The Adoption and Impact of Mobile Banking in Kenya
Data Collection Summary

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Country: Kenya

Summary: This project will build on an existing survey to administer three more surveys to the 3,000 households and M-PESA agents from an earlier sample. In the first round, households from a range of districts in Kenya with access to at least one M-PESA agent were sampled in an effort to identify and interview users of the service. The second round allows for the creation of a GIS map of the universe of M-PESA agents, agents of other mobile banking services, and other financial institutions, and to map the network of cell towers. Finally, the third round, in collaboration with CFSP Member Christopher Woodruff, focuses on a specific experimental intervention using this mobile banking technology in order to identify paths to efficient cash management.

Survey Time Frame and Rounds:
- Round 1: Summer of 2009
- Round 2: January 2010
- Round 3: July 2010
- Experimental component of survey: Fall 2009-Fall 2010

Modules:
- Household
- Agent
- Micro entrepreneur (experimental component)

Sample: Households and agents from districts of Kenya with at least M-PESA agents as well as 600 micro entrepreneurs.

Survey size: 4,700 (3,600 households, 500 agents, and 600 micro entrepreneurs [300 assigned to the treatment and 300 to control]).

Intervention:
- Provide incentives for customers of M-PESA to accumulate savings on the M-PESA account by making payments comparable to markets rate of interest on balances held in the accounts and by subsidizing transaction costs of making deposits and withdrawals.
- Make payment reimbursing half of the transactions costs incurred, to more closely mimic conditions that might be present in a more competitive system.