

THE STATE OF INCLUSIVE INSTANT PAYMENTS IN AFRICA 2023

CONSUMER RESEARCH INSIGHTS

Cameroon



INTRODUCTION

- The State of Inclusive Instant Payment Systems (SIIPS) in Africa report is an AfricaNenda initiative in collaboration with the World Bank and the United Nations Economic Commission for Africa. This annual think piece is derived from a comprehensive assessment of instant payment systems across Africa, employing a blend of research methodologies. It involves an in-depth industry analysis to identify key trends, best practices, and benchmarks. The aim is to guide the enhancement and growth of instant and inclusive payment systems, thereby hastening financial inclusion on the continent.
- The SIIPS in Africa 2023 report marks the second edition of this endeavor. The report's goal is to enlighten both public and private sector stakeholders within Africa and internationally on the advancements within the instant retail payment system (IPS) landscape in Africa. This includes evaluating how inclusive these systems are in terms of functionality (their accessibility to all end-users) and governance (ensuring all licensed payment providers have equitable access and opportunities to contribute to system design).
- For the 2023 edition, the report includes systems that were operational with live transactions as of June 2023. Data for this report was compiled using public sources from March to July 2023, complemented by comprehensive stakeholder interviews conducted in the same timeframe. The consumer research took place between May and June 2023. It involved extensive in-country qualitative and quantitative research covering low-income adult individuals and micro, small, and medium-sized enterprises (MSMEs) across five countries, namely Cameroon, Malawi, Morocco, Rwanda, and Senegal.
- This consumer research exercise will be replicated in different countries annually, and insights will contribute to the annual SIIPS report content. The sample is not nationally representative, as this exercise was intended to draw out insights to inform how IPS can be designed to meet the needs of end-users better.

PRESENTATION STRUCTURE

SECTION 1

Methodology overview

SECTION 2

The current state of digital payment use

- 2.1 Digital payment usage analysis
- 2.2 Payment channel analysis
- 2.3 Use case analysis

SECTION 3

Understanding customer behavior

- 3.1 Pathway to habitual usage
- 3.2 User group perspectives
- 3.3 Core country themes

SECTION 4

Conclusion





AfricaNenda
ACCELERATING INCLUSIVE PAYMENT SYSTEMS

SECTION 1

METHODOLOGY OVERVIEW



Methodology: Overview

Research methodology and corresponding objectives



Objectives of the tool

Quantitative survey

- Understand customer usage habits
- Measure frequency of digital payment usage and transaction profiles
- Rank the most used payment instruments
- Identify core barriers to adoption and usage

In-depth interview

- Map use-case characteristics and payment behavior
- Determine customer perceptions on instant and inclusive payments using an access, early usage, and habitual usage framework
- Map the customer journey

Mystery shopping

In-depth understanding of the user journey—cost, recourse, and customer support





Fieldwork itinerary



- **Quantitative data collection:** 15 Feb – 3 Mar 2023
- **Qualitative data collection:** 15 Feb – 6 Mar 2023



Methodology: Sampled groups overview

	 Lower and infrequent income earners	 Lower but frequent income earners	 Micro entrepreneurs*	 Small businesses*
Definition	Lower-income but infrequent income earners, including urban poor who live “hand to mouth” and lack regular employment or stable earning opportunities, including intermittent piece job/gig workers, and people who are dependent on others in the family/community and/or on social grants.	Lower-income but frequent income earners are the slightly more affluent part of the lower-income mass market, earning a steady income (wages), or a salary, in the formal or informal sector.	Individual trader/merchants like hawkers, fruit and vegetable sellers, cobblers, and other crafts traders.	Traders who have small, fixed premises or (mostly informal) shops/service providers, as well as smallholder farmers, and small agribusinesses.
Actual Sample size (quant. survey)	32	28	16	24
<p>81% of the total sample for the quantitative survey are digital payment users (individuals and businesses) and 90% of the total sample for the qualitative research components are digital payment users (individuals and businesses).</p>				
<p>Within each of the four groups, researchers ensured adequate coverage of women and youth.</p>				
<p><i>* Country-specific monthly turnover cut-off has been applied</i></p>				

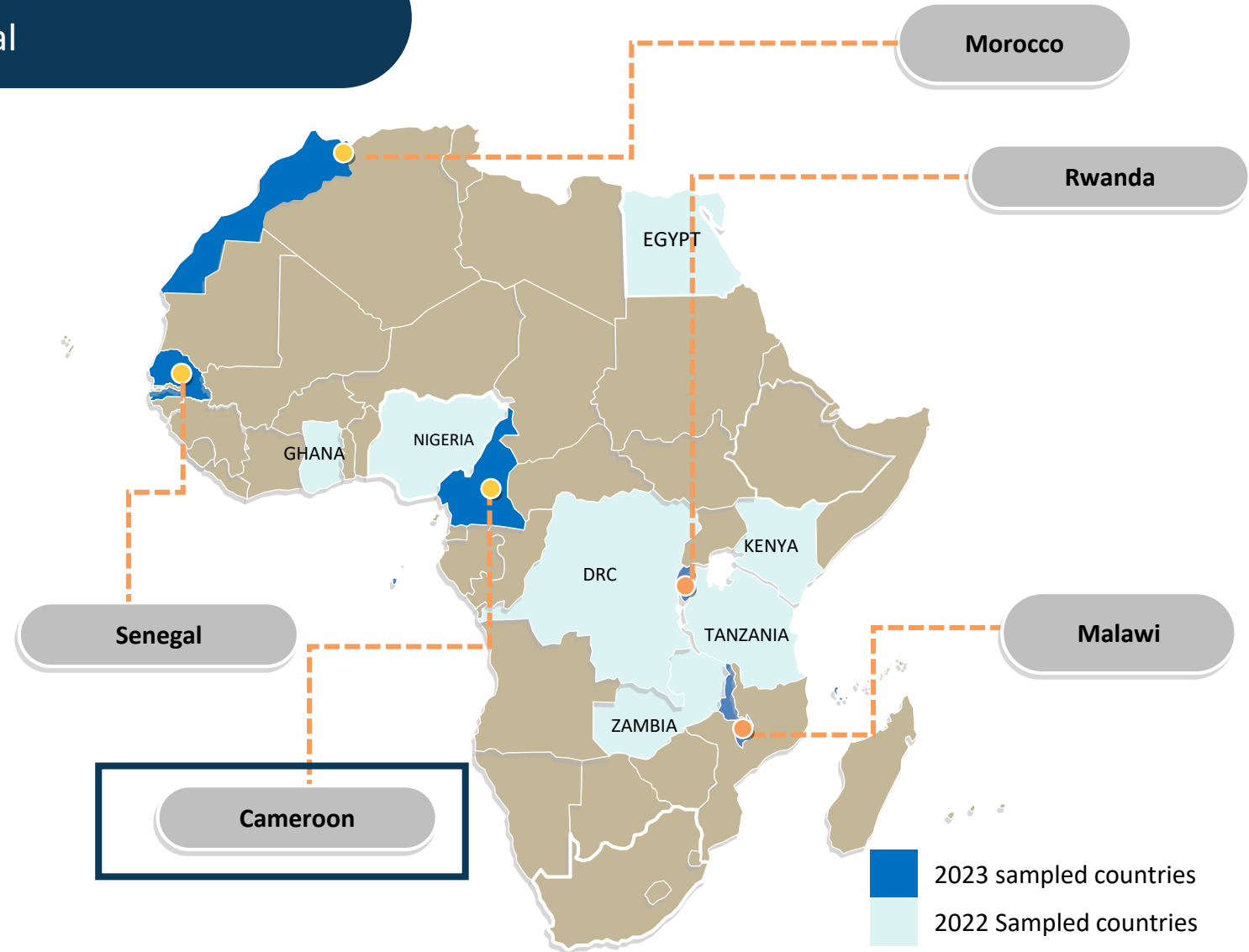
The study sample focuses on the **“emerging market”** that is expected to use digital payments and thus only sampled those in **urban and peri-urban** settings. The focus was on low-income earners and MSMEs and the sample is therefore **not nationally representative**. Any inferences made on a country-by-country basis are with respect to the sampled respondents.



Sampled countries in 2023:

Cameroon, Malawi, Morocco, Rwanda, and Senegal

- The customer research in 2023 was conducted in five sample countries: Cameroon, Malawi, Morocco, Rwanda, and Senegal.
- Cross-country averages are based on these five sample countries.
- The 2023 research complements research done in seven other countries in 2022 using a similar methodology: DRC, Egypt, Ghana, Kenya, Nigeria, Tanzania, Zambia.





AfricaNenda
ACCELERATING INCLUSIVE PAYMENT SYSTEMS

SECTION 2

CURRENT STATE OF DIGITAL PAYMENT USE





AfricaNenda
ACCELERATING INCLUSIVE PAYMENT SYSTEMS

SECTION 2.1: DIGITAL PAYMENT USAGE ANALYSIS



Digital payment usage across the countries: Cameroon belongs to the emerging category, as only half of its population had utilized digital payments during the previous year.

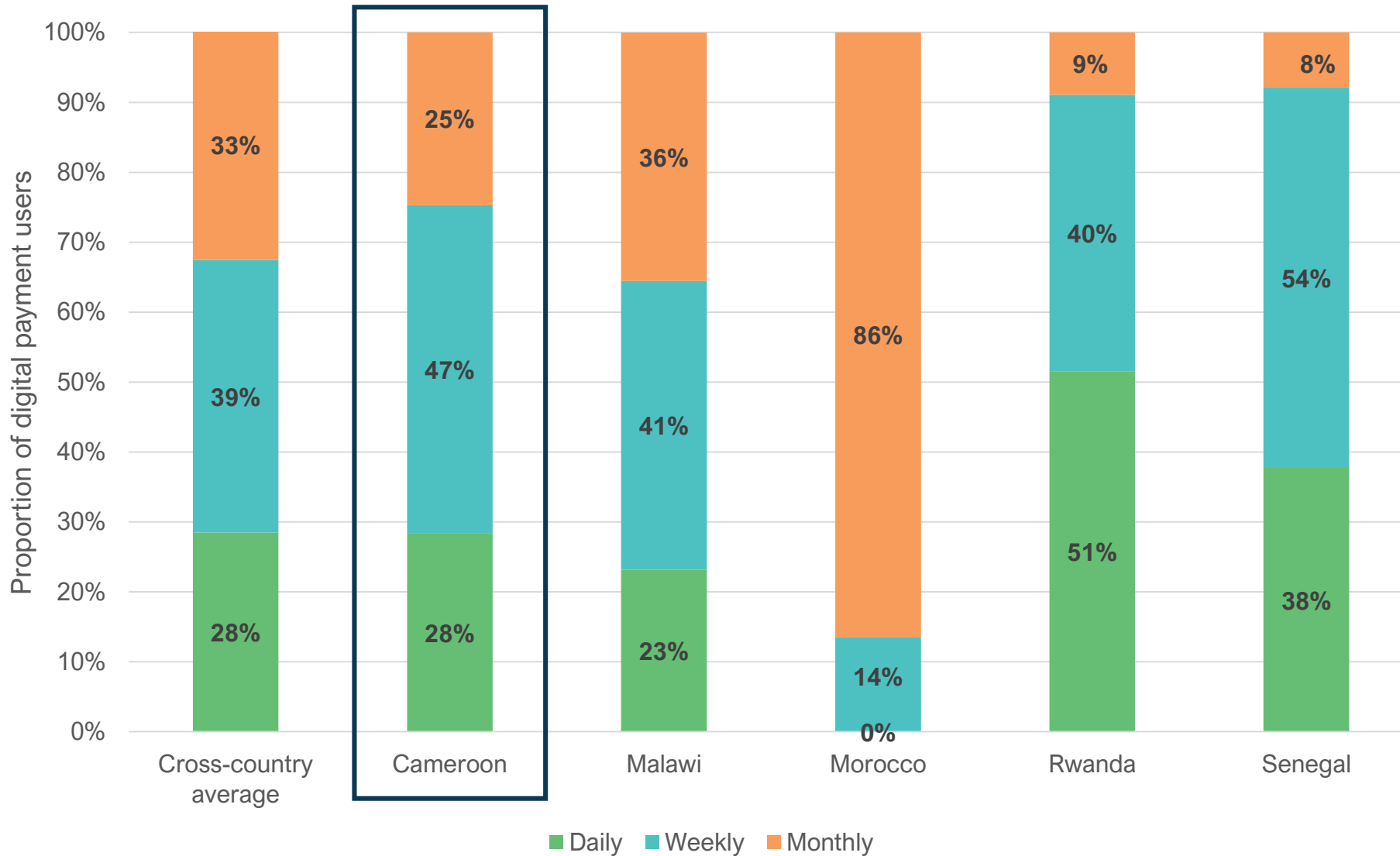
Countries have been categorized into **nascent**, **emerging** and **leading** based on usage data from the Global Findex. Most of the 2023 surveyed countries current year sample are in the emerging category.

		Leading cluster		Emerging cluster						Nascent cluster			
		Ghana	Kenya	Cameroon	Malawi	Nigeria	Rwanda	Senegal	Tanzania	Zambia	DRC	Egypt	Morocco
Share of users	Proportion of population using digital payments over the previous year [Global Findex 2021]	66%	78%	50%	40%	34%	39% (2017 data)	53%	50%	46%	22% (2017 data)	20%	30%
	Share of "super-users"	Proportion of weekly users out of digital payment users [including agent-assisted payments]	86%	82%	83%	57%	83%	90%	94%	21%	53%	26%	14%
MSMEs		90%	82%	76%	77%	75%	98%	94%	45%	64%	28%	24%	8%



Cross-country analysis—frequency of digital payment use: A majority of Cameroonians who use digital payments do so on a weekly basis.

Total number of digital payment users: 513 (81 in Cameroon)

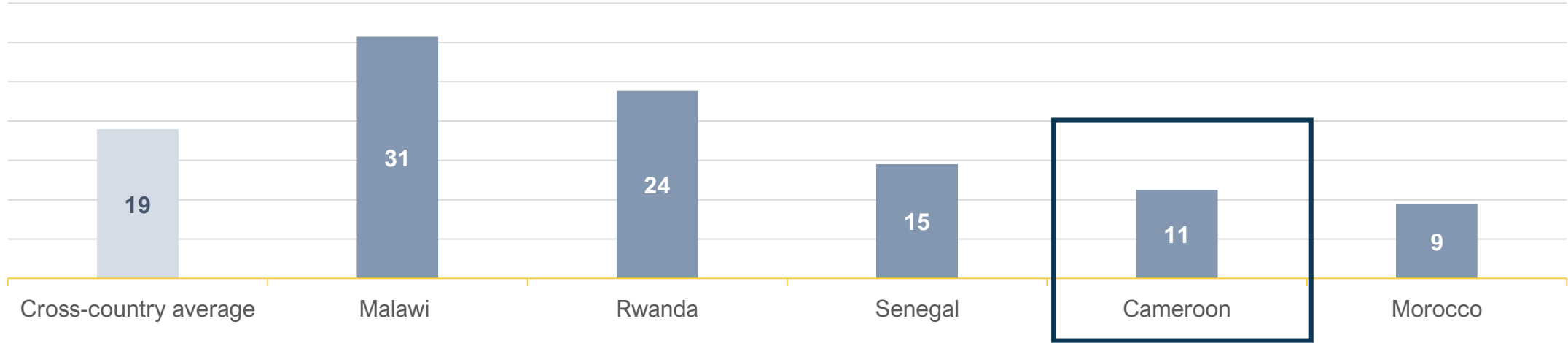


- **75%** of digital payment users in Cameroon used digital payments **on a weekly basis.**
- **28%** of surveyed users make digital payments daily, indicating that they have fully embraced digital services as part of their daily routines.

Cross-country analysis—weekly transaction profile:
On average, Cameroon displays a low weekly transaction volume.

Total number of respondents:
653 (100 in Cameroon)

Average number of transactions over the past week across all respondents



User group analysis—weekly transaction profile:
 Female-owned MSMEs in Cameroon have a higher transaction volume than male-owned MSMEs.

Total number of respondents:
 100

Average number of weekly transactions by user group



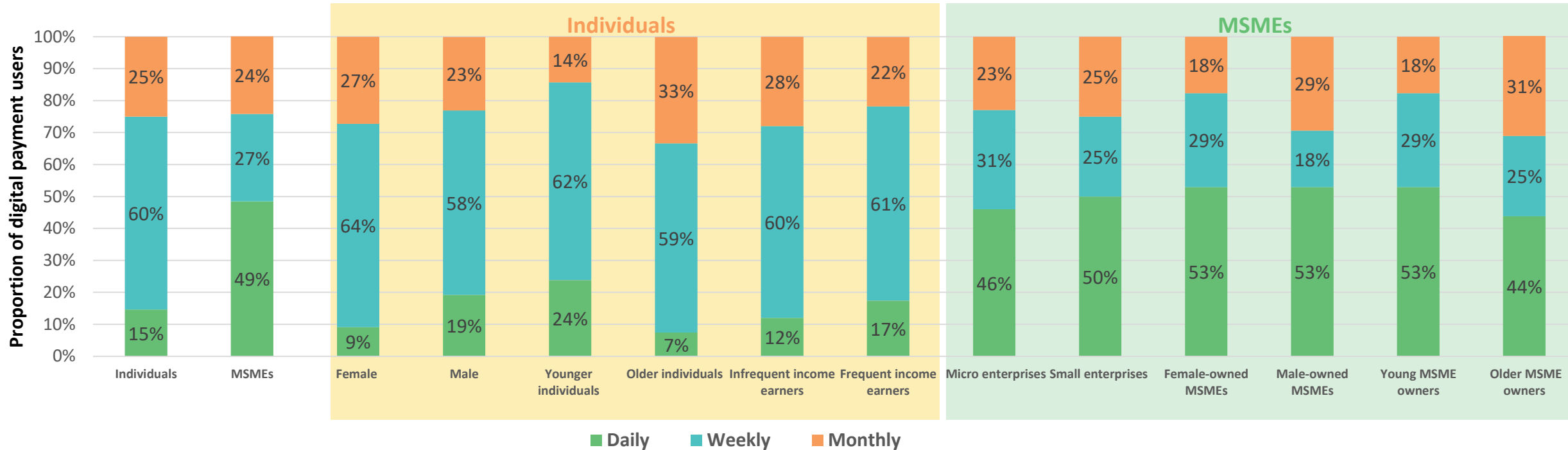
- MSMEs make significantly more transactions than individuals in Cameroon.
- Interestingly, female-owned MSMEs conduct more transactions than male-owned MSMEs. This is true in Morocco as well.
- Older MSME owners have a significantly higher transaction volume than young MSME owners.



User group analysis—frequency of digital payment usage: MSMEs are leading daily digital payment usage and gender gap exists.

Total number of digital payment users sampled: 81

Frequency of digital payment usage per user groups



- MSMEs are significantly more active daily users of digital payments than individuals. Women-owned MSMEs have a higher level of weekly usage than men-owned MSMEs and the same level of daily usage.
- Younger individuals and business owners have a higher daily usage than older ones.





AfricaNenda
ACCELERATING INCLUSIVE PAYMENT SYSTEMS

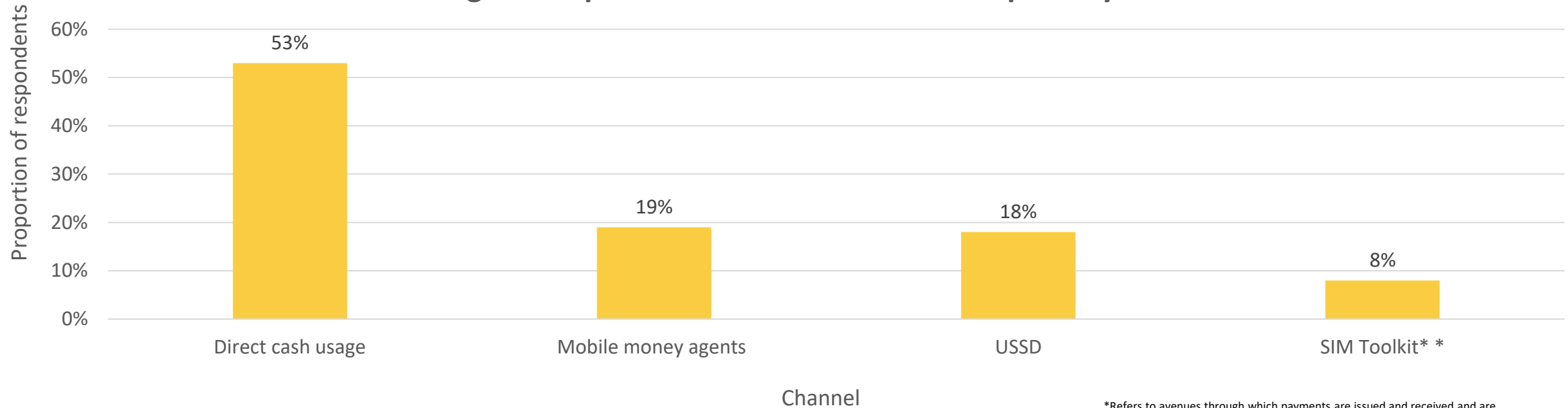
SECTION 2.2: PAYMENT CHANNEL ANALYSIS



Payment channel* analysis: Mobile money agents and USSD are the most used digital channels in Cameroon.

Total number of respondents sampled: 100

Percentage of respondents for whom this is the primary channel



*Refers to avenues through which payments are issued and received and are verified by banks or other payment providers.

**The World Bank (2011) defines a SIM Toolkit as a software that is placed on the SIM card itself that can be used to hold a mobile money application.

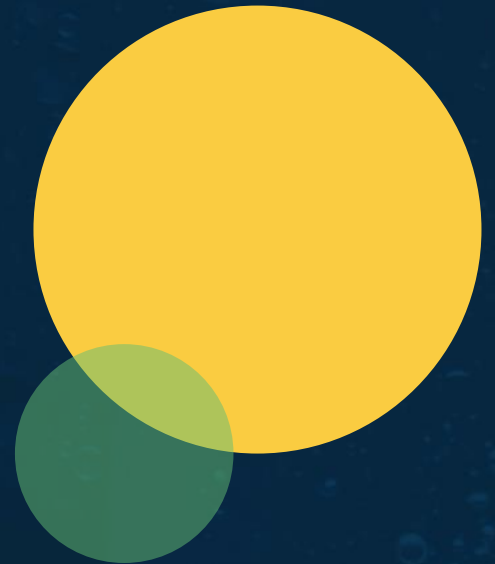
- Cash prevails in Cameroon.
- Cameroon is the only country out of the five sampled countries where respondents rely mostly on mobile money as a digital channel. However, USSD also plays a key role.





AfricaNenda
ACCELERATING INCLUSIVE PAYMENT SYSTEMS

SECTION 2.3: USE CASE ANALYSIS



Use case analysis: There is further room to digitalize B2B payments in Cameroon and P2B payments.

Total number of respondents:
100

The most common five payment use cases that individuals and MSMEs use least once a week, with level corresponding level of digitalization

		Individuals	MSMEs
Ranking of weekly use cases by prevalence among individual and MSME respondents [% of transactions that are done digitally]	1	Airtime [55%]	Receive customer payments [50%]
	2	Send money [59%]	Supplier payments [39%]
	3	Save money [50%]	Airtime money for staff [100%]*
	4	Receive money [59%]	Transport money for staff [100%] *
	5	Pay for household goods [40%]	Save business income [36%]

- Remittances are the most digitalized use cases among individual respondents, whereas airtime money for staff and transport money for staff are the most popular for MSMEs.
- Small payments such as airtime and transport money for staff are the most popular uses among MSMEs.
- Supplier payments as well as payments from customers to merchants hold significant potential for further digitalization.

Legend

Use case for which less than 40% of respondents conducted a digital transaction over the past week

Use case for which between 40% and 70% of respondents conducted a digital transaction over the past week

Use case for which above 70% of respondents conducted a digital transaction over the past week

**Sample size < 5 respondents*





AfricaNenda
ACCELERATING INCLUSIVE PAYMENT SYSTEMS

SECTION 3

UNDERSTANDING CUSTOMER BEHAVIOR





AfricaNenda
ACCELERATING INCLUSIVE PAYMENT SYSTEMS

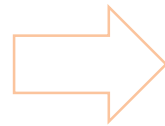
SECTION 3.1: PATHWAY TO HABITUAL USAGE



Digital payment usage framework: The path to habitual digital payment usage follows three phases

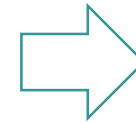
Access

Before consumers can use a digital payment product, they must have a financial account, physical access to agent or bank locations, and account-related documentation.



Early Usage

Account holders must have a compelling reason to use a new digital payment method instead of cash, which can depend on the perceived balance between the costs and benefits of use.

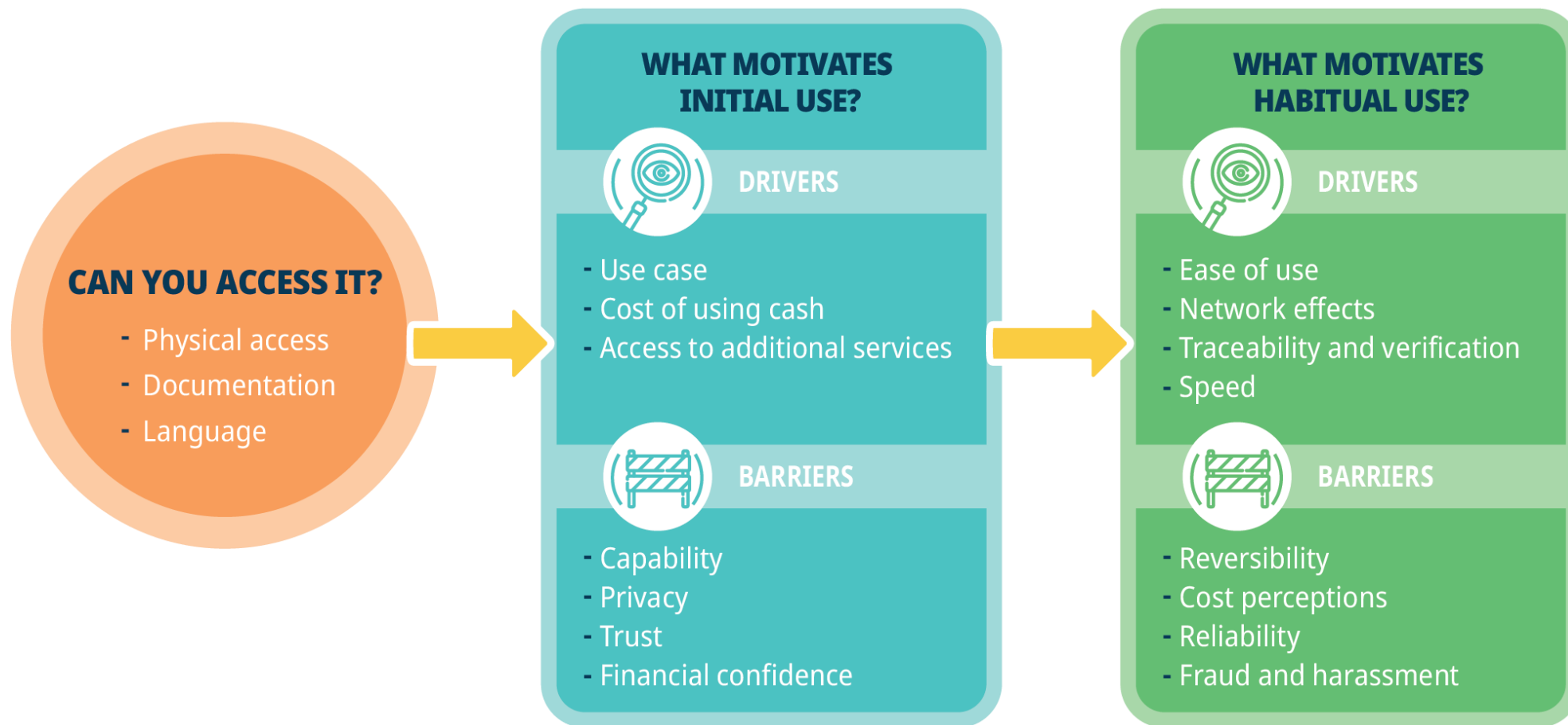


Habitual Usage

Over time and through habituation consumers move from ad hoc transactions to consistent and frequent use of digital payments driven by ease of use, network effects, reliability, recourse, and speed.



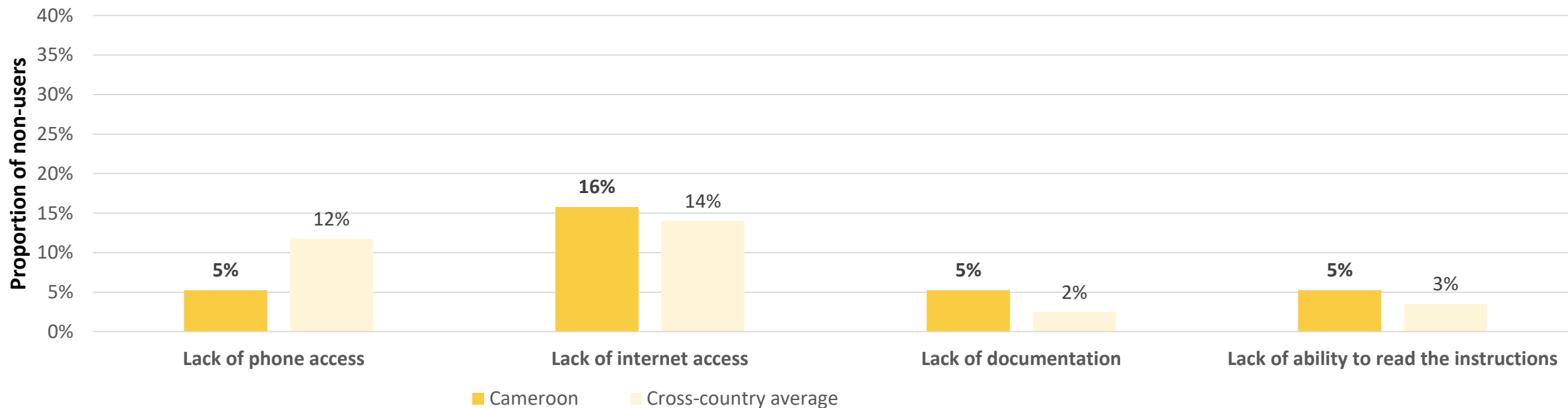
Pathway towards sustained digital payment usage:
Barriers and drivers based on the access, early usage, habitual usage framework.



Pathway towards habitual usage—access barriers:
Lack of internet is perceived to be the primary access barrier.

Total number of non-users: 19

Proportion of non users for whom the barrier is the topmost barrier to digital payments



- Despite relatively low smartphone penetration in Cameroon, lack of phone access is perceived to be the topmost barrier to digital payment usage by only 5% of sampled non-users.
- Internet access is perceived to be the most significant access barrier.



Pathway towards habitual usage—access barriers:

Accessing agents is a challenge in certain areas, as are language barriers.

Lack of agents and challenging agent access

- Some areas have few to no agents to help users' cash in and cash out their money. Customers cite that distance to an agent is a challenge, as they sometimes must walk long distances to reach one.
- Coupled with the inadequate access to agents, customers cite that the agents do not often tackle their issues to their satisfaction, forcing them to travel further to seek additional agent services from the main MNO office.

"I was advised that I should go to the {provider 1} agency in Buea, because there was none in Limbe."

Female, 18-29, User, Micro enterprise, Limbe

Lack of phone access

In some instances, agribusinesses are not able to transact digitally as the farmers who are selling produce do not have phones to facilitate digital transactions.

"Most of the farmers don't have phones, when they leave the farm, they want you to just give them their money cash when they come to supply you plantains."

Female, 30-44, Non-user, Small enterprise, Limbe

Language barrier

Some users in Limbe cite preference of certain providers that provide service in their preferred language.

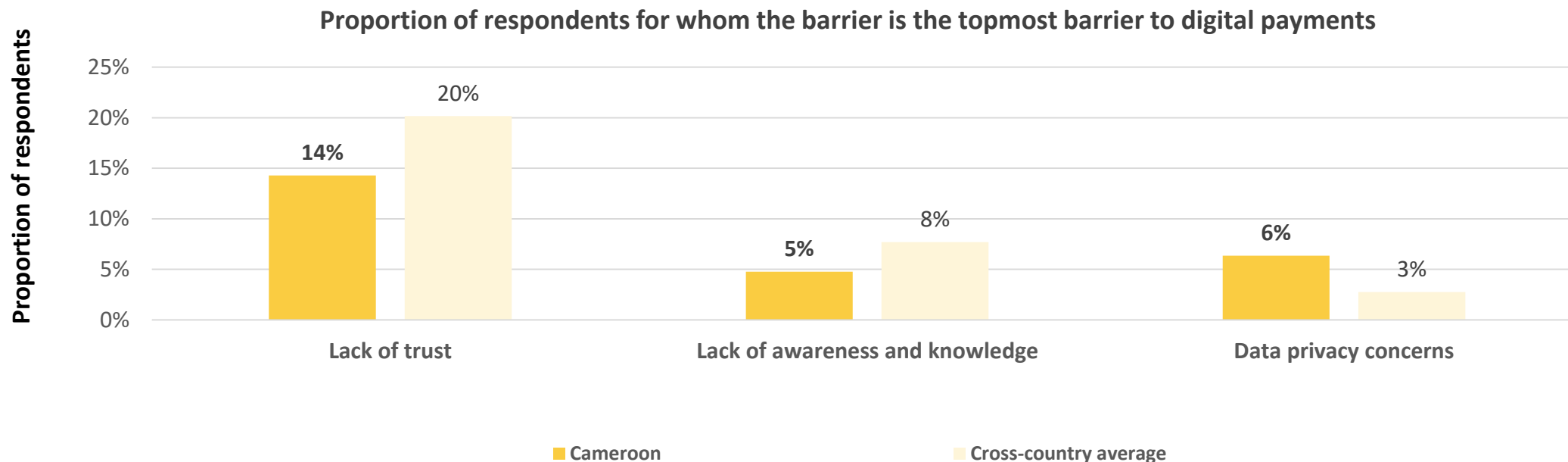
"I do not know how to speak French, other services like {provider 2} they use French services, so I cannot read nor speak French, so I stay with {provider 1}."

Female, 18-29, User, Small enterprise, Limbe



Pathway towards habitual usage—adoption barriers:
Lack of trust is preventing digital payment adoption in Cameroon.

Total number of respondents
sampled: 100



- Trust is the most significant adoption barrier in Cameroon, although less pronounced than in some of the other countries.
- Data privacy and lack of understanding how to use digital payments also come up as adoption barriers.



Pathway towards habitual usage—adoption drivers and barriers: Lack of trust is a main barrier due to prevalent cases of fraud.

Main drivers

Use case need

- Adoption of digital payments by individual end users is largely influenced by their need to send money over long distances or outside of banking hours.
- Adoption among MSMEs is largely influenced by customer demand for digital payments.

“I needed to pay my university fees; I think that’s what prompted me to start using {provider 2}.”

Female, 30-44 , User, Douala

Network effects

- Provider choice depends strongly on whether an individual’s social network is using the same provider.
- Customers ask their MSMEs to accept digital payments.

“Customers would come and ask; you have mobile money? Then they would leave and never come back ”

Male , 18-29 , User, Micro enterprise, Limbe

Influence from friends and relatives

Digital payment adoption and service provider choice depends on positive experiences that the social networks share with non-users.

“I first saw the adverts on television and then my sister said that this would be good”

Female , 30-44 User, Limbe

Agent support

Agents facilitate end user introduction to digital payments.

“When I got my first android phone and SIM, the agent set me up and then I registered and that’s how I started using {provider 2}.”

Male, 40-55, User , Douala

Main barrier

Lack of trust

Due to high instances of fraud, customers lose trust in digital payments.

“Earlier when I had my money in my phone, scammers will call, so that’s why I like my money in my cash because nobody can steal it from me.”

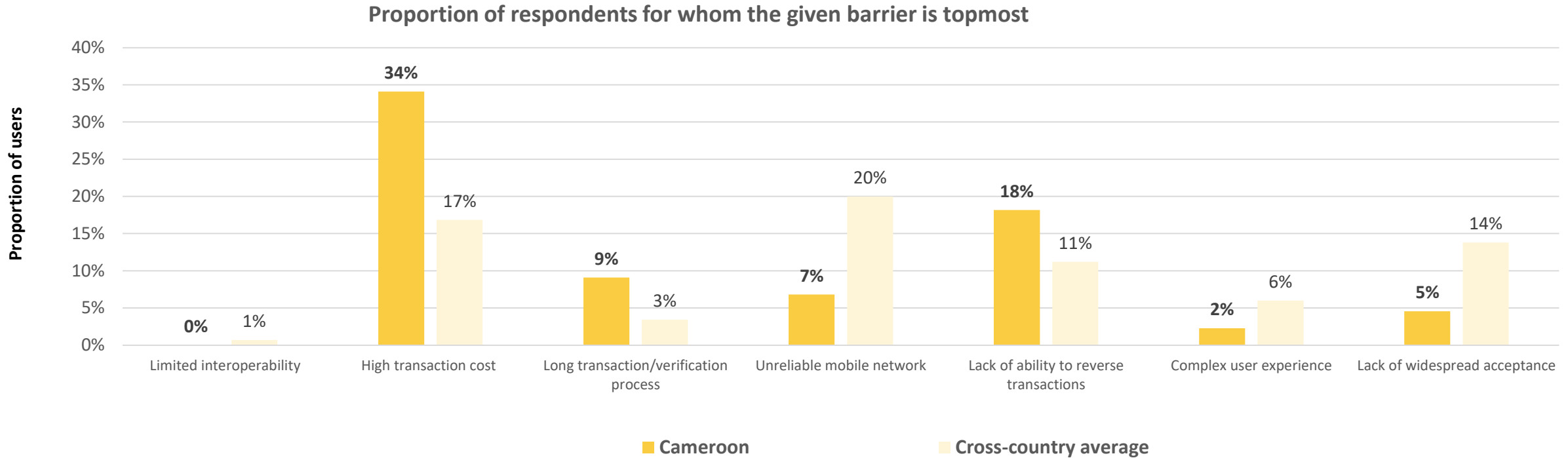
Female, 30-44, Non-user, Small enterprise



Pathway towards habitual usage—usage barriers:

The main barrier preventing regular/habitual usage of digital payments are the transaction costs.

Total number of digital payment users sampled: 81



- High transaction costs are the most significant barrier in Cameroon.
- The lack of ability to reverse transactions is also a clear usage barrier.

Pathway towards habitual usage—usage drivers and barriers:

Convenience is a major driver, whereas fraud is a barrier.

Main drivers

Convenience in settling utility bills

The convenience to settle utility bills drives usage.

“To pay bills like SONAELES or CAMWATER , electricity and water.”

Male, 45-55, User, Douala

Ease of use and network ubiquity

The widespread acceptance of digital payments by dominant providers.

“I use it because its available everywhere.”

Male, 30-44, User, Limbe

Surplus revenue

Small businesses can generate extra revenue by collecting cash-out fees from customers who make digital payments, and then withdrawing the funds in a single transaction with lower fees due to the larger amount.

“When 3 or 4 customers send me money using digital payments, at the end of the day, I end up with a surplus.”

Male, 30-44, User, Douala

Main barriers and risks

Fraud

Due to fraud, users prefer to cash out their money after digital transactions. Leaving money in their mobile money wallet leaves them prone to scams.

“Every weekend I withdraw all my money from my account because I always have a feeling that something bad will happen. It's the hackers that are bothering us.”

Female, 30-44, User, Douala

Difficulty in correcting mistakes

In the event users send money to wrong beneficiaries, they cannot correct that.

“The only difficulty I face is when I send money to a wrong beneficiary.”

Male, 30-44, User, Small enterprise/agent Limbe

Network problems

Users cite facing network challenges and unconfirmed transactions.

“We cannot justify the transaction since I didn't receive nor the customer . It then takes time to rectify and receive the message.”

Male, 30-44, User, Small enterprise, Douala

Cash acceptability

Cash is still widely used and digital payments are not accepted everywhere.

“If it's for digital payments, it's more in supermarkets, and in large stores.”

Male, 30-44, User, Douala



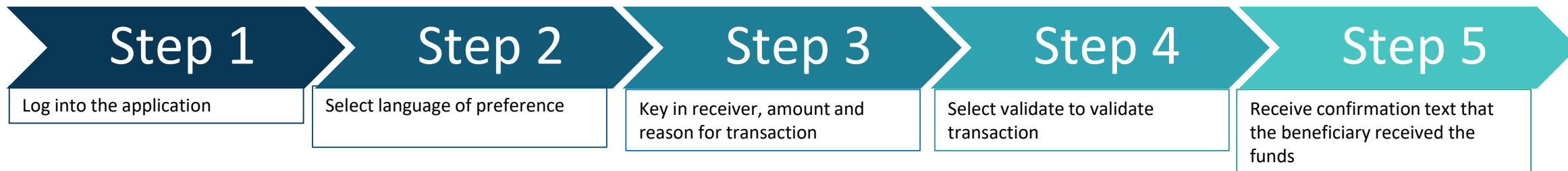
Example of a mobile app transaction journey

BUSINESS USE CASE—PAYMENT FOR BUSINESS SERVICES

Usage driver

Users have a record of their transactions

"The advantage with the application is that even after making the transaction, I continue to have visibility on the elements of the transaction. That is, the reference, phone number, amount and so on."



Usage barrier

Due to network delays, transactions are kept on hold and when network resumes functioning, one is required to restart the transaction.

"I am told an error has occurred. It's probably the network problems I have to go back, start the transaction again."



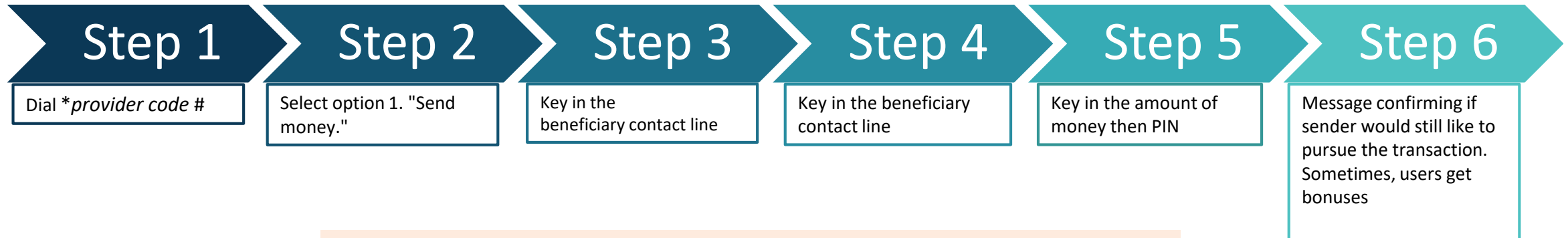
Example of a USSD transaction journey

INDIVIDUAL USE CASE—SENDING MONEY TO A FRIEND OR RELATIVE

Usage driver

Confirmation of transaction through message.

"I consider the transaction complete when a confirmation message has been sent to me, and also when I check my account balance and I see that there is a reduction in it."



Usage barrier

Orange Money does not pop up the contact list to select beneficiary number.





AfricaNenda
ACCELERATING INCLUSIVE PAYMENT SYSTEMS

SECTION 3.2: USER GROUP PERSPECTIVES



User group perspectives—deep dive on gender perspectives: Women perceive themselves as more vulnerable to fraud and security risks.

Adoption challenges

Low income: Women sometimes don't have enough money to warrant use of digital payments.

"In my opinion, you have to have a lot of money to {transact digitally}.

Female 18-29, Non-user, Douala

Low literacy levels: Limited literacy is cited as a barrier to adoption, associated with certain cultures or religions of respondents.

"If it's in the neighborhood, the Magida or Alhaji, the store won't really know. They lack education or information in that sense."

Male 18-29, User, Douala

Usage challenges

Fraud and scams: Women are perceived to be more vulnerable to fraud.

"We know that a woman is more vulnerable than men, so they target women."

Female, 30-44, User, Douala

Security features: Elderly women tend to forget their passwords or ask agents to input their personal passwords that have inscribed on a paper

"For digital channels, elderly women are forced sometimes to give a phone to someone to read often or maybe type in their code ..."

Male 18-29, Non-user, Micro enterprise, Douala
Gender bias: Some women perceive themselves as more vulnerable to making transaction errors.

"When the woman is often stressed she is not as keen and she can confuse a number. She can make a mistake with the stress and the rush and that leads her to make a wrong transaction."

Female, 30-44, User, Frequent income earner, Douala

Female case study

Respondent details

- ✓ Age: 30-44
- ✓ Occupation: Online seller
- ✓ Income: Frequent income earner

"I have been receiving messages that I have received some money from hackers disguised as mobile network operators. They ask me to type my security code and I know they want to steal money from me. Recently, I received such a message and I instantly called the customer care and they said it was a message from a scammer so I didn't put my security code.

I usually withdraw my money every weekend as I fear it may be stolen. I have heard many cases of **women being robbed of their money and the hackers know their target is a woman.**

We are **quite vulnerable than men** [...]. Others [scammers] even call to persuade you to send money by saying that your mother is ill in the hospital, and by being empathetic, you send money without thinking through it."

User group perspectives - deep dive on merchant perspectives – insights from the field: Merchants are driven to use digital payments by their customers.

Main adoption driver

To facilitate customer payment

“If I don't have mobile money, the customer won't purchase but leaves, and doesn't come back.”
Female, 30-44, User, Douala

Main usage driver

Additional income from cash-out fees paid out by customers

“When 3 or 4 customers send me money using digital payments, at the end of the day, I end up with a surplus”
Male, 30-44, User, Micro enterprise owner

Main barrier

Prevalence and risk of Fraud

“When I had my money in my phone, scammers would call and say confirm your code, then withdraw all your money so that's why I like when my money is in cash.”
Female, 30-44, User, Small enterprise

Merchant case study

Respondent details

- ✓ Gender: Male
- ✓ Age: 30-44
- ✓ Occupation: Micro enterprise business owner

“I think it was about 2015; I was **initiated to digital payments by my customers**. They gave me the desire to get involved in it.

Sometimes a customer will come and say, I took goods worth 2000 cfa but I do not have cash on me, I will send it to you plus the charges. When 3 or 4 customers would send me payments with charges, **at the end of the day I will end up with a surplus**.

Another factor was a **neighbor got back from a trip one time and he had been attacked** and lost some amount of money, about 250 000 cfa which he had on him was stolen, and then another neighbor exclaimed “ oh why did you not use digitally payments to send the money? You would not have had this predicament if you had used electronic means. You would have lost only your Id card and not your cash.”



User group perspectives - deep dive on agent perspectives – insights from the field: Agents are considered transaction intermediaries in Cameroon.

Business benefits

Additional source of income: Agent commissions are an additional source of revenue to their main business occupation.

“When customers don’t come for my personal business, they at least come for {money} transfer. Even the 100 or 200 frs that I might gain.....it is a profit”

Male 30-44, User, Micro enterprise/agent, Douala

Funds circulation: Funds used to run agent business and earned commissions are easily accessible for use in other business operations.

“You put the money in, you can still go back and get the same money and turn it around,...and earn commission.”

Male 18-29, User, Micro enterprise/agent, Limbe

Challenges and risks

Personal safety: Agents are perceived to have a lot of cash which makes them potential targets for robbery.

“People think that we have a lot of money.”
Male 30-44, Small enterprise/agent, Douala

Customer errors: Because customers rely on agents to transact on their behalf, when money is lost or sent to the wrong beneficiary, agents are compelled to comply with the social contract which means for them to bear the costs or refund customer funds.

“Customers can even report you to the police.”
Male 18-29, Micro enterprise/agent, Limbe
Customer frustrations: Agents bear the brunt of customer frustrations when they experience challenges such as network delays or high transaction deductions.

“Is it me that deducts the fees?..... I don’t know where they deduct the fees.....”
Male 18-29. Micro enterprise /agent , Limbe

Agent case study

Respondent details

- ✓ **Gender:** Male
- ✓ **Age:** 18-29
- ✓ **Occupation:** Micro enterprise and agent

‘I am well known in this market; I have customers everywhere. People sometimes call me on the phone and send me money to deposit for them. Its quite **risky**.

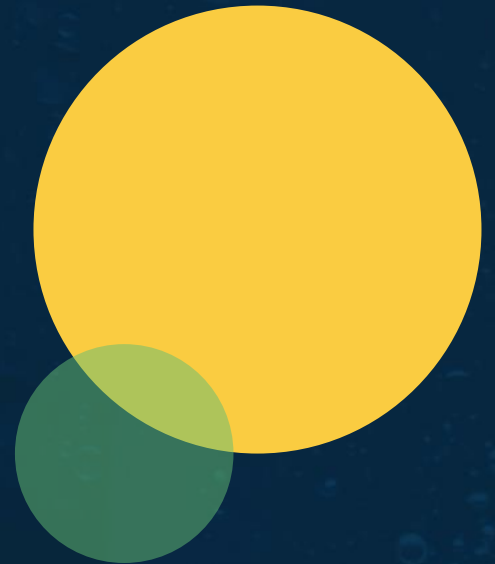
Once, there was a woman who sent me 38,000 CFrs. I took the number of the person she wanted to send the money to. I **wrote it down in a note-book and even took a screen shot** of it and she confirmed the [beneficiary’s] details. I called the beneficiary to confirm it was the right person, which she did, and then after confirming the details, I sent the money.

15 minutes later, she said that I had sent the money to the wrong person..... I tried to call back the beneficiary, but they refused to pick up..... That **person insulted me** and said that I was a scammer....”



AfricaNenda
ACCELERATING INCLUSIVE PAYMENT SYSTEMS

SECTION 3.3: CORE COUNTRY THEMES



Core country themes—insights from the field:
Deep dive on provider choice in Cameroon.

Douala

Provider 2 is the more widely used mobile network operator

Key driver of adoption and use is due to the influence of one's close friends, relatives and contacts using the network.

Provider 1 network is perceived to be more susceptible to incidences of fraud and hacking. This is a major cause of user attrition.

Limbe

Provider 1 is the more widely used mobile network operator

Main reason driving usage is because provider 1 uses English interface.

Customers in Limbe have recently begun using provider 2 due to reduced transaction charges.



Core country themes:

Deep dive on transaction cost experiences and perceptions.

Merchants

Cash preference: Depending on the nature or type of transaction, merchants may prefer cash settlement to avoid losses from transaction fees. On average, merchants spend 7,000-10,000 CFRs weekly on transaction charges. This is perceived as high and drives down profitability.

Cash outs:

- Merchants demand users to first withdraw funds from an agent and then pay them in cash.
- Merchants will ask customers to cover the transaction cost that is associated with the purchase.

Value perception: Merchants are happy to incur transaction charges in cases where they feel the value of the transaction fee is small or where the profit margin can comfortably cover costs. Transaction costs can be agreeable in cases when there are time and transport saving.

“Even if they charge you 500CFrs its okay for me because it saves you time when paying your bills.”

Female , 18-29, User, Micro enterprise, Limbe

Individuals

Generally perceived as high

“It's just cost reduction. If the costs are reduced, we'll use them even more because it's even more secure.”

Female, 30-44, User, Frequent income earner, Douala

Some MNOs have reduced transaction charges

“{Provider 2} had high costs at one point, but then they came to their senses, their fees is affordable now.”

Female, 30-44, User, Frequent income earner Douala

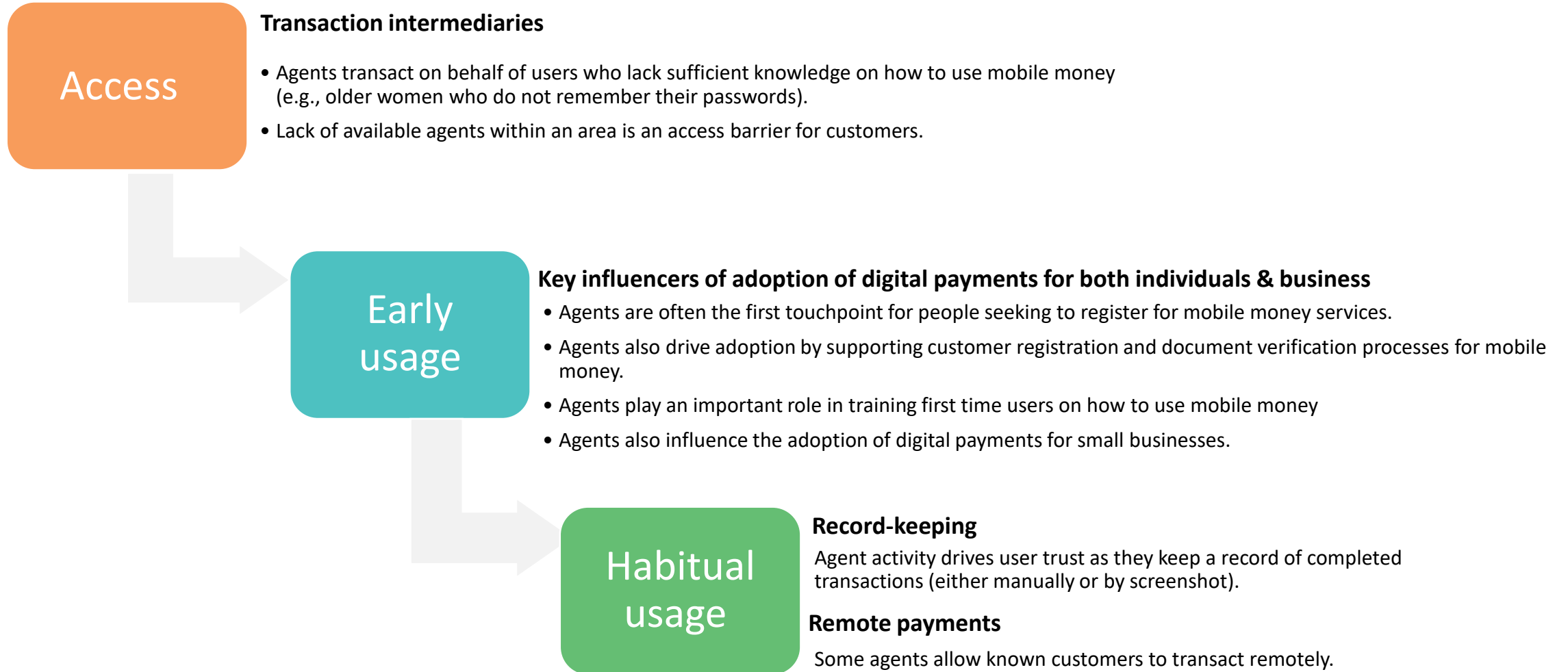
Users weigh transaction cost vs benefit of using a digital payment.

“I prefer digital payments rather than paying the transport fare to go and give physical cash.”

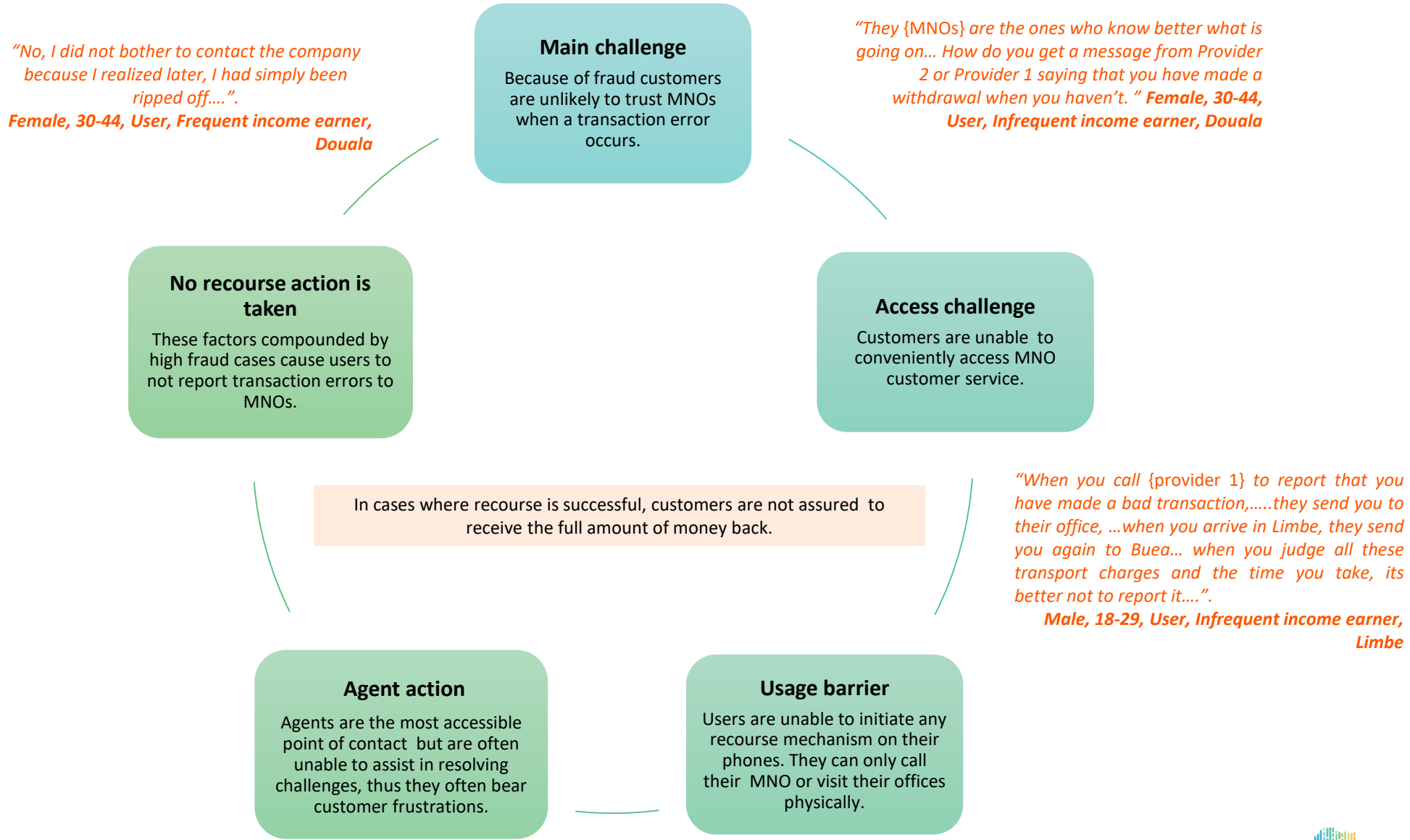
Male, 18-29, User, Infrequent income earner, Douala



Core country themes – insights from the field: Deep dive on the role of agents as transaction intermediaries.



Core country themes – insights from the field: Deep dive on recourse mechanisms.



Core country themes – insights from the field: Deep dive on customer support experience challenges and their consequences.

Customer support experience challenges

- **In person visits:** Customers are compelled to visit MNO's offices to have their issues successfully resolved.
- **Long waiting times:** Customers are frustrated by long waiting hours before being assisted at MNO customer support centres.
- **Paid for support:** Customers detailed events when they had to pay for getting support from customer service; whilst they expected that service should be free.
- **Unavailable customer service:** Customers will first try to reach customer care via phone and are often unsuccessful in getting through to a call centre agent.



Influence on digital payment behavior

- **Customer attrition:** When concerns are not resolved by customer care, users distrust the service and are discouraged from continued usage.
- **Repressed access and usage:** Negative customer experiences cause users to seek out cash over digital payments whenever possible so that they lessen the chances of transaction issues.
- **Customers continue to use mobile money wallets despite their limited or lack of understanding of T&C's.** T&Cs are of little to no effect in how users adopt access or use digital payments.



Customer recommendations – what they would like

Customer awareness

- Improve customer awareness on how to use mobile money safely
- Customer training on digital payment benefits, especially to excluded groups such as old people and farmers in rural areas

*"{Providers}, need to work together to fight scamming".
Female, 30-44, Non-user, Small enterprise, Limbe*

Comprehensive security

- MNO proactivity tackling fraud and customer protection against hacking of personal phone data
- Enhanced yet simplified security features for mobile money wallets that do not use codes only
- Enact 2 step transaction verification process

Transaction charges

- Lower transaction charges

"Lower the fees, that is what most customers are crying about."

Male, 18-29., User, Micro enterprise, Douala

Transaction completion

- Strengthen networks to avoid transaction delays and timeout
- Instant message confirmations on completed transactions
- Allow customers to initiate transaction reversals

Customer access

- Improve customer access to customer support call centers.
- Empower customers to initiate recourse against fraud.
- Expand agent availability in underserved areas.

"Agents can be of more help, rather than me wasting all my time at the [Provider 1] office".

Male, 18-29., User, Infrequent income earner, Limbe

Customer support

- Increase agents' role in supporting customer recourse and reversals
- Improve customer service experience at MNO offices





AfricaNenda

ACCELERATING INCLUSIVE PAYMENT SYSTEMS

SECTION 4

SYNTHESIS AND CONCLUSION



Summary

State of digital payment use in Cameroon

- Cash is the most preferred payment instrument for both low income earning individuals and SMEs.
- Mobile money dominates the digital payments landscape
- The provider choice depends also on whether they accommodate the main language spoken within the respective region.
- **Main payment service providers**
 - Orange Money
 - MTN Money

Key drivers and barriers of digital payment use

Drivers

- **Friends and family** are the main drivers of adoption of digital payments among individuals. This could either be through **user recommendation** or referral or **use-case need** to send/receive money from a relative.
- **Access drivers** include network availability, language (French or English-speaking users) and or ease of accessing agents.
- **Usage drivers** may depend on geographical location. For example, in Douala customer or supplier preference is a key usage driver among MSMEs.

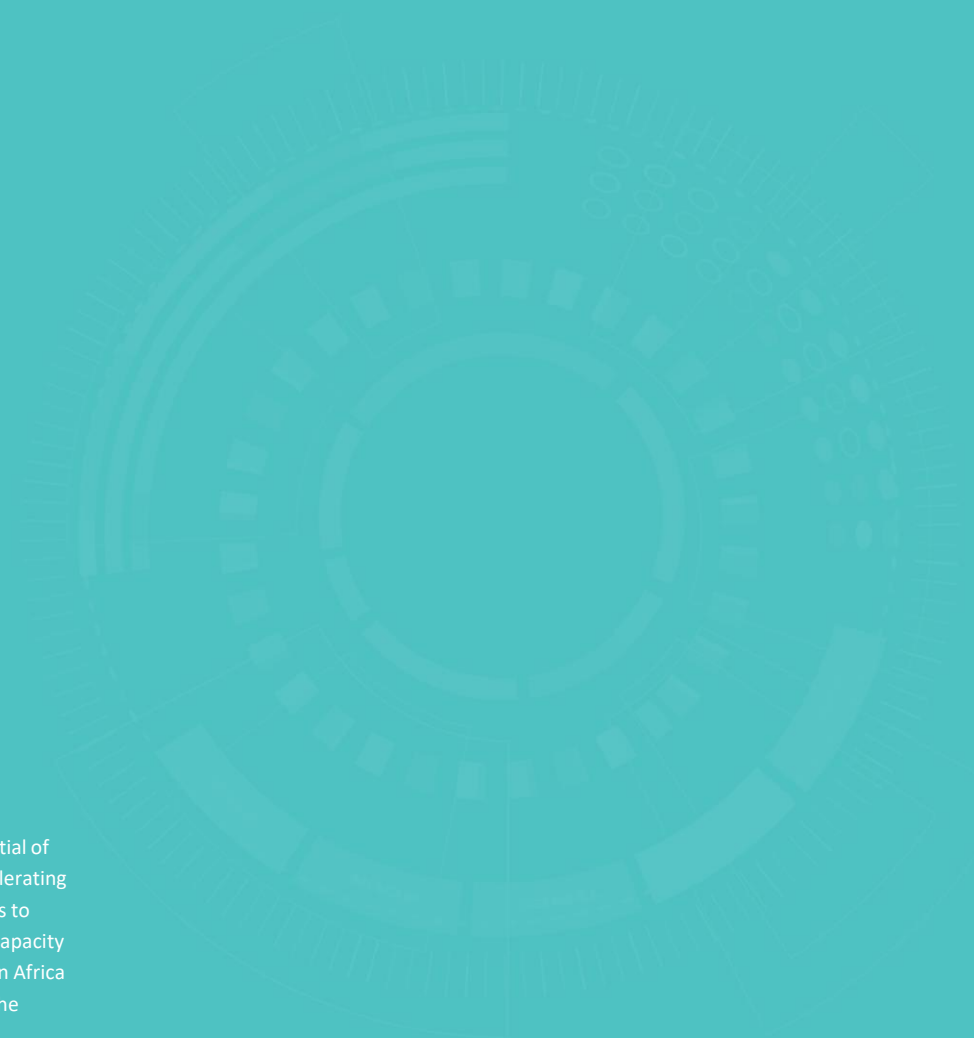
Barriers

- **Fraud** is the greatest barrier that threatens adoption, access and usage.
- **Language** is a distinct **access barrier** that differentiates Limbe and Douala users' preference of mobile money services.
- **Limited interoperability** between providers presents a barrier for users who encounter difficulties sending and receiving payments across networks.

Core country themes emerging

- **Fraud:** Hacking and scamming of user mobile money account is the greatest threat to access and usage of digital payments. The prevalence of fraud is perceived to differ between different providers.
- **Transactions costs:** Users are happy to incur transaction charges in cases where they feel the value of the transaction fee outweighs transport and time costs of using cash.
- **Gender:** Women seem to be importunately targeted by hackers and scammers.





AfricaNenda is an African-led team of experts committed to unlocking the potential of digital financial services for the financially excluded across the continent by accelerating the scale-up of instant and inclusive payment systems. AfricaNenda's approach is to provide public and private sector stakeholders with technical expertise and the capacity to reduce barriers to digital payments. AfricaNenda wants to enable everybody in Africa to make digital transactions seamlessly and at a low cost wherever they are on the continent by 2030.

AfricaNenda is fiscally sponsored by Rockefeller Philanthropy Advisors and supported by the Bill and Melinda Gates Foundation.

For more information:

AfricaNenda

13th Floor, Delta Corner Tower 2
Chiromo Road, Westlands
PO Box 13796-00800
Nairobi, Kenya

 www.africanenda.org

 info@africanenda.org

  @AfricaNenda