



MOBILE WALLET PILOT REPORT - JORDAN

Preliminary Findings

SEPTEMBER 2018

Project Overview

In an effort to mitigate some of the known protection risks¹ of cash distribution to female refugees, Mercy Corps Jordan is piloting an alternative to traditional cash distribution modalities by providing cash assistance to female Syrian refugees through mobile wallets. This report contains the preliminary findings of the initial mobile wallet distribution pilot titled, *Mitigating Protection Risks of Cash Assistance for Women Through Mobile Wallets*. This report contains initial protection findings and initial indicators of the sustainability of mobile wallets as a cash distribution modality. For a more comprehensive overview of the project, please see the February 2018 Mercy Corps report '*Mobile Wallet Pilot Report - Jordan Increased Accessibility & Reduced Visibility*.'

¹ Women's Refugee Council, Mercy Corps, IRC [*"Optimizing Benefits and Mitigating Risks of Integrating Cash-based Initiatives and GBV Programming: Case Studies from Irbid and Mafraq, Jordan"*](#) (February 2018)

Pre-distribution preparation

Through the Vulnerability Assessment Framework (VAF) assessment, Mercy Corps identified 50 Syrian female refugees - from the 358 individuals who took the Vulnerability Assessment - that were eligible to receive a one-time unconditional cash transfer of 152 Jordanian Dinars (JOD). These 50 beneficiaries were selected based on various protection and Gender-Based Violence (GBV) risks. 26 were from Mafraq, and the remaining 24 were from Irbid. Between initial training and cash distribution, 2 beneficiaries stopped

participating in the program as they were unable to present the documentation required to receive cash assistance, so the total beneficiary number is 48 individuals. Ultimately, Mercy Corps provides unconditional cash assistance to help beneficiaries provide themselves with basic needs. The goal of providing this cash assistance via mobile wallet as opposed to traditional cash disbursement methods is to evaluate how the female beneficiaries adapt to the use of this new electronic cash modality system, and whether they are able to understand and efficiently use its different functions.

Mercy Corps and mobile wallet technology provider Dinarak worked together on simplifying the training materials and reduced the time needed for the training. Visual materials were developed to make the training accessible for all beneficiaries, in particular elderly beneficiaries. In addition, Mercy Corps and Dinarak conducted a demo session, presenting to the beneficiaries how to use the wallet. During the registration process, Mercy Corps staff and Dinarak staff registered individual beneficiaries. Mercy Corps provided a hotline number for all beneficiaries and WhatsApp number service in case they needed support or had questions about the registration or mobile wallet training.

The beneficiaries first had to register for the mobile wallet, which required valid identification (Mol card) and a phone number. After the registration process, the beneficiaries were trained on essential mobile wallet services:

- Cash deposits and withdrawals at Dinarak agents.
- Receive and transfer money from/to JoMoPay (Jordan Mobile Payment) user.
- Pay for goods and services at retailers/merchants.
- Pay bills (utilities, telecom, etc).
- Manage their account (balance, mini-statement).

Advice on savings was not included in the training, though findings, highlighted below in greater detail, showed a significant number of beneficiaries did use their mobile wallet as a savings mechanism. With registration and training completed, Mercy Corps created the mobile wallets for each beneficiary.



Total Beneficiaries:
48



Cash Assistance/Beneficiary:
JOD 152



Total Cash Assistance:
JOD 7,296.00

Distribution

Distribution occurred on June 11th, 2018 in Mercy Corps offices in Irbid and Mafrq. Each mobile wallet was pre-loaded with 152 JOD. Each beneficiary was also provided with a list of all agents and merchants in Jordan where they can use their mobile wallet. Once all of their questions were answered, beneficiaries were immediately able to complete transactions through their mobile wallet.



Mercy Corps also organized a WhatsApp group for beneficiaries to be able to ask questions about mobile wallet app functionality. Not only were beneficiaries provided real-time troubleshooting support, but Mercy Corps was also able to collect valuable data on what were the most common challenges with the mobile wallet.

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Post-Distribution Monitoring

As a part of the monitoring and evaluation process, Mercy Corps field teams conducted two rounds of Post-Distribution Monitoring (PDM) interviews. Each round included over 90% of the project beneficiaries. The PDM rounds were administered by the Mercy Corps Outreach teams based out of our Irbid and Mafrq offices. The first round of PDMs occurred three days after the distribution to assess the immediate impact of the mobile wallet cash distribution. The second round occurred 15 days after the distribution. 73% of respondents were between 18 and 30 years old, and 27% were above 30 years old.

User Data

Through Mercy Corps' partnership with Dinarak, Mercy Corps is able to review anonymized user data. With this information, Mercy Corps is able to monitor important mobile wallet behavior such as using the mobile wallet as a savings mechanism, transaction history, agents used for purchase or cash-out, etc.

Account Status	Customer Number	City	Cash-in Amount (JOD)	Number of login	Number of transactions (Sender)	Amount Used (JOD)	Wallet Balance (JOD)
Approved	8	03 - Irbid	152	2	1	151.5	0.50
Approved	9	12 - Mafrq	152	5	-	-	152.00
Approved	10	12 - Mafrq	152	20	-	-	152.00
Approved	11	02 - Zarqa	152	8	3	135.2	16.79
Approved	12	12 - Mafrq	152	15	2	131.3	20.75
Approved	13	12 - Mafrq	152	69	1	151.5	0.50
Approved	14	12 - Mafrq	152	16	-	-	152.00

Customer Wallet Data

	A	B	C	D	E
	Customer Number	Number of transaction	Date of transaction	Type of transactions	Total Amount(JoD)
1			16/06/2018 08:29:15 PM	eFawatercom Payment	8.065
2			15/06/2018 04:55:24 PM	eFawatercom Payment	7.51
3					
4	1	5	11/6/18 23:52	Agent Cash Out	50.5

Transaction Data

Examples of user data extracted from the Dinarak mobile application

User data was extracted twice: June 23rd (12 days post distribution) and July 18th (37 days post-distribution). These two dates with the same data points allow trends to be analyzed regarding user behavior of their mobile wallets.

This data is encrypted and anonymized in order to ensure the privacy and security of beneficiary data, and is only collected and analyzed in order to improve Mercy Corps' cash assistance programs.

Findings

Financial Behavior

The vast majority of actions taken by beneficiaries with their mobile wallets fall into three categories: cash out, where the beneficiary withdraw cash from a Dinarak agent or office; online payment, primarily eFawateercom payments², and finally saving money for later use.

Cash Out

Unsurprisingly, cashing out some or all of the amount in the mobile wallet was one of the most common behaviors. That said, only 37.5% of beneficiaries used the mobile wallet exclusively for cash out of their full assistance amount. The remaining 62.5% of beneficiaries either made purchases directly with the mobile wallet application or used the mobile wallet as a savings mechanism. Additionally, only 8 beneficiaries (18%) indicated that mobile was not their preferred method of cash distribution. The average age of the beneficiaries that did not prefer to use mobile wallet for a theoretical future distribution was 33 years old, while the average age for the rest of the beneficiaries that did want to use mobile wallet in the future was 25 years old. Age appears to be a factor in satisfaction with mobile wallets, with younger beneficiaries overwhelmingly preferring it as a cash distribution method. One of the risks of mobile wallet as a cash distribution method is that beneficiaries would view the application as simply an administrative barrier to having cash in hand. PDM responses and user data, however, indicate that the functionality of the mobile wallet is an added benefit to the vast majority of beneficiaries. Cash out of full or partial balances of the mobile wallet occurred at 8 different locations in three different cities (Irbid, Mafraq and Ramtha). By June 23rd (12 days post-distribution), 63% of cash assistance (4,614.50 JD) had been withdrawn as cash from a total cash assistance distribution of 7,296.00. By July 15th (37 days post-distribution), 85% (6,226.80 JD) had been withdrawn as cash out, with remainder saved, spent on online payments, or transferred to another individual's mobile wallet.

eFawateercom Payments

eFawateercom payments were the most common individual transaction, with 87 total transactions. 54% of beneficiaries made at least one payment through eFawateercom, with most beneficiaries making more than one payment. eFawateercom is the Government of Jordan's online bill pay service. From a protection perspective, this number is particularly significant as it allowed over half of the beneficiaries to make necessary payments from the safety of their home, which greatly reduces their protection risks. PDM responses corroborate this finding, as 100% of PDM beneficiaries who responded to the second PDM indicated that they felt safe using their mobile wallet.

² eFawateercom is the Government of Jordan-supported online bill-pay system

Savings Behavior



Almost two weeks after the cash distribution, 50% of beneficiaries had money saved in their mobile wallets.

One of the most interesting trends to follow throughout this mobile wallet pilot is the savings behavior of beneficiaries. Both before and after receiving cash assistance through mobile wallet, most of the beneficiaries that were provided with mobile wallets indicated that they were incapable of saving money in any form. In analyzing the user data of the mobile wallets, however, it would appear that beneficiaries were able to save money to some extent for future purchases, and that mobile wallets were used as a

tool for savings. This difference between perception of ability to save and actual ability to save indicates that mobile wallets may lower barriers to saving. It is important to note that beneficiaries were not given any training on savings or budgeting, so all savings behavior came solely from their experiences and their use of the mobile wallet.

Only 15 of the 48 beneficiaries answered affirmatively when they were asked if they are able to save money at all for future purchases, with or without the mobile wallet. According to user data, however, almost two weeks after the cash distribution, 50% of beneficiaries had money saved in their mobile wallets³, and that of 7,296.00 JOD originally distributed, 2,132.87 JOD (29% of total assistance) remained in beneficiaries' wallets as savings. 37 days after the original cash distribution, 6 beneficiaries of 48 still had money saved in their mobile wallets totaling 356.87 JOD.

Other Transactions

Additionally, a small minority of beneficiaries paid for goods at brick and mortar stores directly with their mobile wallet (1 transaction) and transferred money to another mobile wallet user (4 transactions). These actions were not common enough to draw any conclusions from, other than that they are worth exploring as behaviors in future distributions.

Protection Findings

Both the first and second PDM included questions on perceived safety, exposure to violence, and the correlation between receiving cash via mobile wallet and safety. The findings have been summarized as the following:

- Increased ownership of individual or household finances leading to more money being spent on household necessities and items that improve the livelihoods of children in the home.
- Decreasing the need to travel to the ATMs/exchange centers which might be located far away, especially for people in rural areas, which requires transportation costs and time. This contributed to 98% of participants mentioned that they would recommend their friends and families to use mobile wallets.
- Exchange centers and banks are often overcrowded, which can make it uncomfortable for females, as they might be exposed to verbal abuse or harassment from men. 100% of participants indicated that they were not exposed to any type of violence or harassment by using mobile wallet.
- Traditional cash delivery systems have the added disadvantage of bringing increased attention on beneficiaries that receive cash assistance, which can lead to increased tension and conflict in both the household and in the community. The discretion offered by mobile wallets alleviate pressure from relatives asking for money and other extortion such as the landlord increasing rent due to knowing the beneficiary received cash

³ Saving is defined as have a mobile wallet balance of at least 5 JOD

- When asked about their preference for different cash assistance modalities, 82% of the participants preferred mobile wallet to previous cash assistance distribution modalities, while 18% said they preferred neither mobile wallet nor previous cash assistance methods. No respondents indicated that they preferred non-mobile wallet modalities over mobile wallets.



“Because the account [mobile wallet] is on my phone and accessible for me I'm not afraid to lose it or not know what the status of my money is. Also, there is no need to go anymore out to some unknown places to withdraw cash or buy things.”

— Mafrq Beneficiary

Findings

Financial Inclusion

Feedback from beneficiaries via PDMs and usage data indicates that mobile wallets as opposed to traditional cash-out options (ATM and Hawala) are a useful tool. A major indicator of this is the relatively low cash-out rate and high rate of mobile payments per beneficiary. Beneficiaries used the mobile wallets as an online payment tool and savings mechanism as designed.

Additionally, self-reporting through the PDMs indicate that many beneficiaries did not view mobile wallets as a barrier to access cash but instead used the mobile wallet as an opportunity to engage in financial behavior that they may not have been able to without the wallet or due to other perceived protection risks. As an example, of the 15 beneficiaries that indicated they are regularly able to save money, 11 responded that they intend to use their mobile wallet as a savings mechanism. User data that shows short- and medium-term savings behavior from 50% of beneficiaries corroborate this finding and indicate that these wallets do have the potential to provide some of the most vulnerable populations in Jordan the opportunity to access formalized financial tools that can facilitate productive financial behavior such as saving.

Based on observations and informal interviews during training and distribution, there are significant challenges related to understanding the technology. Many beneficiaries were confused by the functionality and purpose of receiving cash via mobile wallet. Clearly articulating the goals of a mobile wallet program to beneficiaries so that they understand and believe in the modality seems to be a crucial missing aspect of the mobile wallet pilot rollout.

Protection Learnings

Initial indicators show that this mobile wallet pilot may have successfully mitigated some of the perceived risks associated with this beneficiary population. 100% of PDM respondents indicated that they felt safe using their mobile wallet. Additionally, 37 of 45 PDM respondents responded that they felt safer using their mobile wallet than before they had access to a mobile wallet, with the remaining 8 respondents indicating that mobile wallet did not change their perception of personal safety. No respondents felt that their personal safety was worse than before receiving access to a mobile wallet.

Humanitarian Learnings

Apart from the potential to positively impact beneficiaries through mitigating some protection risks and access to financial systems, mobile wallets allow humanitarian and development organizations to learn from beneficiary behavior in a way that was not possible before mobile wallets. This ancillary benefit allows organizations to change implementation practices to more closely align with beneficiary needs. For example,

out of 48 beneficiaries, there were 87 eFawateercom payments made directly through the mobile wallet application. Based on this data, Mercy Corps followed up in the second PDM to find out what items beneficiaries were paying for using the eFawateercom portal. Mobile and internet recharge were the most popular items to pay for using the mobile wallet. Without the specific user data to help tailor the follow up questions, Mercy Corps would not have known which questions to ask about preferred mobile payments. This insight will guide future implementation decisions to prioritize beneficiary access to internet and mobile credit.

Providers of mobile wallets such as NGOs need to prioritize a beneficiary-centric approach to implementing these programs. The beneficiaries of this pilot are exemplary of the population being targeted for mobile wallet-based financial inclusion programs. This population tends to be both skeptical of giving out personal information and tend to have lower levels of technology literacy than the average Jordanian resident. These two factors require that NGOs are proactively transparent about explaining the purpose and process of a mobile wallet cash assistance distribution. These explanations need to be culturally and practically relevant and need to listen to and address the specific concerns that beneficiaries have.

Next Steps

Implement More Mobile Wallet-based Cash Distributions

The data collected so far indicates that mobile wallets can potentially mitigate protection risks for female beneficiaries and can encourage or allow financial behaviors that may lead to increased individual resilience. More projects will need to be implemented and more data collected to more strongly indicate correlations between mobile wallets and positive outcomes for beneficiary.

Additionally, mobile wallet programs should be implemented with different beneficiary groups (varied by age, gender, location, financial vulnerability level, education level, disabilities, etc.) to determine if certain groups are impacted more than others by cash distribution through mobile wallets.

Develop or Customize Mobile Wallet Monitoring and Evaluation tools

In order to measure mobile wallets' impact on protection risks or financial inclusion, a consistent M&E module that is relevant to the local context must be developed. With this module, organizations will be able to accurately evaluate the potential impact of mobile wallet programming.

Co-Design Future Iterations of Mobile Wallets with Beneficiaries

In order to maximize the potential positive impact of mobile wallets on beneficiaries, they should be included in the design of future iterations of mobile wallet products. In technology development, Human Centered Design methodology advocates for getting users involved in the design process of a given product early in the development cycle in order to make the product as useful to that user group as possible from the beginning. In the case of mobile wallets, designing with the end user could yield a product that is both easier to use for vulnerable populations and addresses more of their needs from a protection and financial inclusion perspective.

CONTACT

Max Nichols

Consultant, Digital Financial Services | Mercy
Corps Jordan

mnichols@mercycorps.org

About Mercy Corps

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45 SW Ankeny Street
Portland, Oregon 97204
888.842.0842
mercycorps.org