

Determinants of Formal Financial Services Utilization Among the Afghan Diaspora

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Abstract

This study investigates the use of formal financial services—bank accounts, online banking, and bank loans—among the Afghan diaspora through a quantitative, cross-sectional survey (N=469) conducted in Iran, Pakistan, India, Turkey, and the United States. The analysis reveals significant differences in financial service utilization across demographic and legal status groups. Younger adults (ages 20–30) demonstrate higher usage of bank accounts and online banking compared to older age groups. Individuals with higher income and education levels exhibit greater utilization of all services, particularly online banking. Usage patterns also vary significantly by country of residence, likely reflecting differences in financial infrastructure and regulatory environments. Employment status differentiates engagement levels, with employed individuals and students using formal financial services more frequently than the unemployed or self-employed. Additionally, residential status influences access—citizens, expatriates, and students are more likely to use these services than asylum seekers, who face considerable institutional barriers. These findings highlight the need for inclusive financial policies that address legal, economic, and structural challenges faced by migrant populations.

Keywords: financial inclusion; online banking; migrant financial behavior; socioeconomic factors; residential status