The Role of Digital Financial Inclusion in Preparing for Older Age and Retirement
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Executive summary

As populations age and birth rates decline in many parts of the world, digital solutions have an important role to play in ensuring financial well-being for older adults. Globally, the number of people aged 60 years or over has more than doubled since 1980, and the share of older adults is projected to double again by 2050.

This paper summarizes and analyzes the financial challenges faced by older adults and outlines ways that digital technology can alleviate these hardships. It shows worldwide variation in the share of adults who save for old age and have pensions. The paper finds that the proportion of adults who have digital technology and use digital financial services dwindles with age, potentially in ways that are detrimental to their financial well-being.

In the G20 Fukuoka policy priorities on aging and financial inclusion, low digital capability was highlighted as a leading cause of financial exclusion among older adults. Several other key causes – particularly a lack of financial products for older adults – further exclude older adults from the digital economy. As a result, vast numbers of people in many countries lack the tools and products needed to prepare for the financial challenges of older age.

Research suggests that digital financial services can help to manage age-related difficulties, such as challenges with mobility and memory, including by facilitating banking from home. Tools such as electronic savings reminders (nudges) and automated savings deposits can also help people to better prepare for retirement.

Financial exploitation is one of the most common forms of elder abuse, and vigorous consumer protections are needed to ensure that digital financial services benefit the elderly.

This paper aims to provide insights, particularly to policymakers, financial and mobile service providers, insurers and business associations interested in developing and distributing financial products to help people of all ages prepare for and manage old age. The paper draws on data from the World Bank’s Global Findex database, the Gallup World Poll and secondary studies, and should be read in conjunction with the G20’s Fukuoka policy priorities (see Box 1 opposite).
Key findings

A lack of pensions and savings among large proportions of adult populations presents a significant challenge in many countries. This leaves many people potentially unprepared for the financial challenges of old age. Even older adults who do have pensions frequently struggle with budgeting, in no small part because pension payments are typically smaller than pre-retirement incomes.

Digital financial services can help people to prepare better for the financial challenges of old age. Automatic deductions can increase participation in savings plans, while text message nudges have been shown to help people to save more money and reach their savings goals. Regularly scheduled transfers from mobile money accounts into interest-bearing savings accounts at financial institutions might offer long-term savings possibilities in economies with high mobile money penetration, such as Ghana and Kenya. Increasing the use of digital payroll could give working adults more opportunities to participate in savings programs for old age. While digital financial services can play a significant and positive role in preparing for old age, broader safety nets remain critical for the well-being of older adults.

Financial services present risks for older adults, and strong consumer protections are vital. Vigilant consumer protection is vital for safeguarding older adults. As older adults face age-related disabilities, such as poor mobility and cognitive decline, they become more vulnerable to financial abuse. However, with the right balance of consumer protection, digital services can make older age more prosperous and enjoyable, including by enabling banking and other use of financial services from home.

Box 1. G20 Fukuoka policy priorities on aging and financial inclusion

Use data and evidence
Consider a range of sources of data and evidence to demonstrate which policies are most effective and identify further policy needs

Strengthen digital and financial literacy
Aim to provide all people with practical skills and knowledge to manage changes in their financial landscapes

Support lifetime financial planning
Develop programs and products to encourage long-term plans

Customize policies and solutions to address the diverse needs of older adults
Create products and services that are tailored to the range of needs of older adults

Innovate and harness inclusive technologies
Make use of technologies in developing financial products, protecting consumers and delivering financial education

Protect older adults from financial abuse and fraud
Identify problems quickly and use multifaceted approaches to prevent older adults from becoming victims of financial abuse and fraud

Encourage stakeholder engagement, including through a multisectoral approach
Work with different sectors to ensure a consistent and comprehensive approach to financial inclusion

Target key audiences and address vulnerabilities
Consider the specific and diverse needs of groups who may be vulnerable or underserved

A global challenge looms as populations in many countries get older, birth rates decline, employers limit pension benefits and governments constrain social spending. While Europe and North America currently have the oldest populations, population aging is happening in many parts of the world. Globally, the number of people aged 60 years or over has more than doubled since 1980, and the share of older adults is projected to double again by 2050 (United Nations Department of Economic and Social Affairs, Population Division, 2017). By 2050, older adults will account for about a quarter of the population in Latin America and the Caribbean, as well as in Asia (Figure 1). This aging presents financial challenges for government services. When there are relatively fewer young people in the workforce, there is less economic activity generating revenues to pay for social programs such as pensions. At the same time, older adults can strain the safety net because they are living longer and facing greater health needs than the rest of the population.

Older age often creates financial difficulty, even in relatively wealthy economies. Research in Germany has found that adults report lower satisfaction with current income when they retire. In the United Kingdom, studies suggest that economic well-being decreases in the years leading up to and following retirement (see Demirguc-Kunt, Klapper & Panos 2016). In the United States, a recent survey found that half of low- and moderate-income adults aged 50 or older had inadequate short-term savings, while nearly 40% struggled with excessive debt (Dunn, Andres & Wilson 2019).

Public safety nets, including pensions, are vital for the financial well-being of older adults. Social welfare programs provide income in old age and help older adults to manage their unique financial challenges. New research from the United States argues that when older
people have disability-support benefits during a financial emergency, they are 30% less likely to face bankruptcy, 30% less likely to deal with foreclosure and 20% less likely to sell their home to make ends meet (Deshpande, Gross & Su 2019).

Yet safety nets are often inadequate. On average in the economies of partner countries to the Organisation for Economic Co-operation and Development (OECD), pensions cover 63% of a person’s pre-retirement income. Pension coverage also varies by gender and employment status. The OECD finds that women’s pension payments are 27% lower on average than men’s, partly because women are generally paid less during their working years, and lose compensation when they are absent from the labor force, for example to raise children (OECD 2017a). The European Commission puts this gender pay gap in the European Union at 37% (European Commission 2018). People who work in the informal economy and people who are self-employed, such as freelancers, also tend to have lower participation in retirement savings than those who have worked full-time jobs for a formal employer.

Pension challenges are set to continue. Younger people in today’s workforce in many countries are likely to have lower pensions. This is in part because, on average, they will be likely to have experienced longer periods of unemployment due to economic crises and will typically have earned less money than previous generations. Some governments have tried to ease pension shortfalls by increasing public spending and delaying the retirement age so that people have more private savings when they retire. These reforms have had a positive impact but have largely not been sufficient to fix pension shortfalls. This is partly because the increase in working years is offset by the fact that people are living longer on average (OECD 2017b; Boulhol & Geppert 2018).
How digital tools can help build savings and prepare for old age

Governments and employers are asking workers to play a larger role in financial planning for old age, as traditional pension coverage declines. However, many workers lack the tools and knowledge to do so, particularly in low- and middle-income economies. In high-income OECD economies, 46% of adults save for old age, compared with 16% in low- and middle-income economies (Demirguc-Kunt et al. 2018). Workers who are eligible to participate in retirement savings plans might not have the skills needed to take advantage of them. Enrolling can require workers to make several complicated decisions, such as choosing a plan, how much of their own paycheck to earmark for the plan, and how to invest savings in equities so that they grow over time. Faced with these decisions, many workers procrastinate or simply never sign up.

Research has suggested several ways that digital financial services can help to overcome this inertia. One option is for employers to automatically enroll people in retirement savings programs linked to digital paycheck deductions, with the choice of opting out. Research in the United States has found that automatic enrollment can boost participation in company-provided pension plans by up to 67 percentage points compared with voluntary arrangements (see OECD 2018). In Afghanistan, automatically enrolling employees in a savings plan linked to mobile phones boosted participation by 40 percentage points (Blumenstock, Callen & Ghani 2018). Nudges – for example, simple reminders to make savings deposits – have proven to be effective. In the Philippines, sending text messages to remind individuals of their savings goals has increased savings amounts, making people more likely to reach their savings goals (Karlan, McConnell, Mullainathan & Zinman 2016). Early results from ongoing research in Colombia suggests that text messages can help informal-sector workers to increase retirement savings (Kendall, Karlan & Zinman forthcoming). Text messages can also remind people of their financial obligations and increase loan repayment (Karlan, Morten & Zinman 2015).

Box 2. Nudging to save: increasing voluntary contributions to retirement savings in Mexico

In Mexico, 6.5% of workers’ wages are automatically transferred to a retirement account. However, Mexicans often forget or are unaware that this level of contribution will ensure less than 30% of their current salary after retirement. This means that satisfactory income levels will require voluntary contributions as well. Yet less than 0.5% of the nearly 40.5 million account holders make at least one contribution each year. Currently, as many as 41% of older adults in Mexico live in poverty.

Ideas42 – a nonprofit organization that uses behavioral science insights to tackle social problems – partnered with the insurer MetLife and Mexico’s National Commission of the System of Retirement Savings to identify behavioral barriers and design and test behaviorally informed interventions to encourage individuals to save for retirement. Randomized controlled trials showed that text messages and physical letters reminding individuals to save could increase the number of people making voluntary contributions by up to 54% (Fertig, Fishbane & Leftkowitz 2018).
Financial abuse of older adults shows need for consumer protections

While digital financial services can help people to prepare for old age, these services also carry risks. Older people facing age-related disabilities are particularly susceptible to financial fraud. A review of research published in the medical journal *The Lancet* found that the second-most prevalent form of exploitation of older adults was financial abuse, which impacts about one in seven older adults living in institutional settings, such as assisted-living facilities (World Health Organization 2018; Yon et al. 2017).

Digital tools could create new ways to financially exploit older adults. Traditional face-to-face banking might have security benefits that digital banking lacks. For example, bank tellers or financial advisers might be able to detect financial abuse during in-person visits with older clients. Detection could be more difficult if, say, fraudsters steal an older person’s personal information and use it to make transactions online or over the phone (Deane 2018). Such problems could increase as digital banking expands.

Early research suggests that the rise of small loans delivered through mobile phones in East Africa has resulted in high rates of default and late payment, partly due to irresponsible lending and a lack of transparency (Izaguirre, Kaffenberger & Mazer 2018).
Strong consumer protections can make it safer for older people to use digital financial services. While promoting financial literacy and capability might limit these risks, effective government regulation – designed with older adults’ needs in mind – is also vital. Researchers did a lab experiment in Mexico and Peru to see if financial literacy or consumer protections had a stronger correlation with good financial behavior. The researchers measured participants’ financial literacy. They presented participants with simplified statements of key facts about credit and savings products. They found that the effect of presenting people with the statements was three times greater than the effect of financial literacy, and that people with low financial literacy particularly benefited from the statements (Gine, Cuellar & Mazer 2017). “This finding calls into question the emphasis by some consumer protection agencies in emerging markets on expensive financial education programs, and makes the case for shifting resources toward developing and enforcing effective disclosure and pricing transparency regimes instead,” the authors wrote.

Digital technology can also be used to identify and prevent the financial abuse of older adults through tools such as two-method verification, voice recognition and facial recognition (Deane 2018). A range of new digital applications aims to help older adults and their families with financial management in older age. The effectiveness of such apps depends in part on the financial knowledge of care providers. In fact, receiving advice from someone who lacks financial skills can easily leave older adults worse off. However, there is also evidence that receiving financial help eases the pressures of older age. A recent study found that most dementia patients in the United States received financial management assistance, mostly from relatives, and that such help dramatically reduced dementia’s negative financial effects (Belbase, Sanzenbacher & Walters 2018).

A range of digital tools exists to help older people to navigate their financial challenges. For instance, some financial services apps are designed to help people to keep tabs on their older parents’ financial activities, set up reminders and automatic bill payments, identify relevant government benefits and alert families about potential scams. Others offer older adults specialized services in detecting and guarding against fraud and exploitation by monitoring credit reports and financial accounts for signs of suspicious or illegal activity. Research on the effectiveness of such apps is scarce; more studies are needed to understand if and how they can help to address the financial abuse of older adults.
Relatively few older adults have access to technology

Financial services are increasingly delivered through digital technology, especially in low- and middle-income economies. Older adults’ ability to access these services depends in part on their access to mobile phones and the internet. In low- and middle-income economies, 81% of younger and middle-aged adults have their own mobile phone. The same is true of only 59% of those aged 70 to 79 years and 48% of the oldest adults (Figure 2). About one in three older adults aged 60 years or older in Indonesia and Mexico have a mobile phone. In high-income OECD economies, mobile phone ownership is practically universal among all adults except those in the oldest age groups: among adults aged 80 years or above, only 60% have a mobile phone.

Globally, internet access tends to be lower than mobile phone ownership. In low- and middle-income economies overall, only about one in 10 older adults are online. The share is nearly five times higher among the youngest adults (Figure 3). Internet access is almost nonexistent for older adults in India. In high-income OECD economies, internet access rapidly declines with age. Among those aged 60 to 69 years, 76% have an internet connection. For those aged 80 years and older, the share is only 36%.

Data from the World Bank’s Global Findex suggest that younger adults are more likely than older adults to use digital financial services. Today’s technologically savvy youth are, however, tomorrow’s older adults. The most likely reason younger adults have higher use of digital financial services is that they were more widespread during their youth. It is reasonable to expect that the gap will steadily narrow.
Many older adults have already adopted these technologies and found the confidence to use them for financial purposes. A recent survey in the United States suggests that nearly half of low- to moderate-income older Americans are comfortable shopping, buying and paying bills on mobile devices, while nearly a third said they used the internet to answer financial questions (Dunn, Andres & Wilson, 2019). Another useful measurement is the share of older adults who use a mobile phone or the internet to check the balances of their accounts. Generally, older adults are less likely to do so than younger adults (Figure 4).
Measuring ownership and use of financial services among older adults

Data from the World Bank’s Global Findex database, the Gallup World Poll and secondary studies show worldwide variation in the share of adults who currently use formal financial services as they age.

**Accounts**

While almost all older adults in high-income OECD economies have an account, only 60% do in low- and middle-income economies. Globally, the share of adults with an account slightly declines with age. Account ownership begins to decrease in low- and middle-income economies as older adults reach their mid-60s (Figure 5). It seems unlikely that older adults are choosing to stop using accounts; they may never have had them to begin with.

![Figure 5: Account ownership continues as people age](source: Global Findex database (2017))

Source: Global Findex database (2017)
In high-income OECD economies, account ownership is practically universal for men and women alike. Overall in low- and middle-income economies, men are 9% more likely than women to have an account. These gender patterns largely hold across the life cycle. In poorer economies, the gender gap persists across age groups, even as account ownership decreases with age (Figure 6). Gender variations in the use of other financial services – such as digital payments and savings – also tend to show similar trends.

Figure 6: In low- and middle-income economies, the account ownership gender gap persists with age
Adults with an account (%)
Most adults who have an account do their banking with formal financial institutions such as banks or credit unions. In some economies, adults use mobile money accounts, which are provided by telecommunications companies and operated through basic mobile phones. Older adults today have been slower to adopt mobile money, even in economies where mobile money penetration is high. In Kenya – which has more mobile money usage than any other country – about 75% of younger and middle-aged adults have a mobile money account. Among older adults, that proportion is only 45%. Mobile money usage is practically unheard of for older adults in countries such as Bolivia, Chile, Haiti, Malaysia, Mexico, Thailand and Turkey (Figure 7).

Mobile money accounts are more basic than accounts at financial institutions. People typically use them to make retail payments or send and receive money to relatives living in other parts of the country. They are generally not seen as attractive options for long-term savings, partly because mobile money balances earn no interest. However, in some countries, banks and mobile money providers are partnering to offer savings opportunities to mobile money users. These partnerships allow users to set auto-deposit schedules to move funds from their mobile money accounts into their savings accounts, where they can earn compound interest over the long term. If mobile money accounts lack sufficient funds on the day of the scheduled deposit, users can receive a text reminder and choose to re-initiate the transfer when their mobile account balance is replenished. These tools could help mobile money account users to save for old age and other long-term goals. Mobile money service providers have also introduced bill payments and other more traditional digital banking services, which enable older adults to make financial payments from their homes.
**Savings**

Even though employers and governments are asking citizens to do more to prepare financially for retirement, saving for old age is far from universal. In low- and middle-income economies, 16% of adults overall report saving for retirement. That number increases as people get older. However, there is also evidence that people adopt riskier financial practices as they age. In low- and middle-income economies, people start to increase retirement saving in their late 40s. Around the same time, they tend to use formal savings methods less often (Figure 8). Informal savings methods in low- and middle-income countries are primarily community savings groups, informal savings collectors and savings held with family or friends or in the home. Others save by purchasing assets such as gold. The shift towards informal savings products might indicate that older adults are using less reliable savings methods or that they never had formal savings to begin with.

![Figure 8: In low- and middle-income economies, savings behavior changes with age](image)

**Box 3. A vision for the future: Rwanda’s universal digital pension scheme**

In December 2018, the Government of Rwanda launched the long-term savings scheme EjoHeza (meaning brighter future). It is designed to provide the Rwandan workforce with a tailored retirement savings option that ensures their well-being in older age. Today, nearly 95% of the Rwandan workforce is not covered by existing retirement plans.

The service will allow users to open and manage their accounts through their mobile phones with a simple interface using their national ID. The service will provide a special, means-tested fiscal incentives package for the first three years to encourage mass-scale enrollments and sustained savings discipline by non-salaried workers. This includes a matching government contribution of up to 18,000 Rwandan francs (RWF) per year along with a free life insurance cover of RWF 1 million and a funeral insurance cover of RWF 250,000.

The scheme was piloted in 2018 with 30,000 users. Based on the initial results, the government projects that if 2 million citizens joined the universal pension scheme over the next five years and saved the equivalent of US$ 10 a month, the government could mobilize retirement savings of over US$ 1 billion by year five and over US$ 3.6 billion by year 10 (Republic of Rwanda 2018; EjoHeza 2018).
In high-income OECD economies, savings and formal savings both begin to decline among people entering their 60s (Figure 9). Savings outside of banks and other financial institutions in high-income countries might also include direct holdings of additional asset classes, such as equities, bonds and money market instruments.

Savings behavior varies by region. Overall in low- and middle-income economies, 18% of older adults save for retirement. The number is higher in parts of East Asia and the Pacific, as well as in Europe and Central Asia. Roughly a third of older adults in Romania, Thailand and Vietnam save for retirement; the share is 42% in Laos and 52% in Belarus. Among the G20 economies, about one in eight older adults save for old age in Argentina, Brazil, India, Indonesia, Mexico and South Africa. The same is true of roughly a third of older adults in France, the Republic of Korea and the Russian Federation, as well as at least half of adults in Australia, Canada, Germany, Japan and the U.S. (Figure 10).
Digital payments

The World Bank’s Global Findex collects data on the percentage of adults who make or receive digital payments. Such payments include, but are not limited to, transfers of pensions, wages and government social benefits, as well as retail purchases using a card or mobile wallet. Digital payments can have a range of benefits for older adults. Digital bill payments and automatic pension transfers, for example, can remove or reduce the need to make expensive or difficult trips to government offices. The use of digital payments is considerably higher in high-income OECD economies compared with low-income ones. The share of adults making or receiving digital payments is somewhat lower among older adults (Figure 11).

Figure 11: Use of digital payments is slightly lower among older adults
Adults who make or receive digital payments (%)

Box 4. Uganda’s senior citizen grants: creating opportunities across generations with digital transfers

Uganda’s senior citizen grant provides 150,000 Ugandans aged 65 years and older in 55 districts with 25,000 Ugandan shillings per month, around US$ 7 at current exchange rates. Recipients receive benefits digitally via mobile phone. The scheme launched in 2011 with the support of Irish Aid, the United Kingdom Department for International Development and the United Nations Children’s Fund, and has progressively expanded.

A recent impact evaluation by Development Pathways finds that senior citizen grants resulted in higher household expenditure and an estimated 19 percentage points reduction of the poverty rate among recipients (Gelders & Athias 2019). The evaluation also shows an increase of recipients eating at least two meals per day. Furthermore, beneficiaries were able to invest in productive assets. Households owning livestock increased by 5 percentage points, and livestock diversification was enhanced.

Children living with older adults also benefitted from the program. The senior citizen grant reduced the likelihood of child labor by 5 percentage points on average, and reduced the share of children who never attended school. The research also finds an increase in school attendance and in the number of grades achieved among children in beneficiary households.
Overall in low- and middle-income economies, 39% of older adults make or receive digital payments. That proportion is about 66% in Kenya and Namibia, more than 70% in Serbia and South Africa and 81% in Mongolia.

As might be expected, older adults lag younger and middle-aged adults in the use of payments via mobile phones and the internet. This is particularly the case in low- and middle-income economies, where such payments are made five times more often among younger adults than adults aged 60 years or older. However, it is also true of high-income OECD economies, where two-thirds of younger adults make such payments, versus only 16% of those aged 80 years or older (Figure 12). In economies with high mobile money penetration, adults aged 60 years or older make payments through mobile phones or the internet more frequently. The share doing so is 29% in Iran; roughly 40% in Ghana, Uganda and Zimbabwe; and about 52% in Kenya.

Figure 12: Younger adults are more likely to make payments using a mobile phone or the internet
Adults who made a payment using a mobile phone or the internet (%)
Pensions are one of the most important payment types for older adults. While more than half of older adults in high-income OECD economies receive pension payments, the same is true for only about a quarter of adults in low- and middle-income economies. Pension coverage is relatively high in parts of Europe and Central Asia. About 90% or more of older adults in Belarus and Romania receive pension payments, as do roughly 80% in Hungary, Russia and Serbia. Globally, most pension payments are made digitally (Figure 13). Digital pension payments are overwhelmingly made into accounts, although in Sub-Saharan Africa roughly one in six pension recipients collect their pension using a payment card.

**Figure 13: Europe and Central Asia lead in digital pension disbursements**

Adults age 60+ who received a pension payment (%)

Source: Global Findex database (2017)
The Standard & Poor’s Global FinLit Survey (Klapper, Lusardi & Oudheusden 2015) measures financial literacy using questions assessing basic knowledge of four fundamental concepts in financial decision-making: knowledge of interest rates, interest compounding, inflation and risk diversification. The data show that in the major advanced economies, financial literacy rates are lowest among the youngest and oldest adults, suggesting that financial literacy peaks in middle age (Figure 14). On average, 56% of adults aged 35 years or younger are financially literate, compared with 63% of those aged 36 to 50 years. Financial literacy rates are lower for adults older than 50 years, and rates are lowest among those older than 65 years. The pattern is different for the major emerging economies. Here, adults aged 65 years and older have the lowest financial literacy rates of any age group, while young adults have the highest knowledge. At 32%, financial literacy in these economies is much higher for young adults than for the oldest adults, only 17% of whom are financially literate. These data highlight the potential for digital tools to support responsible financial decision-making among older adults.

Figure 14: Financial skills, by age
Adults who are financially literate (%)

Source: Klapper, Lusardi & Oudheusden (2015)
Note: Major advanced economies are Canada, France, Germany, Italy, Japan, the United Kingdom and the United States, and major emerging economies are Brazil, China, India, Russian Federation and South Africa
Automatically enrolling workers in retirement savings programs that require regular contributions can be an effective way to increase participation. Digital wage payments can provide a foothold in the formal financial sector and create opportunities to set regularly scheduled deposits into private retirement savings tools that are not necessarily linked to an employer.

The World Bank’s Global Findex database provides a general indication of the potential market for automatic savings contributions. A third of adults worldwide report receiving wage payments in the past year, with 21% of adults receiving wages digitally, 10% receiving them in cash and 2% receiving them in some other way. That means 1.8 billion adults worldwide receive wage payments, including about 1 billion who receive such payments digitally. Most of these wage earners live in low- and middle-income economies, including nearly 645 million digital wage recipients.

As detailed earlier in this report, workers who receive electronic wage payments have opportunities to adopt automated savings tools to better prepare for older age. Millions of private-sector wage earners might be missing out on these options because they receive their wages in cash. On average in low- and middle-income economies, about a quarter of adults work for a private-sector employer and get paid in wages. Only about half of these wage earners receive their earnings into an account. In economies such as Egypt, Ethiopia, India and Indonesia, most private-sector wage earners are paid in cash (Figure 15).

![Figure 15: Millions of private sector workers are paid in cash](image)

**Figure 15: Millions of private sector workers are paid in cash**

Adults receiving private-sector wage payments (%)

Source: Global Findex database (2017)
Digitizing wage payments is also a proven way to increase account ownership. About 200 million adults worldwide opened their first bank account specifically to receive wage payments from a private-sector employer, among them 85 million women and 50 million adults in the poorest 40% of households. There is still room for more progress. Globally, 230 million private-sector workers do not have bank accounts and receive wage payments in cash (Map 1). Some 180 million of these have mobile phones, which could provide convenient and affordable access to digital financial services. Increasing the use of digital payroll could help these workers get their first account and therefore create possibilities for them to enroll in automated retirement savings contributions.

Adults who are self-employed or who work in the so-called gig economy have additional challenges. These workers might not be covered by traditional pension programs and might therefore lack savings options for older age. Ensuring self-employed workers are covered by safety net programs is critical in ensuring their financial well-being in older age. Digital tools discussed elsewhere in this report – such as automated savings tools and text message reminders – can be helpful.
Conclusion

The barriers to financial inclusion for older adults are complex, interconnected and varied across regions and demographic groups. Digital financial services present challenges as well as opportunities for older adults. This paper has outlined the key causes of financial exclusion, and explored some of the ways in which digital financial technology might provide solutions. Importantly, the examples suggest there is still potential for further positive impact, if we learn and share the lessons from the experience to date. This paper should be seen as a contribution to the knowledge base in this area, recognizing that much more research and analysis is needed now and into the future.
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