THE STATE OF INCLUSIVE INSTANT PAYMENTS IN AFRICA 2023
CONSUMER RESEARCH INSIGHTS

Senegal
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.
SECTION 1

METHODOLOGY OVERVIEW
Methodology: Overview

Research methodology and corresponding objectives

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

**In-depth interview**
- Map use-case characteristics and payment behavior
- Determine customer perceptions on instant and inclusive payments using 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

Objectives of the tool

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-income but infrequent income earners, including urban poor who live “hand to mouth” and lack regular employment, stable earning opportunities, intermittent piece job/gig workers, and people who are dependent on others in the family/community and/or on social grants.

### Lower but frequent income earners
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.

### Micro entrepreneurs*
Individual trader/merchants like hawkers, fruit and vegetable sellers, cobbler and other crafts traders.

### Small businesses*
Traders who have small, fixed premises or (mostly informal) shops/service providers, as well as smallholder farmers, and small agribusinesses.

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**Actual Sample size (quant. survey)**

<table>
<thead>
<tr>
<th>Group</th>
<th>Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower and infrequent income earners</td>
<td>41</td>
</tr>
<tr>
<td>Lower but frequent income earners</td>
<td>36</td>
</tr>
<tr>
<td>Micro entrepreneurs*</td>
<td>19</td>
</tr>
<tr>
<td>Small businesses*</td>
<td>28</td>
</tr>
</tbody>
</table>

77% 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).

Within each of the four groups, an **adequate coverage of women and youth** was ensured.

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* Country specific monthly turnover cut-off has been applied

The study sample focuses on the “**next 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.
The customer research was conducted in five sample countries, namely Cameroon, Malawi, Morocco, Rwanda, and Senegal.

Cross-country averages are based on these five sample countries.

The research complements research done in seven other countries in 2022 using a similar methodology (DRC, Egypt, Ghana, Kenya, Nigeria, Tanzania, Zambia).
SECTION 2
CURRENT STATE OF DIGITAL PAYMENT USE
Digital payment usage across the countries: Senegal belongs in the emerging category, as just above half of its population used digital payments in the previous year.

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

<table>
<thead>
<tr>
<th>Share of users</th>
<th>Proportion of population using digital payments over the previous year [Global Findex 2021]</th>
<th>Share of &quot;super-users&quot;</th>
<th>Proportion of weekly users out of digital payment users [including agent-assisted payments]</th>
<th>Individuals</th>
<th>MSMEs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leading cluster</td>
<td>Ghana</td>
<td>66%</td>
<td>Cameroon</td>
<td>86%</td>
<td>76%</td>
</tr>
<tr>
<td></td>
<td>Kenya</td>
<td>78%</td>
<td>Malawi</td>
<td>82%</td>
<td>77%</td>
</tr>
<tr>
<td>Emerging cluster</td>
<td>Cameroon</td>
<td>50%</td>
<td>Malawi</td>
<td>40%</td>
<td>75%</td>
</tr>
<tr>
<td></td>
<td>Nigeria</td>
<td>34%</td>
<td>Rwanda</td>
<td>39% (2017 data)</td>
<td>98%</td>
</tr>
<tr>
<td></td>
<td>Senegal</td>
<td>53%</td>
<td>Tanzania</td>
<td>50%</td>
<td>94%</td>
</tr>
<tr>
<td></td>
<td>Zambia</td>
<td>46%</td>
<td>DRC</td>
<td>22% (2017 data)</td>
<td>21%</td>
</tr>
<tr>
<td></td>
<td>Egypt</td>
<td>20%</td>
<td>Morocco</td>
<td>30%</td>
<td>14%</td>
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</tbody>
</table>

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Cross-country analysis—frequency of digital payment use:
The majority of Senegalese who use digital payments do so weekly.

- 92% of surveyed digital payment users in Senegal used digital payments at least once a week.
- 38% of users in Senegal make digital payments daily, indicating they have fully embraced digital services and integrated them into their daily routines.
Cross-country analysis—weekly transaction profile:
Average weekly transaction volumes for Senegal are low.

Average number of transactions over the previous week across all respondents:

- Cross-country average: 19
- Malawi: 31
- Rwanda: 24
- Senegal: 15
- Cameroon: 11
- Morocco: 9

Total number of respondents: 653
(140 in Senegal)
User group analysis—weekly transaction profile: A significant gender gap exists among MSMEs, but is smaller among individual users.

- Men and men-owned MSMEs have a higher average weekly transactions on average than women and women-owned MSMEs.
- Younger individuals and MSME owners have slightly higher weekly transaction volumes than their older counterparts.
User group analysis—frequency of digital payment usage: Small enterprises lead in daily digital payment usage. An age gap exists for daily users.

- MSMEs are significantly more active as daily users than individuals.
- Younger individuals are more likely to use digital payments daily than older ones.
- Fewer women than men digital payment users transact infrequently.
SECTION 2.2: PAYMENT CHANNEL ANALYSIS
Users of digital payments in Senegal predominantly use mobile apps.

A small share of respondents use USSD or money transfer agents as their primary payment channels.

Payment channel* analysis: Cash is still dominant in Senegal, but mobile apps are emerging as the most dominant digital channel.

Total number of respondents sampled: 140

*Refers to avenues through which payments are issued and received and are verified by banks or other payment providers.
SECTION 2.2: USE CASE ANALYSIS
Use case analysis: There is further room to digitalize B2B in Senegal. MSME use cases are less well digitalized than those for individuals.

The most common five payment use cases that Individuals and MSMEs have at least once a week and their level of digitalization

<table>
<thead>
<tr>
<th>Rank</th>
<th>Use Case for Individuals</th>
<th>Use Case for MSMEs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Send money [60%]</td>
<td>Receive customer payments [77%]</td>
</tr>
<tr>
<td>2</td>
<td>Airtime [75%]</td>
<td>Supplier payments [41%]</td>
</tr>
<tr>
<td>3</td>
<td>Receive money [65%]</td>
<td>Airtime money for staff [50%]</td>
</tr>
<tr>
<td>4</td>
<td>Save money [85%]</td>
<td>Transport money for staff [25%]</td>
</tr>
<tr>
<td>5</td>
<td>Pay for household goods [40%]</td>
<td>Utility payments [29%]</td>
</tr>
</tbody>
</table>

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

- Receiving customer payments is the most digitalized use case among MSME respondents.
- Airtime and saving money are the most digitalized use cases among individual respondents.

Total number of respondents: 140
SECTION 3
UNDERSTANDING CUSTOMER BEHAVIOR
SECTION 3.1:
FRAMEWORK OVERVIEW
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.

Digital payment usage framework: The path to habitual digital payment usage follows three phases
Pathway towards habitual digital payment usage: Barriers and drivers based on the access, early usage, habitual usage framework

**CAN YOU ACCESS IT?**
- Physical access
- Documentation
- Language

**WHAT MOTIVATES INITIAL USE?**
- Use case
- Cost of using cash
- Access to additional services

**WHAT MOTIVATES HABITUAL USE?**
- Ease of use
- Network effects
- Traceability and verification
- Speed

**BARRIERS**
- Capability
- Privacy
- Trust
- Financial confidence

**BARRIERS**
- Reversibility
- Cost perceptions
- Reliability
- Fraud and harassment
Pathway towards habitual usage—access barriers:
Lack of a phone is perceived to be the primary access barrier in Senegal.

Lack of phone access is the primary access barrier in Senegal and more prevalent as compared to other sampled countries. This is most likely due to limited smartphone access, which is required to use the QR codes merchants prefer.

Lack of internet access is emerging as an access barrier in Senegal, but not as prevalently as in other sampled countries.

Lack of documentation is not perceived as an access barrier in Senegal, and the lack of ability to read the instructions is only a limited barrier.

“The reason people are not using digital payments is because they do not have smartphones.”
Female, 30-44, User, Small enterprise

Total number of non-users: 26

Proportion of respondents for whom the given barrier is topmost

- Lack of phone access: Senegal 19%, Cross-country average 12%
- Lack of Internet access: Senegal 8%, Cross-country average 14%
- Lack of documentation: Senegal 0%, Cross-country average 2%
- Lack of ability read the instructions: Senegal 4%, Cross-country average 3%
Trust is the most significant barrier to early usage in Senegal, and more pronounced than in some of the other sampled countries.

Lack of awareness and knowledge also emerged as an early usage barrier.

Few respondents in Senegal identified data privacy concerns as a barrier.

Pathway towards habitual usage—early usage barriers:
Lack of trust the leading barrier preventing early usage of digital payments.
Pathway towards habitual usage—early usage drivers and barriers: Barriers to early usage are mainly related to financial exclusion and illiteracy, while drivers are linked to convenience and wide acceptance.

**Main drivers**

**Safety**
Most customers see digital payments as safe; the risk of losing money is lower than using cash.

“When you lose your phone, it would be easy to get money back by keying your code.”
*Male, 45-55, User, Frequent income earner*

**Convenience**
Digital payments are perceived as convenient for a variety of use cases.

“Since I am a Mouride, [Islamic Sufi order] for example I can submit my dues directly through the app.”
*Male, 45-55, User, Frequent income earner*

**Easy to use**
- It is easy to use as it saves time, especially for individual users.
- Facilitates transactions of lower denominations.

“…[digital payment methods] make my work and life easier because sometimes we don’t have the time to go to make a payment”
*Male, 19-29, User, Small enterprise*

**Main barriers**

**Lack of trust**
Lack of familiarity results in a lack of trust towards digital payments.

“I don’t trust them right now, plus I’m not familiar with this kind of service”
*Male, 18-29, User, Micro enterprise*

**Lack of knowledge**
Some customers lack the know how to use digital payments.

“Whenever I ask a person why he does not use digital payments, he tells me that he does not know.”
*Male, 30-44, User, Infrequent income earner*

**Data privacy**
Customers may shy away from digital payment methods as they feel their rights are violated when personal details are left with a recipient after making a digital transaction.

“I asked him “where did you get my number?” and he said, “I got it the other day when you were doing a transaction via Provider 1… there are breaches in that sense.”
*Female, 30-44, User, Frequent income earner*
Pathway towards habitual usage—habitual usage barriers: The main barrier preventing habitual usage of digital payments is the unreliable mobile network.

- The unreliable mobile network is the most significant barrier identified by respondents.
- Lack of ability to reverse a transaction and lack of widespread acceptance also emerged as barriers to habitual usage.
Pathway towards usage – usage drivers and barriers – insights from the field: Users appreciate the speed and convenience of transacting digitally but network issues discourage usage.

**Main drivers**

**Speed of payments**
Users appreciate it that transactions process immediately.

“In the blink of an eye you can send or receive your money.”
*Female, 45-55, User, Frequent income earner*

**No need to carry money**
Customers see value in the ability to walk around without money in hand as a way to mitigate risks of theft.

“If you keep your money on [...], if your phone is stolen, you can easily get your money back.”
*Female, 30-44, User, Frequent income earner*

**Convenience in not having to look for “change”**
Users do not have to worry about having small currency denominations after transactions because users pay the exact amount on digital channels.

“Digital payments help avoid problems with change.”
*Male, 45-55, User, Infrequent income earner*

**Bonuses and rewards**
Users sometimes get bonuses, which incentivizes usage.

“[..], I scan and pay, then they offer minimum 15fr bonus, it is all that I pay attention to.”
*Male, 45-55, User, Infrequent income earner*

**Main barriers**

**Network issues**
Sometimes, when the network is slow, users must wait a long time to complete transactions, or they must switch to cash.

“Whenever I want to transfer money to someone [...] if I don’t have a connection it doesn’t work.”
*Male, 45-55, User, Frequent income earner*

**Lack of people to transact with**
Some Senegalese do not have people to transact with digitally and therefore are not encouraged to use digital payments.

“Others do not use digital payments because they don’t have anyone close to them who uses it.”
*Male, 30-44, User, Infrequent income earner*
**INDIVIDUAL USE CASE—SENDING MONEY TO A FRIEND OR RELATIVE**

**Usage drivers**
- Transaction costs are perceived to be fair.
  
  “For me, the transaction cost, about, 5fr is not expensive.”
- Transactions are easy and fast.
  
  “It’s fast and I do not need to move.”
- Available customer service.
  
  “You can reach the customer service at any time.”

**Usage barrier**
For some providers, a customer must have their phone at an agent point to facilitate withdrawals, whereas for other payment channels, a user can send money from anywhere and have the beneficiary withdraw it from an agent.

“In case the gas tank was finished; with {provider 2} I would only have to send my number and validate the transaction on the spot, and she withdraws the money without problem. I cannot do that with {provider 1}.”

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**Example of a mobile app transaction journey**

**Step 1**
Log in to the application

**Step 2**
The user selects “Transfer”..

**Step 3**
The user selects the beneficiary.

**Step 4**
The user is required to key in the amount of money that will be sent.

**Step 5**
A pop up of the summary of the transaction displays.

**Step 6**
The user validates the transaction.

Female, 30-44,
User, Small enterprise

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Example of a USSD transaction journey

INDIVIDUAL USE CASE—SENDING MONEY TO A FRIEND OR RELATIVE

Usage driver
The text message confirming the transaction gives the user confidence that the transaction is complete.

“[…] if you get this message, you can be sure that the transaction is complete.”

Step 1
Dial USSD to access menu.

Step 2
Select “transfer money” option.

Step 3
Select beneficiary.

Step 4
Recipient message verification includes transaction charge.

Step 5
• Confirm transaction by re-entering passcode.
• Transaction charges are visible.

Step 6
Receive text message confirming that funds were deducted from account.

Usage barrier
Mobile network disruptions are inconvenient for customers.

“Sometimes there can be network disruptions that mean you have to restart the transfer […].”
SECTION 3.2: USER GROUP PERSPECTIVES
Main drivers

**Family needs:** Since women are known to be tasked with the responsibility of family expenses, they tend to use digital payments more.

“Women do most of the expenses, so they are the ones who use these services more.”

_Male, 45-55, User, Frequent income earner_

**Self-help groups:** Women are well organized in self-help business groups, which positively influences their access to financial services.

“I have been looking for capital everywhere left and right, they are asking for guarantors. Women would be luckier in finding capital because they are organized in the form of business groupings in the neighborhoods and with the politicians.”

_Male, 45-55, User, Small enterprise owner_

Main barriers and risks

**Personal safety:** Women are perceived to be more at risk due to the activities they carry out.

“We know that women are more exposed because of the activities they carry out, i.e., going to the market, going to the salon.”

_Male, 45-55, User, Frequent income earner_

**Language barriers:** Women often lack French language skills, which prevents them from using digital payment services.

“In Senegal, many women are not educated in French, but the means of payment are in French. If we could have services in Wolof or easy to use services that do not require much thought, it would be good for many women like me.”

_Female, 30-44, Nonuser, Infrequent income earner_

User group perspectives—deep dive on gender perspectives:

Women are perceived to be more engaged with digital payments despite the challenges they experience.

Women case study

**Respondent details**

- Gender: Female
- Age: 18-29
- Occupation: Small enterprise owner

“I remember a difficulty I experienced. Someone took my phone. The person made a {Provider 1} transaction of 150000fr and then deleted the message from the application. According to the notification bar, I could only see one transaction made on that day, but my account was debited. I decided to call {Provider 1} immediately. The customer support inquired who had my phone at 5:49pm as that was the time the transaction was made. I informed them I was not aware as I found my phone on the fridge, yet I had left it in the living room.

They were finally able to trace, and we later found out it was my neighbor. My money was refunded.”

_Female, 30-44, Nonuser, Infrequent income earner_
User group perspectives—deep dive on merchant perspectives:
Agent outreach motivates businesses to start using digital payments.

<table>
<thead>
<tr>
<th>Main early usage driver</th>
<th>Agent outreach</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;The {Provider 2} money agents came and explained to me how it works, that's how I opened my account.&quot;</td>
<td></td>
</tr>
<tr>
<td>Female, 30-44, User, Small enterprise owner</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Main habitual usage driver</th>
<th>Advance payment of goods and services</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;At the moment I have on me goods paid in advance that I have to deliver in November, all this is a question of trust.&quot;</td>
<td></td>
</tr>
<tr>
<td>Female, 18-29, User, Small enterprise</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Main barrier</th>
<th>Limited opening hours of agents</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;If I put my money in {a mobile money account}, and if I need it at night, I cannot get it.&quot;</td>
<td></td>
</tr>
<tr>
<td>Male, 45-55, User, Micro enterprise</td>
<td></td>
</tr>
</tbody>
</table>

**Merchant case study**

- **Gender:** Male
- **Age:** 45-55
- **Occupation:** Small business owner

"I got initiated to start using digital payments by agents. They came around my store and explained the details. After they explained and I saw it would be easier, more accessible, and secure to use it, I opened an account.

It makes things easier because before we had to make powers of attorney, that is have agents transact on our behalf on our accounts or we used to send it through intermediaries, which made things complicated. Now the process is less tiring.

Additionally, I can say it would be important to sensitize the youth on creation of businesses. Agents from all providers move around often. People know about digital payments; they don’t have businesses to use them for."
Making mistakes without easy traceability is a major challenge for agents.

**Business benefits**

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

“The business allows me to make some money besides my small business of cosmetics and cell phone accessories.”

**Male, 30-44, User, Agent**

**Challenges and risks**

**Making errors:** Agents are sometimes not able to correct errors they make when making transactions for their customers. They end up incurring losses in certain instances.

“It is when you take stock that you will realize that you have a deficit.”

**Male, 30-44, Agent**

**Lack of traceability of errors:** When errors are made, agents cannot easily trace it.

“Often you do not know with which customer you have made a mistake.”

**Male, 30-44, Agent**

**Agent case study**

**Respondent details**

- **Gender:** Male
- **Age:** 30-44
- **Occupation:** Micro/Agent enterprise owner

“I started as an agent to earn additional income. The business allows me to make some money besides my small business of cosmetics and cell phone accessories. I earn commissions [...] through the transactions of customers who deposit or withdraw money.

Even if the commissions are not high, because people think that we earn a lot of money through this activity, while this is not the case. I do experience some difficulties running the agent business.

Sometimes it's the transaction errors. I'll give you an example, sometimes a customer may come and say that he wants to make a deposit of 2000 francs on his [...] account. The customer gives you a 2000 franc bill. You, the agent, type in the amount to be sent to the customer, and you make a mistake and submit 20,000 francs to the customer's account instead of 2,000.

If the customer is not honest, he will not report that you sent him more than he should have received in his account. It is when you take stock that you will realize that you have a deficit and often you do not know with which customer you have made a mistake.”
SECTION 3.3: CORE COUNTRY THEMES
Core country themes:
Deep dive on the influence of customer support on digital payment usage.

**Customer support experience**

- **Available customer service**: Customer service is usually within reach and supports customers in good time.
- **Valued support**: Most customers received valuable support from customer service; their money was paid back.
- **Long waiting times**: Customers are frustrated by long waiting hours before being assisted at MNO support call centers.
- **Long processes that involve going to the police**: In certain instances, when consumers make a wrong transactions, e.g., sent money to an unintended recipient, the provider’s customer service asks them to present their case to the police after having processed the relevant documents.

**Influence on digital payment behavior**

- **Customer retention**: When concerns are resolved by customer care, users trust the service and are encouraged to continue using it.
- **Repressed access**: Long waiting time and sometimes requirements to file the case with the police causes customers to forego recourse processes. Despite instances of such occurrences, customers continue to use digital payments.

"[...] before reaching the third ring, they pick up."

*Female, 45-55, User, Frequent income earner*

"You have to go to the police and it’s quite a problem, you have to make declarations I can’t stand in line, because I have a lot of things in mind."

*Male, 45-55, User, Frequent income earner*
Core country themes: Deep dive on transaction cost experiences.

- Some individuals do not take into consideration the transaction cost. Male, 30-44, User, Frequent income earner
- Transaction fees are a function of the amount being transacted. Female, 30-44, User, Small enterprise
- Depending on the transactions carried out, in case the amount transferred is huge, the fees rise up. Female, 30-44, User, Small enterprise
- Transaction costs are perceived to be fair by individuals and businesses.
- Owners of small businesses are more likely to be aware of the cost of a transaction attached to a specific amount. Female, 30-44, User, Small enterprise
- Individuals will confirm the cost of transactions before carrying out payments. Male, 45-55, User, Infrequent income earner
- Users weigh transaction costs vs. benefits of digital payment.
- “I have to pay for the transport...will make me double [expenses].” Female 18-29, User, Small enterprise
- “Today if I have to send 20,000 francs, I know the amount of the charges, I put that in.” Female, 30-44, User, Small enterprise
- “We take [the cost] into account, it’s normal because we earn money with difficulty, so we calculate where our money goes.” Male, 45-55, User, Infrequent income earner
- “No, I don’t even pay attention to the amount, it doesn’t bother me.” Male, 30-44, User, Frequent income earner
SECTION 3.4: VOICE OF THE CUSTOMER ON HOW DIGITAL PAYMENTS CAN BE IMPROVED
<table>
<thead>
<tr>
<th>Voice of the customer on how digital payments can be improved</th>
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### Convenience of network
- Enable offline transactions in cases where customers are unable to send money without an internet connection.
- Introduce Wolof as a language of use as an alternative to French.
- Lower transaction charges; make them free.
- Simplified submission codes and access to the phone contact directory when making transactions instead of typing beneficiary’s contact manually.
- Proximity of agents.

### Comprehensive security
- Privacy of personal data when making transactions.
- Increase security tracking features to reduce fraud.

### Customer sensitization
- Customers need reassurance that their money will be available whenever they need it; customers need evidence that they can trust the service.

### Customer relations
- 24/7 availability of customer support.
- Responsive customer support.

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**Male, 45-55 User, Frequent income earner**

“Typing in the beneficiary’s number can be simplified once so that we can access our directory directly, choose the name of the beneficiary to avoid confusion when we type in the number manually.”

**Male, 45-55, User, Frequent income earner**

“Personal data such as the identity card should not be visible to other parties, that it is private information”

**Male, 45-55, User, Frequent income earner**

“They need to assure people their money will be available whenever they need it without any difficulty.”

**Female, 45-55, Nonuser, Small enterprise**

“Personal data such as the identity card should not be visible to other parties, that it is private information”
SECTION 4
SYNTHESIS AND CONCLUSION
State of digital payment use in Senegal

- Cash is the preferred payment instrument for both low income earning individuals and businesses.
- One payment service provider dominates the digital payments landscape.
- The habitual usage of digital payments is largely influenced by its widespread acceptance across the market.
- Convenience drives people to use digital payments.
- Main digital payment service providers:
  - Wave
  - Orange Money
  - Free Money

Key drivers and barriers of digital payment use

**Drivers**

- **Convenience** is one of the main drivers of usage. The ease of providing and using QR code to transact encourages usage.
- **Network effects**: Wide acceptance of certain providers catalyzes adoption.
- **Marketing promotions and agent outreach**: Payment providers have a large influence on digital payment adoption through marketing and onboarding campaigns.

**Barriers**

- **Lack of smartphone access** prevents people from using QR codes for merchant payments.
- **Lack of trust** discourages digital payment usage.
- The **unreliable mobile network** is inconvenient for customers and causes some digital users to revert to cash.

Core emerging country themes

**Convenience in scanning**

- Scanning QR codes to complete transactions is perceived positively and considered easy.

**Recourse need**

- Low-income earning individuals value the ease in cancelling transactions. While this is convenient for individuals, businesses end up incurring losses when their customers cancel/reverse transactions for rendered goods or services.
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.