
MERCHANTS & BUSINESS OWNERS

Out Of Business Owners - N = 101

TYPES OF BUSINESSES AND OPERATION

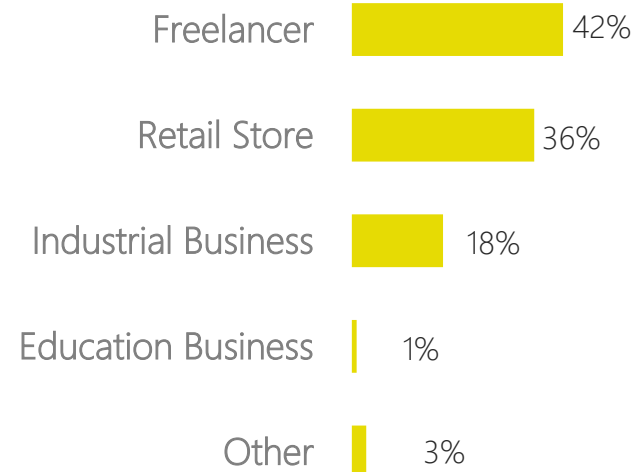
Self-employed individuals are usually non-Jordanian males of core age brackets. Since the majority are freelancers, almost half of them do not need a store to operate their business. Since cash is the preferred payment method, customers rarely ask for digital payment services, hence the low adoption of digital payment services at stores. Furthermore, only 1 in 5 merchants offer online or eCommerce services for their businesses.

SELF EMPLOYMENT BY DEMOGRAPHICS



10% ARE BUSINESS OWNERS/FREELANCERS OF WHICH 54% OWN A STORE

TYPE OF BUSINESSES OWNED



Q. What is your occupation?





Q. Previously you mentioned that you are self-employed. Tell us what sort of business are you operating?



83% OF BUSINESS OWNERS PAY VENDORS BY CASH

22% OFFER eCOMMERCE SERVICES & **26%** OFFER DIGITAL PAYMENTS AT THEIR STORES

TOP REASONS FOR NOT OFFERING DIGITAL PAYMENT SERVICES

	Customers Don't Ask For It	74%
	It Is Complicated To Use	23%
	I Do Not Have Access To Internet At My Business	20%
	Don't Like Digital	11%
	It Charges Me Extra Fees	9%

Q. Why don't you accept digital payments at your business/office?

*Q. Do you have eCommerce/online services?
Q. Do you accept digital payments at your business/office?*



CHAPTER 6
FINANCIAL BEHAVIOR

CHAPTER 6.1

INCOME

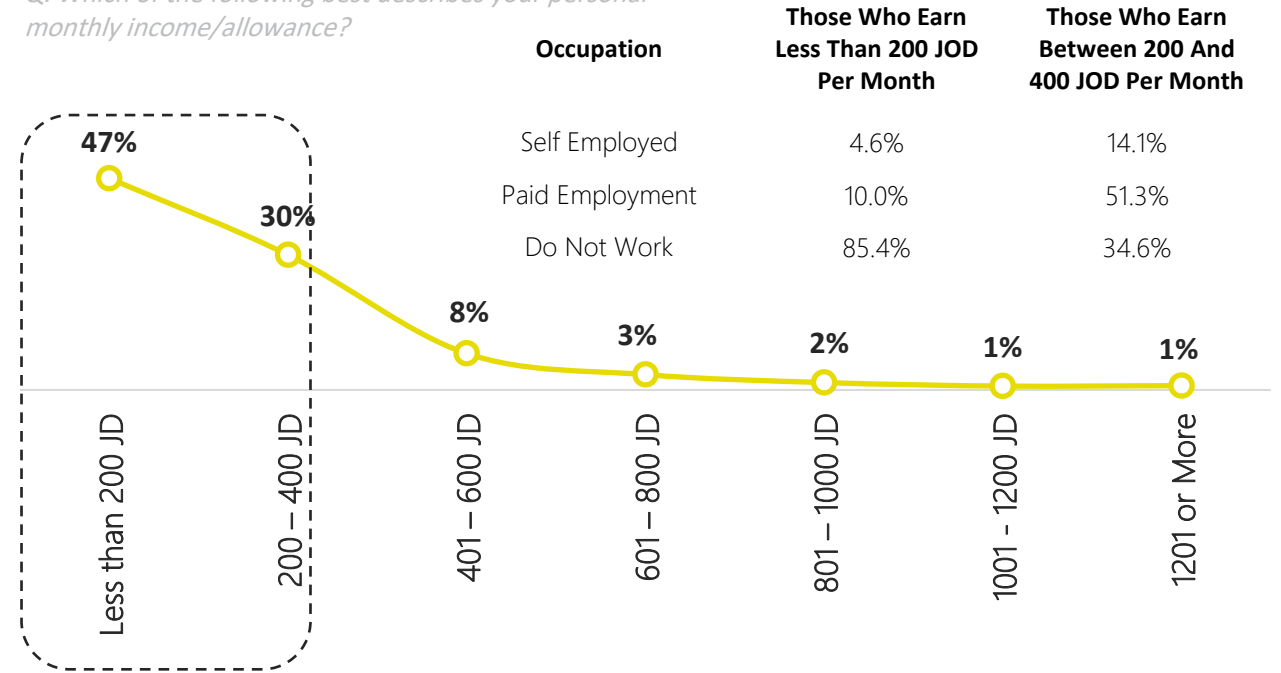
Out Of Total Sample - N = 1013

INDIVIDUAL MONTHLY INCOME OVERVIEW

77% earn 400 JODs or less per month. However, given that a large portion of Jordanians are not part of the workforce and are more specifically housewives or students, it comes as no surprise seeing those dependent on allowance making up almost one third of the sample.

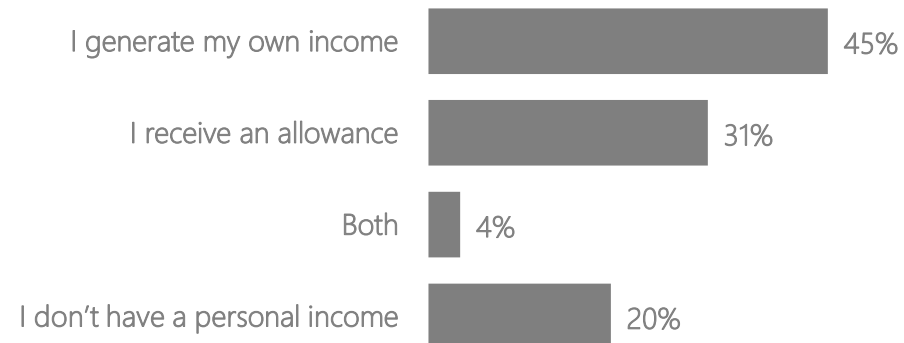
INDIVIDUAL MONTHLY INCOME BREAKDOWN

Q. Which of the following best describes your personal monthly income/allowance?



SOURCES OF INDIVIDUAL MONTHLY INCOME




Q. When thinking about your monthly income, which of the following applies to you?



SOURCES OF INDIVIDUAL MONTHLY INCOME

Given low female labor participation rates, the vast majority of females rely heavily on others when it comes to their income. This also holds true amongst the youth segment who have yet to enter the workforce. Nonetheless, there remains a sizable segment of females and youth who do not receive a steady source of income even in the form of allowance making them fully dependent on others when it comes to finances and expenditure.

SOURCES OF INDIVIDUAL MONTHLY INCOME

BY DEMOGRAPHICS	Total			
		Generate Income	Allowance	No Regular Income
Overall	100%	47%	33%	20%
Jordanians	70%	67%	79%	61%
Non-Jordanians	30%	33%	21%	39%
18-24	27%	16%	43%	25%
25-34	25%	28%	21%	26%
35-44	18%	24%	14%	16%
45-54	13%	15%	10%	14%
55+	16%	17%	13%	19%
Male	55%	87%	20%	38%
Female	45%	13%	80%	62%
Self Employed	10%	20%	1%	3%
Paid Employment	29%	56%	2%	7%
Does Not Work	61%	24%	98%	90%
Single	37%	30%	45%	35%
Married	63%	70%	55%	65%

Q. When thinking about your monthly income, which of the following applies?



CHAPTER 7 **BANKING BEHAVIOR**

OUT OF BANKED
RESPONDENTS

56% OF THEIR
HOUSEHOLD OWN A BANK
ACCOUNT



OUT OF UNBANKED
24% OF THEIR
HOUSEHOLDS OWN
BANK ACCOUNTS



12% OF BANKED
PEOPLE ARE MULTIPLE
BANK ACCOUNT
OWNERS.

THE AVERAGE NUMBER
OF MULTIPLE BANK
ACCOUNTS OWNED IS
1.2

CHAPTER 7.1

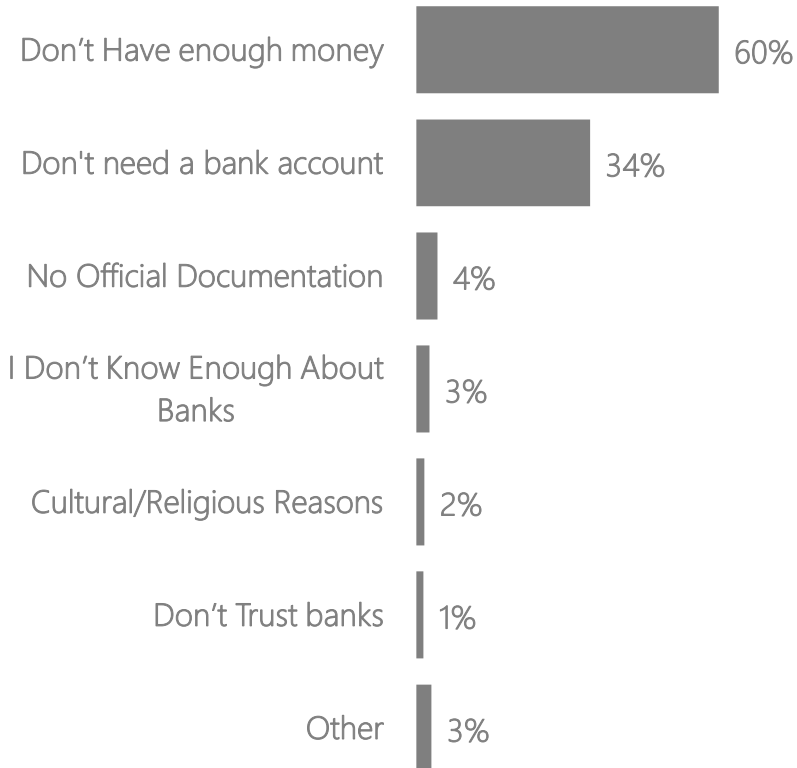
UNDERSTANDING THE UNBANKED SEGMENT

Out Of Unbanked Individuals - N = 505

REASONS FOR NOT OWNING A BANK ACCOUNT

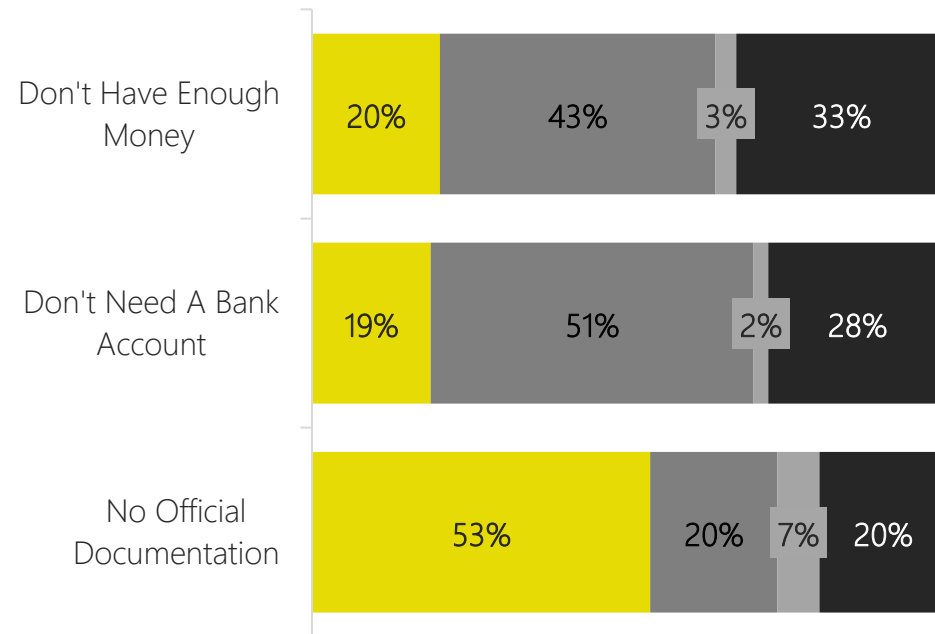
Owning a bank account is not a choice for many, as 60% of the unbanked believe they are unable to meet the minimum financial requirements to open a bank account especially amongst non-Jordanians. Whereas out of those who have a choice, the majority do not believe they need a bank account, as their daily life habits do not require them to deal with banks.

REASONS FOR NOT OWNING A BANK ACCOUNT



TOP REASONS BY INCOME

■ Generate Income ■ Receive Allowance ■ Both* ■ No Income

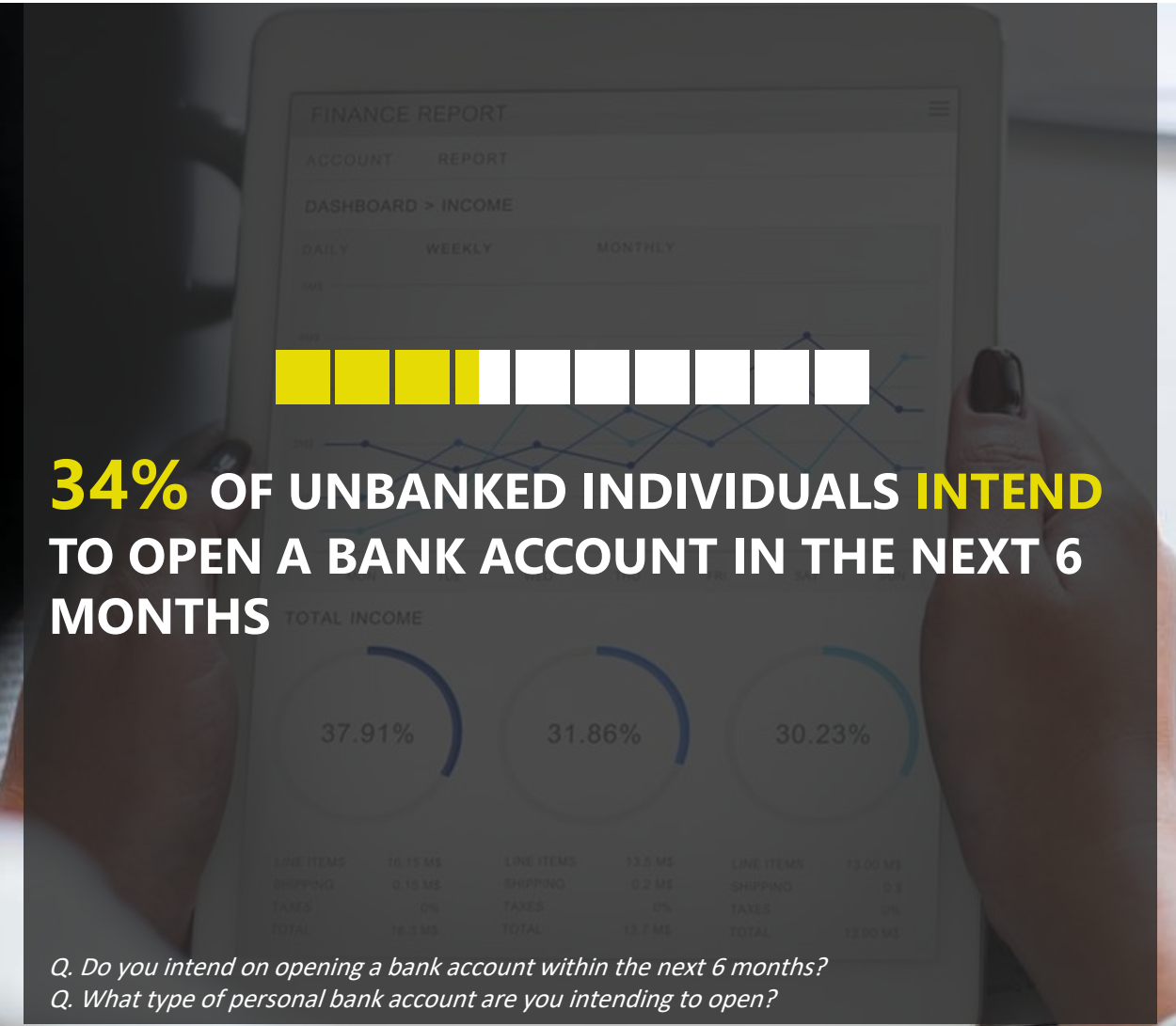


Q. You mentioned not having a bank account can you please tell me why?

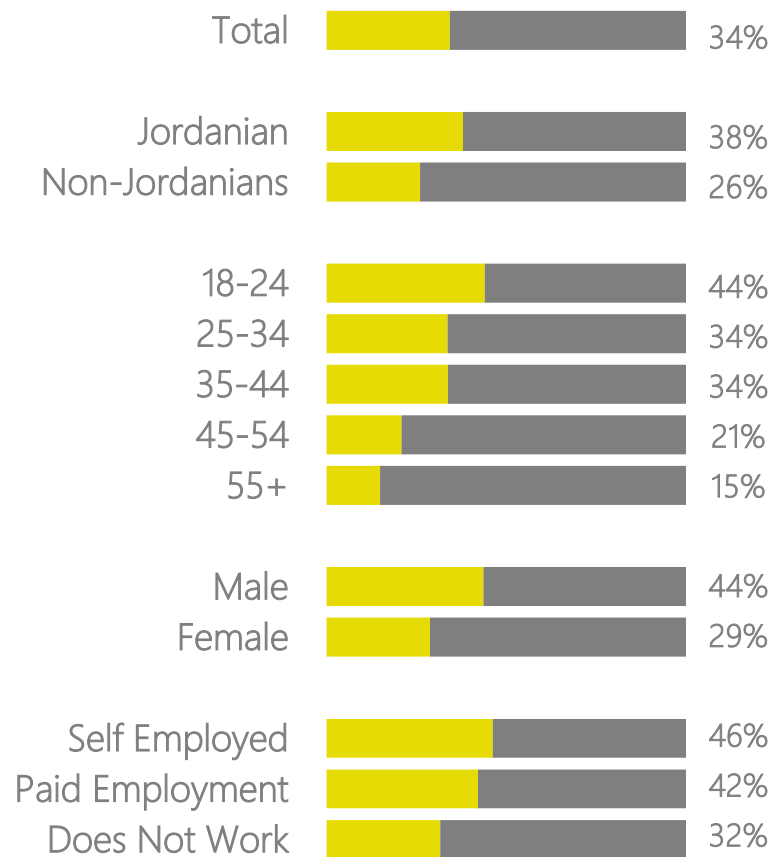
*Both includes those who generate income and receive allowance

FUTURE INTENTIONS OF OPENING A NEW BANK ACCOUNT

Over one third of the unbanked population intend to open a bank account in the next 6 months. This is mostly evident amongst people of lower age brackets, males, and the more affluent segments.



BY DEMOGRAPHICS



Q. Do you intend on opening a bank account within the next 6 months?

CHAPTER 7.2

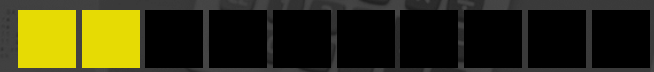
UNDERSTANDING THE BANKED SEGMENT

Out Of Banked Individuals - N = 508

TYPE OF MAIN BANK ACCOUNTS OWNED

	Salary Account	37%
	Current Account	26%
	Savings Account	25%
	Basic Account	17%
	Term Account	2%

1 In 5 Of Bank Account Owners Do Not Use Any Card Services



94% Use A Debit Card



13% Own A Credit Card

Q. For each bank account, please specify which of the following financial products do you use.

Q. For each bank account you poses, please indicate the type of account.

BANK ACCOUNT TYPE BY DEMOGRAPHICS

It comes as no surprise that salary accounts are prevalent amongst Jordanian employees of core age brackets. The basic account is the choice of young non-Jordanian females who are not employed.

BY DEMOGRAPHICS

Q. For each bank account you poses, please indicate the type of account.



Salary Account



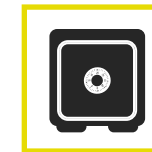
Current Account



Savings Account



Basic Account



Term Account

	Salary Account	Current Account	Savings Account	Basic Account	Term Account
Overall	37%	26%	25%	17%	2%
Jordanians	38%	24%	19%	15%	1%
Non-Jordanians	21%	29%	31%	18%	2%
18-24	22%	28%	28%	19%	-
25-34	33%	24%	25%	14%	-
35-44	38%	22%	21%	18%	1%
45-54	36%	29%	15%	17%	2%
55+	37%	26%	22%	10%	5%
Male	35%	30%	20%	12%	1%
Female	28%	13%	30%	25%	2%
Self Employed	10%	36%	38%	16%	-
Paid Employment	48%	29%	15%	7%	-
Does Not Work	25%	19%	26%	25%	4%
Single	28%	25%	25%	20%	1%
Married	37%	26%	21%	13%	2%

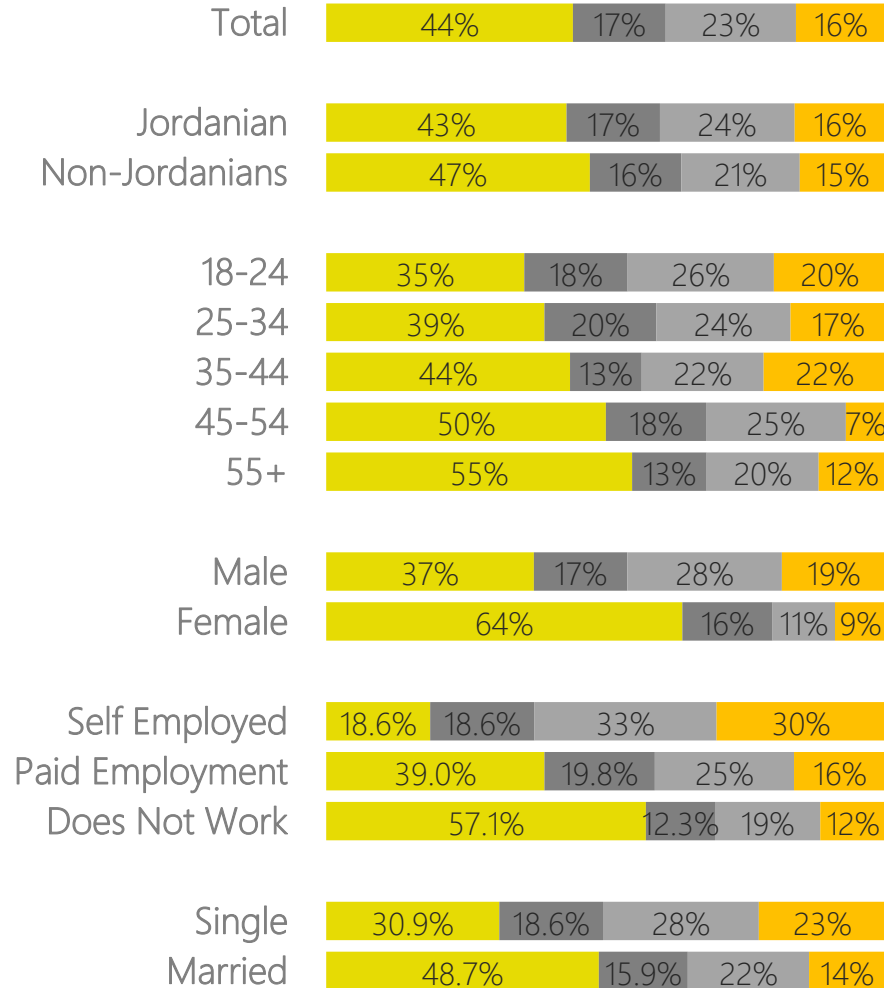
CHAPTER 7.3


FINANCIAL SERVICES

Out Of Banked Individuals - N = 508


FREQUENCY OF ATM USAGE PER MONTH

■ Once
 ■ Twice
 ■ 3-5 Times
 ■ More Than 5 Times





91% Use the ATM



77% Prefer Automated Services For Their Banking Needs

Q. Do you use the ATM (Automated Teller Machine)?
 Q. Do you prefer to deal with ATMs and automated services or a financial institution employee for a financial service?

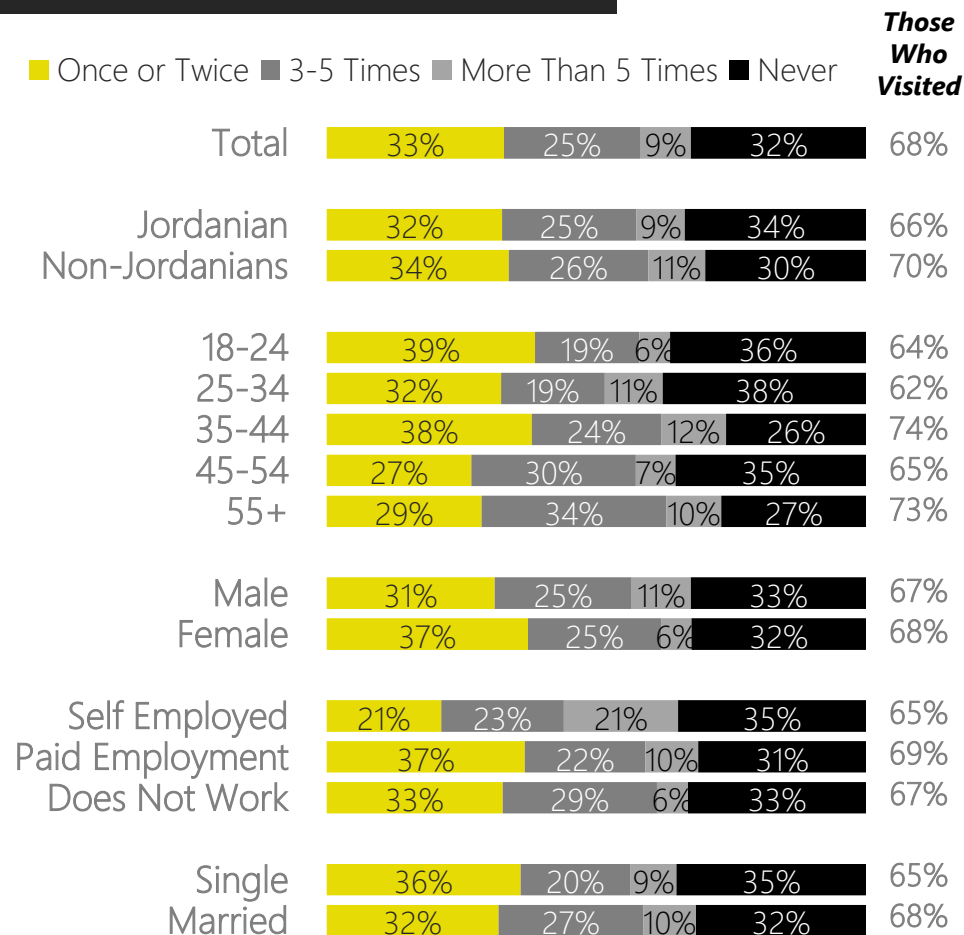
MAIN BANK ACCOUNT EXPERIENCE WHEN VISITING THE BRANCH

About 1 in 3 bank account owners never visited any branch within the past 3 months. This is especially prevalent in younger bank account owners, where they benefit the most out of the automated services.

2 IN 3 OF BANK ACCOUNT OWNERS VISITED A BRANCH IN THE PAST 3 MONTHS

Q. How many times have you visited your main bank's branch within the past 3 months?

FREQUENCY OF VISITS WITHIN PAST 3 MONTHS



MAIN BANK ACCOUNT EXPERIENCE WHEN VISITING THE BRANCH

About 9 in 10 are satisfied with their branch visits within the past 3 months. Having said that, those who are not satisfied complained mainly about the speed of service. Where 70% had to wait a long time to be serviced, and 24% complained about the long time for application processing. The solution to such complaints lies within digitization and automation.

9 IN 10 OF THOSE WHO VISITED A BRANCH ARE SATISFIED WITH THEIR EXPERIENCE



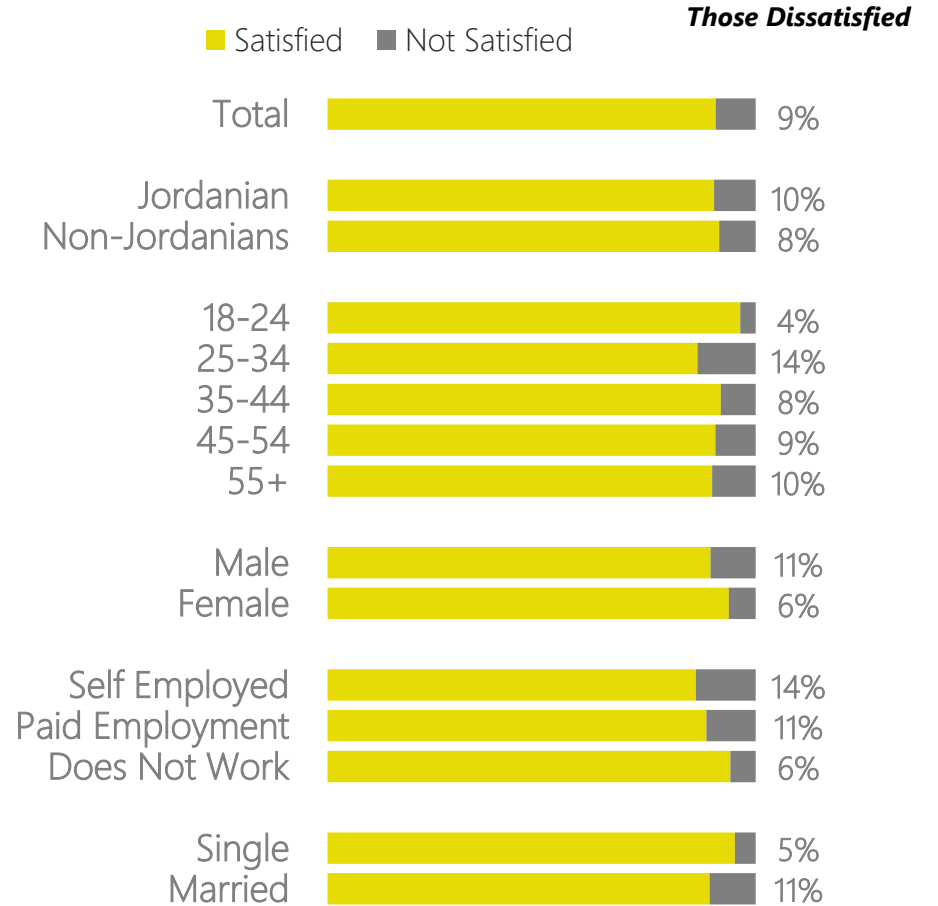
TOP REASONS FOR DISSATISFACTION



Q. On a scale from 1 to 7, where 1 means you're extremely dissatisfied and 7 means you're extremely satisfied, how satisfied are you with the services received when visiting main bank's branch?

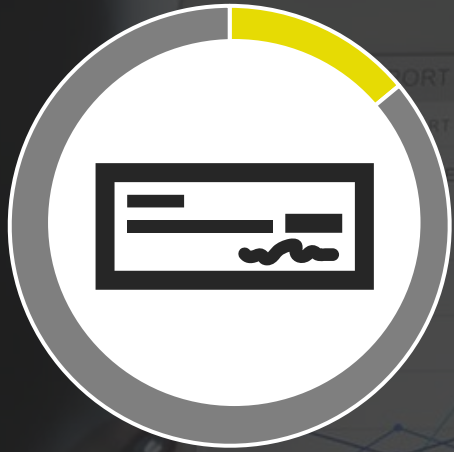
Q. Please specify the reasons why you are not satisfied with the services received when visiting main bank's branch?

SATISFACTION BY DEMOGRAPHICS



CHEQUE USAGE

Of those banked, nearly 1 in 10 use cheques on a monthly basis or less often. Cheque usage is very common for those self-employed and non-Jordanians. Generally, those who chose to deal with cheques are very comfortable doing so.



9% HAVE USED CHEQUES IN THE PAST YEAR

■ Daily
 ■ Weekly
 ■ Monthly
 ■ Less Often

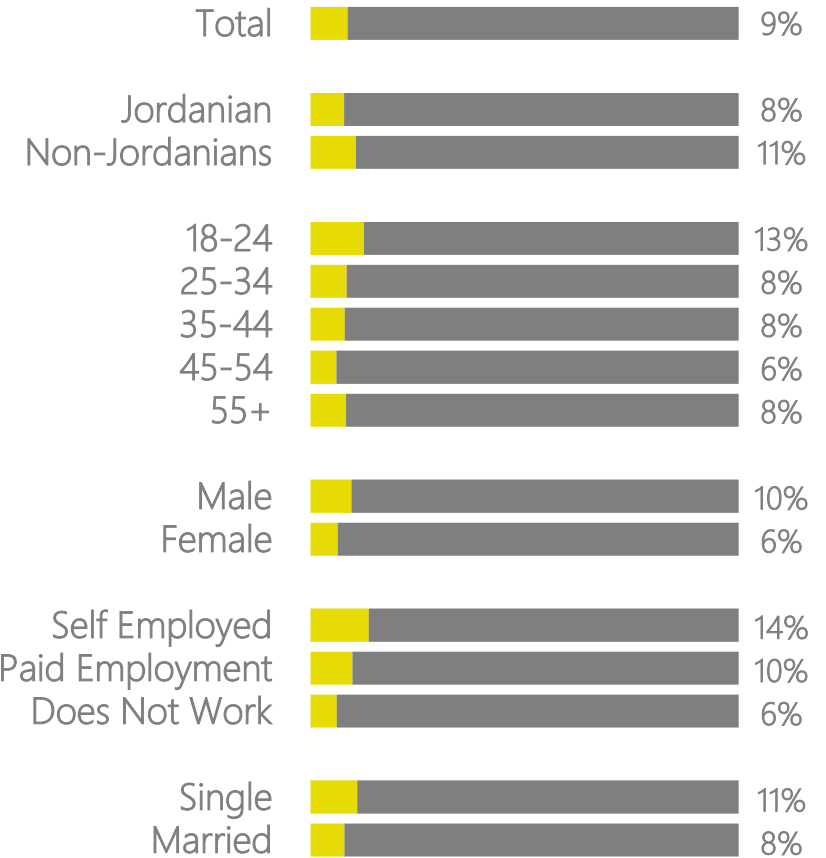


1 IN 5 ARE NOT COMFORTABLE USING CHEQUES



Q. How comfortable are you using cheques for payments?

CHEQUE USAGE BY DEMOGRAPHICS



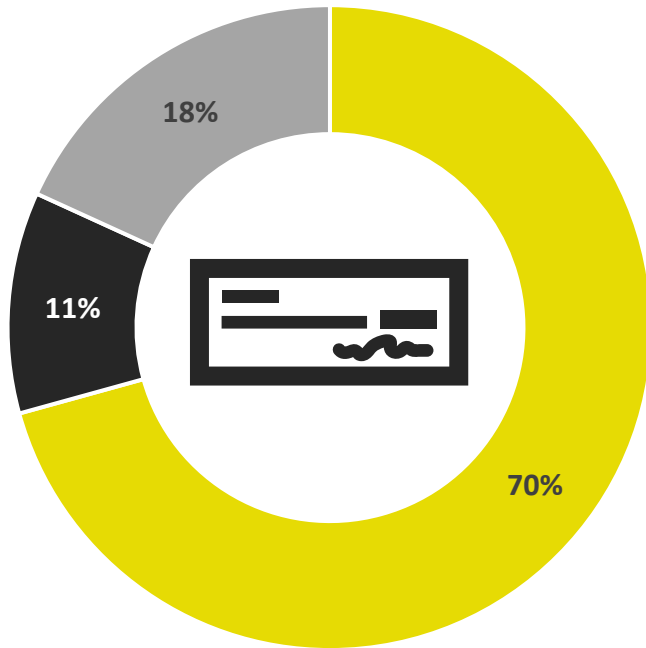
Q. In the past year, did you receive or issue cheques for any type of transaction?

CHEQUE USAGE HABITS

More than two thirds of those who use cheques usually receive more than they issue cheques, hence the top reason of usage is bank deposits. Another use of cheques is vehicle purchases and making payments to any entities accepting cheques.

CHEQUE USAGE HABBITTS

■ Receive Cheques ■ Issue & Receive Cheques ■ Issue Cheques



Q. I'm going to read out a list of statements, please select which statement applies to you the most.

TOP REASONS FOR CHEQUE USAGE



Deposit Into Banks

25%



Purchase A Vehicle

18%



To Entities Accepting Cheques

18%



Receive Employer Payments

9%



Purchase Real Estate

7%

Q. When do you usually issue or receive cheque payments?

THANK YOU!

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