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Mzansi customer numbers beat forecasts

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MZANSI, the low-cost bank account launched by the four large banks and Postbank last year, has surpassed expectations, growing its customer base to about 560000 since its launch in October.

Figures released by the Banking Council yesterday show that more than 6000 new accounts are opened daily, which means Mzansi should have 1-million customers by the end of April.

So far, customers have amassed R160m in Mzansi accounts, with an average balance of R290.

"I believe we are probably two to three times bigger and better than we anticipated," Colin Donian, head of Mzansi at the Banking Council, said yesterday. "But this is not just a numbers game. Real people are behind this data."

Postbank has overtaken Standard Bank with the most customers. However, it has been promoting Mzansi as its main offering to the market, rather than its FlexiCard account. It now has 152000 customers, or 27,3% of the market, followed by Standard with 25,9%, Absa with 23,9%, First National Bank with 16,2% and Nedbank with 6,7%.

Donian said 90% of Mzansi customers who opened the accounts were new customers and had not held an account at that bank previously, while the other 10% were from the bank's existing customer base. However, some customers might have moved over from other banking groups. More than half of Mzansi customers were female and about two-thirds of customers were in the 25-54 age group.

Donian said government, labour and the public sector's support had contributed to Mzansi's growth.

Congress of South African Trade Unions economist Neva Makgetla said the success of Mzansi was evidence of the "huge demand for this type of account".

However, she said the account did not go far enough in addressing the needs of

the **unbanked**. Due to the limited number of "cheap" transactions offered by the banks to Mzansi customers, it was not suitable for self-employed customers such as hawkers, who needed to make a lot more transactions. The lack of a debit order facility also posed a problem.

Donian said the banks were discussing ways to improve Mzansi to meet the needs of customers.