

BRIDGING THE DIGITAL DIVIDE

Research: Gendered insights on International Remittances



BACKGROUND AND OBJECTIVE



While women constitute roughly half of the senders and over half of the recipients of international remittances, the ongoing shift from cash to digital platforms in the international remittance industry has widened the digital divide, disproportionately affecting women.

This study provides insights into the experiences of migrants and their families in accessing and using remittance services, and their overall financial health. It examines barriers and opportunities for digital remittance channels to reach underserved populations, with a focus on enhancing services for women.



METHODOLOGY

The research looks at challenges and opportunities for active customers of **7 remittance service providers** who send or receive money abroad. It applies mixed-method research and analyses:



15 million remittance transaction records

2,882 customer phone surveys

122 qualitative behavioural interviews



USAGE



Women were more likely than men to allocate remittances to their children's education, family's healthcare, utility and energy bill payments and savings. Men, in contrast, more often allocated remittances for starting or improving a business.



Women sent remittances in smaller amounts but more frequently.



Digital remittances users were more likely to make domestic payments. Women made fewer payments than men.



ACCESS



Digital remittances have yet to reach customers at the 'last mile', where women, less educated, and low-income earners lag behind in registrations for digital methods.

6 out of 10 remittance recipients in UNCDF's LDC focus markets are women, but only

3 out of 10 women register for digital services.



Women often rely on more expensive, cash-based remittance methods, encountering challenges when transitioning to digital alternatives.

Key barriers to access include high transaction costs, connectivity issues, complex onboarding, digital literacy challenges, and underlying safety and trust issues.



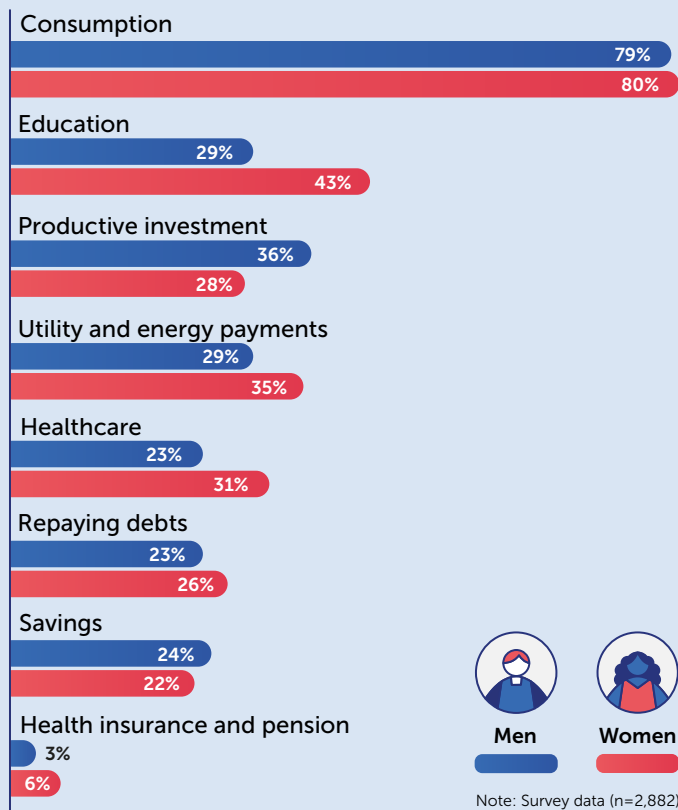
4 out of 10

digital remittance customers said they needed **training support** to help accessing digital remittances.





INTENDED USE OF INTERNATIONAL REMITTANCES



FINANCIAL HEALTH

55% of the remittance customers used **savings**, but women (51%) were less likely to save than men (59%).

Digital remittance users report **higher levels of financial health** compared to cash users. Factors such as education and income levels play a role. Women generally report lower financial health than men.

Only 52 percent of migrants were able to **generate emergency funds** within 30 days, compared to 80 percent of recipients. Among recipients digital users were more successful in accessing emergency funds than cash users.

Migrant sender



52%

Remittance recipients

Digital



82%

Cash



75%

8 out of 10

customers felt that remittances **improved** their family's **financial life**.

18%

of customers found the process of sending or receiving remittances to be **stressful**.

RECOMMENDATIONS

For Remittance and Financial Service Providers

- Adopt women-centred design for inclusive product development
- Design customized financial education programmes for women remittance customers
- Promote gender-responsive workplace practices in the remittance sector
- Encourage customers' transition to digital remittances to enhance customer loyalty, especially for women
- Tailor digital remittance products to diverse use cases, including education, health, and energy payments
- Expand integration of digital remittances with other financial services

RECOMMENDATIONS

For Regulators and Policymakers

- Promote the inclusion of migrants and remittances with a focus on women in financial Inclusion strategies
- Leverage timely and relevant sex-disaggregated data to drive decision-making
- Develop gender-responsive frameworks to guide policymaking
- Strengthen customer protection for migrants and their families
- Enhance financial education for migrants and their families