

FNB's mobile money solutions a hit across Africa

Mobile banking is taking off in Africa, with FNB recording a 150% jump in transaction growth for its cellphone banking service and 1,384% growth for eWallet for the month of December 2011 when compared to the previous December.



The bank's customers conducted 2.4 million cellphone banking transactions during December 2011 in Botswana, Namibia, Zambia, Swaziland and Lesotho, to the value of R214 million as compared to R986,000 transactions in December 2010.

Botswana, the bank's leading subsidiary outside South Africa in terms of cellphone banking activity, saw just over 1.3 million transactions and in the same month, a 126% increase year-on-year. According to research by International Telecommunications User (ITU), Botswana has 2.3 million cellphone users. Namibia recorded year-on-year growth of 155%, Zambia 308% and Swaziland 227%.

Ravesh Ramlakan, CEO FNB Cellphone Banking Solutions, says the growth of the service in African markets is due to consumers' increasing confidence in their mobile handsets as communication devices, coupled with the convenience the solution offers.

"Innovation has played a key role in growing cellphone banking across Africa. Our ability to adapt the service for use on any cellphone has been an important driver of this growth," says Ramlakan.

Users can conduct a number of transactions using FNB Cellphone Banking, including transferring money between their own FNB accounts, buying prepaid airtime and making third party payments.

Since inception, FNB eWallet has generated 407,110 original sends in its four African operations (Botswana, Swaziland, Lesotho and Zambia) as at the end of December 2011. In Botswana FNB eWallet, saw an increase in original sends of 1236% year on year from December 2010 to December 2011.

FNB eWallet Solutions CEO Yolande van Wyk says although eWallet has only recently been introduced to markets outside South Africa, the service has demonstrated strong potential for continued growth into the future.

"A country like Zambia for example has 5.4 million mobile phone users and a large informal sector, making a solution such as eWallet ideal in helping bridge the financial services gap between the banked and the unbanked. eWallet reduces both risk and cost, and in African markets we have found this to be essential in any financial product offering. Simple,

convenient and affordable financial services represent the future of banking in Africa," concludes Van Wyk.

eWallet allows FNB customers to send money to anyone within the borders of the country in which the service operates. The recipient does not need to have a bank account. The money is transferred instantly and the recipient uses a pin code sent to their cellphone to access the cash from FNB ATMs.

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