



Youth cohort analysis from FinAccess

February 2025



• • • Youth cohort analysis

The youth cohort analysis makes use of FinAccess survey data from 2021 and 2024 to track the divergence between young men and women for various financial inclusion metrics. This analysis focuses on ages 16-23, when we begin to see different patterns emerging in the uptake of financial services across genders. Key takeaways are:

- Digitisation has shifted the financial landscape for youth. Male and female youth have become more digitally connected from 2021 to 2024. An increased percentage of the youth age groups are now personally owning a smartphone and using the internet at least monthly. This increased trend is also true for the whole population
- Formal account ownership (driven by mobile money account ownership) is similar for both male and female youth cohorts until they reach 21 – 23-years-old. The percentage of males aged 21 – 23-years-old with a *formal* financial account increased from 2021 to 2024 (25% to 37%), while the percentage of women aged 21 – 23-years-old using *informal* financial products decreased from 2021 to 2024 (56% to 48%). The decreased use of informal financial products has not been matched by an increased uptake of formal financial products among the female youth age groups
- As men and women get older, they tend to diverge in their channels of savings. Women opt to save using informal channels whereas men choose more formal channels
- The use of formal loans has increased for all youth age groups from 2021 to 2024. Uptake of informal loans among women aged 21 – 23-years-old has decreased from 2021 to 2024 (34% to 27%)
- The frequency and extent to which youth are using digital payment channels to make household payments or to send or receive money has increased from 2021 to 2024, the same is true for the whole population

FinAccess 2024

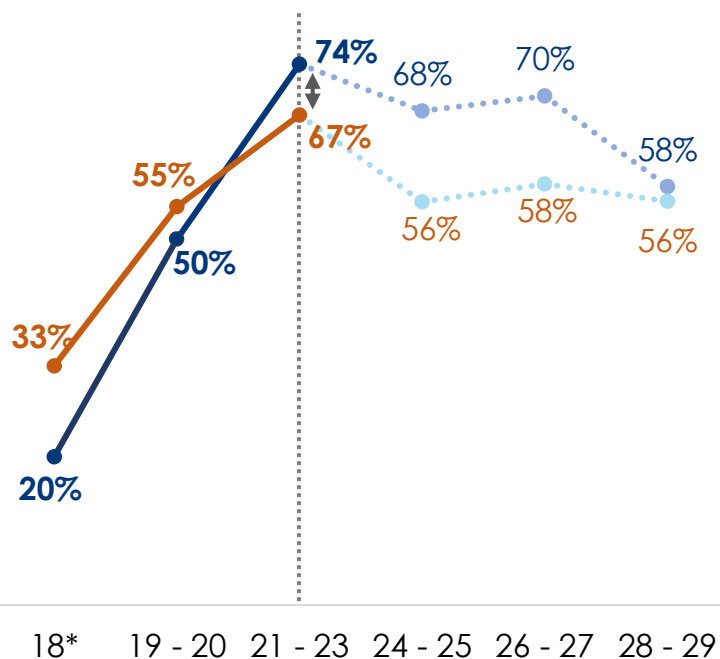
Socioeconomic indicators

Female youth have remained more likely to be married / living with a partner than males of the same age according to FinAccess 2024, they are also significantly more likely to have children than young men

% Finished Secondary Education

All ages: 44%

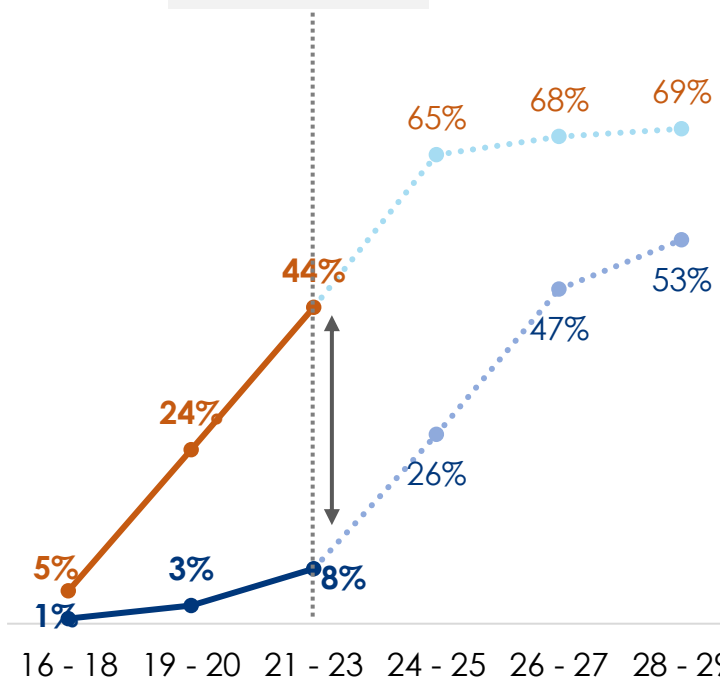
16 – 18-year-old cohort in 2019



% Married / Living with a partner

All ages: 68%

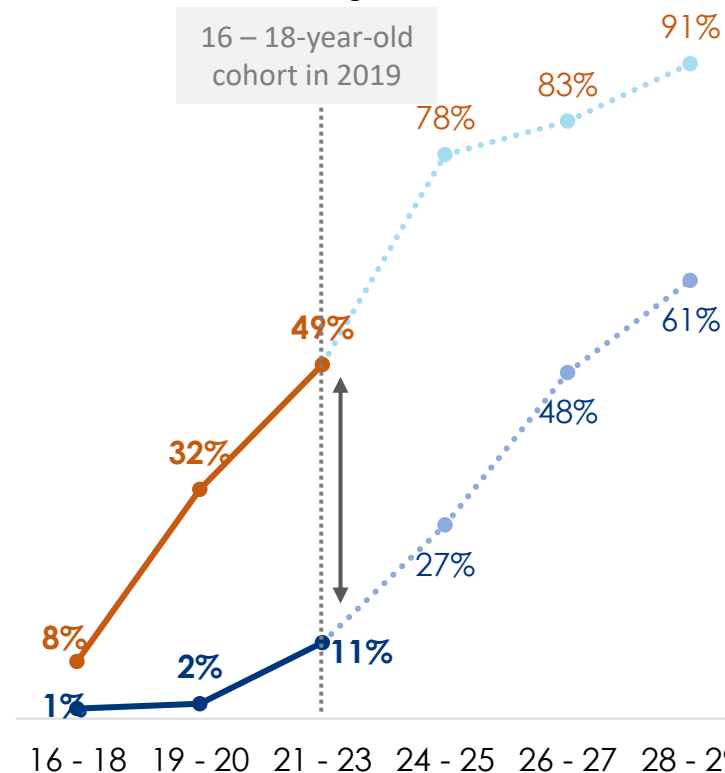
16 – 18-year-old cohort in 2019



% With a child (biological or adopted)

All ages: 36%

16 – 18-year-old cohort in 2019



— Men — Women

Source: FinAccess 2024

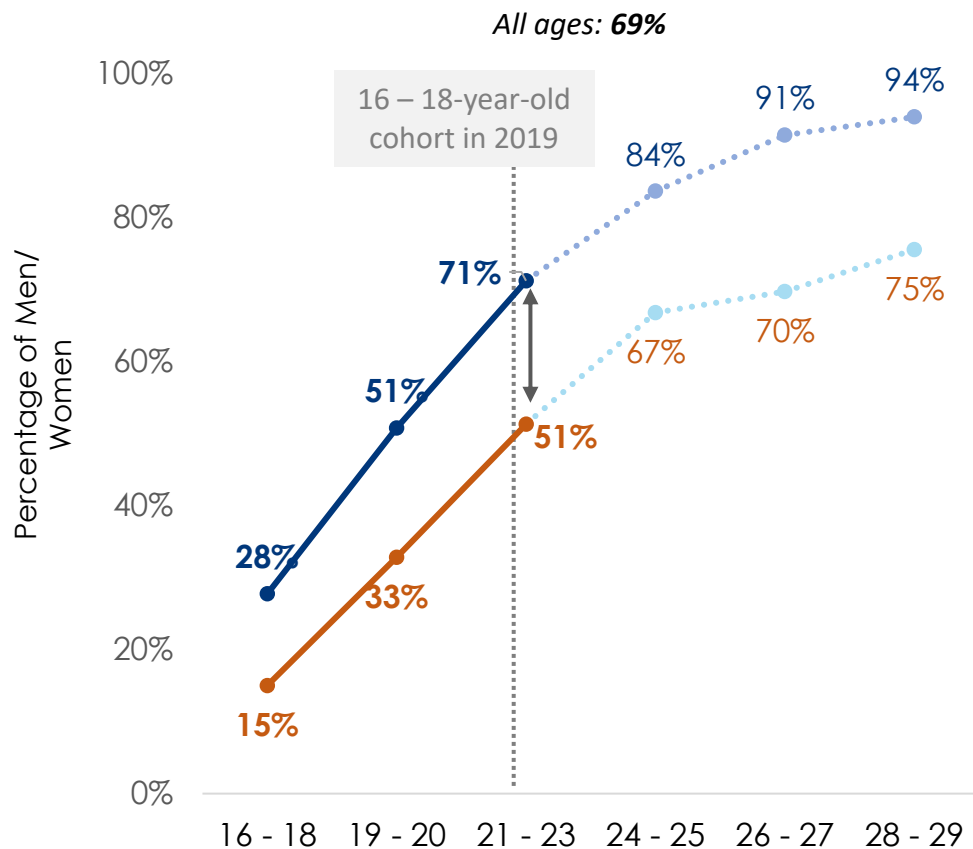
Notes: *The finished secondary education metric only Includes adults aged 18 and above.

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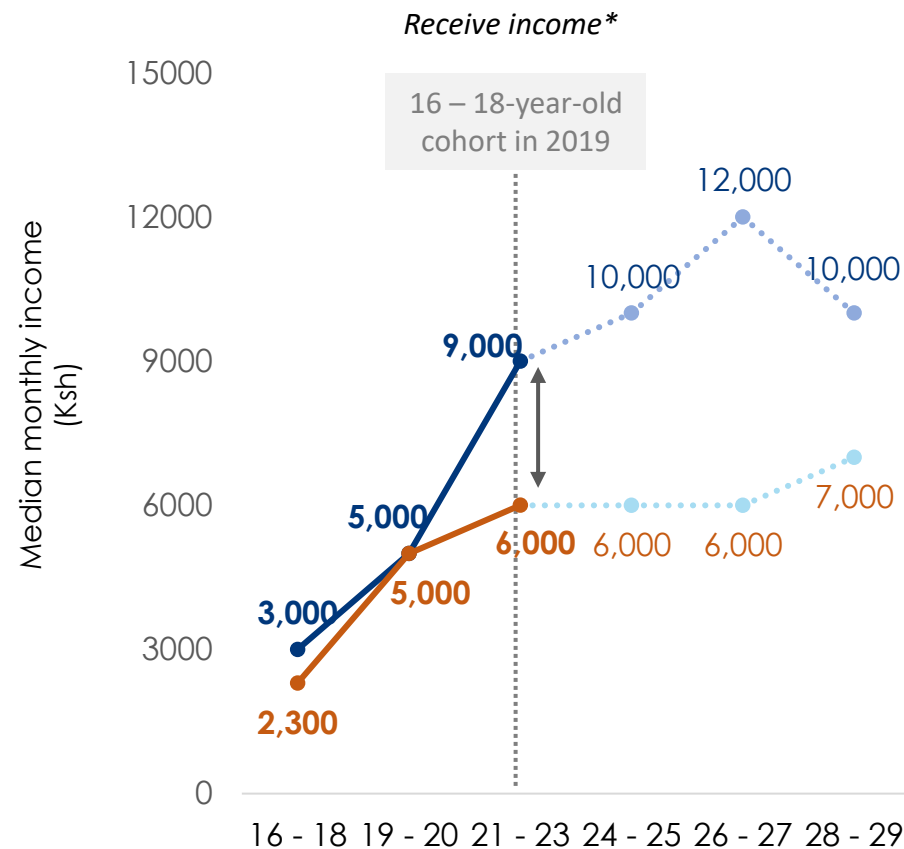
Socioeconomic indicators

Males are getting into the workforce earlier than women, and of those who are working, young men have higher median incomes than women

% Main source of livelihood is 'Own income'*



Median income for those who receive an income



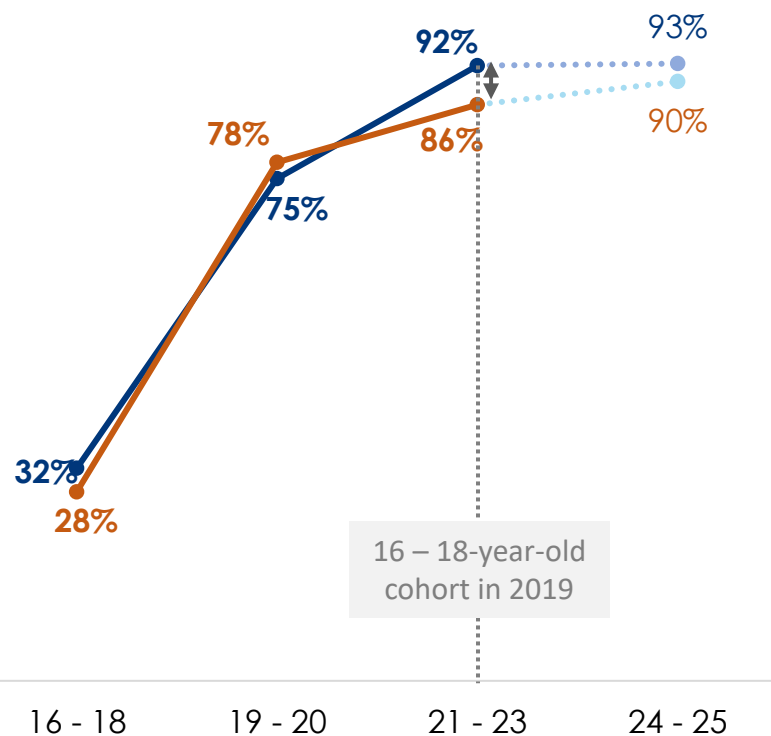
*'Own income' includes money earned from any of the following income sources: casual work, own business / self-employed, employment or farming.

Digital connectivity

Digitisation has shifted the financial landscape for youth. Male youth appear to become more digitally connected over time than females, particularly when it comes to smartphone ownership and internet usage

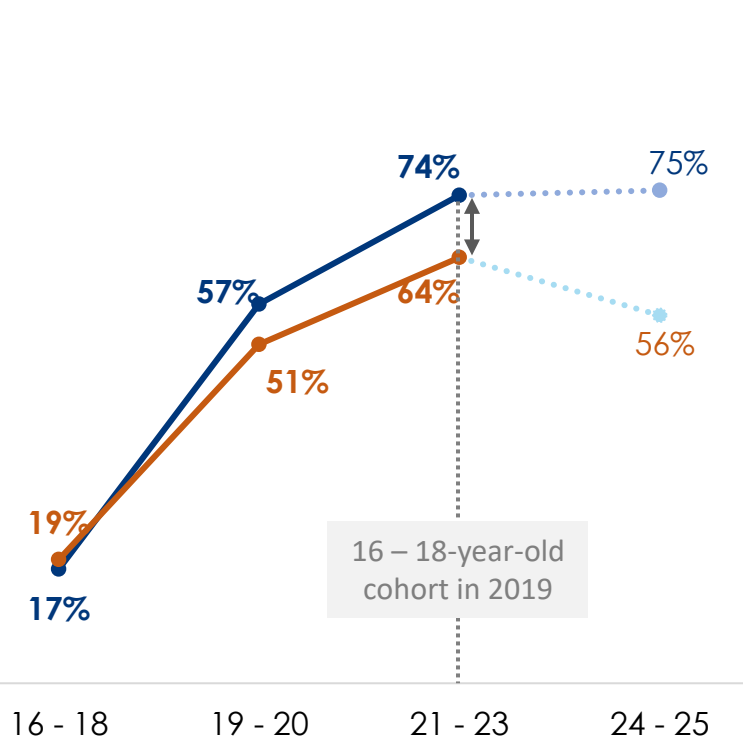
Personally own a mobile phone

All ages: 82%



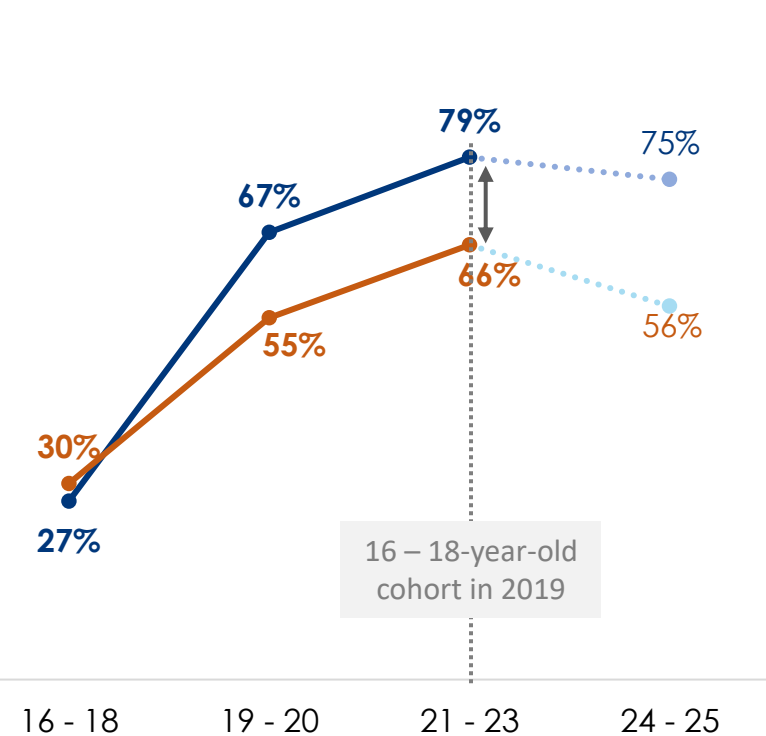
Personally own a smartphone*

All ages: 48%



Use the internet at least monthly

All ages: 48%



Men

Women

Source: FinAccess 2024

Note: *A smartphone is defined as a mobile phone that can either access the internet, download and install apps or has a touch screen

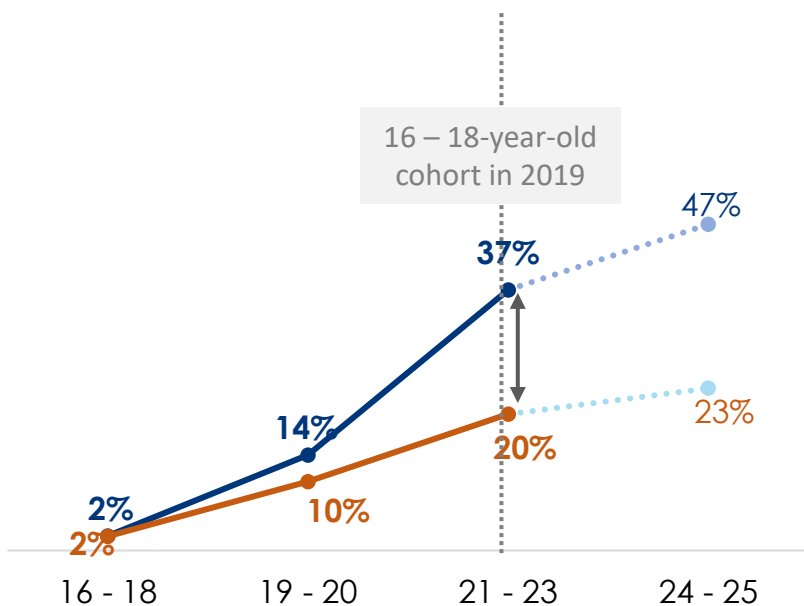
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Financial product/services usage

- Formal account ownership (driven by mobile money account ownership) is similar for both male and female youth cohorts until the time they reach 21 – 23-years-old. At this point there is a divergence, reflecting a slightly higher uptake of formal accounts for males. As they get older, women are increasing their use of informal financial products at a higher rate compared to men.

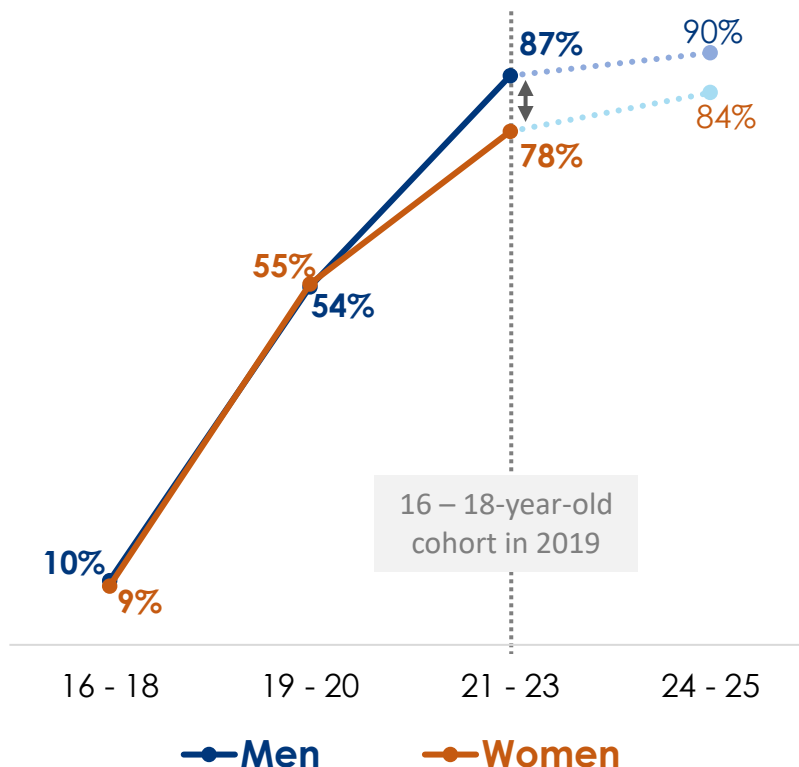
Any Bank, MFI, SACCO account in own name*

All ages: 31%



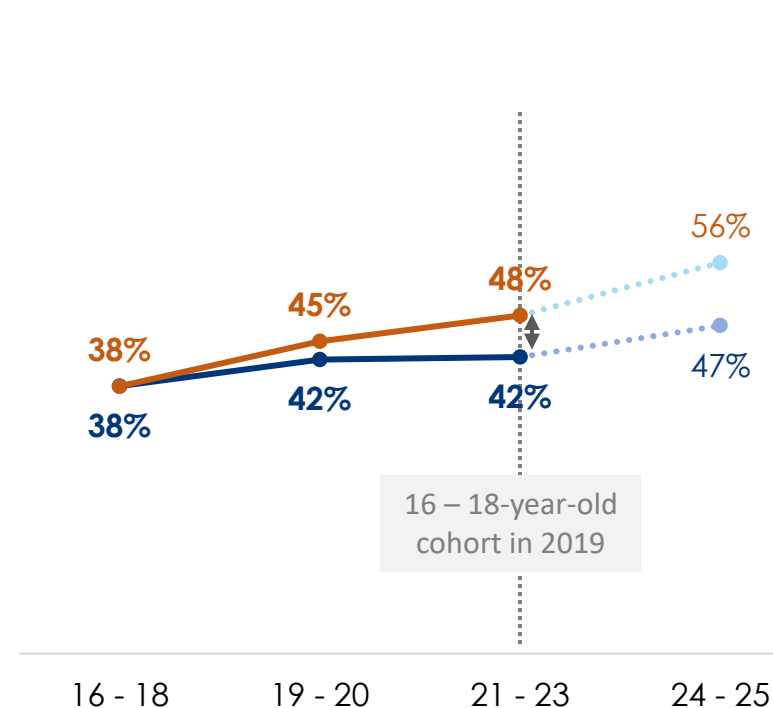
Any mobile/ digital account in own name**

All ages: 76%



Any informal usage***

All ages: 55%



Source: FinAccess 2024

Note: All analysis is focused on adults who *currently* have any of these accounts. *Any traditional formal account in own name includes savings or loans at any of the following institutions: Bank (including debit or credit card), Postbank account, Savings and Credit Cooperative (SACCO), Microfinance Institution **Any mobile formal account in own name includes either being registered on mobile money, having savings through a mobile money provider, a loan from mobile money (Fuliza), being registered on mobile banking, having savings through mobile banking, a loan from mobile banking, a mobile app loan or savings through a mobile app. ***Any informal usage includes any of the following: savings with a group/chama, savings kept with a group of friends / family, savings kept in a secret hiding place, loan from shylocks / loan sharks / money lenders, loan from a group / chama, loan from an employer, loan from family / friend / neighbour, cash loan / goods on credit from shopkeeper or loan / credits from buyer of harvest / supplier of agricultural inputs.

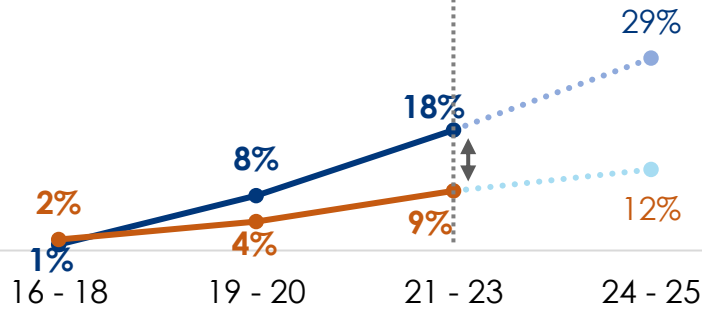
Savings

As men and women get older, they tend to diverge in their channels of savings. Women opt to save using informal channels whereas men choose more formal channels

Any Bank, MFI, SACCO savings*

All ages: 19%

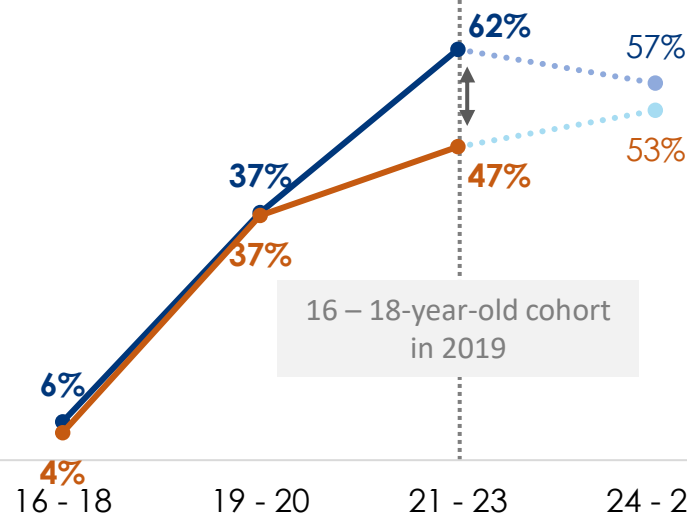
16 – 18-year-old cohort
in 2019



Any mobile/ digital savings**

All ages: 40%

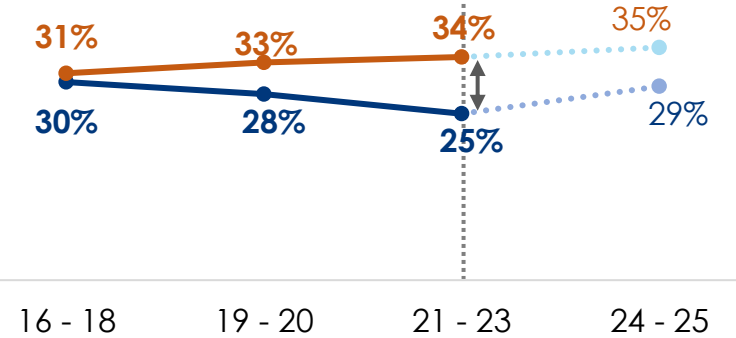
16 – 18-year-old cohort
in 2019



Any informal savings***

All ages: 37%

16 – 18-year-old cohort
in 2019



— Men — Women

Age: 21 - 23	Men	Women
% mobile money savings	44%	35%
% mobile banking savings	36%	27%

Source: FinAccess 2024

Note: *Traditional formal savings includes savings at a Bank, Microfinance Institution or Savings and Credit Cooperative (SACCO). **Any formal mobile savings includes savings through a mobile money provider or savings through mobile banking or savings you keep in a digital app. ***Informal savings includes savings at a group or chama, savings with a group of friends, savings given to a family or friend to keep or savings kept in a secret hiding place

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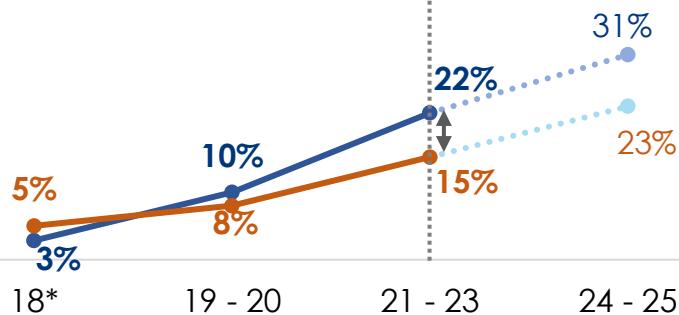
Loans

The use of loans is relatively low for both the male and females below the age of 20. By the time they reach 21 – 23-years-old, men tend to borrow more from formal non-mobile channels like Banks, MFIs or SACCOs whereas women go the more informal route, borrowing mainly from groups/chamas or friends and family amongst others

Any loans from bank, MFI or SACCO *

All ages: 29%

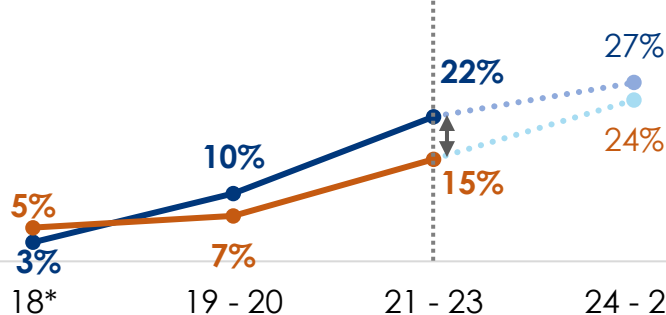
16 – 18-year-old cohort
in 2019



Any mobile/ digital loans**

All ages: 25%

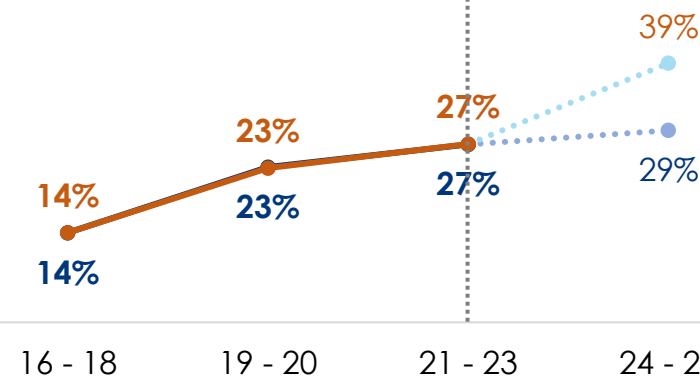
16 – 18-year-old cohort
in 2019



Any informal loans***

All ages: 36%

16 – 18-year-old cohort
in 2019



Men

Women

Age: 21 - 23	Men	Women
% mobile money loan, e.g. Fuliza	19%	13%
% mobile banking loan	4%	2%
% digital app loan	1%	2%

Source: FinAccess 2024

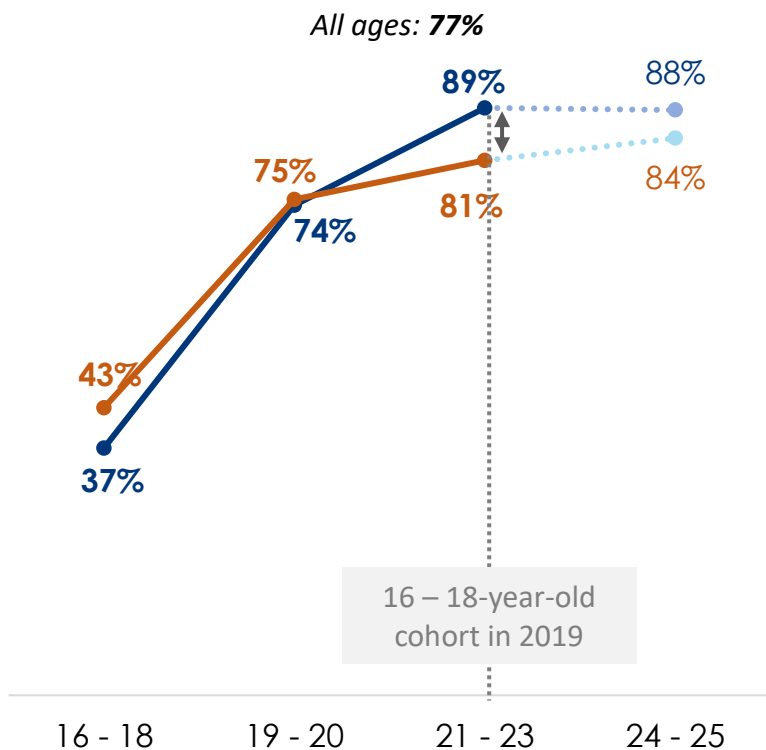
Note: *Formal loans only include adults aged 18 and above. Any formal traditional loan includes any loan from either a Bank, Microfinance Institution or Savings and Credit Cooperative (SACCO). **Any formal mobile/ digital loans includes adults aged 18 and above. Any formal mobile loans includes any loan from either a mobile money provider (i.e. Fuliza), loan from mobile banking (e.g. Mshwari, KCB MPesa, etc.), or digital app loan. ***Any informal loans includes loans from any of the following: Shylocks / Loan Sharks / Money Lenders / Money Merchants; group / chama; an employer; friends / family / neighbour; cash loan or goods on credit from shopkeeper; loan / credit from buyer of harvest / supplier of agricultural inputs.

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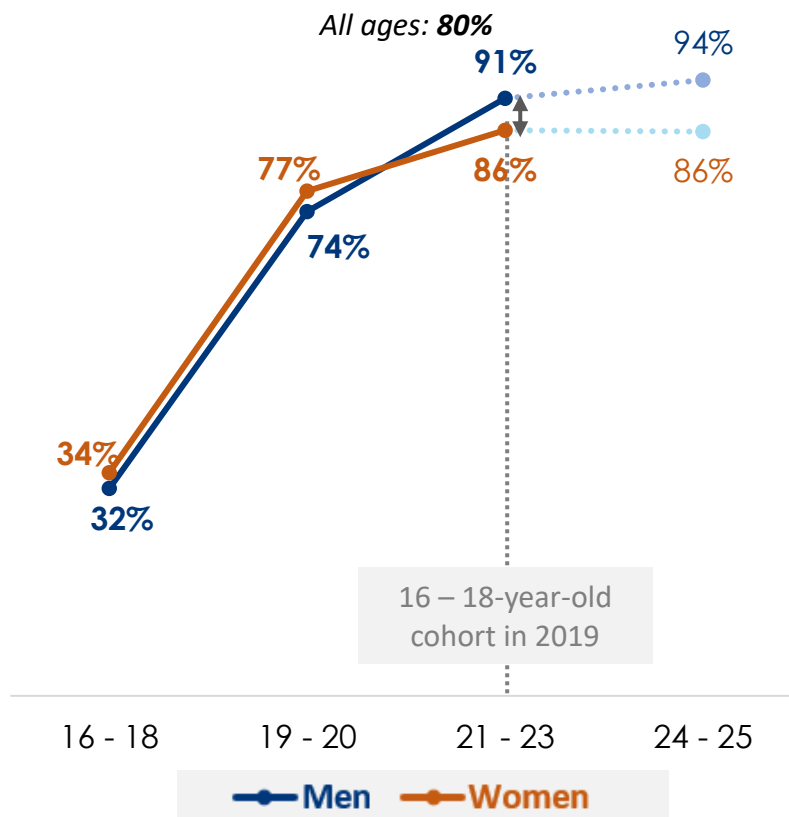
Digital payment and digital account usage

The frequency and extent to which youth are using digital payment channels to make household payments or to send or receive money has increased from 2021 to 2024

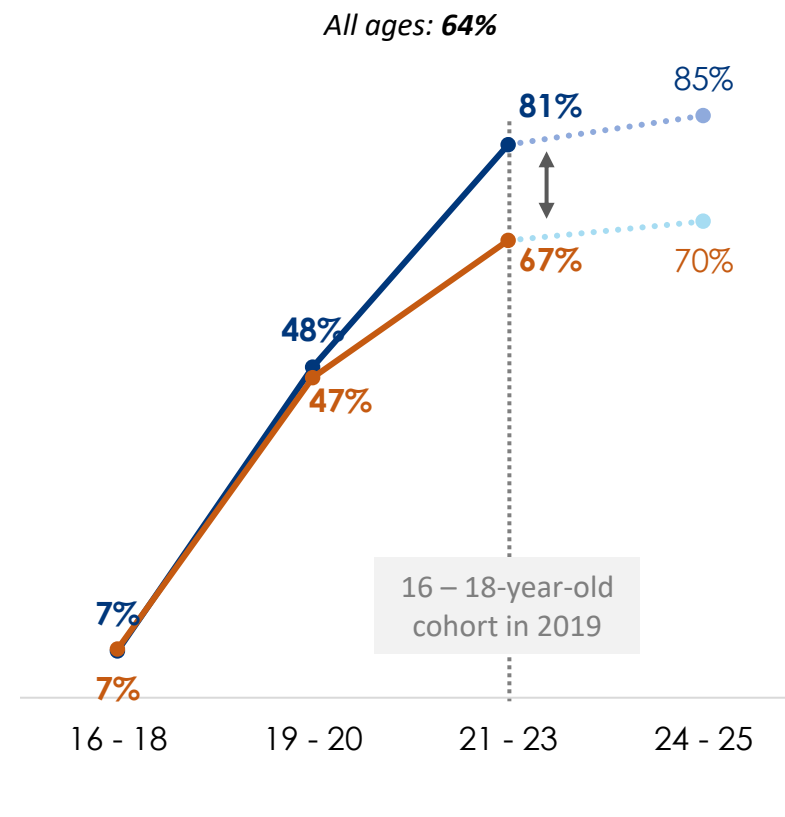
% Made at least one 'advanced' digital payment via an account in past 12 months*



% Sent or received money via a digital account in past 12 months**



% Use digital account at least weekly***



Source: FinAccess 2024

Note: *Individual reported to make any monthly bill payments, school fee payments, payments for daily expenses, government bills, or medical expenses using a digital channel (either bank transfer, mobile money account, mobile money business wallet, bank/sacco/mfb pay bill number, merchant/business pay bill / till number, cheque, credit or debit card or international money transfer) in past 12 months. **Individual reported to send or receive money domestically or cross-border using a digital channel (either bank transfer, mobile money account, mobile money business wallet, bank/sacco/mfb pay bill number, merchant/business pay bill / till number, cheque, credit or debit card or international money transfer) in past 12 months. ***Active on mobile money or mobile banking account either daily or weekly

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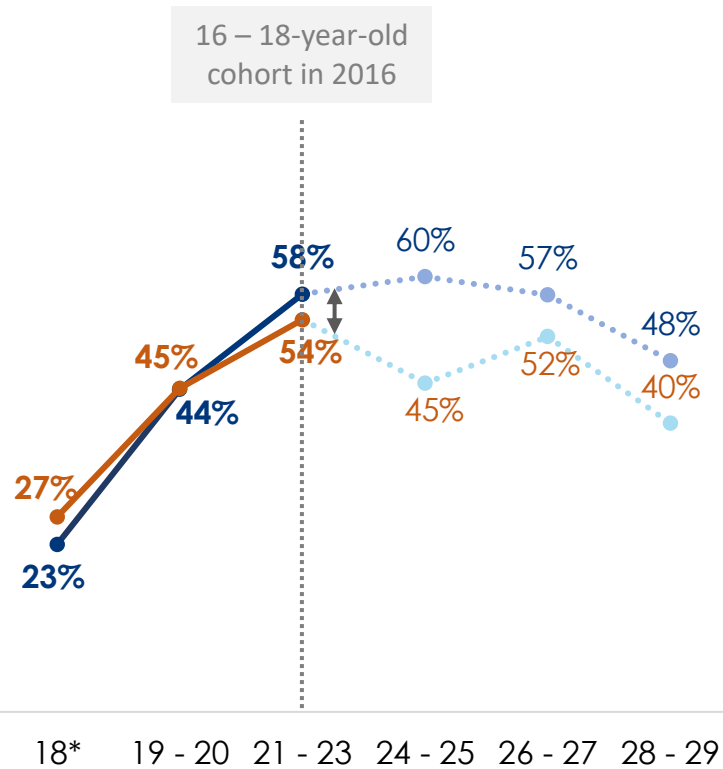
FinAccess 2021

Socioeconomic indicators

Female youth are more likely to be married / living with a partner than males of the same age, and therefore may be occupied with family or household responsibilities rather than looking for work. This may explain why males are getting into the workforce earlier than women

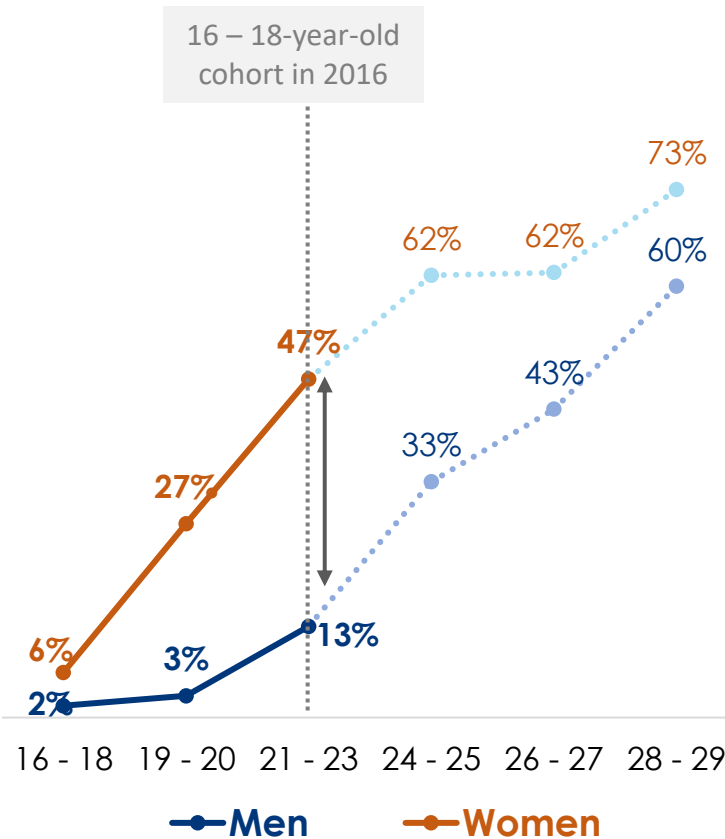
% Finished Secondary Education

All ages: 36%



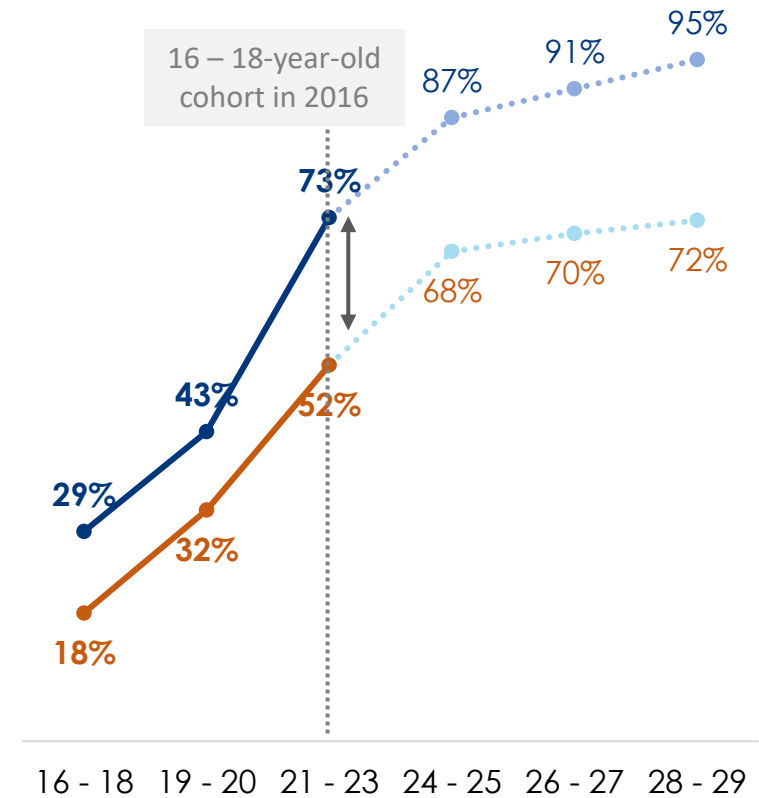
% Married / Living with a partner

All ages: 50%



% Main source of livelihood is 'Own income'**

All ages: 70%



Source: FinAccess 2021

Notes: *The finished secondary education metric only Includes adults aged 18 and above. **'Own income' includes money earned from any of the following income sources: casual work, own business / self-employed, employment or farming.

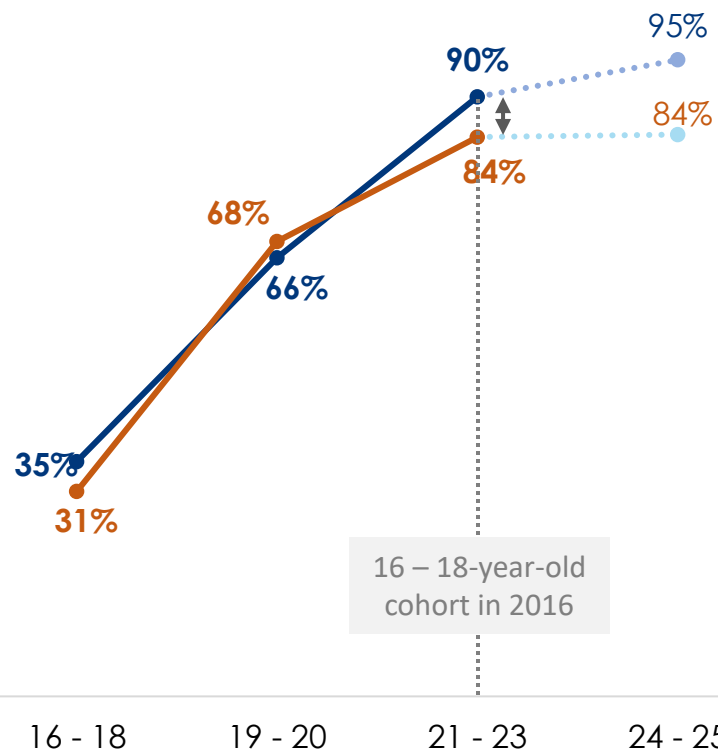
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• Digital connectivity

- Digitisation has shifted the financial landscape for youth. Male youth appear to become more digitally connected over time than females, particularly when it comes to smartphone ownership and internet usage

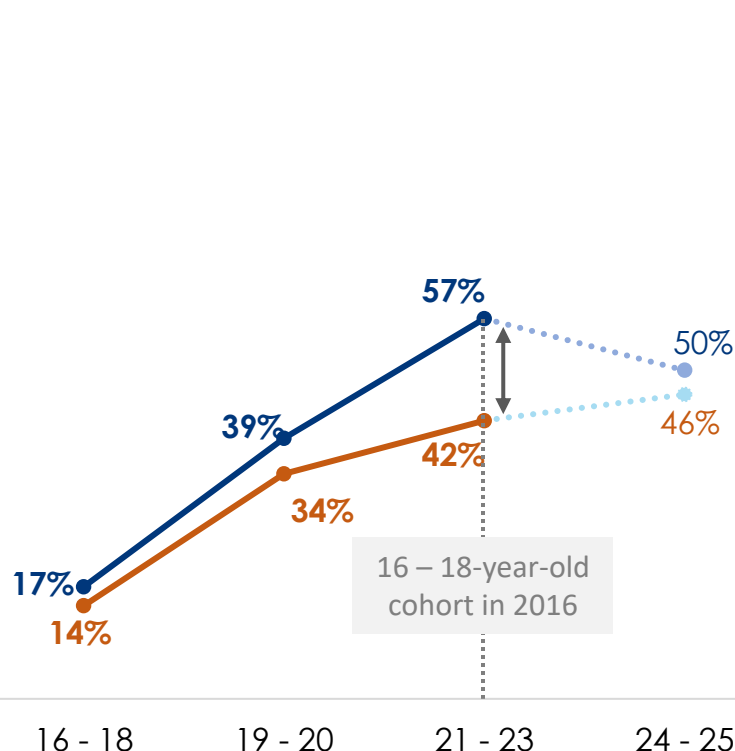
Personally own a mobile phone

All ages: 79%



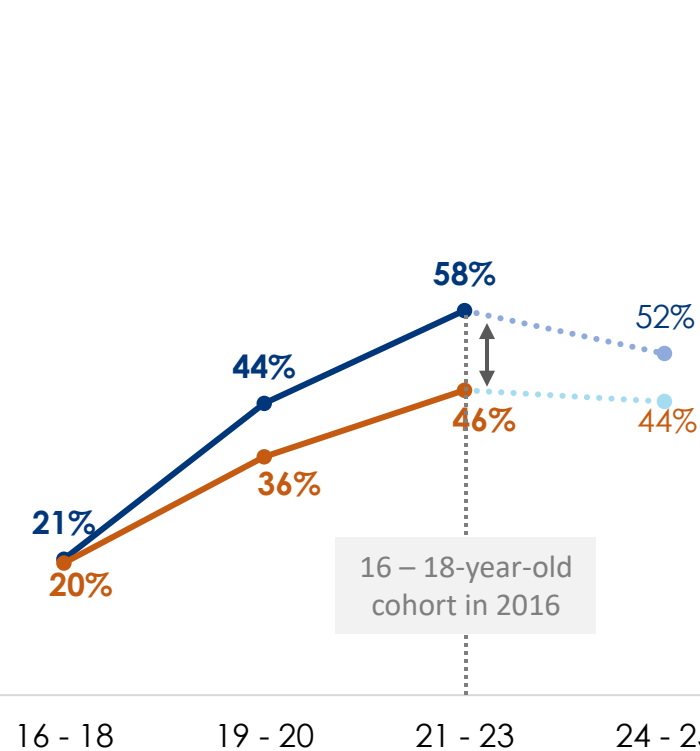
Personally own a smartphone*

All ages: 33%



Use the internet at least monthly

All ages: 32%



—●— Men

—●— Women

Source: FinAccess 2021

Note: *A smartphone is defined as a mobile phone that can either access the internet, download and install apps or has a touch screen

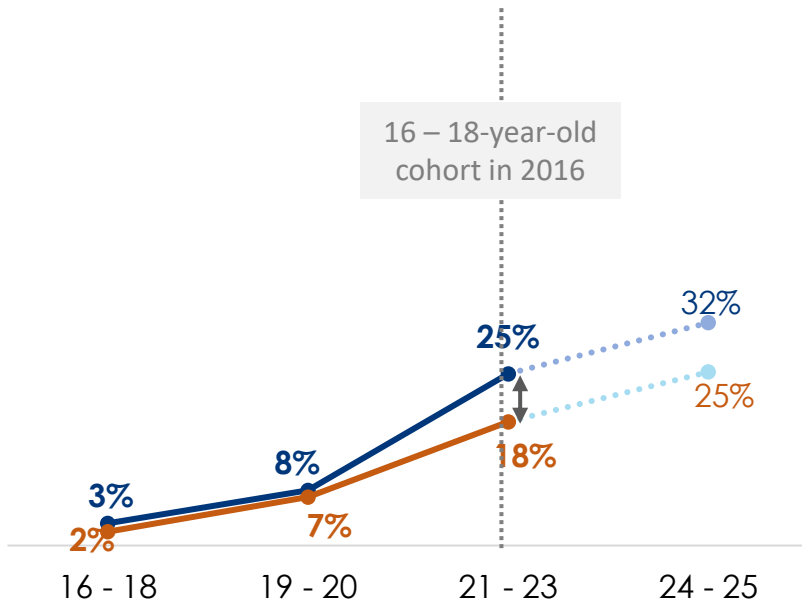
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Financial product/services usage

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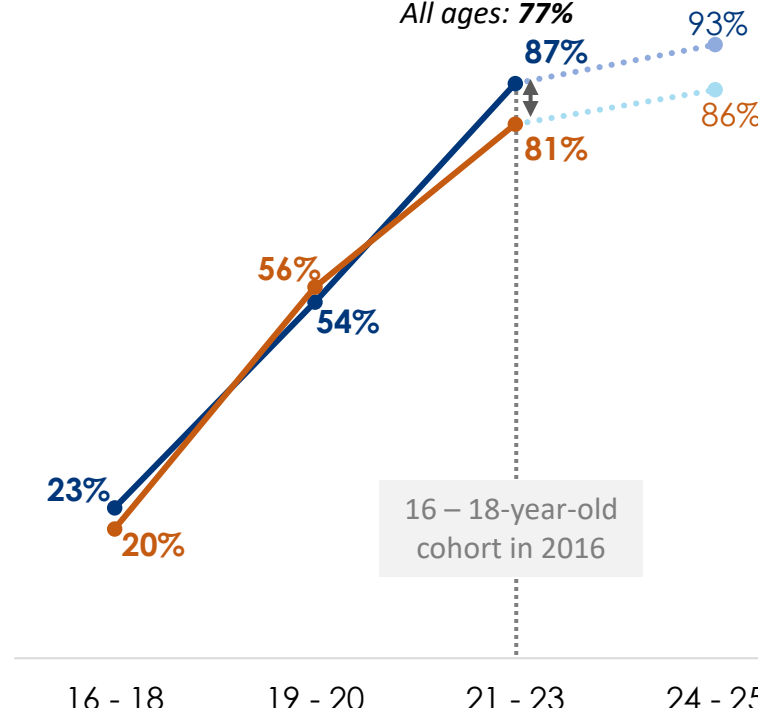
Any bank, MFI or SACCO formal account in own name*

All ages: 27%



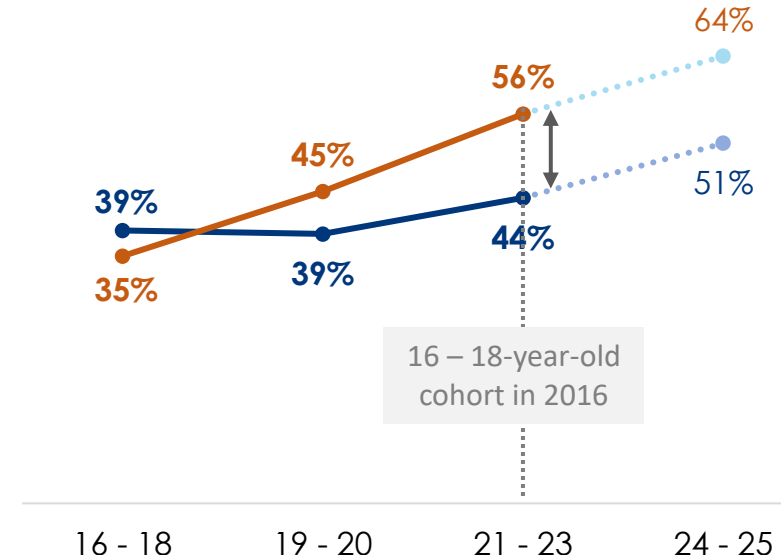
Any mobile/ digital formal account in own name**

All ages: 77%



Any informal usage***

All ages: 58%



— Men — Women

Source: FinAccess 2021

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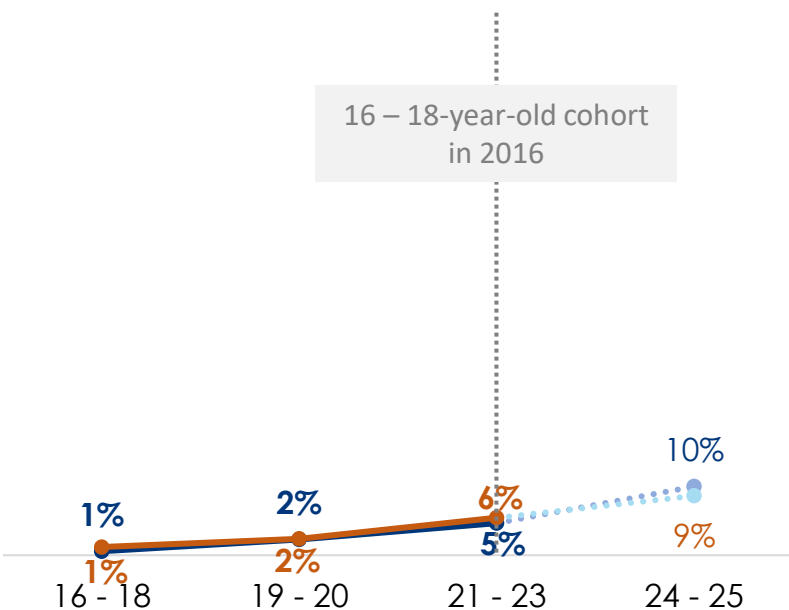
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Savings

As men and women get older, they tend to diverge in their channels of savings. Women opt to save using informal channels whereas men choose more formal channels

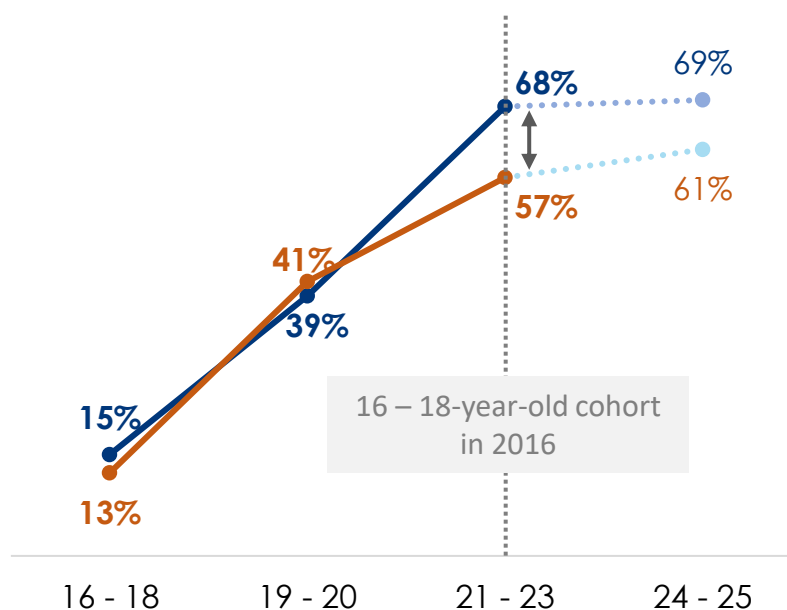
Any bank, MFI, SACCO savings*

All ages: 12%



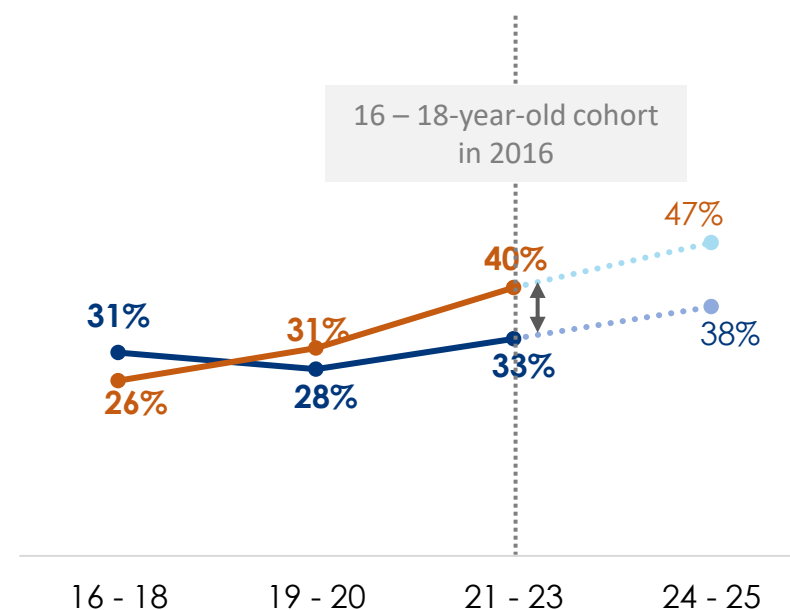
Any mobile/ digital savings**

All ages: 53%



Any informal savings***

All ages: 43%



— Men — Women

Age: 21 - 23	Men	Women
% mobile money	66%	55%
% mobile banking	20%	16%

Source: FinAccess 2021

Note: *Traditional formal savings includes savings at a Bank, Microfinance Institution or Savings and Credit Cooperative (SACCO). **Any formal mobile savings includes savings through a mobile money provider or savings through mobile banking. ***Informal savings includes savings at a group or chama, savings with a group of friends, savings given to a family or friend to keep or savings kept in a secret hiding place

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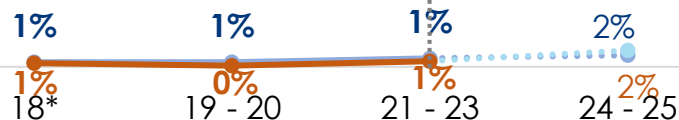
Loans

The use of loans is relatively low for both the male and females below the age of 20. By the time they reach 21 – 23 years-old, men tend to borrow more from formal channels like Banks, MFIs or SACCOs whereas women go the more informal route, borrowing mainly from groups/chamas or friends and family amongst others

Any bank, MFI, SACCO loans*

All ages: 6%

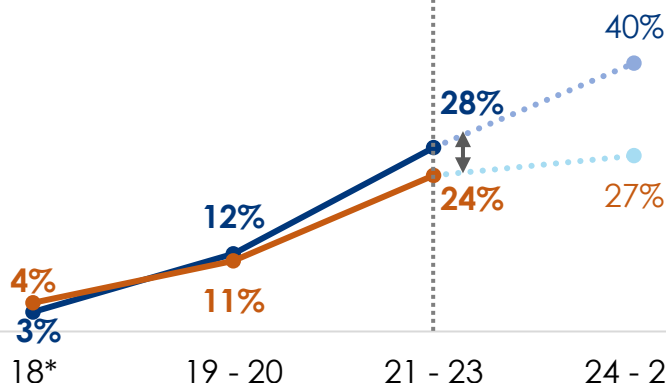
16 – 18-year-old cohort
in 2016



Any mobile/ digital loans**

All ages: 24%

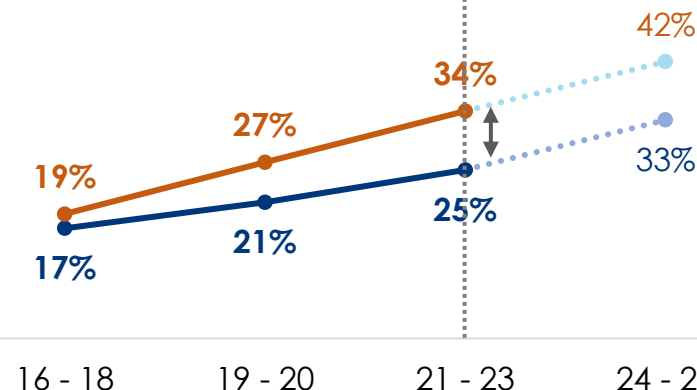
16 – 18-year-old cohort
in 2016



Any informal loans***

All ages: 37%

16 – 18-year-old cohort
in 2016



— Men — Women

Age: 21 - 23	Men	Women
% Fuliza	24%	21%
% mobile banking	4%	5%
% digital app loan	3%	3%

Source: FinAccess 2021

Note: *Formal loans only include adults aged 18 and above. Any formal traditional loan includes any loan from either a Bank, Microfinance Institution or Savings and Credit Cooperative (SACCO). **Any formal mobile loans includes adults aged 18 and above. Any formal mobile loans includes any loan from either a money provider (i.e. Fuliza), loan from mobile banking (e.g. Mshwari, KCB MPesa, etc.), or digital app loan.

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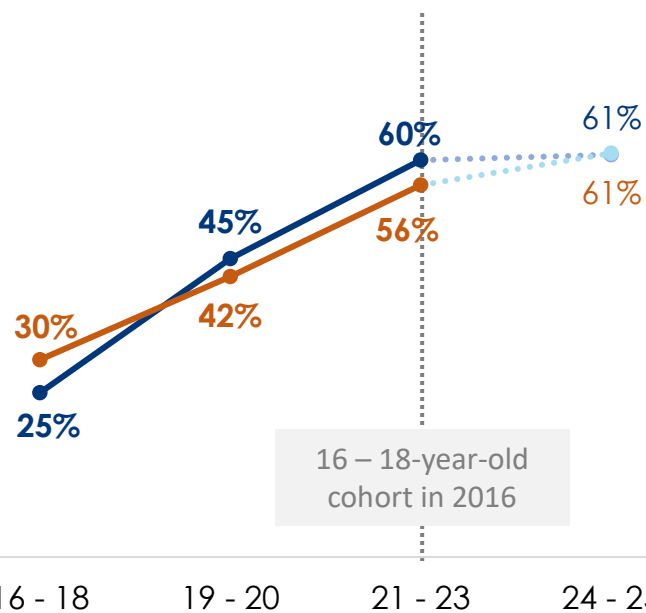
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Digital payment and digital account usage

- The frequency and extent to which youth are using digital payment channels increases with age

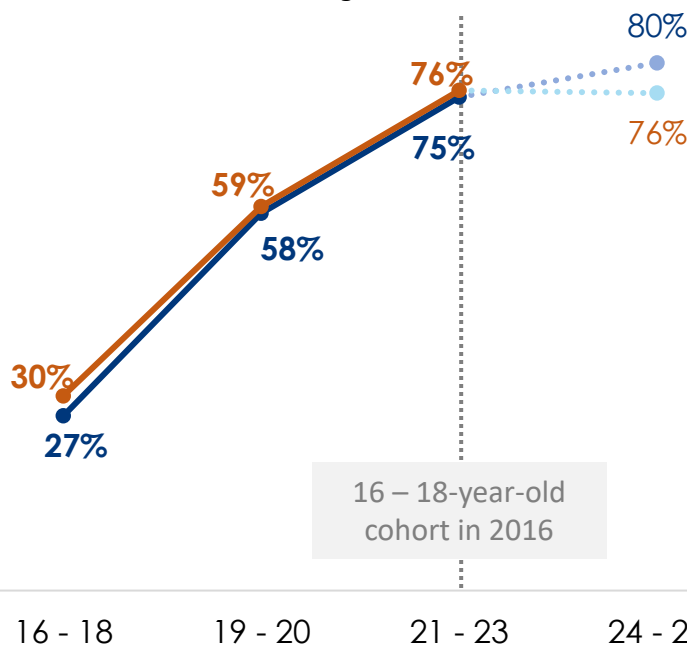
% Made at least one 'advanced' digital payment via an account in past 12 months*

All ages: 56%



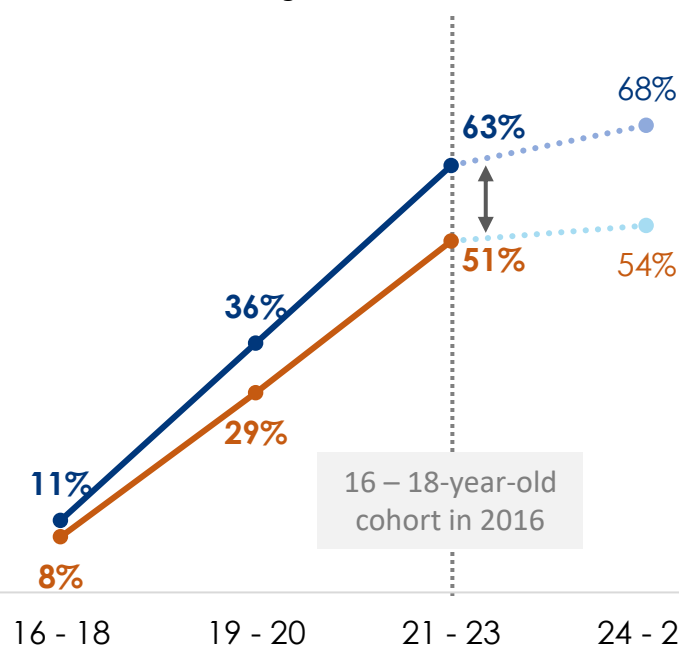
% Sent or received money via a digital account in past 12 months**

All ages: 69%



% Use traditional mobile account at least weekly***

All ages: 49%



— Men — Women

Source: FinAccess 2021

Note: *Individual reported to make any monthly bill payments, school fee payments, payments for daily expenses, government bills, or medical expenses using a digital channel (either bank transfer, mobile money account, mobile banking account, pay bill / till number, cheque, credit or debit card or international mobile transfer) in past 12 months.

Individual reported to send or receive money domestically or cross-border using a digital channel (either bank transfer, mobile money account, mobile banking account, pay bill / till number, cheque, credit or debit card or international mobile transfer) in past 12 months. *Active on mobile money or mobile banking account either daily or weekly

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