



POS MIDYEAR ANALYSIS

Hi everyone, 😊 the following slides will take an in-depth look at activities in the POS sector.

The slides will show a side by side comparison between our performance in the first six months of 2018 vis-a-vis the same time period last year

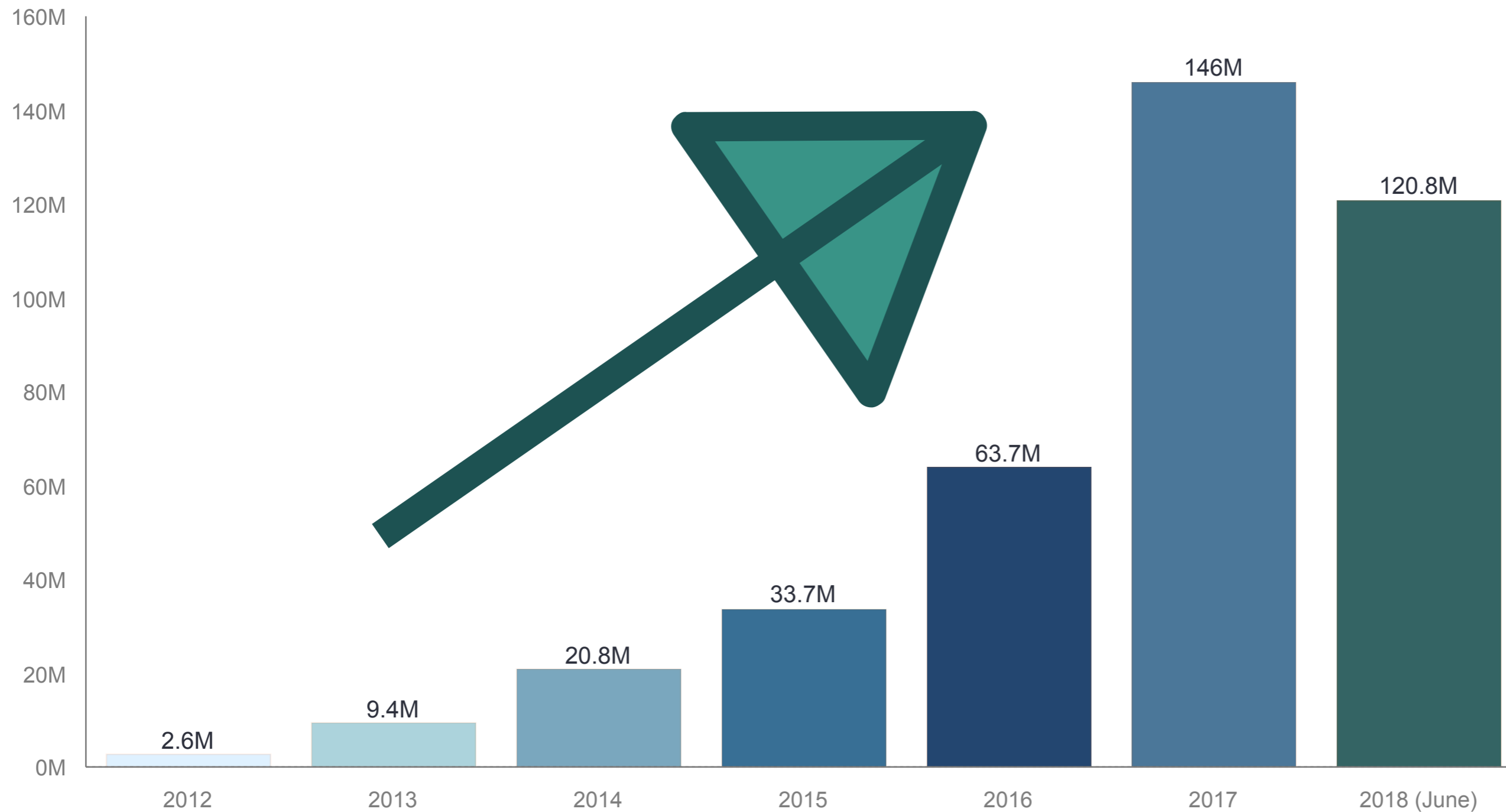
Without further ado, lets dive in 



GENERAL MARKET OVERVIEW

HOW MARKET?

Volume Growth (Millions)



57M

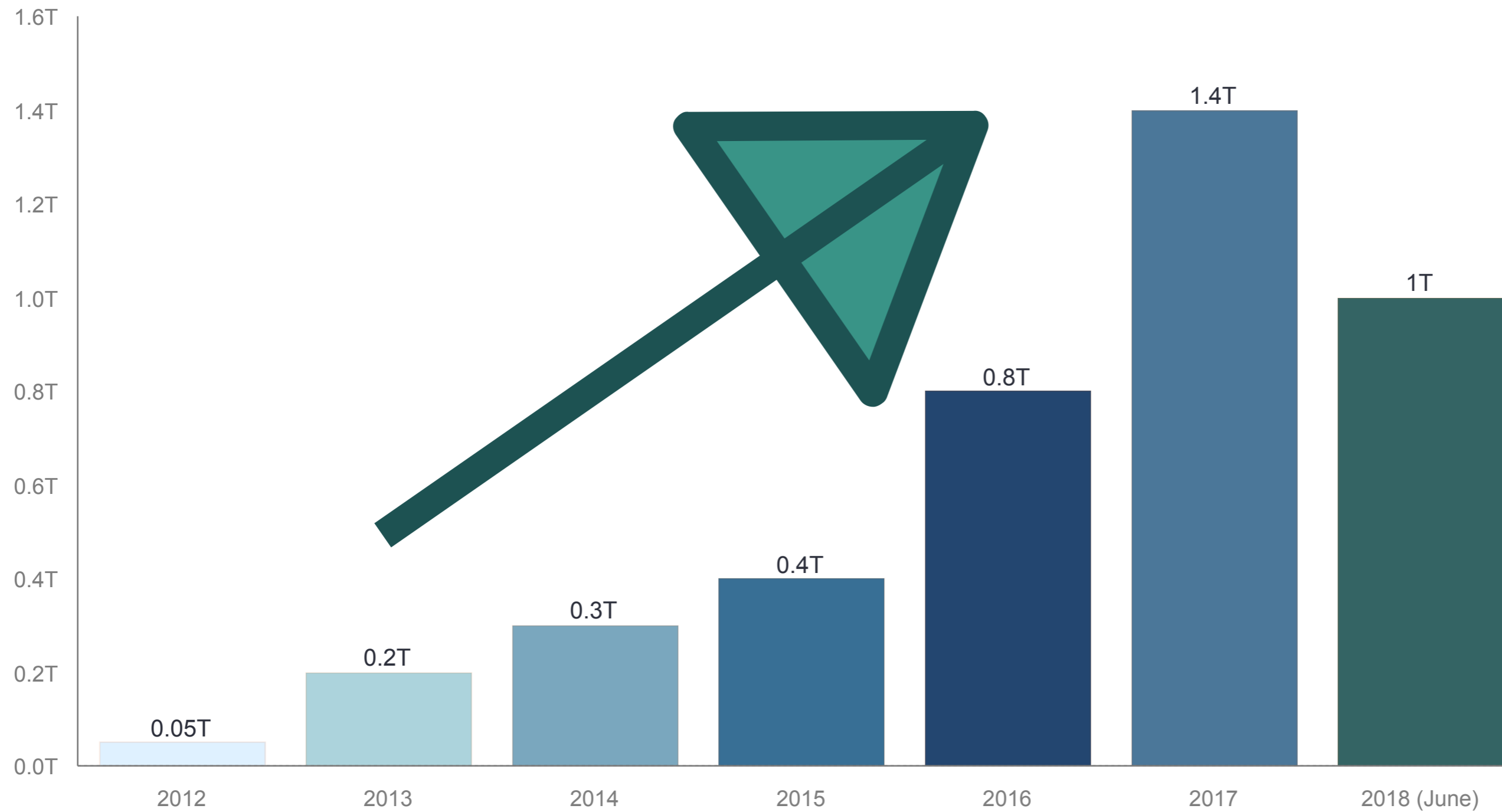
Average yearly Volume of transactions from inception till date (June 2018).

90%

CAGR between 2012 and June(2018)

HOW MARKET?

Value Growth



0.6T

Average yearly Value of transactions from inception till date (June 2018).

2017 Vs 2018

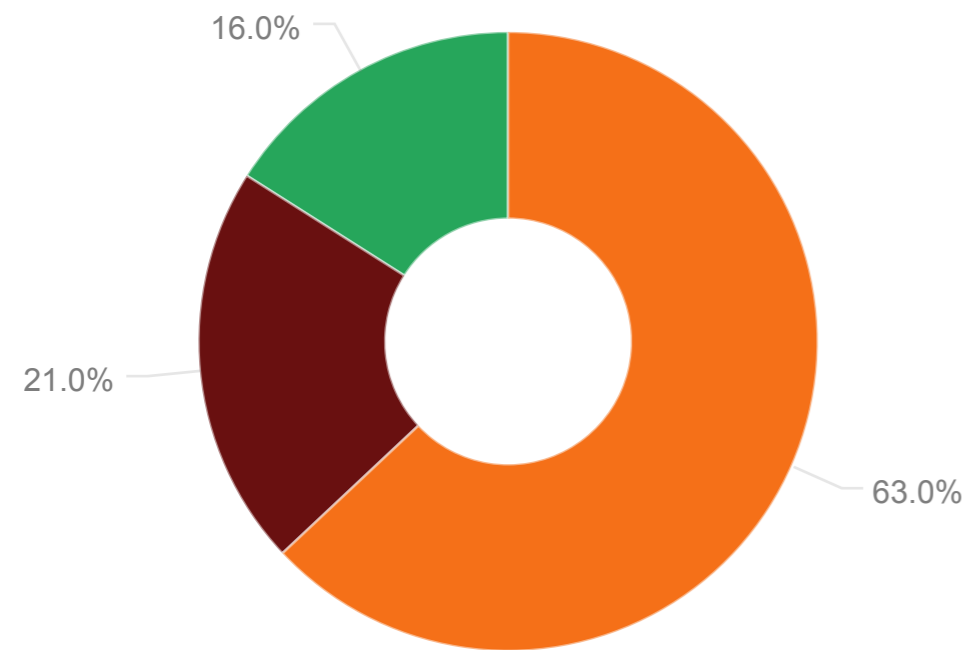
Let the games begin...



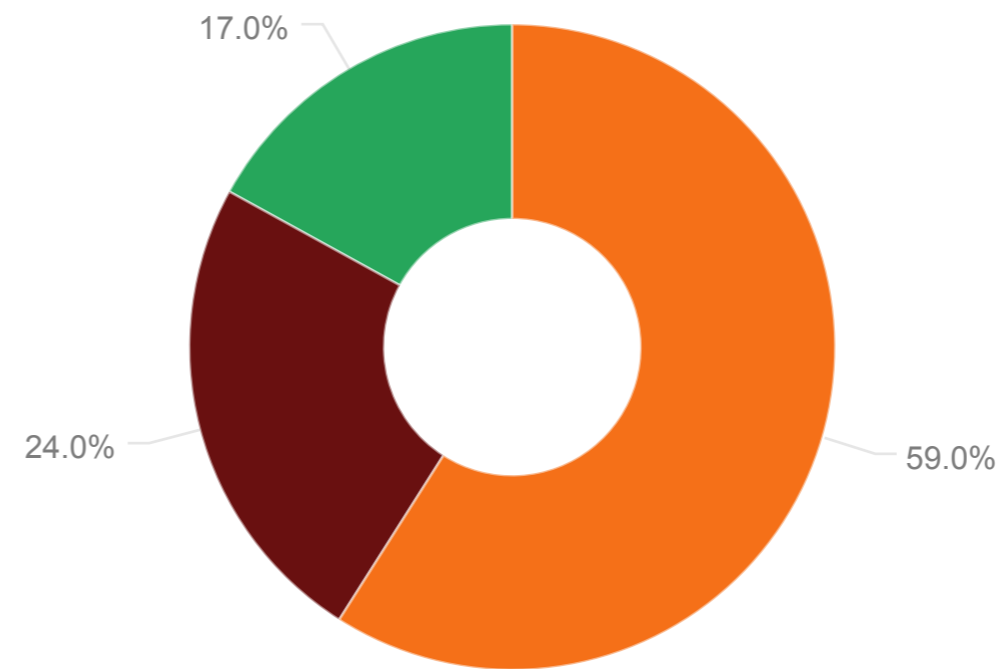
CARD BRANDS BY MARKET SHARE



2017 (Jan-Jun)



2018 (Jan-Jun)



● Mastercard 63
 ● Verve 21
 ● Visa 16
 ● 3Line 0

● Mastercard 59
 ● Verve 24
 ● Visa 17
 ● Discover 0

7.3M

Number of unique cards used on POS terminals (June 2017).

11.8M

Number of unique cards used on POS terminals (June 2018).

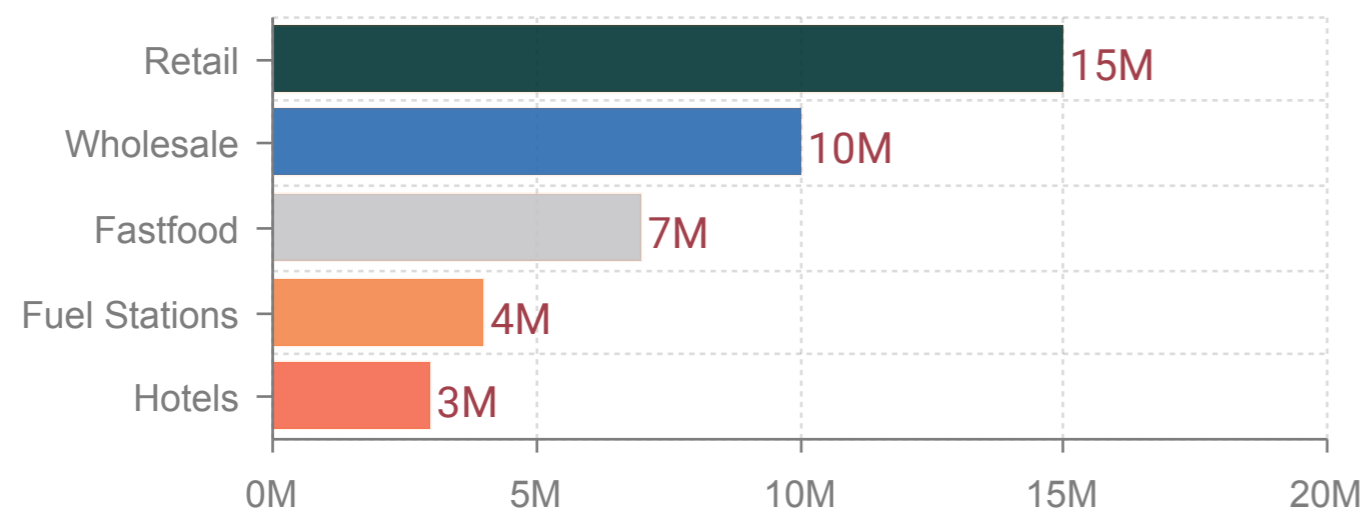
Mastercard continues to enjoy a larger chunk of the card space by volume on POS. However, Visa and Verve have been slowly closing the gap; gaining 1% and 3% respectively over the period in consideration.

WHAT SECTORS ARE BUZZING? (TOP5)

2017 (Jan-Jun)

25%

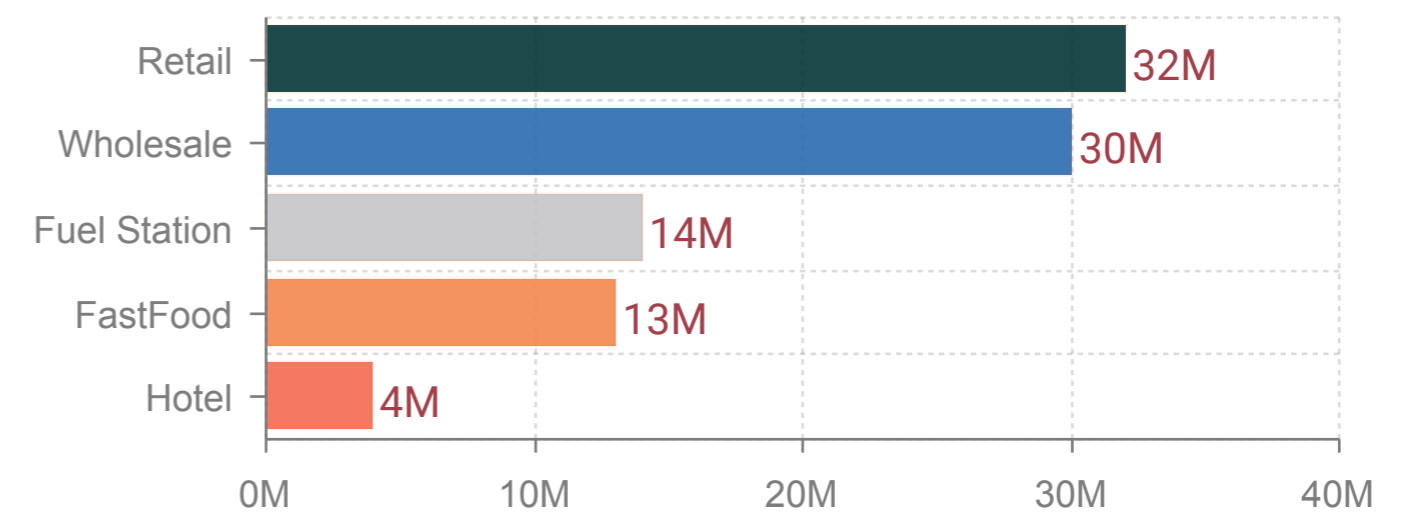
of POS transactions were consummated in the retail space.



2018 (Jan-Jun)

27%

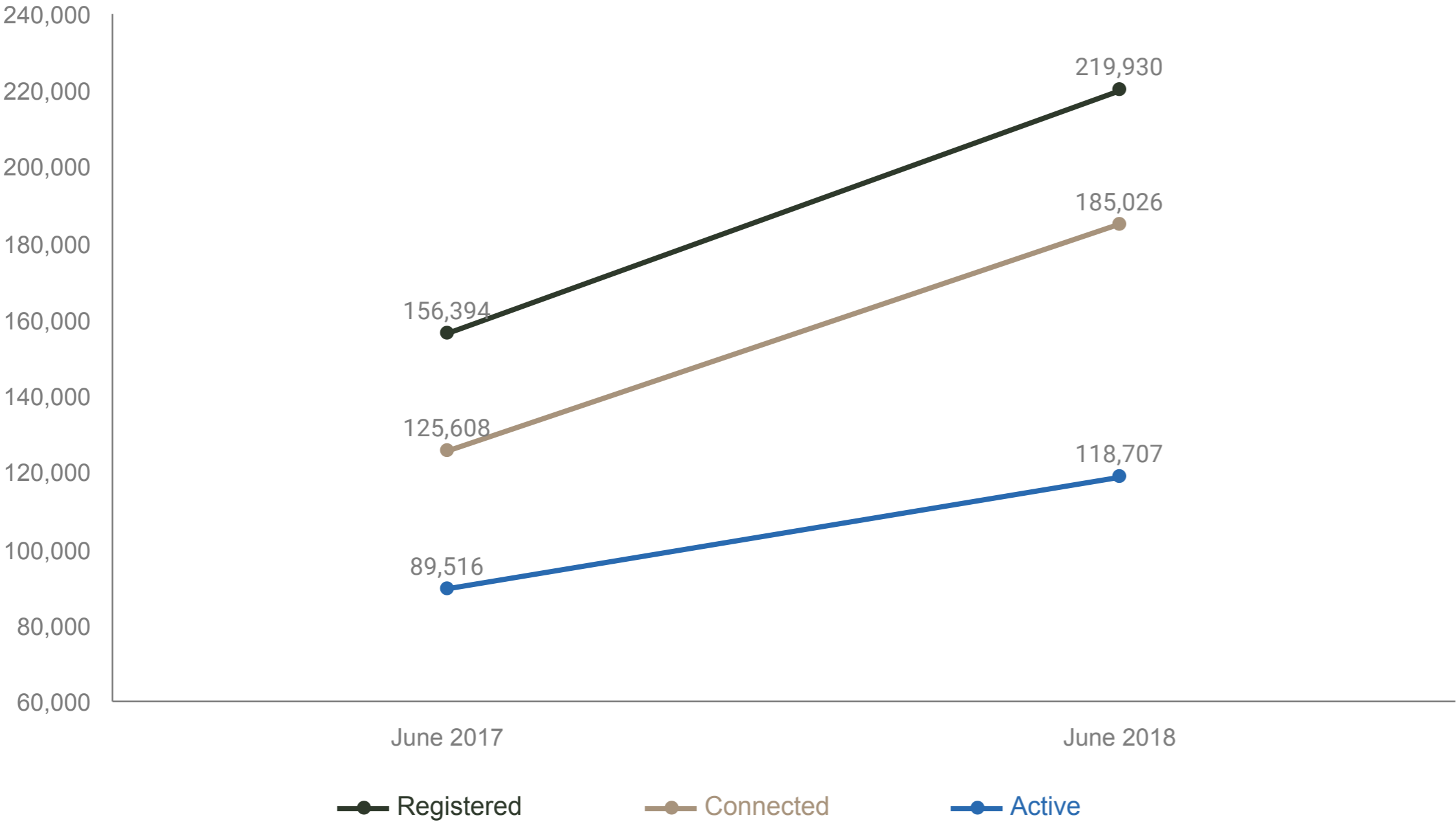
of transactions were consummated in the retail sector. This is no surprise given the increased number of retail outlets springing up in urban centers



The biggest winners in the POS adoption push, given the period under consideration are the Wholesale and Fuel Station sectors. Volume of transactions in this sectors have gained 7% and 5% respectively during this period.

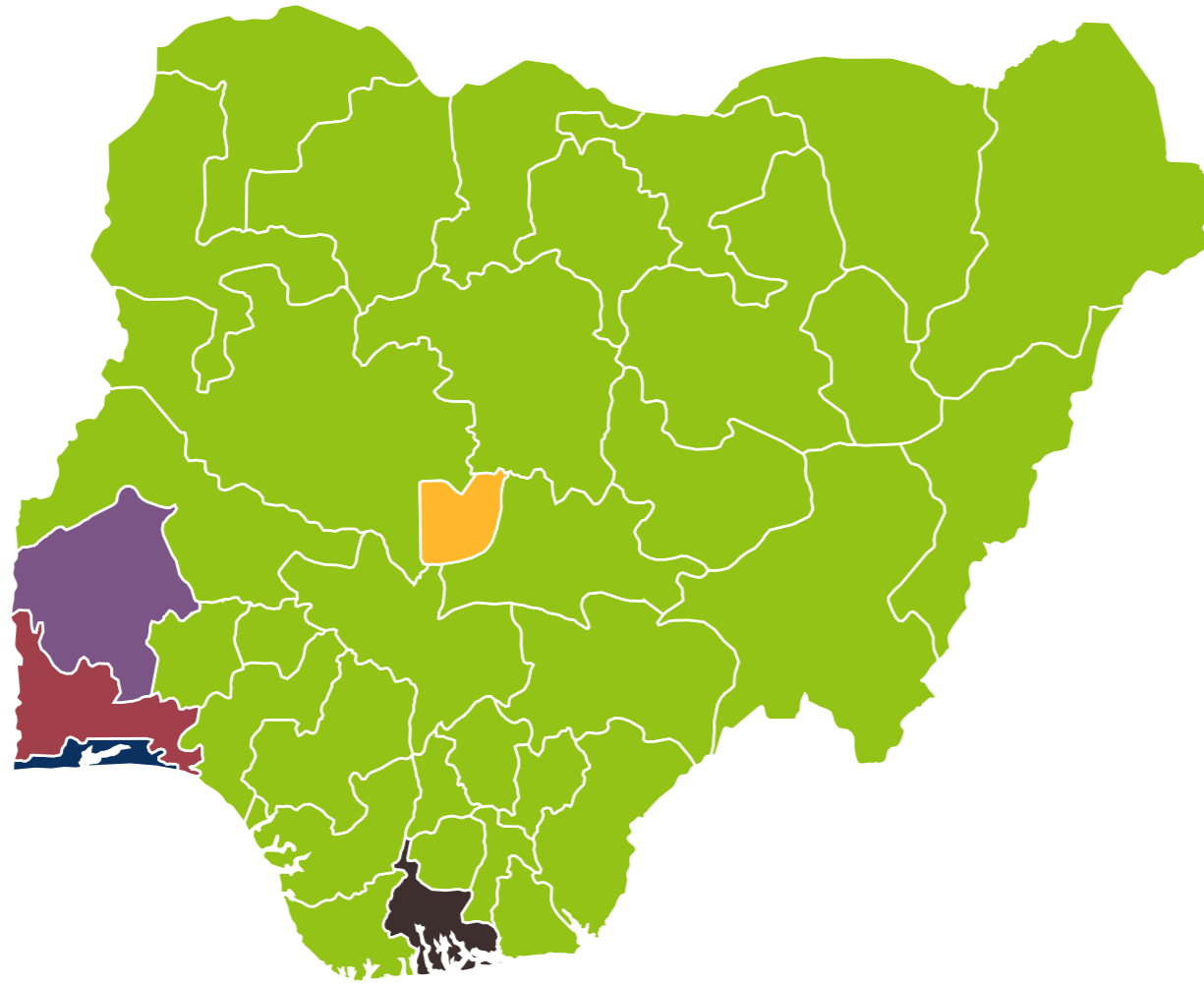
GROWTH IN POS TERMINALS?

Terminal Statistics

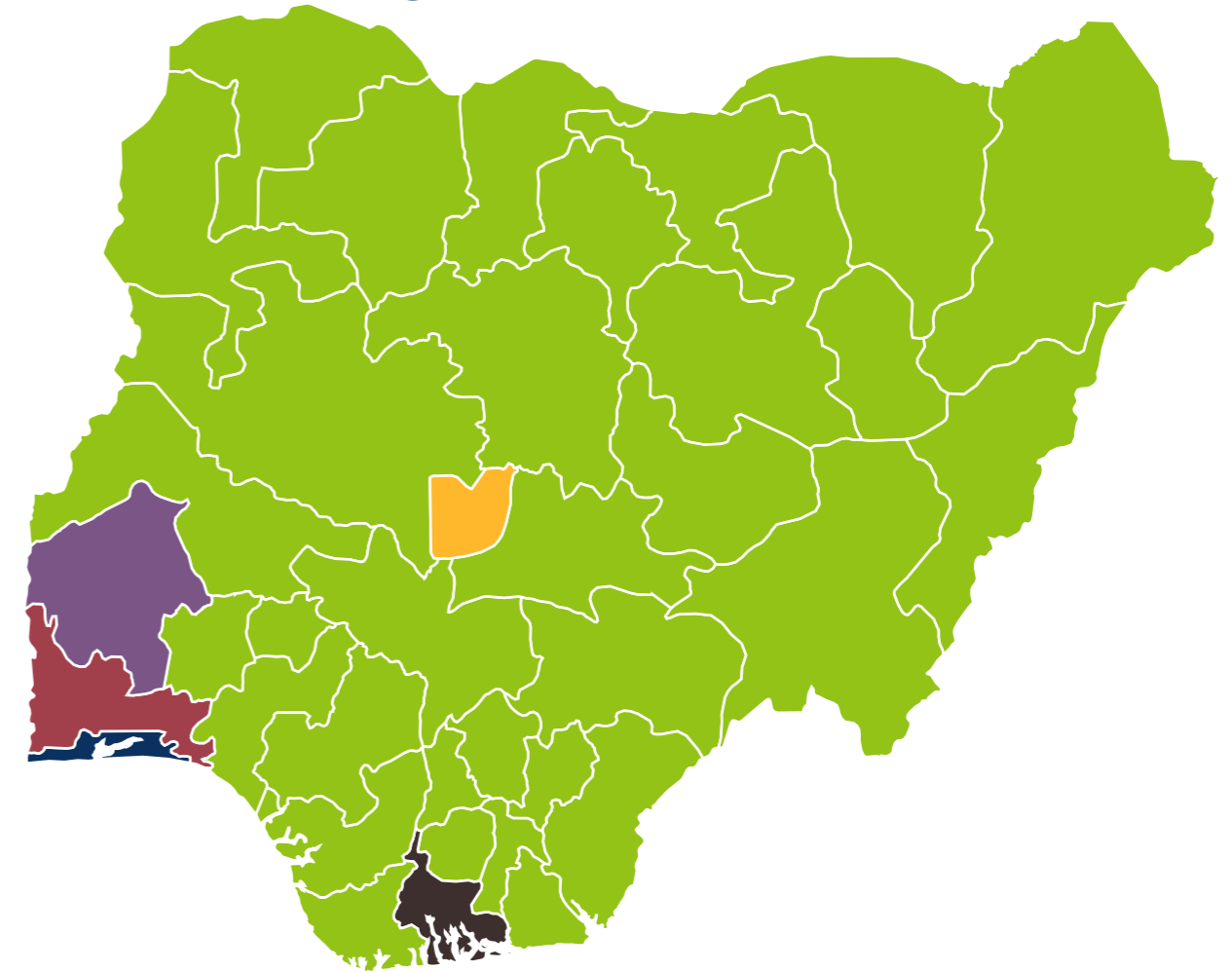
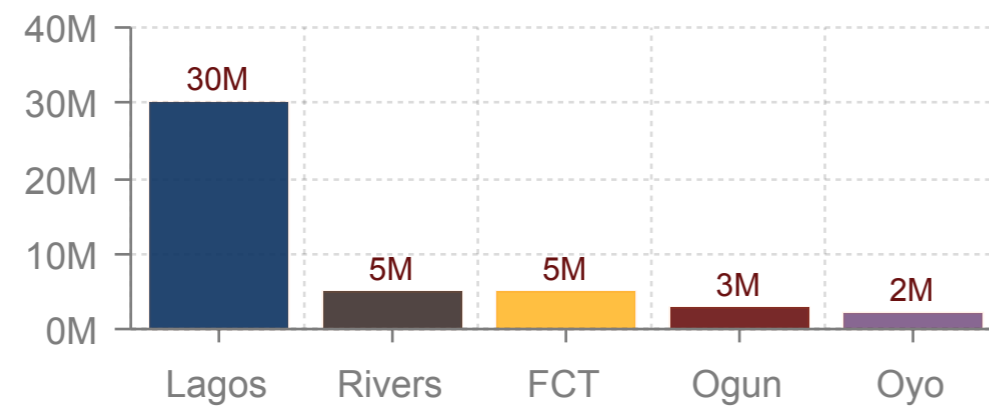


Registered, Connected and active terminals have gained 41%, 47% and 33% respectively for the period under consideration. Also, the number of merchants have grown by 25% over the same period.

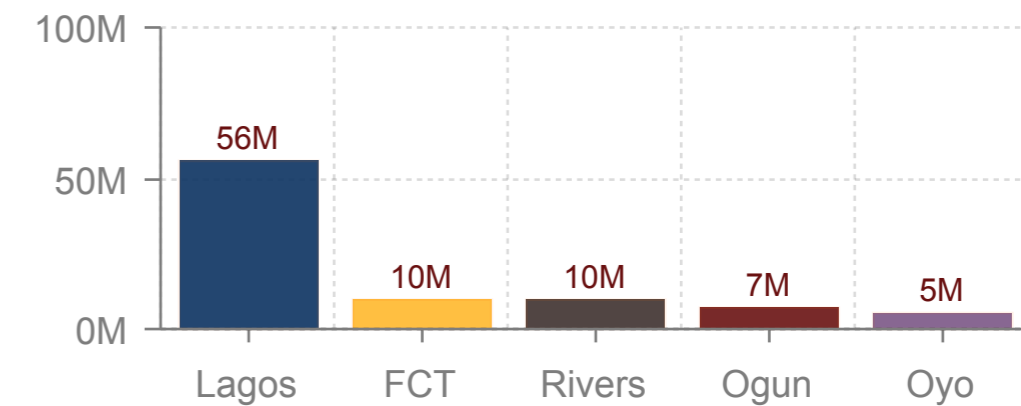
MERCHANT ACTIVITY FOOTPRINT



2017 (Jan-Jun)



2018 (Jan-Jun)

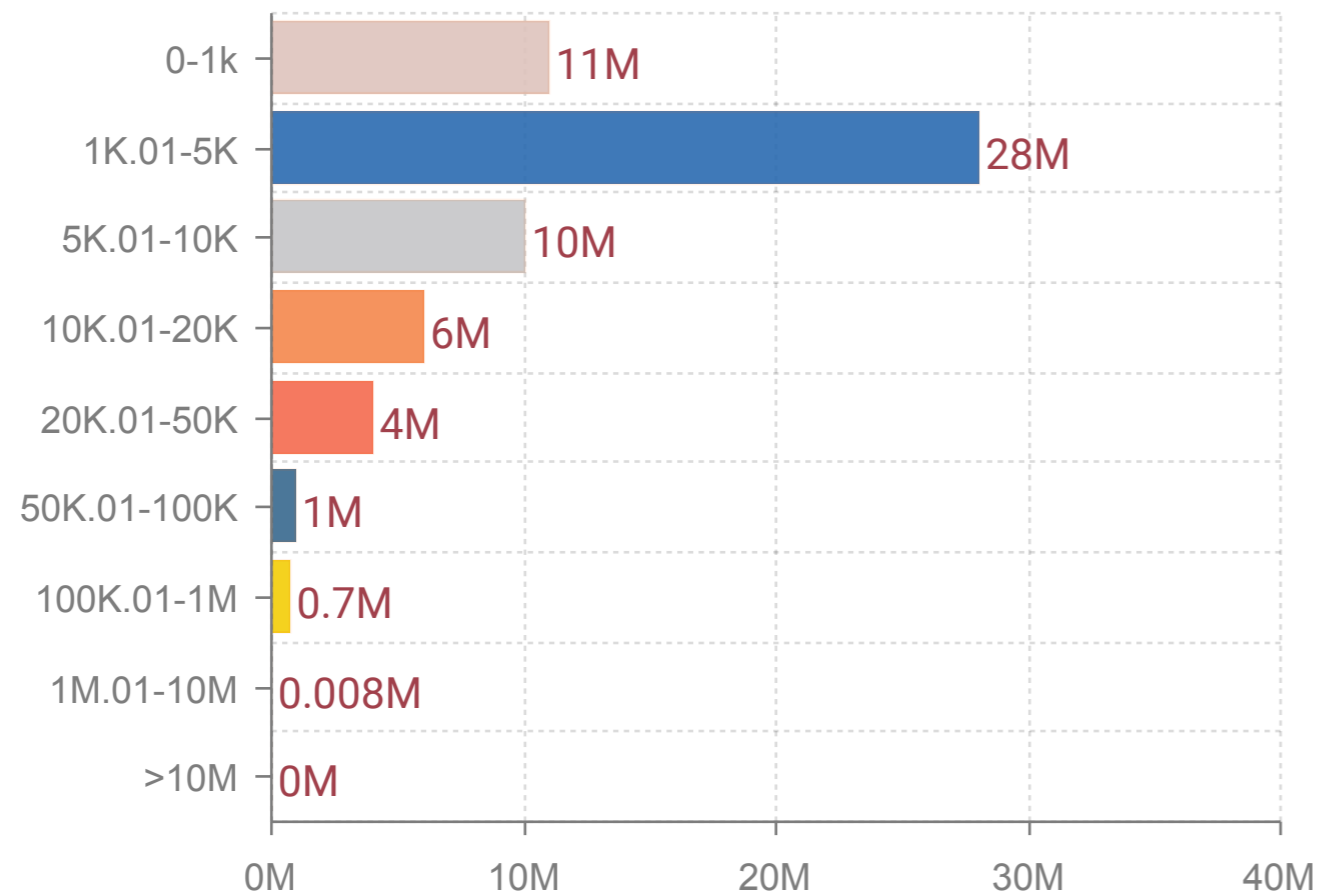


Urban centers continue their dominance in POS spread as investments in retail outlets increase

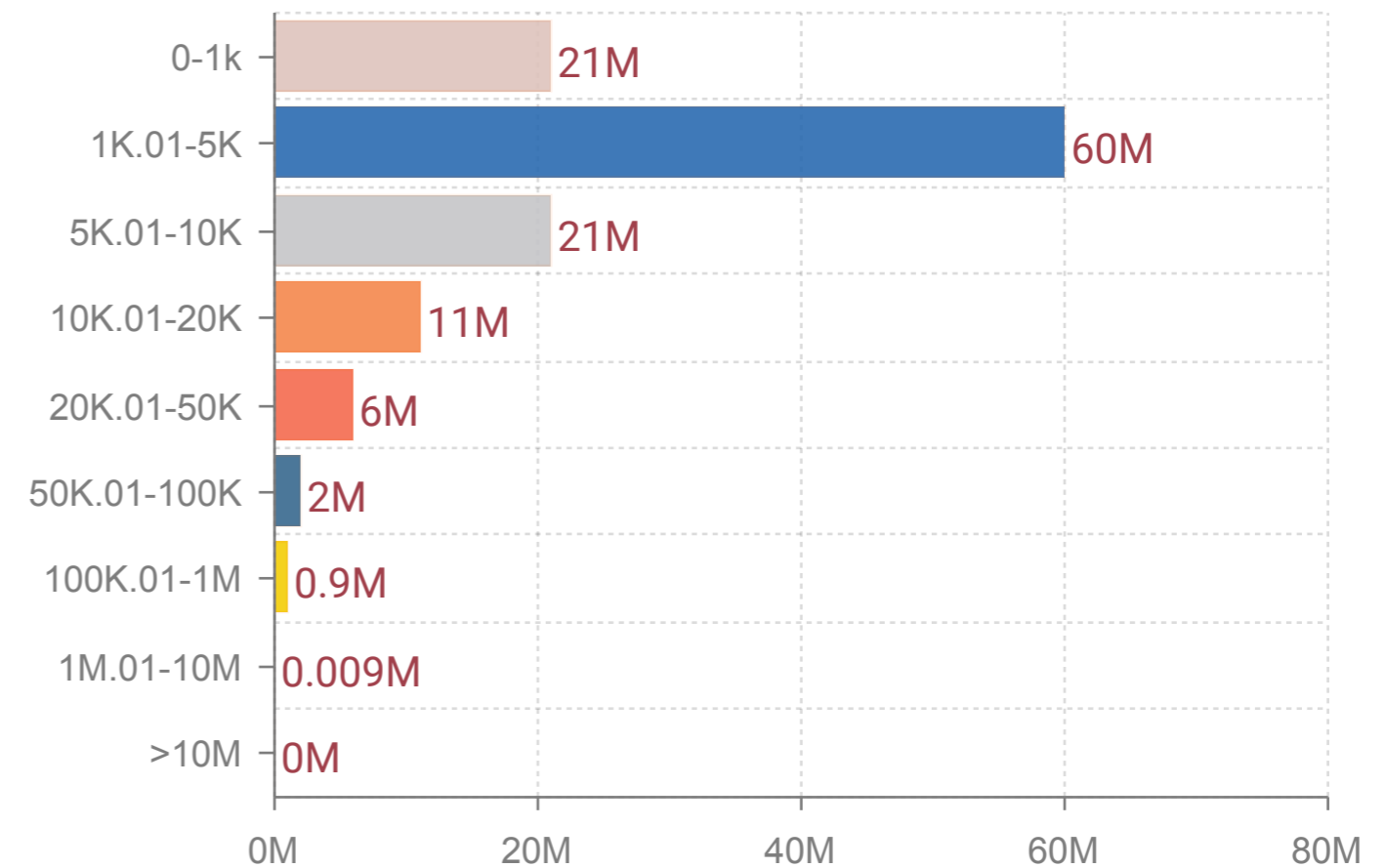
POS ACTIVITY BY VOLUME BAND



2017 (Jan-Jun)



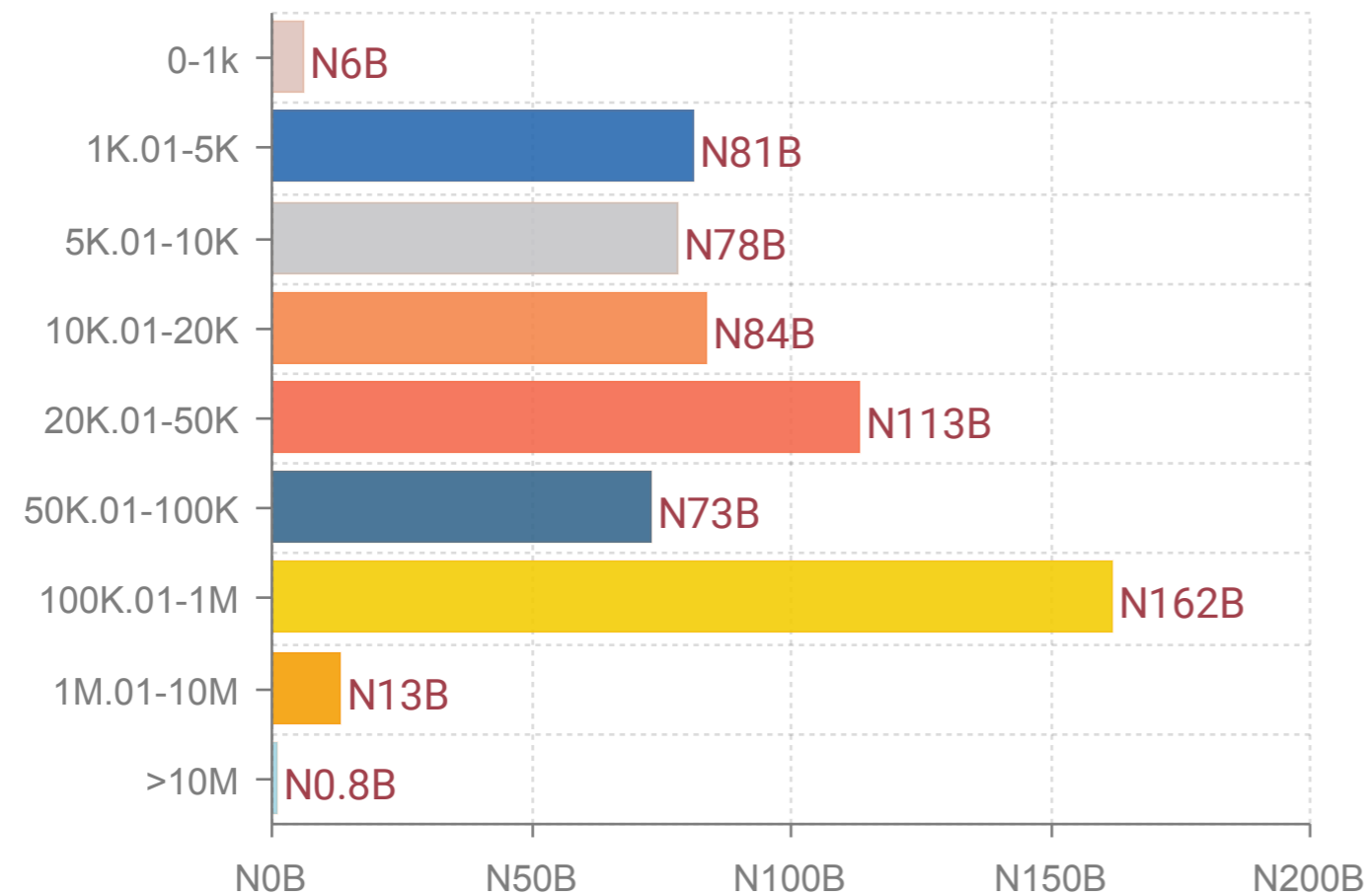
2018 (Jan-Jun)



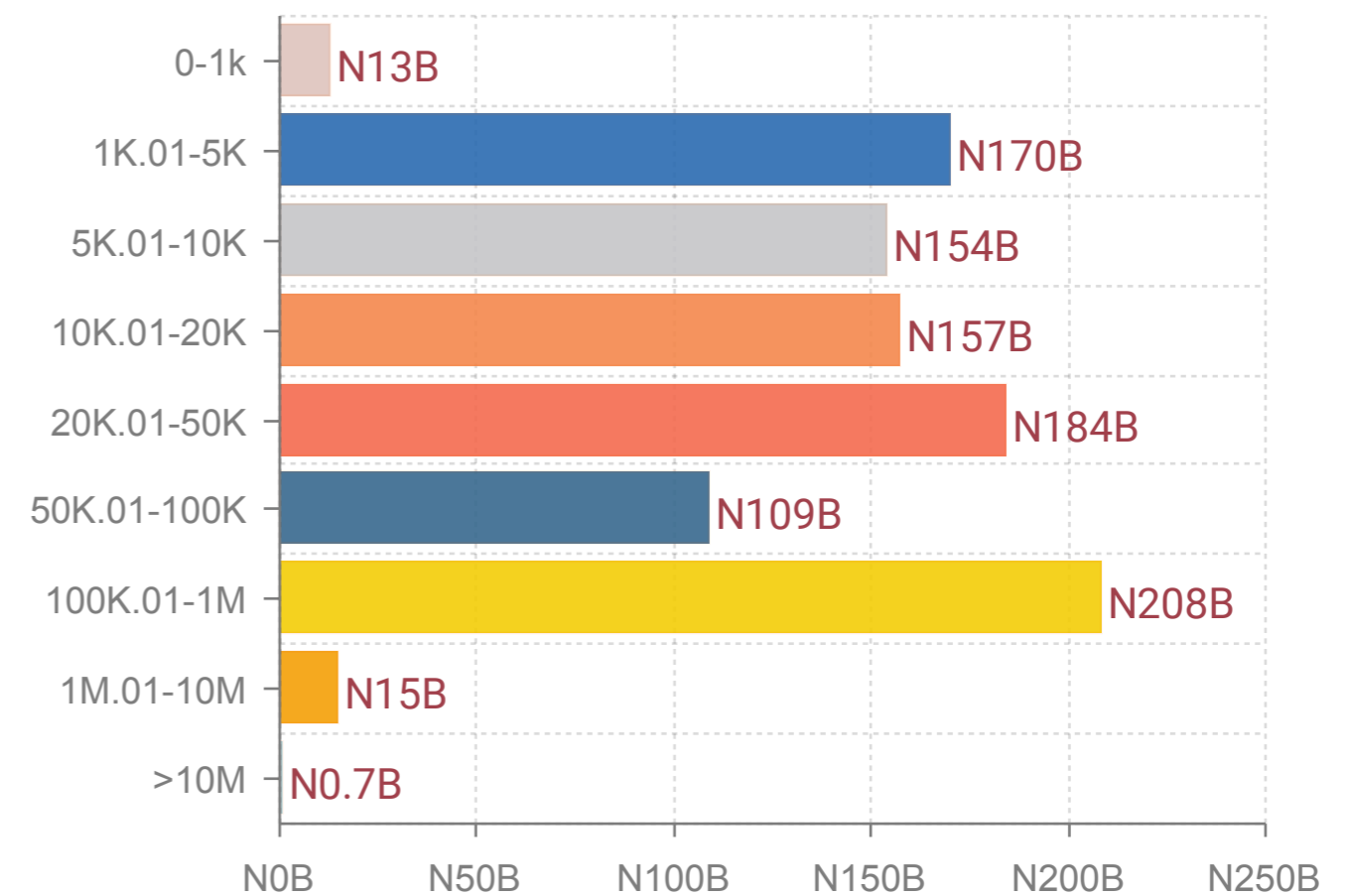
As at the end of June 2018, consumers spent between amounts between 1K+ and 5K naira on about 50% of the total volume of transactions consummated on POS terminals

POS ACTIVITY BY VALUE BAND

2017 (Jan-Jun)



2018 (Jan-Jun)



As at the end of June 2018, the value of transactions spent on goods and services between 100K+and 1M naira band was approximately N208 Billion

POS FAILURE COMPARISON (TOP 5)

Year 2017 (Jan-Jun)

Failure Response	% of total failure
Insufficient Funds	36%
Issuer Inoperative	14%
Request In Progress	9%
Do not honor	8%
No savings account	5%

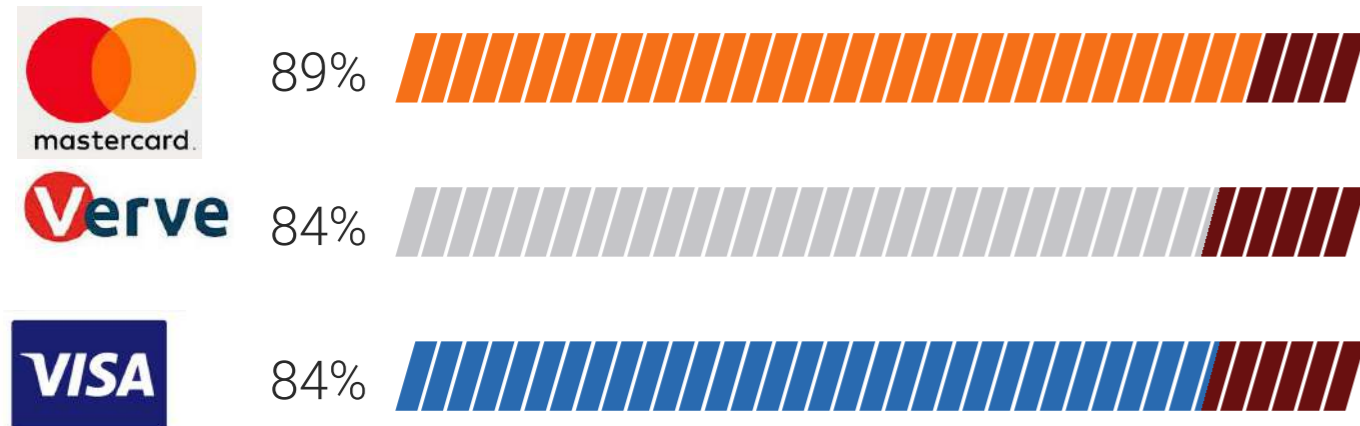
Year 2018 (Jan-Jun)

Failure Response	% of total failure
Insufficient Funds	47%
Issuer Inoperative	14%
Do not honor	5%
No savings account	5%
Incorrect Pin	4%

About half of all declined/failed transactions were man made errors with insufficient fund dominating the list of errors; with these figures rising.

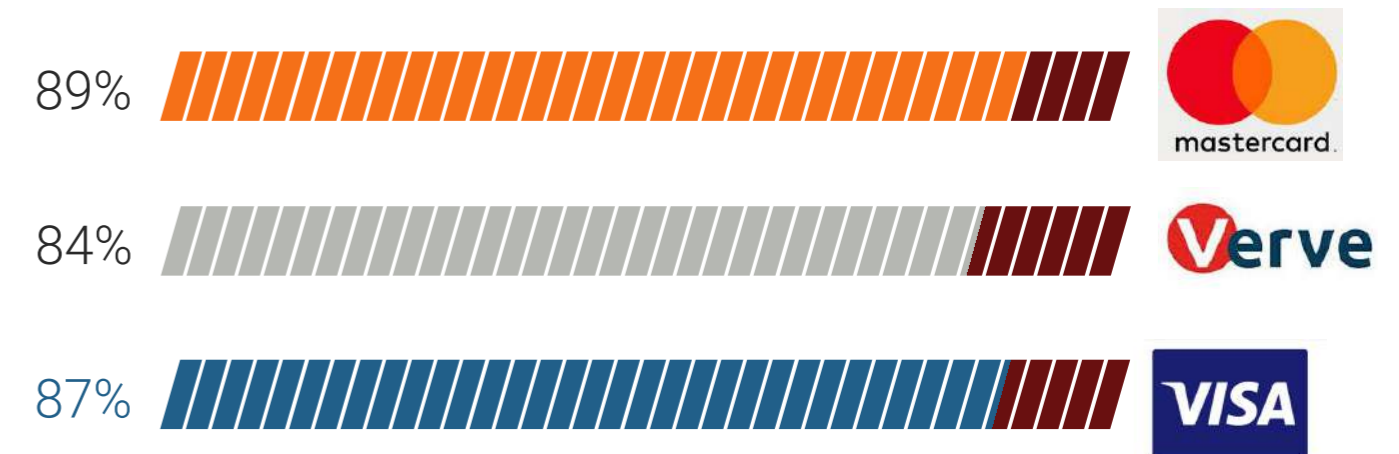
COMPARISON: %SUCCESS VS FAILED BY CARD BRAND

2017 (Jan-Jun)



VS

2018 (Jan-Jun)



Successful transactions using Mastercard and Verve have remained fixed over the period under consideration with Visa cards recording the biggest improvement; increasing by 3% while dropping its failure rate to 13% with Verve and Mastercard recording failure rates of 16% and 11% respectively.

THANK YOU FOR YOUR TIME

Credits: Enterprise Intelligence Unit; PTSA Team

QUESTIONS?



eiu@nibss-plc.com.ng



info@nibss-plc.com.ng



0800ASKNIBSS