Research Article

Digital vs. Traditional Remittance Preferences among Overseas Filipino Workers: Patterns, Barriers, and Behavioral Drivers

Enrico D. Rojas, Peter G. Narsico [*]

College of Management, Business, and Accountancy, Cebu Institute of Technology- University, Cebu City, 6000, Philippines

ABSTRACT

This study examines the remittance method preferences of Overseas Filipino Workers (OFWs) amid growing digitalization in financial services. It explores usage patterns, country-level differences, and factors influencing the adoption of digital versus traditional remittance channels. Employing a descriptive-comparative design, the study analyzed responses from 400 OFWs across five global regions, gathered through online surveys and community networks. Chi-square tests of independence assessed associations between remittance preferences, countries of employment, and regional groupings. Results revealed significant differences across countries. OFWs in the United States and the United Arab Emirates exhibited high digital adoption (65.2% and 69.8%, respectively), citing convenience and cost-efficiency as key motivators. Conversely, OFWs in Taiwan, Hong Kong, and Singapore preferred traditional remittance centers due to trust and technological limitations. A significant association was found between country and remittance method, $\chi^2(17, N = 400) = 78.24$, $p < .001$, while regional differences between Asia and North America were not statistically significant, $\chi^2(1, N = 337) = 1.33$, $p = .25$. These findings underscore the need for user-centered financial technologies that are both inclusive and responsive to OFWs' diverse socioeconomic contexts and digital competencies.

Keywords: *Overseas Filipino Workers (OFWs), Digital remittance platforms, Financial inclusion, Remittance behavior, Digital adoption barriers*

Background

Remittances have long served as a vital economic lifeline for the Philippines, with millions of Overseas Filipino Workers (OFWs) supporting their families back home by sending a portion of their earnings (Bangko Sentral ng Pilipinas, 2023). These remittances play a crucial

role in sustaining household consumption, funding education, paying for healthcare, and bolstering small enterprises (International Organization for Migration, 2022). Traditionally, OFWs have relied on banks and established money transfer operators (MTOs) to remit funds. In 2021, data from the Philippine Statistics Authority revealed that approximately 56.5% of OFWs sent their remittances through banks, while around 36.5% used popular providers like MoneyGram and Western Union (Philippine Statistics Authority, 2022).

These conventional channels are especially favored by older OFWs due to the perceived safety, in-person customer service, and the tangible assurance of printed receipts. In contrast, recent years have witnessed a surge in the availability and adoption of digital platforms for money transfers. Mobile wallets such as GCash and Maya, alongside online services like WorldRemit and Remitly, now provide faster transactions, lower costs, and increased convenience (Bangko Sentral ng Pilipinas, 2023). The International Fund for Agricultural Development (2022) notes that such digital services can be especially valuable during emergencies, when the speed of transfer is critical.

While it is clear that digital platforms offer significant benefits, there remains limited research exploring the diverse preferences of OFWs for digital versus traditional remittance channels, particularly in the context of age, location, technological familiarity, and recipient accessibility. Moreover, not all families receiving remittances are equally equipped to utilize digital solutions, especially in rural areas where internet access and digital literacy are limited (Asian Development Bank, 2022). These gaps suggest a need to examine both the drivers and deterrents of digital adoption among OFWs (World Bank, 2021).

The shift toward digital remittance channels accelerated notably during the COVID-19 pandemic, when lockdowns restricted access to physical outlets. WorldRemit reported that at the beginning of the pandemic, approximately 65% of remittances to the Philippines were made in cash and only 5% via mobile wallets, but by the pandemic's end digital channels (banks + e-wallets) constituted nearly 60% of inbound remittances (Philippine Star, 2023).

Despite this shift, many OFWs and their families continue to face challenges in fully transitioning to digital platforms—citing concerns over cyber-fraud, limited familiarity, or infrastructural constraints (Waliullah et al., 2025).

Given the increasing relevance of digital financial services, it is imperative to better understand the evolving remittance behaviors of OFWs. Insights from this study can help identify demographic trends, regional patterns, and user preferences that shape remittance decisions. This knowledge can inform developers, policymakers, and financial institutions in crafting more inclusive, user-friendly, and secure remittance solutions responsive to both senders and recipients. Empirical evidence suggests that increasing digital financial inclusion, fuelled by mobile phone penetration, enhances remittance efficiency and reduces poverty in remittance-receiving countries (Inoue, 2024). Meanwhile, a Visa-commissioned survey in 2024 found that 75% of Filipino remittances are already processed via digital platforms—with users citing speed, security, and convenience as primary motivators (Quiambao, 2024). Ultimately, optimizing remittance systems supports not just financial inclusion but also the broader socio-economic wellbeing of millions of Filipino families.

This study seeks to explore the patterns, motivations, and barriers behind Overseas Filipino Workers' (OFWs) choices of remittance methods, particularly in the context of the ongoing digital transformation in financial services. Specifically, it aims to: (1) identify the predominant remittance channels—whether self-service digital applications or traditional remittance centers—used by OFWs in the top five countries represented in the dataset; (2) determine which countries show a stronger preference for digital platforms and examine the demographic or contextual factors that may explain this trend; (3) explore whether there is a regional pattern in remittance choices, particularly between countries in Asia and North America; (4) understand the key factors that influence OFWs' decisions regarding remittance methods, such as age, digital literacy, perceived security, cost, speed, and accessibility; and (5)

examine the challenges and barriers encountered by OFWs and their families in using digital platforms and how these issues affect their willingness to adopt such technologies.

To address these aims, the study tests the following hypotheses: There is no significant difference in the usage of self-service digital applications and traditional remittance centers among OFWs in the top five countries represented in the dataset; There is no significant difference in the preference for digital remittance platforms among OFWs across different countries; and There is no significant regional difference between Asian and North American countries in the remittance method preferences of OFWs.

Methods

The study employed a descriptive-comparative research design to examine the remittance preferences of Overseas Filipino Workers (OFWs) across various global regions. This design was suitable for identifying patterns, behaviors, and attitudes within a specific population while also allowing for comparisons between groups. It enabled the researcher to explore how demographic factors such location, technological familiarity, and remittance frequency influence the choice between self-service digital platforms (e.g., mobile wallets and online services) and traditional remittance centers (e.g., banks, Western Union). The study sought to determine significant differences in user satisfaction and preferences, with a focus on factors such as convenience, cost, trust, access, and transaction speed. By analyzing these elements, the study aimed to provide data-driven insights for designing more inclusive, secure, and user-friendly remittance systems.

The participants of the study consisted of 400 Overseas Filipino Workers currently employed in countries across Asia, Europe, the Middle East, North America, and Oceania. They represented a wide spectrum of occupations, educational levels, and remittance habits. A convenience sampling method was used to recruit participants due to the geographic dispersion and time zone challenges of reaching OFWs. Recruitment was carried out via online platforms, social media groups of Filipino communities abroad, and peer referrals, particularly in countries with high OFW populations such as the United States, United Arab Emirates, Canada, Japan, South Korea, and Singapore. Prior to participating, all respondents were provided with informed consent forms that outlined the study's purpose, procedures, and confidentiality assurances. The sample included both younger OFWs—who were more likely to use mobile apps—and older individuals, many of whom continued to prefer traditional remittance centers. This diversity enriched the study's comparative analysis.

Data were collected using a structured online questionnaire designed to gather quantitative information on remittance behaviors. The survey was distributed through digital channels frequently used by OFWs, including Facebook, email, WhatsApp, and Viber, which helped maximize accessibility across multiple regions. The questionnaire included closed-ended questions to measure the frequency of remittance transactions, preferred methods, and motivations for those choices. Additional demographic information such as age, gender, occupation, and country of employment was also collected. Over a one-month period, 400 valid responses were obtained. All survey responses were securely recorded through an online form with access restricted to the primary researcher, ensuring the confidentiality of participant data.

The study employed a mixed-methods approach, integrating both quantitative and qualitative techniques to examine the remittance behaviors of Overseas Filipino Workers (OFWs). Quantitative data were analyzed using descriptive and inferential statistical methods. Frequencies and percentages were computed to illustrate how remittance method usage varied across demographic subgroups such as age, gender, country of employment, and regional classification. A Chi-square test of independence was applied to assess associations between categorical variables, including the use of self-service digital applications versus traditional remittance centers in the top five countries represented in the dataset, preferences for digital platforms across different national

contexts, and regional differences—particularly between Asian and North American countries—in remittance channel selection.

The qualitative component of the study incorporated a survey featuring one open-ended question aimed at capturing participants' underlying reasons for selecting a specific remittance method. Responses were collected, aggregated, and subjected to thematic analysis to identify recurring patterns and motivational drivers. Emergent themes were then categorized by user profiles and examined in relation to key decision-making factors, including convenience, cost, speed, trust, security, and technological readiness. This qualitative insight complemented the quantitative findings, offering a nuanced understanding of the remittance landscape and highlighting the contextual influences and behavioral considerations that inform OFWs' preferences between digital and traditional remittance channels.

Result and Discussion
Remittance Channels Used by OFWs in the Top Five Countries.

To establish a foundational understanding of remittance behaviors among Overseas Filipino Workers (OFWs), it is essential to examine the distribution of remittance method preferences across countries of employment. Table 1 presents the total number of respondents per country, disaggregated by their use of self-service digital applications versus traditional remittance centers. This descriptive overview highlights the geographic spread of the sample and provides initial insights into national-level variations in remittance channel usage, setting the stage for deeper comparative and inferential analyses.

Table 1 Remittance Method Preferences of OFWs by Country of Employment

Country/area of work	Total Population	Self-service apps	Remittance Centers	Percentage
United States	66	43	23	16.50%
United Arab Emirates	53	37	16	13.25%
Taiwan	36	13	23	9.00%
Hong Kong	35	16	19	8.75%
Singapore	29	7	22	7.25%
South Korea	26	17	9	6.50%
Canada	22	9	13	5.50%
Japan	21	12	9	5.25%
Kuwait	20	12	8	5.00%
New Zealand	16	11	5	4.00%
Mariana Islands	15	3	12	3.75%
Israel	11	0	11	2.75%
Vietnam	11	2	9	2.75%
Australia	11	3	8	2.75%
Slovakia	10	3	7	2.50%
Barbados	5	0	5	1.25%
Bahamas	5	2	3	1.25%
United Kingdom	4	3	1	1.00%
Spain	4	1	3	1.00%
TOTAL	400	194	206	100%

Note: Data reflect total respondents per country (N = 400), including their preference for either self-service digital applications or traditional remittance centers. Percentages represent each country's proportion of the total sample.

The first specific question—'Which countries show a stronger preference for digital remittance platforms, and what demographic or contextual factors might explain this trend?'—was explored through the following discussion and explanatory insights. As shown in Table 1, the findings of this study reveal notable variations in remittance channel preferences among Overseas Filipino Workers (OFWs) across different countries. Among the top five countries by number of respondents—United States, United Arab Emirates, Taiwan, Hong Kong, and Singapore—the United States and UAE showed the highest preference for self-service digital applications. In the U.S., 65.2% of respondents used digital platforms, while in the UAE, 69.8% preferred these channels. This trend suggests that the availability of advanced digital infrastructure and widespread access to financial technology strongly influence the adoption of app-based remittance systems. Recent studies have highlighted that digital remittance usage among OFWs has surged in response to improved mobile banking services, competitive transaction costs, and enhanced user security (Bayangos & Lubangco, 2024; OFW Jobs, 2024). Moreover, the Bangko Sentral ng Pilipinas (2024) reported that digital remittances now account for nearly half of all OFW remittance transactions, a significant increase from pre-pandemic levels. This shift is further supported by findings from Balboa et al. (2023), who emphasized that OFWs in digitally advanced host countries are more likely to adopt app-based remittance platforms due to convenience, speed, and accessibility. According to Visa (2024), OFWs in countries like the U.S. and UAE are more inclined to use

digital platforms such as Remitly and WorldRemit due to faster processing times, lower fees, and better security features.

The null hypothesis that applies to this section states, "There is no significant difference in the usage of self-service digital applications and traditional remittance centers among OFWs in the top five countries represented in the dataset." A Chi-square test of independence was conducted to examine whether there was a significant difference in the usage of self-service digital applications and traditional remittance centers among Overseas Filipino Workers (OFWs) in the top five countries by total population in the dataset: United States, United Arab Emirates, Taiwan, Hong Kong, and Singapore. The results revealed a statistically significant association between country of employment and preferred remittance method, χ^2 (4, N = 219) = 24.49, p < .001.

Understanding the remittance behaviors of Overseas Filipino Workers (OFWs) requires close examination of how preferences vary across host countries. Given the increasing availability of digital financial services, it is essential to identify where digital adoption is most prominent and where traditional methods persist. Table 2 introduces the observed frequencies of remittance method preferences among OFWs in the five countries with the highest respondent counts. This comparison provides a foundational view of how employment location may influence the choice between self-service digital applications and traditional remittance centers, setting the stage for further statistical analysis and interpretation.

Table 2 Observed Frequencies of Remittance Method Preferences Among OFWs in Top Five Countries (N = 219)

Country	Self-service Apps (Observed)	Remittance Centers (Observed)	Total
United States	43	23	66
UAE	37	16	53
Taiwan	13	23	36
Hong Kong	16	19	35
Singapore	7	22	29
Total	116	103	219

Note: Data represents OFW responses from the five countries with the highest sample counts in the dataset.

To assess whether the observed differences in remittance method preferences among OFWs across countries were statistically significant, expected frequencies were calculated using the Chi-square test of independence. Table 3 presents these expected values for the top five countries by respondent count, assuming no association between country of employment and remittance method. By comparing these expected frequencies with the observed counts in Table 3, the analysis evaluates whether deviations are due to chance or reflect meaningful patterns in remittance behavior.

The observed counts showed notable variation across countries. For instance, in the United States, 43 OFWs reported using self-service apps while 23 preferred remittance centers, whereas in Singapore, only 7 used self-service apps compared to 22 who used remittance centers. The expected frequencies under the assumption of no association were calculated based on marginal totals (e.g., 34.96 for self-service users in the U.S., 15.36 in Singapore). The large differences between observed and expected counts contributed to the significant result. These findings suggest that remittance channel preferences among OFWs are significantly influenced by their country of employment. Such differences may reflect varying levels of digital infrastructure, policy environments, digital literacy, and cultural attitudes toward technology in each host country.

Table 3 Expected Frequencies for Remittance Method Preferences Among OFWs in Top Five Countries (N = 219)

Country	Self-service Apps (Expected)	Remittance Centers (Expected)
United States	34.96	31.04
UAE	28.07	24.93
Taiwan	19.07	16.93
Hong Kong	18.54	16.46
Singapore	15.36	13.64

Note: Expected frequencies were calculated using the Chi-square test formula.

Furthermore, thematic analysis revealed distinct user profiles that helped explain the prevalence of both traditional and digital remittance channels across the top five countries in the dataset. OFWs who predominantly used mobile apps often cited themes of convenience and accessibility, speed, cost-effectiveness, and the availability of extra financial tools such as bill payments and emergency loans. These features made digital platforms more appealing, particularly in countries with reliable internet infrastructure and supportive employer policies. In contrast, those who continued to rely on traditional remittance centers emphasized trust and familiarity, especially the assurance of face-to-face transactions and physical receipts. Additional themes such as technology-related challenges, security and privacy concerns, and practical barriers like limited device access and beneficiary preferences for cash pickups were frequently mentioned by users in countries where digital remittance adoption remained low.

These contrasting thematic patterns align with observed usage statistics and offer deeper context to the predominance of certain remittance methods in specific national settings.

Countries that Show a Stronger Preference for Digital Platforms.

The second specific question—'Which countries show a stronger preference for digital remittance platforms, and what demographic or contextual factors may explain these preferences?'—was addressed through the following discussion and supporting explanations. In contrast, countries like Taiwan, Hong Kong, and Singapore demonstrated more conservative usage of digital remittance platforms. In Taiwan and Hong Kong, a greater proportion of respondents preferred traditional remittance centers over self-service apps. Singapore, despite its advanced digital infrastructure, showed a surprising 75.9% usage of traditional remittance centers. These patterns may reflect

cultural preferences, limited digital onboarding, or contextual constraints such as employer-imposed restrictions or inconsistent access to mobile devices. Dalisay and Tan (2021) observed that OFWs in Hong Kong and Taiwan often rely on familiar remittance channels due to social networks and perceived reliability, even when digital options are available. Similarly, Lam and Yeoh (2022) emphasized that trust and habitual use of physical remittance services remain strong among migrant workers in East Asia, particularly where digital financial literacy is uneven. Moreover, Reyes and Tabuga (2023) found that the adoption of digital remittance tools among OFWs is significantly influenced by institutional support and the presence of culturally tailored onboarding mechanisms. Finally, a study by Mercado (2024) highlighted that even in technologically advanced settings, the perceived complexity of digital platforms and fear of transaction errors can deter usage among older or less digitally literate OFWs.

The null hypothesis guiding this section asserts that there is no significant difference in the preference for digital remittance platforms among OFWs across various countries of employment. A chi-square test for independence was conducted to examine the relationship between the country of employment and OFWs' preference for remittance method (self-service apps vs. remittance centers). The test revealed a statistically significant association between remittance preference and country, χ^2 (17, N = 400) = 78.24, p < .001. This indicates that OFWs' preferences for digital remittance platforms vary significantly by country of employment.

To determine whether the observed differences in remittance method preferences among OFWs were statistically significant across countries of employment, both observed and expected frequencies were analyzed using a Chi-square test of independence. Table 4 presents a side-by-side comparison of the actual (observed) and theoretical (expected) counts of OFWs who preferred either self-service digital applications or traditional remittance centers. This table provides the empirical basis for evaluating whether deviations from expected values reflect meaningful behavioral patterns or are attributable to chance, thereby supporting the study's inferential analysis.

Table 4 Observed and Expected Counts of Remittance Method Preferences by Country of Employment

Country	Self-Service Apps (O)	Remittance Centers (O)	Self-Service Apps (E)	Remittance Centers (E)
United States	43	23	32.01	33.99
United Arab Emirates	37	16	25.71	27.29
Taiwan	13	23	17.46	18.54
Hong Kong	16	19	17.00	18.00
Singapore	7	22	14.07	14.93
South Korea	17	9	12.61	13.39
Canada	9	13	10.67	11.33
Japan	12	9	10.19	10.81
Kuwait	12	8	9.70	10.30
New Zealand	11	5	7.76	8.24
Mariana Islands	3	12	7.28	7.72
Israel	0	11	5.34	5.66
Vietnam	2	9	5.34	5.66
Australia	3	8	5.34	5.66
Slovakia	3	7	4.85	5.15
Barbados	0	5	2.43	2.57
Bahamas	2	3	2.43	2.57
United Kingdom	3	1	1.94	2.06

Country	Self-Service Apps (O)	Remittance Centers (O)	Self-Service Apps (E)	Remittance Centers (E)
Spain	1	3	1.94	2.06
Total	194	206		

Note. O = Observed; E = Expected.

The significant chi-square result implies that the digital remittance behavior of OFWs is not consistent across host countries. Countries like the United States and UAE show a substantially higher-than-expected use of self-service apps, while workers in places like Israel and Taiwan display a stronger-than-expected reliance on remittance centers. These differences may reflect variations in digital banking infrastructure, employer arrangements, or local financial culture.

In addition, thematic findings suggest that countries with higher digital platform usage among OFWs—such as the United States and the United Arab Emirates—share several enabling factors reflected in participant responses. OFWs in these locations often emphasized convenience and accessibility, speed, and cost-effectiveness as decisive reasons for adopting mobile remittance apps. These themes correspond to environments with more stable internet connectivity, greater smartphone penetration, and employer policies that permit flexible phone use. Conversely, in countries like Taiwan, Hong Kong, and Singapore—where traditional remittance centers remained dominant—OFWs reported themes of trust and familiarity, practical barriers, and challenges with technology, including limited digital literacy and visual impairments. Contextual elements such as restricted mobile use in the workplace, preference for in-person transactions, and beneficiaries' familiarity with over-the-counter cash pickups were also commonly noted. These findings illustrate how local infrastructure, occupational conditions, and user readiness shape national differences in remittance method preferences.

Regional Patterns in Remittance Choices.

The third specific question—'Is there a regional pattern in remittance choices, particularly between countries in Asia and North America?'—was explored through the following explanations and supporting analyses. When comparing regions, a clear distinction emerges between North America and Asia in terms of remittance channel preferences among Overseas Filipino Workers (OFWs). In North America—particularly in the United States and Canada—59% of respondents reported using self-service digital applications, reflecting a strong inclination toward digital remittance platforms. In contrast, Asian countries such as Taiwan, Hong Kong, Singapore, and Vietnam exhibited lower adoption rates, with only 31.5% of OFWs opting for digital tools over traditional remittance centers. This regional disparity aligns with findings from Reyes and Tabuga (2023), who observed that digital remittance adoption is significantly influenced by institutional support and the maturity of financial ecosystems. Similarly, Lam and Yeoh (2022) emphasized that trust, digital literacy, and habitual use of physical remittance services remain critical barriers in East Asia. In North America, however, the presence of robust consumer protection frameworks and widespread fintech integration has facilitated greater digital uptake (Alvarez et al., 2023). Moreover, Diniz et al. (2022) highlighted that migrants in digitally advanced economies are more likely to adopt app-based remittance tools due to lower transaction costs and enhanced user experience. Finally, a comparative study by Singh and Kaur (2024) confirmed that regional differences in remittance behavior are shaped not only by technological access but also by regulatory environments and cultural attitudes toward financial risk.

The null hypothesis for this section posits that there is no significant regional difference in the remittance method preferences of OFWs between Asian and North American countries. A chi-square test for independence was conducted to examine the relationship between region of employment (Asia vs. North America) and remittance method preference (self-

service apps vs. remittance centers) among Overseas Filipino Workers (OFWs). The association was not statistically significant, χ^2 (1, N = 337) = 1.33, p = .25, indicating that OFWs' preference for remittance method did not significantly differ by region.

To explore whether broader regional patterns influence remittance method preferences among Overseas Filipino Workers (OFWs), the study compared observed and expected frequencies across Asia and North America. Table 5 presents the distribution of self-service app usage and traditional remittance center preferences by region, alongside the expected counts derived from a Chi-square test of independence. This regional-level analysis provides a simplified lens through which to assess whether geographic grouping—beyond individual countries—plays a statistically meaningful role in shaping remittance behaviors.

Table 5 Observed and Expected Frequencies of Remittance Method Preferences by Region of Employment

Region	Method	Observed (O)	Expected (E)
Asia	Self-Service Apps	116	120.52
Asia	Remittance Centers	123	118.48
North America	Self-Service Apps	54	49.48
North America	Remittance Centers	44	48.52
Total		337	

Note. O = Observed frequency; E = Expected frequency.

Moreover, thematic insights reveal clear contrasts in remittance behavior between OFWs in North America and those based in Asian countries, pointing to regionally shaped preferences. Respondents in North America frequently highlighted themes of global service reliability, user-friendly digital experiences, and integrated financial features as key advantages of using mobile apps. Their access to stable internet, employer flexibility, and higher levels of digital familiarity supported this inclination. In contrast, OFWs in Asian host countries often emphasized trust and familiarity with traditional providers, citing face-to-face assurance and physical receipts as important markers of reliability. Moreover, themes such as technological challenges, practical barriers like restricted phone use at work, and family-driven preferences for cash pickup contributed to the sustained dominance of over-the-counter remittance methods in these regions. Although statistical tests showed no significant regional association, these thematic patterns suggest meaningful behavioral distinctions between regions that may not be fully captured by quantitative measures alone.

Factors that Influence OFWs' Decisions Regarding Remittance Methods. The fourth specific question—'What key factors influence OFWs' decisions regarding remittance methods, including age, digital literacy, perceived security, cost, speed, and accessibility?'—was examined through a detailed analysis of these variables and their potential impact on platform choice. Demographic and contextual factors also played a significant role in shaping OFW remittance choices. Although the survey did not collect explicit age data, usage trends suggest that younger, digitally literate OFWs in countries like South Korea and the UAE are more inclined to use mobile applications for remittance transactions. This observation is consistent with Martinez and Chong (2022), who found that digital adoption among migrant workers is strongly influenced by financial literacy, perceived ease of use, and trust in digital systems. Similarly, Bautista and Lamberte (2023) noted that digital adoption is positively correlated with age, education level, and prior exposure to mobile banking. In contrast, countries with older OFW populations or limited digital onboarding infrastructure tend to show higher reliance on traditional remittance services. Cruz and de Vera (2022) emphasized that older migrants often express concerns about transaction errors and lack of personalized assistance, which discourages them from using digital platforms. Gonzales and Rivera (2023)

further highlighted that user interface design and onboarding support significantly affect adoption rates, particularly among first-time users. Villanueva and Santos (2023) added that financial literacy and trust in digital systems are critical enablers of digital remittance use, especially among younger OFWs who are more receptive to fintech innovations.

To better illustrate the contrasting motivations and concerns among Overseas Filipino Workers (OFWs) regarding remittance methods, Table 6 summarizes the key thematic insights derived from participant responses. The themes are organized by user profile—those who prefer mobile money applications and those who continue to rely on traditional remittance services—highlighting the specific factors that influence their decisions, from convenience and security to trust and accessibility.

Table 6 Summary of Thematic Insights from OFW Remittance Preferences

User Profile	Themes	Descriptions
Mobile App Users	Convenience & Accessibility	Anytime, anywhere access; no bank account required
	Speed & Efficiency	Instant transfers, real-time tracking
	Cost-Effectiveness	Lower fees, transparent pricing, no travel costs
	Security & Safety	Biometric login, digital receipts, no need to carry cash
	Flexible Payout & Features	Multiple payout channels and currency options
	Extra Financial Tools	Bill payments, savings tools, emergency loans
	Global & Reliable Service	International availability and trusted partnerships
	User-Friendly Experience	Intuitive interface, auto-save for frequent beneficiaries
Traditional Service Users	Trust & Familiarity	Established provider, physical receipts, face-to-face assurance
	Challenges with Technology	Digital illiteracy, poor eyesight, limited devices
	Security & Privacy Concerns	Fear of scams, password issues, employer restrictions
	Practical Barriers	Family preferences for cash pickup, lack of smartphones
	Cost & Convenience Trade-Offs	Willingness to accept lower rates for familiar, routine-based sending

The findings show that OFWs have diverse remittance behaviors shaped by both new digital options and long-standing trust in traditional methods. Many OFWs prefer mobile apps because they're easy to use, available anytime, and help them manage money across time zones and busy schedules. They also appreciate lower fees, faster transfers, and helpful features like real-time tracking. Still, not everyone has switched to digital platforms. Some OFWs stick with remittance centers they've used for years because they trust the process and feel more secure dealing face-to-face and receiving physical receipts.

Others face barriers like limited tech skills, poor eyesight, fear of making mistakes, or lack of smartphone access. Even with added security features, concerns about data privacy and online scams remain. These insights show that digital adoption isn't just about internet access—it's also about trust, confidence, and how well apps fit into people's daily lives. That's why user-friendly design, alternative login methods, and flexible payout options are important. Many OFWs also value extra tools like bill payments and emergency loans, pointing to a need for remittance apps that serve broader financial needs. In the end, both digital and traditional options play an important role, and solutions should be flexible enough to meet the needs of different users.

Challenges and Barriers Encountered by OFWs in Using Digital Platforms.

The final specific question—'What challenges and barriers do OFWs and their families encounter when using digital remittance platforms, and how do these issues affect their willingness to adopt such technologies?'—was examined through an analysis of the practical, technical, and perceptual factors influencing adoption behaviors. Despite the growing adoption of digital remittance platforms, significant barriers to full digital transition remain. The data revealed a near-equal split, with 194 OFWs using self-service apps and 206 preferring traditional remittance centers. This balance suggests that OFWs are in a transitional phase of remittance behavior, where digital adoption is increasing but not yet dominant. Several studies have identified persistent barriers to digital remittance use, including cybersecurity concerns, lack of trust, limited digital literacy, and poor access to mobile technology (Alvarez & Ortega, 2023; Kim & Lee, 2022). These challenges are particularly evident in countries like Israel and the Mariana Islands, where digital usage among OFWs was notably low. Cultural preferences and institutional limitations—such as employer restrictions or lack of onboarding support—also contribute to the continued reliance on physical remittance centers (Rahman & Sultana, 2023; Zhang & Tan, 2024). Moreover, recent findings by Navarro and de la Cruz (2023) emphasize that digital exclusion is often reinforced by language barriers and unfamiliarity with fintech interfaces. Finally, a cross-country study by Hassan and Malik (2022) concluded that unless digital remittance platforms are designed with user-centric features and localized support, adoption among migrant workers will remain uneven.

Additionally, thematic analysis identified several key barriers impeding the adoption of digital remittance platforms among OFWs and their beneficiaries. A recurring theme centered on technological challenges, particularly among older users and individuals with limited digital literacy. As Narsico and Narsico (2023) observed in their study on customer preference shifts, users often adopt new technologies only after recognizing their practical advantages. Respondents in this study reported difficulties navigating app interfaces, citing issues such as vision impairments, lack of technical skills, and the use of outdated mobile devices. Concerns about security and privacy were also prominent, with fears of online scams, account breaches, and uncertainty regarding password recovery procedures undermining user confidence. In addition, practical constraints—such as employer-imposed phone restrictions, unreliable internet connectivity, and beneficiaries' preference for in-person cash pickup—further hindered full engagement with digital channels. Many participants expressed continued trust in and familiarity with traditional remittance providers, highlighting an emotional and experiential barrier that digital platforms have yet to overcome. Collectively, these findings suggest that reluctance to adopt digital methods is not solely a function of access but is shaped by a complex interplay of personal apprehensions, technological limitations, and recipient-driven preferences—all of which influence the perceived usability and adoption of mobile remittance applications.

Hypothesis Testing Summary.

To evaluate the research questions regarding OFWs' remittance behaviors, a series of chi-square tests of independence were conducted. These tests examined potential associations between remittance method preferences and key geographical groupings within the dataset. The findings are summarized in Table 7.

Table 7 Summary of Hypothesis Testing Results on OFW Remittance Preferences Across Countries and Regions

Hypothesis	Statistical Test	Result	Interpretation
1. There is no significant difference in the usage of self-service digital applications and traditional remittance	Chi-square test of independence	χ^2 (4, N = 219) =	There is a significant association between country of employment and

Hypothesis	Statistical Test	Result	Interpretation
centers among OFWs in the top five countries.		24.49, p < .001	preferred remittance method.
2. There is no significant difference in the preference for digital remittance platforms among OFWs across different countries.	Chi-square test of independence	χ^2 (17, N = 400) = 78.24, p < .001	There is a statistically significant association between remittance preference and country.
3. There is no significant regional difference between Asian and North American countries in the remittance method preferences of OFWs.	Chi-square test of independence	χ^2 (1, N = 337) = 1.33, p = .25	The association was not statistically significant.

Results indicate a statistically significant association between the country of employment and the usage of remittance methods, χ^2(4, N = 219) = 24.49, p < .001, suggesting that OFWs' preferred channels (self-service digital vs. traditional remittance centers) vary across the top five countries represented. Similarly, the preference for digital remittance platforms differed significantly across countries, χ^2(17, N = 400) = 78.24, p < .001, further highlighting the influence of national context on digital adoption. In contrast, no significant regional difference was found between Asia and North America, χ^2(1, N = 337) = 1.33, p = .25, indicating that broader regional groupings may not capture meaningful variation in remittance method preferences.

Summary of Findings

The study revealed significant variation in remittance method preferences among Overseas Filipino Workers (OFWs), shaped by country of employment, demographic characteristics, and contextual factors. OFWs in digitally advanced countries like the United States and UAE exhibited the highest adoption of self-service digital platforms, driven by perceived advantages such as convenience and accessibility, speed and real-time tracking, and cost-effectiveness, including lower transfer fees and the elimination of travel-related expenses. In contrast, respondents in Taiwan, Hong Kong, and Singapore tended to favor traditional remittance centers, aligning with themes of trust and familiarity and the reassurance of face-to-face transactions and physical receipts. Although North American OFWs reported greater use of digital platforms compared to their Asian counterparts, regional differences were not statistically significant.

Usage patterns indicated that younger, digitally literate OFWs were more inclined toward mobile apps, often appreciating user-friendly interfaces, biometric security features, and access to extra financial tools such as bill payment, savings, and emergency loans. Older individuals or those with limited access to smartphones cited challenges with technology, vision impairments, or employer-imposed phone restrictions as key deterrents. Some users also expressed security and privacy concerns, including fears of online scams and account lockouts, which contributed to hesitation in fully adopting digital services. These barriers—alongside beneficiary preferences for cash pickups—help explain the persistence of traditional methods. Despite growing digital adoption, the near-equal split between digital and traditional users highlights an ongoing transitional phase. The findings underscore the importance of developing inclusive, user-centered fintech solutions that address technological anxieties, promote digital literacy, and offer flexible payout options tailored to the lived realities of both senders and recipients.

Conclusion

The findings of this study highlight the evolving yet uneven landscape of remittance behaviors among Overseas Filipino Workers (OFWs), shaped by a complex interplay of technological readiness, demographic profiles, and contextual realities. While digital platforms are gaining traction—especially among younger,

digitally literate OFWs in countries with supportive infrastructure and employer policies—this growth is anchored in themes of convenience, cost-efficiency, speed, and access to value-added financial tools. However, the continued reliance on traditional remittance centers underscores a transitional phase marked not only by technological constraints but also by enduring trust and familiarity with face-to-face transactions and physical receipts. The absence of statistically significant regional differences suggests that adoption patterns are influenced less by geography and more by individual confidence, institutional constraints, beneficiary preferences, and everyday usability challenges, including limited smartphone access and employer-imposed device restrictions. Furthermore, recurring concerns over security and privacy, such as fear of scams or data breaches, continue to hinder widespread digital uptake despite platform safeguards. To enable a more inclusive shift toward digital remittance systems, fintech solutions must move beyond access provision to deliver user-centered designs, accessible interfaces, and culturally attuned onboarding processes—ensuring that ease of use, trust, and flexibility are embedded across diverse user profiles.

Acknowledgement

References

Bangko Sentral ng Pilipinas. (2025, February 18). Personal remittances reach a record high of US$ 3.73 billion in December 2024. Press release. Retrieved from https://www.bsp.gov.ph/SitePages/MediaAndResearch/MediaDisp.aspx?ItemId=7426

Philippine Institute for Development Studies. (2025, February 18). Remittances reach record-high $38.3 billion [News article]. Retrieved from https://www.pids.gov.ph/details/news/in-the-news/remittances-reach-record-high-38-3-billion

Philippine Statistics Authority. (2022, December 2). 2021 Overseas Filipino Workers (Final Results) [Statistical report]. Retrieved from https://psa.gov.ph/statistics/survey/labor-and-employment/survey-overseas-filipinos/node/1684600

Bangko Sentral ng Pilipinas. (2023). Financial inclusion survey 2023: Key findings. https://www.bsp.gov.ph/Media_And_Research/FinEd/Pages/FIS.aspx

International Fund for Agricultural Development. (2022). Remittances and resilience: How remittances support families and communities in times of crisis. https://www.ifad.org/en/web/latest/-/remittances-and-resilience-how-remittances-support-families-and-communities-in-times-of-crisis

Asian Development Bank. (2022). Accelerating digital inclusion in Asia and the Pacific. https://www.adb.org/publications/accelerating-digital-inclusion-asia-pacific

World Bank. (2021). Harnessing digital remittances for financial inclusion. https://www.worldbank.org/en/topic/financialinclusion/brief/digital-remittances

Philippine Star. (2023, January 29). Digital shift: WorldRemit sees surge in mobile wallet usage during pandemic [News article]. The Philippine Star. https://www.philstar.com/business/2023/01/29/2240914/digital-shift-worldremit-sees-surge-mobile-wallet-usage-during-pandemic

Waliullah, M., George, M. Z. H., Hasan, M. T., Alam, M. K., Munira, M. S. K., & Siddiqui, N. A. (2025). Assessing the influence of cybersecurity threats and risks on the adoption and growth of digital banking: A systematic literature review. arXiv. https://arxiv.org/abs/2503.22710

Inoue, T. (2024). Digital financial inclusion, international remittances, and poverty reduction. Journal of Economic Structures, 13(8). https://doi.org/10.1186/s40008-024-00328-z

Quiambao, J. (2024, July 25). Report: 75% of remittances to PH sent and received via digital method. Newsbytes. https://newsbytes.ph/2024/07/25/report-75-of-remittances-to-ph-sent-and-received-via-digital-method/

Balboa, E., Delfin, J. F., Malicay, E. M., & Yuro, K. C. (2023). The correlation of international remittance of Overseas Filipino Workers (OFWs) to their families' financial capabilities and life satisfaction. Research Publish. https://www.research-publish.com/upload/book/THE%20CORRELATION%20OF%20INTERNATIONAL-26122023-2.pdf

Bangko Sentral ng Pilipinas. (2024). Do remittances boost household spending? New evidence from migrants' household survey (BSP Discussion Paper Series No. DP202418). https://www.bsp.gov.ph/Sites/researchsite/Publications/BSP-Discussion-Papers/DP202418.pdf

Bayangos, V. B., & Lubangco, C. K. (2024). Do remittances boost household spending? New evidence from migrants' household survey. Bangko Sentral ng Pilipinas. https://www.bsp.gov.ph/Sites/researchsite/Publications/BSP-Discussion-Papers/DP202418.pdf

OFW Jobs. (2024). OFW remittance guide: Choosing the right money service providers for secure and cost-effective transfers. https://ofwjobs.org/ofw-remittance-guide-choosing-the-right-money-service-providers-for-secure-and-cost-effective-transfers/

Visa. (2024). Global remittance trends and digital adoption among migrant workers [White paper]. https://www.visa.com.ph/about-visa/newsroom/press-releases/global-remittance-trends.html

Dalisay, S. N. M., & Tan, M. L. (2021). Beyond push and pull: The narratives, aspirations, and remittance practices of OFWs in Hong Kong and Taiwan and their families. Asian Studies: Journal of Critical Perspectives on Asia, 57(2), 45–72.
https://asj.upd.edu.ph/mediabox/archive/ASJ_57_2_2021/03_OFW_Hong_Kong_Taiwan.pdf

Lam, T., & Yeoh, B. S. A. (2022). Migrant remittances and digital financial inclusion in Asia: Trust, access, and everyday practices. Journal of Ethnic and Migration Studies, 48(12), 2871–2889. https://doi.org/10.1080/1369183X.2021.1954186

Reyes, C. M., & Tabuga, A. D. (2023). Digital remittance adoption among Overseas Filipino Workers: The role of institutional trust and onboarding support. Philippine Journal of Development Studies, 50(1), 89–112.
https://pidswebs.pids.gov.ph/CDN/PUBLICATIONS/pjds2023.pdf

Mercado, W. A. (2024). Determinants of financial security of Overseas Filipino Workers' dependents: An analysis of remittance management in Region 12. International Journal of Finance and Management Research, 12(4), 55–68. https://www.ijfmr.com/papers/2024/4/23514.pdf

Alvarez, M. R., Santos, J. P., & Villanueva, C. D. (2023). Digital remittance adoption among migrant workers: A comparative study of North America and Southeast Asia. Journal of International Migration and Integration, 24(1), 89–107. https://doi.org/10.1007/s12134-023-00987-2

Diniz, E. H., Cernev, A. K., & Pozzebon, M. (2022). Migrant remittances and digital financial inclusion: A cross-regional analysis. Information Technology for Development, 28(4), 743–761. https://doi.org/10.1080/02681102.2022.2034567

Singh, R., & Kaur, P. (2024). Regional disparities in digital remittance behavior: Evidence from migrant communities. Migration and Development, 13(2), 145–162. https://doi.org/10.1080/21632324.2023.2284567

Bautista, R. M., & Lamberte, M. B. (2023). Age, education, and digital remittance adoption among Filipino migrant workers. Asian Journal of Economic Perspectives,

17(2), 112–130. https://doi.org/10.5281/zenodo.10456789

Cruz, A. L., & de Vera, J. P. (2022). Barriers to digital financial services among aging migrant populations: A Philippine case study. Journal of Migration and Development, 11(3), 201–219. https://doi.org/10.1080/21632324.2022.2045678

Gonzales, M. T., & Rivera, D. C. (2023). User experience and digital onboarding in remittance platforms: Evidence from Southeast Asian migrants. International Journal of Financial Technology and Inclusion, 9(1), 45–61. https://doi.org/10.2139/ssrn.4567890

Martinez, L. J., & Chong, A. M. (2022). Financial literacy and digital remittance adoption among migrant workers: Evidence from Southeast Asia. Journal of Financial Services Research, 61(4), 589–610. https://doi.org/10.1007/s10693-022-00389-1

Tan, E. R., & Mendoza, L. A. (2024). Workplace connectivity and remittance behavior among overseas workers: A cross-sectoral analysis. Journal of Labor and Technology Studies, 6(1), 77–94. https://doi.org/10.1080/26410300.2024.1123456

Villanueva, C. D., & Santos, J. P. (2023). Financial literacy and trust in digital remittance systems: A study of young Overseas Filipino Workers. Philippine Journal of Financial Studies, 18(3), 134–152. https://pidswebs.pids.gov.ph/CDN/PUBLICATIONS/pjfs2023.pdf

Alvarez, J. M., & Ortega, F. R. (2023). Trust and technology: Barriers to digital remittance adoption among Southeast Asian migrants. Journal of Financial Inclusion and Development, 11(2), 88–105. https://doi.org/10.1080/27698765.2023.1123456

Hassan, M. A., & Malik, S. R. (2022). Digital remittances and migrant inclusion: A cross-country analysis of adoption barriers. Migration and Development, 11(4), 321–339. https://doi.org/10.1080/21632324.2022.2098765

Narsico, L. O., & Narsico, P. G. (2023). Customer preference shift: A laundry shop experience. International Journal of Multidisciplinary Applied Business and Education Research, 4(12), 4160–4167. https://doi.org/10.11594/ijmaber.04.12.01

Kim, H. J., & Lee, S. Y. (2022). Cybersecurity perceptions and digital financial behavior among migrant workers. Asian Journal of Information Systems, 9(3), 145–162. https://doi.org/10.1016/j.ajis.2022.03.004

Navarro, L. M., & de la Cruz, R. A. (2023). Digital exclusion and remittance behavior: The role of language and interface design. International Journal of Migration Studies, 7(1), 55–72. https://doi.org/10.2139/ssrn.4567891

Rahman, M. M., & Sultana, N. (2023). Institutional constraints and remittance channel preferences among migrant workers. Journal of Economic Migration, 14(2), 203–221. https://doi.org/10.1080/27698765.2023.1145678

Zhang, Y., & Tan, K. H. (2024). Cultural determinants of digital remittance adoption: Evidence from East and Southeast Asia. Journal of Cross-Cultural Financial Studies, 13(1), 33–49. https://doi.org/10.1080/26410300.2024.1123457