

How mobile Apps have brought a revolution to finance in Africa

 whoownsafrika.com/tech/how-mobile-apps-have-brought-a-revolution-to-finance-in-africa/

February 19, 2023



How mobile Apps have brought a revolution to finance in Africa.

By Dr. Diana Rangaves, PharmD, RPh

Mobile apps have changed the way people in Africa access and use financial services. In the past, people had to go to a bank or financial institution to transact. This was inconvenient and often time-consuming. With mobile apps, people can now transact anytime, anywhere. This has made a huge difference for people in Africa, who can now manage their finances more easily and efficiently.

Due to emerging technological trends, African software developers are also busy creating different mobile apps. Additionally, the total income of Africa in the mobile app market is predicted to reach US\$868.60m in 2022.

From the survey report of 2015, the worldwide mobile app market is worth and approaches \$25 billion. But the contribution of Africa is so scary compared to others. But the trend has changed, and Africans are working on different apps to transform themselves into a digitally focused continent.



How mobile Apps have brought a revolution to finance in Africa.

Mobile apps have a vital role in the finance sector of Africa because of the reason, a large number of the population is mobile app users. Different app innovation startups have supported the restoration of African innovation by developing different mobile apps.

Africa Finance Sector Overview:

The downturn of the worldwide economy and the cramp of financial conditions increase the economic problems facing Africa. Most of the global south and Africa is characterised by underdeveloped continents, with large poverty rates above 30%.

Over the last 20 years, its financial system has progressed, yet privatisation, stabilisation, and liberalisation have yet to translate into new accessible financial facilities. On average, banks in Africa are well-established and capitalised. Aside from the global financial crisis, BRIC countries such as India and China play a significant and growing role in Africa's financial services.

How do mobile apps enhance Financial Literacy in Africa?

Across the world, African countries' finance literacy rate is extremely bad. The survey of S&P Global's Financial Literacy explains the reason behind this lack of literacy. Factors such as inflation, interest compounding, risk diversification and numeracy are responsible for achieving a good literacy rate.

Technologies and mobile apps allow increased confidence in adults and help overcome the fear of risks and the scariness of making an error. These apps allow the customer to keep an eye on their finance stats. Due to these benefits, good prospects, and reliability, these mobile apps have become an important outcome in the advancement of financial literacy.

The growth of mobile apps has a beneficial impact on Banking in Africa:

In today's multi-technology world, finance mobile apps can do everything from stock marketing to consumer support. The advent of mobile apps is an important step towards finance system establishments. These apps have an overwhelming impact on the growth and development of Africa Finance due to the following reasons:

Banking Mobile app cut operational costs:

Banks' operational cost has surprising benefits by promoting and developing online banking apps. Online banking apps provide ready access to a host of banking functions; this, in turn, provides different client facilities such as checking their current balance, transferring transactions to another client, and asking for a new cheque book. Furthermore, it also facilitates their end user with a Fixed Deposit card and can transfer money. It can also be able to pay utility bills.

Due to these online bank systems, there is no need for banks to rely on paper. Nowadays, anyone can go online and check their bank account information, saving a lot of banks time, resources, and money.

Banking Mobile Apps deliver improved security:

Due to the steep increase in cybercrimes, banking bugs always happen. Indeed, surveys show that IT bugs try to hit the banking industry five times a week. Due to this, we can't say that bank apps are less safe. However, mobile web apps have versatile encryption measures that are a strong weapon against that threat and provide customer support.

Hence, mobile apps have an extraordinary impact on banking applications. It provides two-way authentication for the customer which means confirmation of the transaction by sending an SMS with an OTP.

Are Mobile apps good for stock marketing?

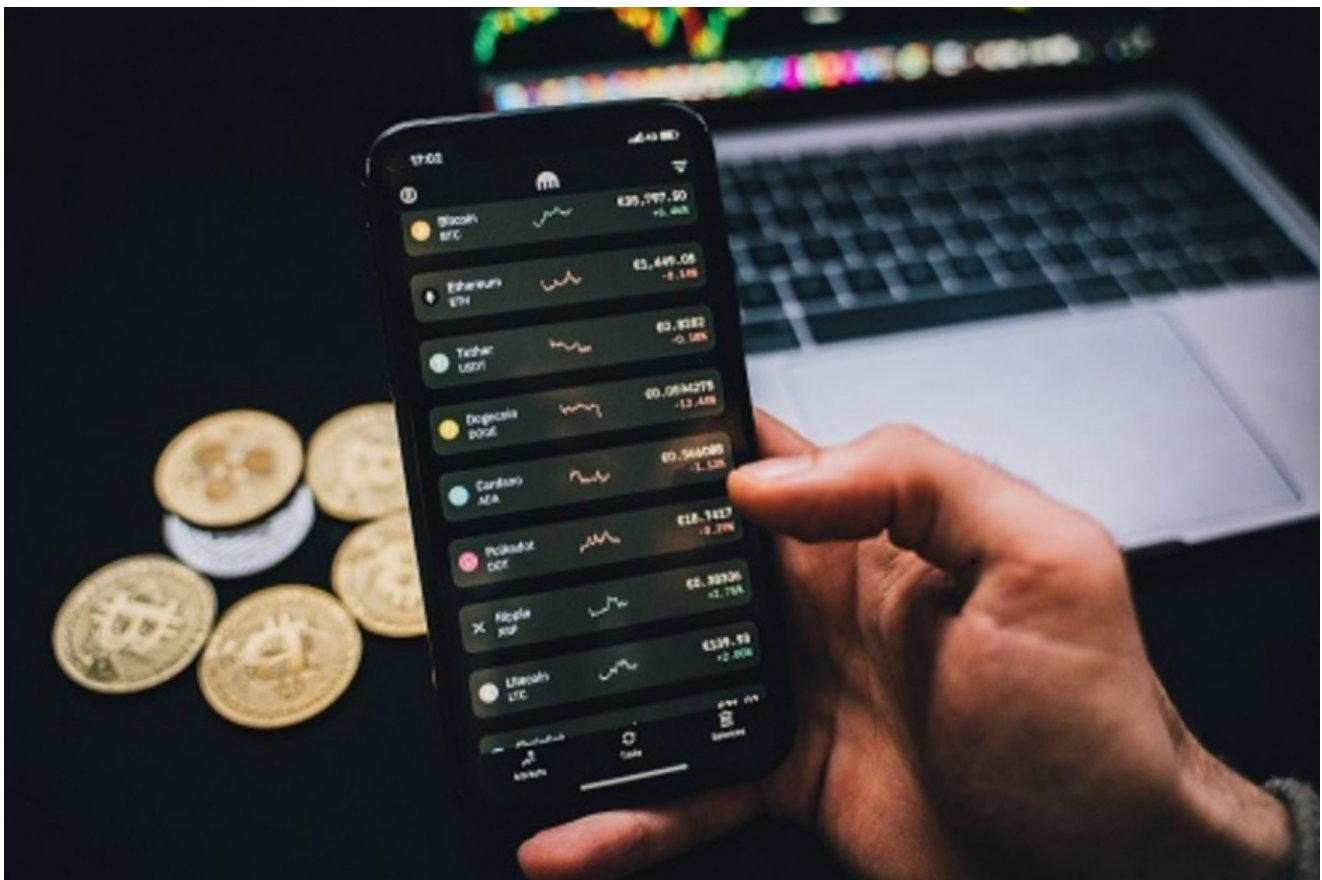
Yes, mobile apps set out overwhelming results in the stock marketing industry. It's become the quickest and easy way to handle their portfolio assets and can monitor their daily performance. Indeed, mobile apps increase trading efficiency effectively.

Different mobile apps are used for this purpose, such as the 5paisa Online Trading app, Motilal Oswal MO Investor app, Sharekhan app, and Angel Broking And Stock Edge. All these apps are adaptable and best for beginner users with insufficient knowledge of stock marketing.

Buying and selling from the mobile app is also the safest and fastest way within a few seconds. Stock marketing software also facilitates their user and help in decision-making due to these unique features:

- Easy and quickest access to real and historical data
- Technical analysis
- Worldwide real-time updates and news
- Forecasting
- Backcasting
- Educational options

Overall, mobile apps help stock marketers' customers' betterment of their future milestones.



How mobile Apps have brought a revolution to finance in Africa.

What is the retention rate of Finance Apps in Africa?

The retention rate of apps changes from country to country, but stats show that the retention rate of finance apps in Africa is 22.7 % on day one of use, and it approaches 5.8 % on day 30. The reason is that in Africa 43% of people uninstall the app after 30 days when they install it.

The retention rate can increase if the app has engaging and interesting users. The average retention rate is 70% above in developed countries.

Final Thoughts:

In this modern era, mobile apps have an unbeatable impact on different industries such as Finance, IT service, global recruitment, and entertainment. But mobile apps remarkably impact Finance in Africa's least developed country. Promoting mobile apps in Africa in the finance industry is a beneficial proposition that, in turn, increases the country's economic growth. Hence, it also maintains income inequality and reduces the poverty level of citizens. Mobile finance apps provide the quickest and most accurate information on your smartphone.