A design exploration to improve remittance apps' user experience when sending money to sub-Sahara African nations.

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Abstract.

This report explores improving the experience of sending remittances to sub-Saharan African countries. The World Bank notes a 14.1% surge in remittance to sub-Saharan Africa in 2021, totalling $49 billion after an 8.1% decline. Remittances are pivotal for many households in Africa, aiding food, education, and healthcare amid income instability.

This report explores the user experiences of remittance platforms, assessing formal (banks, operators, mobile) and informal (Hawala) channels. Formal channels offer security with higher fees, while informal channels pose fraud risks yet are very popular. Informal remittance volume is hard to measure, yet vital. Recent research highlights the potential for refining user experiences within remittance and mobile money services. User-centric design has the power to spark innovation within the traditional financial sector, addressing challenges faced by underserved populations (DÁVID VARGA).

The insights gained will guide a remittance app design tailored to meet sub-Saharan African needs, guided by Jacob Nielsen's Design principles. The aim is to elevate user experiences and streamline the remittance process.

Introduction & Background - Enhancing Remittance Practices.

This report explores enhancing the user experience of sending remittances to sub-Saharan Africa. Remittances surged by 14.1% in 2021 to $49B, a critical private capital source exceeding aid by 50%, aiding households in vital needs. The landscape of remittance channels is divided into formal and informal. Formal channels, often comprising banks, provide secure yet potentially expensive transfer avenues. Informal channels, exemplified by methods like Hawala, offer cost-effective alternatives but bear inherent risks. Research findings reveal that informal remittances constitute a considerable share of total flows, ranging from 35% to 75% to developing countries according to (Freund, Caroline L. and Spatafora, Nikola).

Recent times have seen the emergence of innovative newcomers in the remittance market. Armed with strategic design and pricing, these players are challenging established entities. Their digital platforms, designed for user-friendliness and operational efficiency is redefining the user experience. As the industry matures, the competition intensifies, driving players to seek innovative ways to stand out.

Over the past two decades, the digital revolution has revolutionised global communication and information access. Within this transformation, cross-border payments and remittances have become pivotal spaces. Technological advancements challenge suboptimal user experiences, elevating engagement by reshaping communication dynamics. In the evolving landscape of mobile money operations, crafting a compelling value proposition that respects local customs becomes crucial. Recognising diverse interaction patterns, like shared mobile phone usage, becomes pivotal for successful design.

Within this project endeavour, the focus is on unravelling the complexities of the remittance user journey. By dissecting best practices within the fintech realm and closely analysing onboarding processes, this project aims to uncover effective strategies for user engagement and feature presentation. The ultimate aspiration is to enrich the user experience of a remittance application, catering specifically to sub-Saharan African users' needs. This will be achieved by prioritising usability, accessibility, transparency, and security and integrating Jakob Nielsen's design principles.

This exploration seeks to discern whether a thoughtfully crafted application can influence users' choice towards formal channels, ultimately enhancing the remittance experience by addressing pain points and offering a superior interface.

Donovan, Kevin. 2012 "Mobile money for financial inclusion. Varga, Dávid (2017) Fintech, the new era of financial services.
Kevin Donovan FSD Africa Report June (2017) Mobile Money for Financial Inclusion. Akobeng, Eric. 'Out of Inequality and Poverty: Evidence for the Effectiveness of Remittances in Sub-Saharan Africa. Freund, Caroline L. and Spatafora, Nikola, Remittances: Transaction Costs, Determinants, and Informal Flows (August 2005). Anneke Kosse and Robert Vermeulen 2014: Migrants' choice of remittance channel does general Payment Habits Play a role?

Design & Diagram.
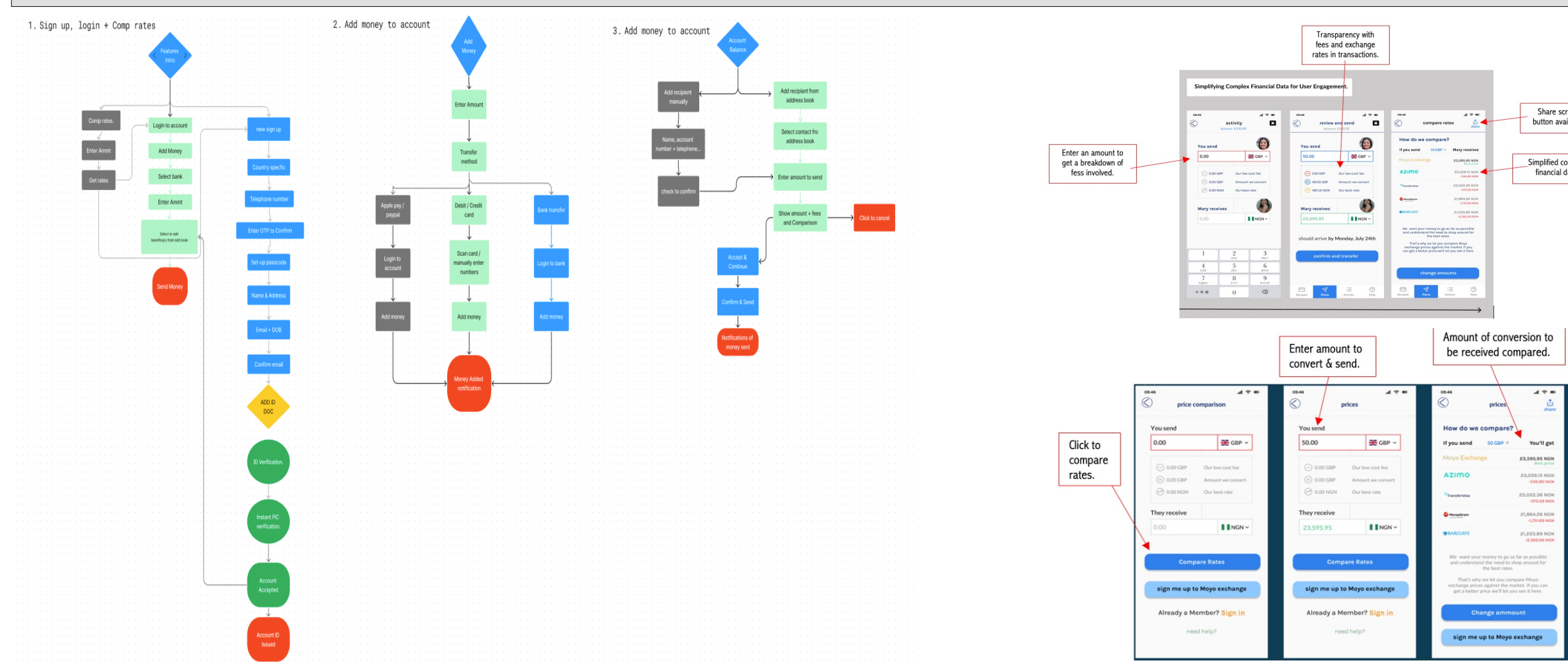
I analysed fintech best practices and app sign-up processes to uncover common trends and effective feature-selling strategies. So, I focused on delivering competitive advantage through uniqueness and demand, I sought to address a crucial UX question in my design project. Could a remittance app tailored to sub-Saharan African users, prioritising ease, accessibility, transparency, and security, guided by Jakob Nielsen's design principles, prompt users to choose formal channels over informal ones?

Study Methodology.

Quantitative Research:

Literature review: According to research papers, innovative tech and newcomers are transforming remittances. Comparison platforms, mobile money operators, and fintech start-ups offer cheaper, convenient choices. However, transaction errors, delays, and trust concerns persist, underscoring the need for ongoing enhancements.

Competitive review: I explored fintech companies' best practices and evaluated the processes of signing up to their apps, curious about what seem general across the board like, how they are selling features to get user's buy-in etc. I wanted to make sure the app possesses a considerable edge over competitors by offering something unique and in demand.

Qualitative Research:

Site Visits: I undertook informal field excursions to various remittance service providers situated within communities with substantial African populations. The site visits helped me understood usability issues that could arise, the business contexts or those that appear at certain scales.

Active participants observation: This active involvement enabled me to comprehensively capture behaviours, language, interests, and common terminologies used by users from various African countries.

Interviews: I explored users preferred remittance platforms and why, as well as their experiences with other channels. I needed to understand their struggles and pain points when sending remittances to create a solution that serves their needs and solves problems they might have encountered.

Usability testing: In the design scenario testing, I had the participants conduct low-fidelity and high-fidelity tests, assigning them specific tasks.

Testing and Evaluation.

For the testing sessions, each participant was given the set of four tasks below to complete:

- Task 1: Create an account using the application.
- Task 2: Add funds to their account through the application.
- Task 3: Initiate a transfer to another user within the application.
- Task 4: Share their account details with another person.

I needed to understand the five components of usability as described by Nielsen Norman below while they perform the tasks above:

- Learnability. How easy is it for a user to accomplish basic tasks like creating an account for the first time they interact with the product?
- Efficiency. How quickly can they perform tasks?
- Memorability. How easily can they re-establish proficiency?
- Errors. How many errors did users make, how severe are these errors, and how easily did they recover from the errors?
- Satisfaction. How pleasant is it to use the App?

Usability Results.

Once completed, I asked each participants to kindly rate each of the journey after completion from 1 = very difficult to 5= very easy. I Also asked them to rate their overall experience with the app again on a scale of 1=very difficult to use and 5= very easy to use.

Conclusion and future work.

This app design effectively addressed issues faced by Mary and Mimi. Clear expectations, targeted workshops, and efficient sprint management resulted in a satisfying outcome, promoting formal channel adoption, improving user experience, and simplifying onboarding. The process deepened my understanding of remittance platforms and the security protocols required for FinTech user registration. I look forward to enhancing the user flow for first-time money receivers and implementing measures for account freezing in case of suspicious activity.