

MTN's MoMo platform drives financial services transformation

South Africans, accustomed to paying fees every time they use a card or banking solution, are increasingly seeking alternatives to traditional financial services offerings. This is just one of the reasons why, just four years after launch, MTN's Mobile Money (MoMo) platform already has eight million subscribers.



Source: Bradwin Roper, chief financial services officer at MTN.

With the prevalence of fees in traditional financial services, South Africans are actively exploring alternatives, leading to MTN's Mobile Money (MoMo) platform gaining eight million subscribers in just four years.

Bradwin Roper, chief financial services officer at MTN, highlights the increasing demand for alternatives, especially among those in rural areas lacking traditional infrastructure. Driven by a need to reduce expenditure and service costs, South Africans are seeking connectivity, simplicity, reliability, added value, and an increasing range of services from a single source.

“As more South Africans look to join the mainstream financial services sector, they encounter discouraging fees, complexity, and bureaucratic hurdles. Compounding this is the present economic situation, which is seeing banking fees increase, and even double in some cases,” says Roper.

MTN views the search for alternative services as a crucial step toward creating a more equitable society, allowing

previously unbanked individuals and those with lower incomes or wages to benefit from the formal financial sector.

“Our commitment to this market is expressed in our MoMo platform, which has attracted eight million subscribers in a few years. The key to this success has not been due only to free services but access to everyday services and the promise of future advancements,” continues Roper.

A comprehensive range of fee-free services

Currently, through MoMo, which is powered by African Bank, subscribers enjoy a range of services, including unique features like free Lotto participation, fee-free payments for DSTV accounts, electricity, and effortless transfers to "betting wallets". Users can also purchase airtime and data without additional charges. The recent addition of personal loans further bolsters MoMo's value proposition.

“The fee-free benefits of many of our MoMo services are significant, particularly as many individuals struggle to make ends meet amid mounting financial pressures,” says Roper.



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Another key MoMo feature includes the availability of long-distance bus tickets now available in the app and also over the counter, with more than 19,000 MoMo agents countrywide.

“The advantage that MTN and other significant players in this sector have, is that we do not have the legacy investments in technology and systems common to many mainstream financial institutions. Our ability to offer cost-effective and convenient smartphone-based services and quickly adapt to changing customer needs to launch add-on services means we have a significant business advantage,” says Roper.

“Consumer trends indicate that the search for alternative services will only accelerate into the future. Our ability to pivot, meet demands, and control costs together with our commitment to offering customers innovation at every step, will drive benefit for a growing customer base well into the future.”

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