



# THE STATE OF INCLUSIVE INSTANT PAYMENT SYSTEMS IN AFRICA 2025

CONSUMER RESEARCH INSIGHTS

Angola

# INTRODUCTION

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The State of Inclusive Instant Payment Systems (SIIPS) in Africa report is an AfricaNenda Foundation research and advocacy initiative conducted in collaboration with the World Bank and the United Nations Economic Commission for Africa.

SIIPS 2025 marks the fourth edition of this flagship series. The report aims to inform public and private sector payment stakeholders within Africa and beyond about advancements in Africa's instant payment systems (IPS) landscape. The report includes insights on the inclusivity of the continent's live systems for all end users and licensed payment providers.

The consumer research conducted for the report and reflected in this presentation took place between February and March 2025. It involved in-country quantitative surveys and qualitative interviews featuring low-income adults and micro and small enterprise (MSME) owners in Angola.

The consumer research sample is not nationally representative. It aims to provide insights to better inform the design of IPS to meet end-user needs.



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# SECTION 1

## METHODOLOGY OVERVIEW



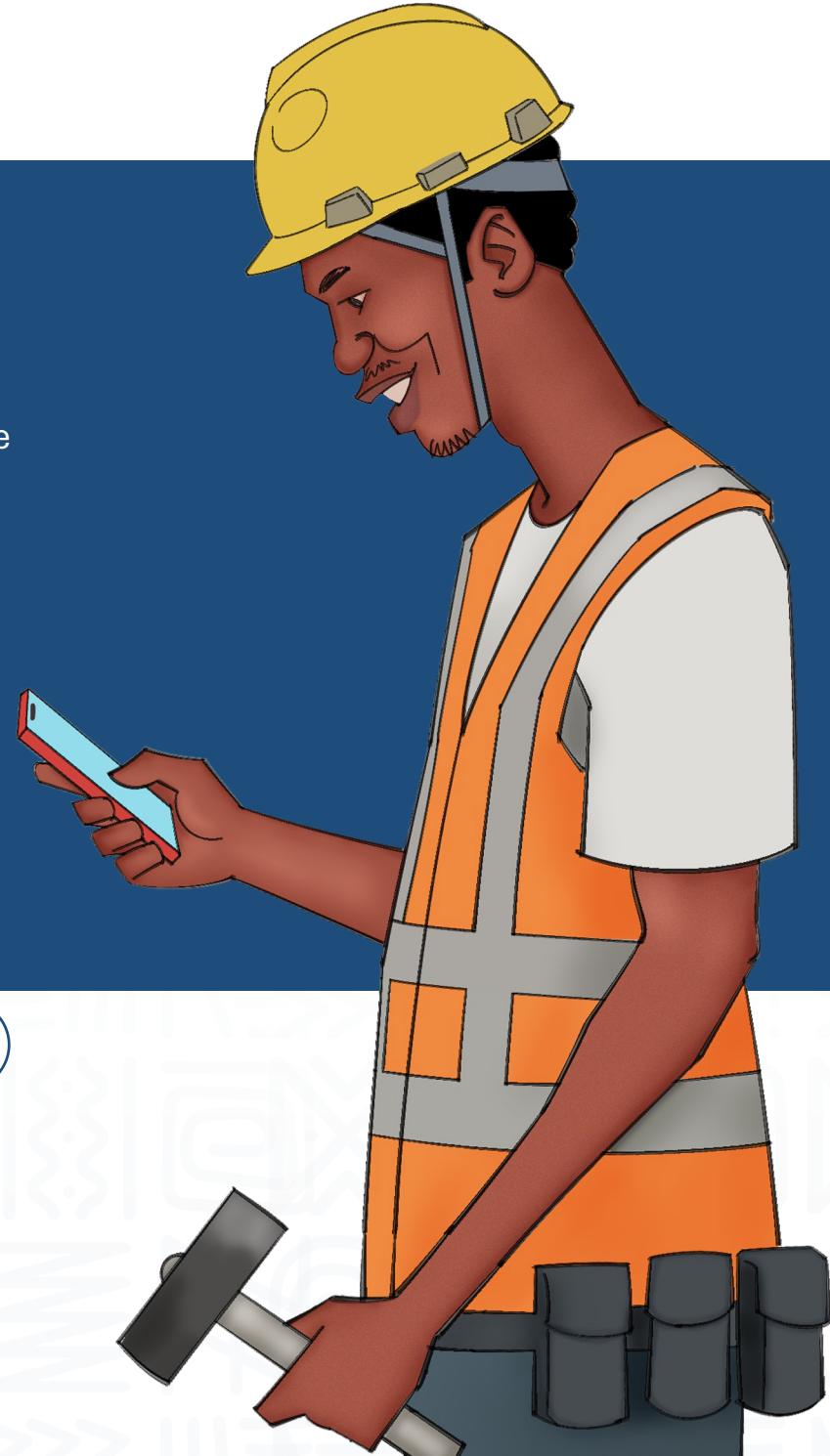
## Section 1.1

### Sampling Overview

To inform the inclusive design of instant payment systems, the study sample focuses on the “**emerging market**” expected to adopt digital payments, specifically individuals in **urban, peri-urban, and rural settings**, and includes individual users and MSMEs with different income levels.

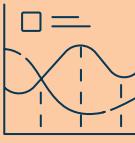
The findings are **not nationally representative**, and any country-specific inferences are based solely on the sampled respondents.

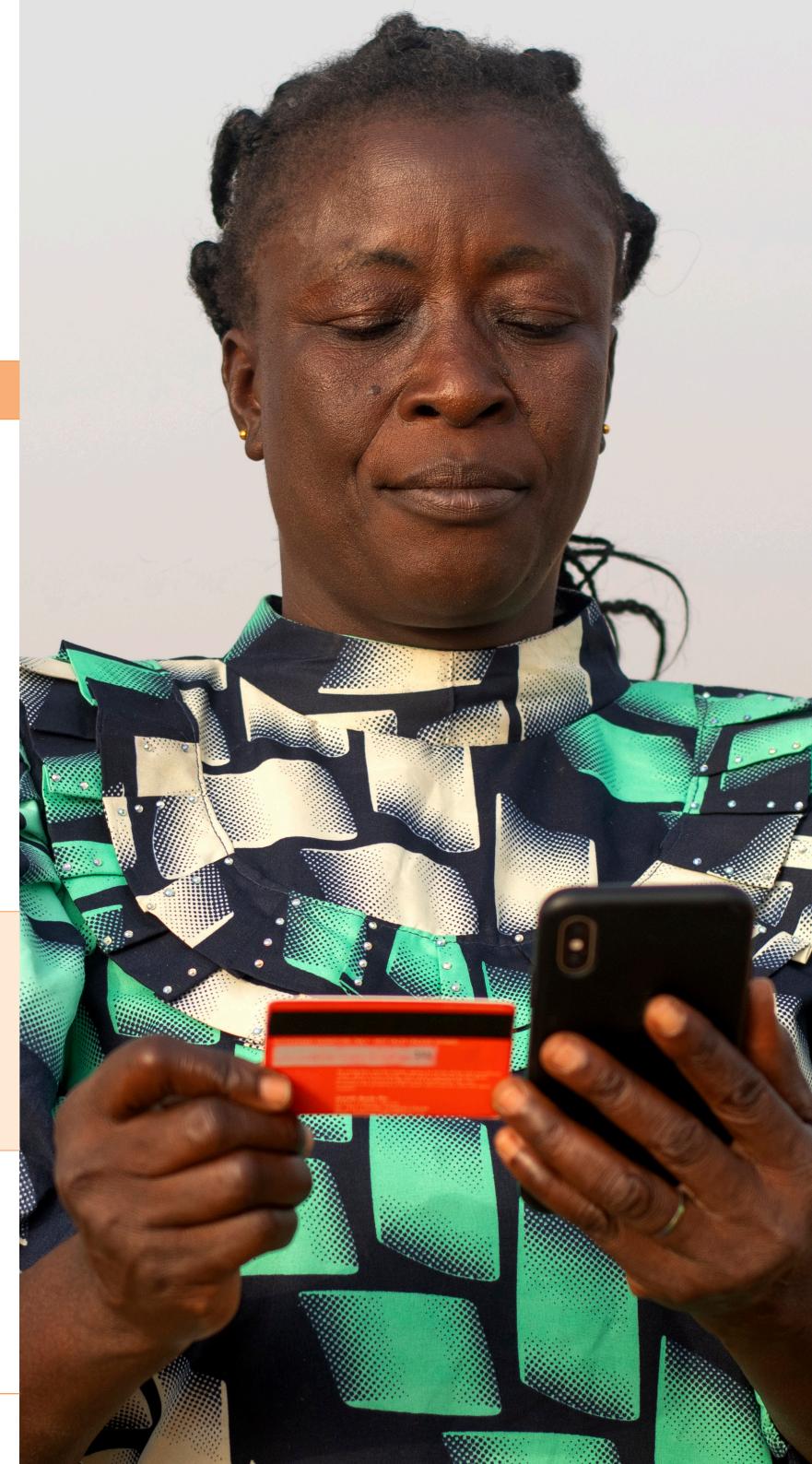
Quotes used in this report reflect the views of the respondents and should not be interpreted as the opinion of the entire Angolan sample or of the AfricaNenda Foundation.



## Section 1.2

### Research methodology and corresponding objectives

	Survey	In-depth interviews
 Research objectives	<ul style="list-style-type: none"> <li>Understand end users' depth of usage by identifying desired use cases and features, and how they translate into system functionality for IIPS.</li> <li>Understand patterns in awareness, access, adoption, and use of retail payments, while identifying usage enablers and barriers.</li> <li>Measure the frequency of digital payment usage and rank the most-used payment instruments.</li> </ul>	<ul style="list-style-type: none"> <li>Profiles included and excluded user segments and explored the unique needs, preferences, behaviors, characteristics, and barriers for each.</li> <li>Determine end-user perceptions of digital payment offerings, using the access, adoption, and usage frameworks.</li> <li>Map use case characteristics and payment behavior.</li> <li>Enhance understanding of end-user experiences through mystery shopping.</li> </ul>
 Sample size per country	<ul style="list-style-type: none"> <li>Number of individuals = 62</li> <li>Number of MSMEs = 50</li> </ul>	<ul style="list-style-type: none"> <li>Number of individuals = 24</li> <li>Number of MSMEs = 24</li> </ul>
 Fieldwork itinerary	<ul style="list-style-type: none"> <li>Fieldwork was carried out in Luanda, Talatona (Urban), Zango (Peri-Urban), and Calumbu (Rural).</li> <li>Quantitative data collection: February 2025 to March 2025.</li> <li>Qualitative interviews (IDIs) data collection: February 2025 to April 2025.</li> </ul>	



# Section 1.3

## Sampling Approach

	Individual Customers		Merchants	
	 Infrequent Income Earners	 Frequent Income Earners	 Microenterprises	 Small Businesses
<b>Definition</b>	These respondents include the urban poor who live “hand to mouth” and lack regular employment and stable earning opportunities. They include intermittent piecework/gig workers and people who are dependent on others in the family/ community and/or on social grants.	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. They support infrequent income earners; therefore, they may be high remitters.	Traders/merchants like hawkers, grocers, and craft traders who have small, temporary premises or (mostly informal) shops. In this study, the selection criteria used for microenterprises were owners with no or just one employee.	Traders/service providers who have small to medium, fixed formal premises, such as small shops, restaurants, and chemists, sometimes with branches across different locations. In this study, the selection criteria used for small businesses were business owners with between 2-10 employees per premises.
<b>Sample Proportion (Survey) N=112</b>	31%	69%	44%	56%
<b>Purposive Representation</b>	From a total of 112 individual users and merchants in the survey, 73% were digital users, while 27% were cash users. The sampled respondents were drawn from five sectors: small retail, groceries, food services, personal care services, and transport.			
<b>Sample (Qualitative Interviews) N= 40</b>	The sample achieved equal representation by gender, youth, and geography. The “young” category is defined as adults 18-29 years old. Older means 30 years or more.			
<b>Study Locations</b>	<b>Urban:</b> Luanda, Talatona <b>Peri-Urban:</b> Zango <b>Rural:</b> Calumbo			

# SECTION 2

## DIGITAL PAYMENTS USAGE PATTERNS



# Section 2.1

## User group usage patterns—country context

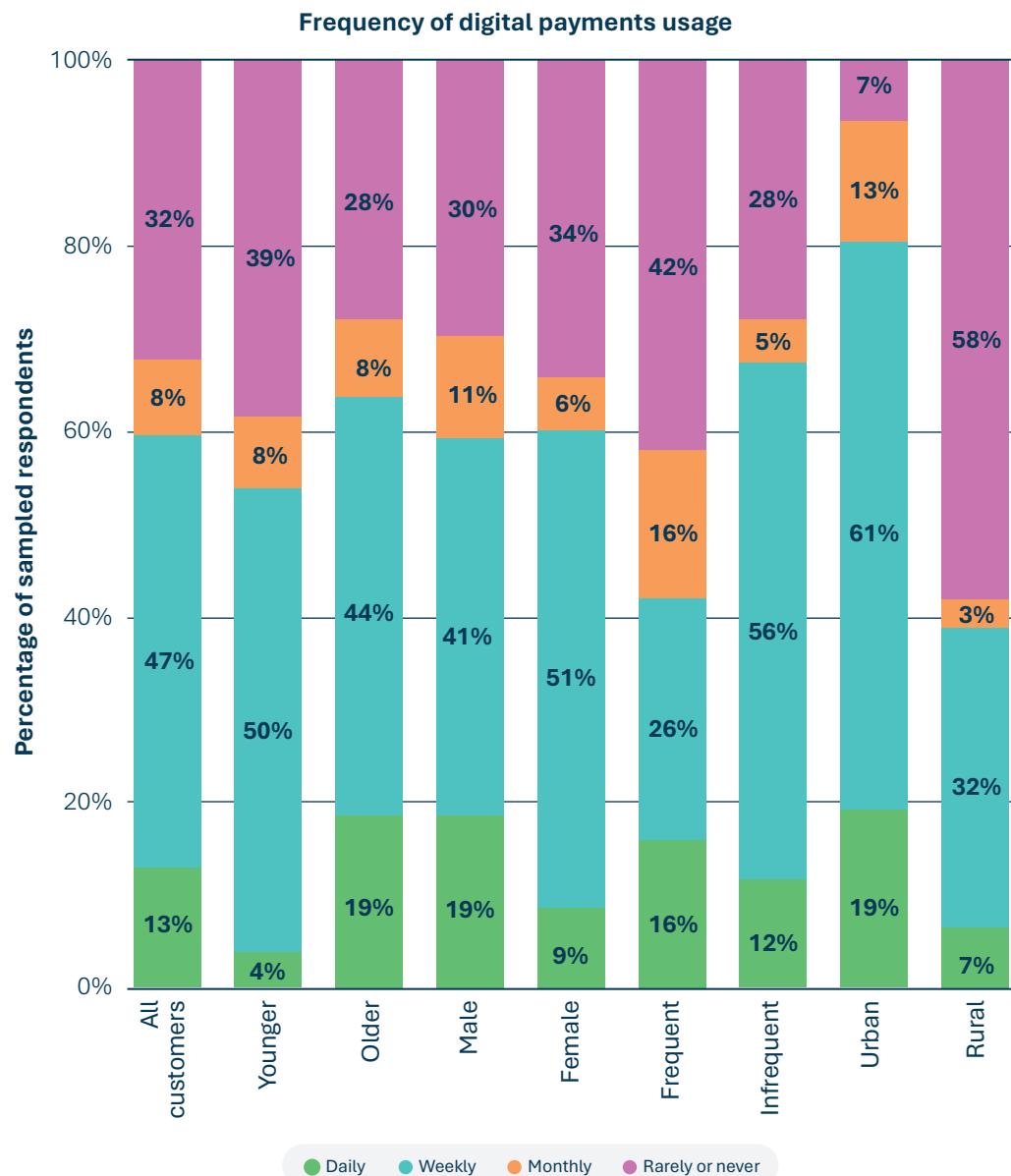
### Angola

Angola displays significant gaps in access, infrastructure, and inclusion, which potentially undermine the potential for growth of digital payments.

Financial inclusion indicator	Country score	
Digital payment usage	36%	Angola faces low digital payment adoption and limited transaction account ownership, leaving a significant portion of the population excluded from formal financial systems.
Financial account penetration	40%	Sparse distribution of bank branches and mobile money agents—especially in rural areas—constrains access to essential financial services.
Gender gap	15 percentage points	
Number of mobile money agents	1.90	While 3G network coverage is relatively widespread, limited 4G availability, low internet usage, and modest smartphone penetration hinder the scalability of more advanced digital solutions. Lack of personal mobile access presents major barriers to uptake.
Number of branches	7.16	
Mobile network coverage	77%	
Internet penetration	45%	
Mobile phone penetration	56%	
Smartphone penetration/adoption	47%	

\* AfricaNenda used the [FinScope Angola 2022](#) data, given that the Global Findex (the standard used for other economies in the SIIPS 2025) has not surveyed Angola since 2014.

## Digital payments are a regular part of people's financial lives, but not a daily habit. Wide disparities in usage across different demographics and geographic environments suggest uneven access.



Digital usage patterns vary widely. Weekly users are those receiving regular incomes directly into accounts or onto a card. Infrequent earners may also use digital payments weekly if they receive remittances or money from family and friends into an account.

**“Payments are made in two ways, physical and digital. Then, at the end of the month, I receive a salary, and in both ways, I make several payments, both physical and digital, for household expenses and also for food items.”**

—Male user, Talatona

Older, urban, male users exhibit more daily usage than younger, female, and rural users. Smaller-value payments considered “minor” household expenses tend to be paid in cash, except where proof of payment is required, as in the case of water and electricity bill payments. School fee payments require bank deposits due to specific institutional requirements.

**“Daily digital payments typically include taxi fares for commuting to work and transporting children. On a weekly basis, minor household purchases often use digital methods. Water and electricity bills and basic food baskets are paid digitally due to their convenience and security. Digital payments are not accepted for school fees; instead, payment must be made through a bank deposit, with a physical deposit slip required as proof of payment into the school’s account.”**

—Woman user, Zango

Convenience is another driver of adoption, particularly for new payment platforms that enable access to multiple bank accounts.

**“I use mostly my [Provider C] for it because inside [Provider C] you have all the apps for that, and it makes the payment process easy.”**

—Woman user, Luanda

# User highlight

## Miguel (individual)

### Rural, individual end user

Name:	Miguel (pseudonym)
Age/Gender:	37, male
Occupation:	Self-employed
Business location:	Rural—Columbo
Income level:	Moderate ~165,000 Kz/month (~\$180 USD)
Bank account:	Holds multiple local and international accounts
Digital awareness:	Very high

#### Payment behavior

His primary payment method is digital channels via bank transfer. Makes payments via apps and QR codes. Is aware of multiple providers. He uses cash for small payments.

**“[I use] [Provider K] and [Provider U]-I can send using a number, and if the person has the number registered with a bank, it automatically reflects in their account.”**

#### Digital payments perceptions

He views digital payments as positive and sees adoption progress. He values speed and convenience, cost, security, and efficiency. Miguel avoids physical bank visits as much as possible and uses digital

platforms exclusively for savings, bills, and purchases.

**“The experience is excellent. It’s easy and fast to use.”**

**“Cash can be lost or stolen. With digital, I feel safer.”**

#### Digital readiness and adoption potential

Miguel is a confident user who is digitally fluent and has transitioned nearly all his personal and business payments to digital channels. His behavior signals that scaling digital payments is feasible with the right demand and infrastructure. His journey

illustrates the opportunities and pain points in the digital payment ecosystem.

#### Use case access and payment patterns

He uses digital payments daily for nearly all transactions (bills, transfers, groceries, and other household transactions). He has accounts on multiple platforms and international wallets. He is willing to try new apps if they are secure, licensed by the regulator, and convenient.

#### Digital payment constraints and gaps

- Inconsistent merchant acceptance of the payment methods he finds most convenient.

**“Some stores say they have QR but then tell you it doesn’t work.”**

- Risk of scams and low trust in digital receipts

**“They increase the zeros on receipts without you realizing it. That’s why many companies don’t opt for digital.”**

- Outdated digital terminals that do not support low-value payments. A lack of interoperability also makes it difficult to complete digital transactions.

**“Some methods only work with specific banks. Others don’t reflect instantly.”**

- Low awareness among users (both individual users and merchants).

**“People still think money is physical. They don’t realize it’s all digital now.”**

#### Perceptions on cost and affordability

He generally finds digital transactions affordable and fair, especially when using wallets. He uses [Provider L] frequently for its transparent pricing.

#### Needs and opportunities

He wants to see interoperability across platforms to reduce reliance on cash. He longs to see expanded digital acceptance by merchants through better onboarding and support and improved POS infrastructure with transparent fee structures. He believes that enhancing user education—especially around usage and fraud prevention—and providing unified access to multiple bank accounts via a single digital wallet would further streamline transactions and accelerate usage.

**“I have a single centralized application on my phone that allows me to log in to all my cards, and when I want to make a payment, I just click on that application, and the card that has money will automatically withdraw it.”**

# User highlight

## Marta (individual)

### Urban, individual end user

Name:	Marta (pseudonym)
Age/Gender:	36, woman
Occupation:	Salaried employee
Location:	Urban—Talatona
Monthly household spend:	Approx. Kz 32,500
Bank account:	Yes, for savings and transactions

#### Payment behavior

Her financial planning is structured around end-of-month obligations, including rent and bulk payments. She makes deliberate decisions based on the transaction type: cash (for everyday purchases like food and groceries) and digital (for bills and large transactions).

**“If it is a small amount, I pay cash. If big, I do the transfer.”**

#### Digital payment perceptions

Views digital payments as safe, efficient, and increasingly necessary for high-value or formal payments like rent and utility bills. She

appreciates the security and convenience of being able to transact from home.

**“It reduces the cost of transport, because you can do transactions from your home, not going out to an ATM or the bank.”**

Cash remains her default for everyday purchases, particularly due to reliability issues in local shops where POS devices often malfunction.

#### Digital readiness and adoption potential

She is aware of digital payments and has basic usage skills. She faces a

few frustrations because of limited digital awareness and scams. She is not opposed to digital payments but prefers platforms that are simple and trustworthy.

#### Use case access and payment patterns

She receives her salary into her bank account, from which she pays rent, electricity, water, and internet. She uses cash to pay for food and small purchases. She pays remittances in person at the bank via deposit or cardless withdrawal. Although Marta is not a heavy user of new digital tools like e-wallets, she knows about QR codes, card payments, and basic transfers. She occasionally uses her bank card, especially for bills or structured purchases, and acknowledges the benefit of being able to transact from home.

#### Digital payment constraints and gaps

- Marta has only basic digital skills and needs technical assistance and training to confidently explore new platforms.
- Challenges include frequent network outages, issues with cash access (e.g., transport to ATM, torn notes), and distrust of digital payments due to fear of scams.

**“There has been a lot of embarrassment with [Provider F]... always being updated... I once thought about stopping using this application.”**

#### Perceptions on cost and affordability

Marta does not perceive digital payments as more expensive than cash since she does not recall being charged any noticeable transaction fees, whether for goods, services, or bills. While she acknowledges the presence of VAT charges, she believes these apply equally to cash and digital payments.

**“I don’t remember being charged any tax... it doesn’t charge anything.”**

#### Needs and opportunities

She is open to more digital tools as long as they are secure, simple, and supported by human guidance. She also wants improved POS reliability, especially in local shops, and to be able to access microloans to ease household pressure.

**“Loans would help maximize the power of buying—it reduces the stress of getting more money.”**

# Deep dive on gender: individual users

Women can be enthusiastic users of digital payments when the conditions are right; male respondents are more pragmatic users.

## Social norms and practicality inform digital preference over cash among women respondents

Both genders use cash in informal markets and for small-value transactions, but some women respondents express a preference for digital payments over cash due to **safety concerns, practicality, and elegance**. Women see beyond their functionality and associate digital payments with dignity, modernity, and self-assurance.

“

**“Since the income comes most of the time by transfers, I also pay it by transfer because the process of getting cash is a big deal.”**

—Woman, individual user, Talatona

**“I went to buy some body lotions and perfume and paid with my card because it is easier to make digital payments; it is much more practical and more elegant for us women.”**

—Woman, business user, Talatona

## Women and men are driven by different factors

Men users are more pragmatic and tend to use both digital payments and cash flexibly, driven by functionality, control, convenience, and access.

“

**“More personal payments for energy, water, and internet are done digitally, but when I go to the informal market to buy things for the house, I normally pay cash.”**

—Man, individual user, Talatona

Women switch between cash and digital payments based on the context, such as transaction size, the payment method

accepted by the merchant, access, and system reliability. Regular but moderate usage aligns with budgeting or household management cycles.

“

**“Normally, pay cash in the market or shops that don’t accept digital payment, those that don’t have a POS or accept transfers, like the street vendor.”**

—Woman, individual user, Zango

**“I pay for my kids’ school fees, water, energy, food, school transport, ZAP [pay TV] subscription, and buy gas.”**

—Woman, individual user, Zango



## Access to digital tools is uneven for women

Women users reported barriers in registering for digital platforms, including **language barriers, lack of individual user education and outreach, digital knowledge, phone ownership, and trust**. This led to reliance on others for assistance using digital payments.

**“I had to talk to the son of a colleague who has [Provider C], and we paid.”**

—Woman, individual user, Zango

**“I can handle the phone very well... only if there is something different, Portuguese mixed with English, or English mixed with Portuguese, I will need clarification.”**

—Woman, youth, individual user, Calumbo

**“Nobody ever came to speak to me about this payment method, the benefits. So, there’s nothing pulling me to go register.”**

—Woman, youth, individual user, Zango

**“...especially at the open market... the majority of the street vendor women in the markets don’t have knowledge of any digital platform.”**

—Woman, youth, individual user, Zango

## Ease of use, trust, and being in control of finances

These emerged as common themes for digital adoption across genders. Women’s consideration of digital platforms is shaped by these factors.

**“I consider the benefits of using digital payment because of its convenience and speed of transactions; it’s easy to track expenses, secure, and traceable transactions; accessibility from anywhere; and avoiding long queues.”**

—Woman, youth, individual user, Zango

**“Since December of last year, I don’t remember a month when I didn’t make frequent digital purchases. I mean, in my day-to-day life, it is the method I use to make purchases, without fail.”**

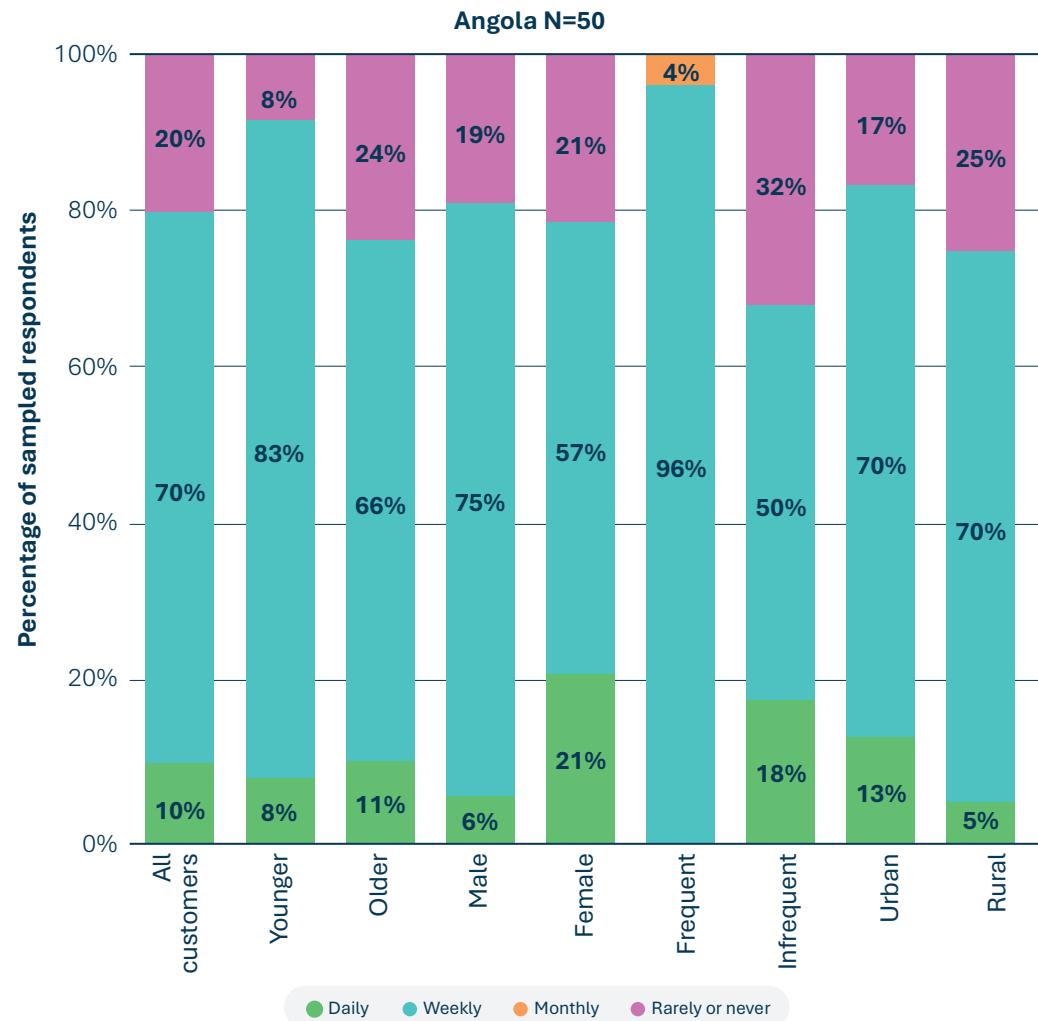
—Male, youth, individual user, Calumbo



## Section 2.2

# User group usage patterns—MSMEs

Most MSMEs in the sample are weekly users of digital payments. Daily usage is more prevalent among older, women, and larger business owners in urban areas.



The survey data shows that MSMEs have strong weekly digital usage rates, with some daily users, mostly women in urban areas. In rural areas, digital payment usage is less prevalent, as merchants either prefer cash or have little individual user demand for digital payments.

**“I rarely do digital transactions for my business because I deal directly mostly with people who come from rural areas who don't deal with or understand digital tools, so they prefer cash.”**

—Woman, small business owner, infrequent user, Zango

**“[The last time I received a digital payment] was last week, and for me, I have my personal preference that it should be cash.”**

—Man, microenterprise owner, infrequent user, Zango

**“I use more cash than digital. Digital rarely... I do not benefit from this. Also, I am not updated when it comes to this, including having a POS. I see there is a lot of bureaucracy... I went to the bank many times, back and forth. [I urge my individual users to] go to the ATM and come pay in cash.”**

—Man, small business owner, infrequent user, Zango

Urban merchants who report weekly usage also tend to accept cash payments as an alternative.

**“Well, the last time I received a payment, digitally, was two days ago. An individual user...didn't have cash on hand. A week ago, when I saw a deficit in one of my products, I went to a store and a warehouse and bought several items. I paid by ATM.”**

—Man, small business owner, user, Talatona

# User highlight

## Maria (merchant)

### Rural micro-entrepreneur

Name:	Maria (pseudonym)
Age/Gender:	33, woman
Business type:	Bread retailing (reseller, not baker)
Business classification:	Informal microenterprise
Business location:	Rural (Calumbo)
Business turnover:	Daily, low-margin transactions with consistent flow
Employees:	No formal employees; has one assistant paid in cash daily
Bank account:	No—all income is held in cash

#### Payment behavior

Her suppliers only accept cash, limiting her incentive to adopt digital payments. However, she has security concerns about fake notes and making errors when handling change.

**“I only accept cash because I also pay the bakery in cash—they prefer it that way.”**

#### Digital payment perceptions

She sees POS machines in informal markets, as well as ATMs and more banks with a physical presence. She acknowledges the digital evolution, but barriers to entry still feel high for micro-entrepreneurs like her.



**“If we had a POS, it could help a lot... especially with fake notes or when change delays us. Even people in rural areas now come to the city to find a bank. Some areas now have ATMs.”**

#### Digital readiness and adoption potential

She is a typical rural micro-merchant: highly cash-dependent, informal, unbanked, but not resistant to digital payments. Cash payments seem like a necessity rather than a choice. Improved access, simple onboarding and training, and targeted incentives in her value chain could transition her to digital methods.

#### Business operations

- **Morning:** Receives bread, sells it, and stores cash in a box.
- **Afternoon:** Balances accounts, places the next order, and pays the bakery.
- **Evening:** Delivers bread orders, receives payment for the day's orders.
- **Profits:** Takes income home and invests it in personal projects (construction).

#### Transaction timing

- **High individual user volume:** Morning and evening.
- **Payments to the supplier:** Daily, in the afternoon. Only accepts cash due to supplier requirements.
- **Assistant wages:** Paid daily in cash.
- **Bills:** Pays electricity as part of her rent agreement with her landlord.

#### Sentiments on digital payments opportunities

Perceives difficulty in registering for a POS (requires many documents), though still recognizes digital's potential benefits for safety and traceability. Sees opportunities in:

- Security from theft or fake money.
- Speed and ease of processing large amounts.
- Proof of payment and better transaction records.

- Incentives (e.g., discounts or cashback) could motivate her to sign up.

#### Payment constraints and gaps

Maria does not own any digital payment account or wallet.

- She lacks access to a digital payment instrument like a POS terminal, and the application to get one seems bureaucratic and inaccessible.
- She experiences losses due to fake notes and change errors.
- She is hesitant about using digital methods but is open to them if they are easy to onboard and deliver greater security.

 **“I’d try digital if registration wasn’t so hard and they didn’t ask for so many documents.”**

#### Perceptions on cost and affordability:

Current cash-based payments attract no charges or fees, but she believes digital pricing must be fair because “many people use it.” She is concerned about fraud, indicating a need for user education and safeguards.

# User highlight

## Paulo (merchant)

### Urban micro-entrepreneur

Name:	Paulo (pseudonym)
Age/Gender:	28, man
Business type:	Retail—sells alcoholic and non-alcoholic drinks, cigarettes, and food items
Business classification:	Informal microenterprise
Business location:	Urban (Talatona)
Business turnover:	High volume, especially on weekends and holidays
Employees:	Yes—pays them via digital transfers
Bank account:	Has three bank accounts for personal use

#### Payment behavior

Uses digital payments as well as cash for smaller purchases, especially in the morning.

**“Digital payments are safer, faster, and more professional. I get confirmation and have proof—it’s easier to manage staff and payments.”**

#### Digital payments perceptions

Finds digital payments fast, secure, professional, and traceable, especially for employee salaries, supplier payments, and large-value purchases.



**“Digital payments are safer, faster, and more professional. I get confirmation and have proof—it’s easier to manage staff and payments.”**

#### Digital readiness and adoption potential

Digitally savvy user balancing the realities of informal and formal payments, leveraging digital tools whenever possible. Despite having to navigate infrastructural frictions, interoperability inefficiencies, and individual user cash habits, he is hopeful that the right improvements, incentives, and service delivery could

increase future adoption and usage of digital payments.

#### Business operations:

- Does daily stock monitoring and restocking from warehouses. Records and schedules replenishment based on sales.
- Pays suppliers mostly via card or IBAN transfer.
- Pays employees using bank transfers.
- Pays bills via ATM or directly to authorized service providers.

#### Transaction timing:

Makes higher volume digital payments in the evening and during weekends and holidays.

#### Sentiments on digital payment opportunities

- Wants digital channel onboarding to get faster.
- Wants more reliable infrastructure (POS uptime, faster interbank clearing).
- Would like incentives like discounts or microloans to encourage digital adoption.
- Wants greater cross-platform compatibility (e.g., QR codes, wallet-to-bank).

#### Payment constraints and gaps

- Network issues with POS systems.
- Poor quality cash affects smooth operation.
- Interbank transfer delays can disrupt supplier transactions.
- Application and registration processes for digital tools (e.g., bank account setup) are time-consuming and bureaucratic.



**“If digital payments were safer and simpler, I’d accept more types—sometimes we lose time or even business.”**

#### Perceptions on cost and affordability

Finds digital transaction costs reasonable and feels that the safety, speed, and convenience they offer far outweigh the costs. Also feels that affordable loans would enhance the digital payment experience.



**“The [charges] on digital payments are reasonable and at a low rate, but would be even better if there were no charges. I would also prefer loans as an incentive.”**

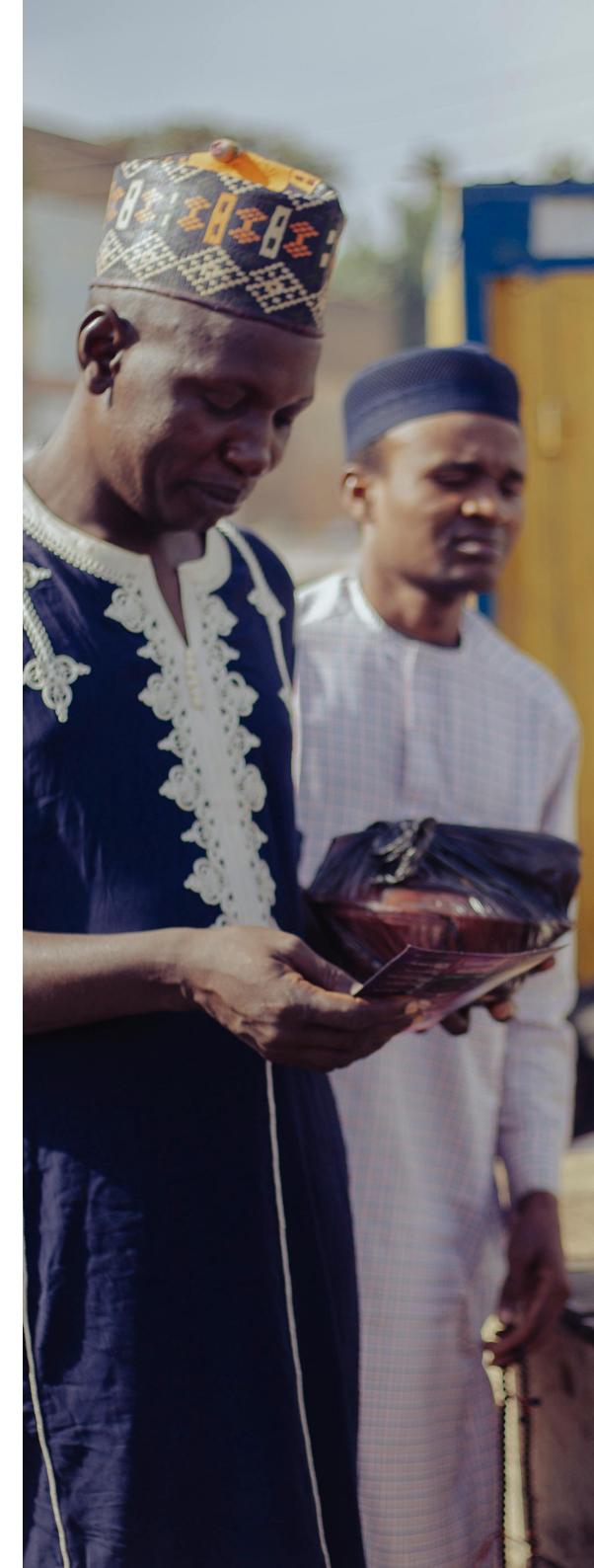
# Deep dive on MSMEs

MSME decisions about what payment methods to use must balance business needs with individual user demand.

While some merchants follow their own preferences, an individual user-centric approach dominates.

Many adapt to client preferences to avoid friction or lost sales.

<b>Customer decides</b>	The choice of payment method is led by the individual user for convenience or to avoid losing sales.	<p><b>“</b>I don't take the lead; I always wait for the client to take the lead on how he will pay... because there are clients who want to pay cash; for example, if I say digital, that will confuse the client, so I leave them to decide.”</p> <p>— Man, merchant, Zango</p>
<b>Merchants decides</b>	The business owner or manager decides, often based on timing, security concerns, or cash flow needs.	<p><b>“</b>In this case, I'm the only one who decides, because if someone comes to make the payment... I did a poster at the entrance that says, 'Only cash transactions accepted.'</p> <p>— Male merchant, Calumbo</p>
<b>Contextual/ collaborative decision</b>	Decisions are made in consultation with others, e.g., the store manager or business partner.	<p><b>“</b>We first call the boss and inform her that we already received the goods, so she can decide whether we are going to pay digitally or by cash, and she calls the supplier to agree on the payment method.”</p> <p>— Woman, merchant, Calumbo</p>
<b>Supplier and employee needs dictate</b>	Decisions are driven by supplier needs: cash for informal, low-trust sellers and digital for formal, remote, and larger vendors. Employees with no digital accounts are paid in cash.	<p><b>“</b>For bigger suppliers, I do a transfer to their account and share the proof of payment, and then they bring the goods.”</p> <p>— Man, merchant, Talatona</p> <p><b>“</b>Our suppliers prefer cash because our goods are from the informal market. It is easier.”</p> <p>— Woman merchant, Talatona</p> <p><b>“</b>I pay employees in cash because they don't have bank accounts.”</p> <p>— Woman merchant, Calumbo</p> <p><b>“</b>I pay them digitally; all of them gave me their IBANs, and I do the transfer on the ATM.”</p> <p>— Woman merchant, Calumbo</p>



# Deep dive on MSMEs

MSME decisions about what payment methods to use must balance business needs with individual user demand.

**Merchant payment choices are not arbitrary—they are shaped by external factors (security, infrastructure) and internal practices (business needs, cash flow management).**

<b>Safety and security concerns</b>	<p>Merchant choice of digital payment depends on their assessment of potential high-risk situations. While some see cash as risky, others also avoid digital payments due to scams.</p>	<p><b>“I prefer digital at night because normally I carry the cash at home... money can’t sleep in the store.”</b> — <i>Man, merchant, Talatona</i></p> <p><b>“After thieves came and stole everything one night, I learned it is better to use POS.”</b> — <i>Woman, merchant, Calumbo</i></p> <p><b>“[The risk of making] payment in cash is mostly on fake notes.”</b> — <i>Man, merchant, Zango</i></p> <p><b>“[I stopped using] [Provider C] because of these scams and false receipts.”</b> — <i>Man, merchant, Zango</i></p>
<b>Transaction size</b>	<p>Large payments (stock, logistics, bills) lean towards digital, while smaller purchases are made in cash.</p>	<p><b>“I typically use cash for small daily expenses within the store, minor supply purchases, petty cash, small repairs, urgent local purchases, tips, or informal service payments. I use digital payment methods for large inventory purchases, supplier payments, utility bills, rent or lease payments, insurance, and business service subscriptions.”</b> — <i>Woman, merchant, Luanda</i></p>
<b>Infrastructure constraints</b>	<p>Poor network, failed transactions, and unreliable payment methods push merchants towards cash as a fallback to avoid business interruptions.</p>	<p><b>“I rarely do digital transactions in my business because I deal directly mostly with people who come from rural areas who don’t deal with or don’t understand digital tools, so they prefer cash.”</b> — <i>Woman, merchant, Zango</i></p>
<b>Control over finances</b>	<p>Merchants see digital tools as better able to support tracking and transparency, giving better control and accountability over business finances.</p>	<p><b>“It’s complicated to receive a lot of cash... when it’s time to close the day, they must count it all, and there’s a lot of room for error. With digital, we can practically just calculate the total of how much came in during the day.”</b> — <i>Man, merchant, Talatona</i></p>



# Deep dive on MSMEs by gender

## Women MSMEs experience more usage and access barriers.

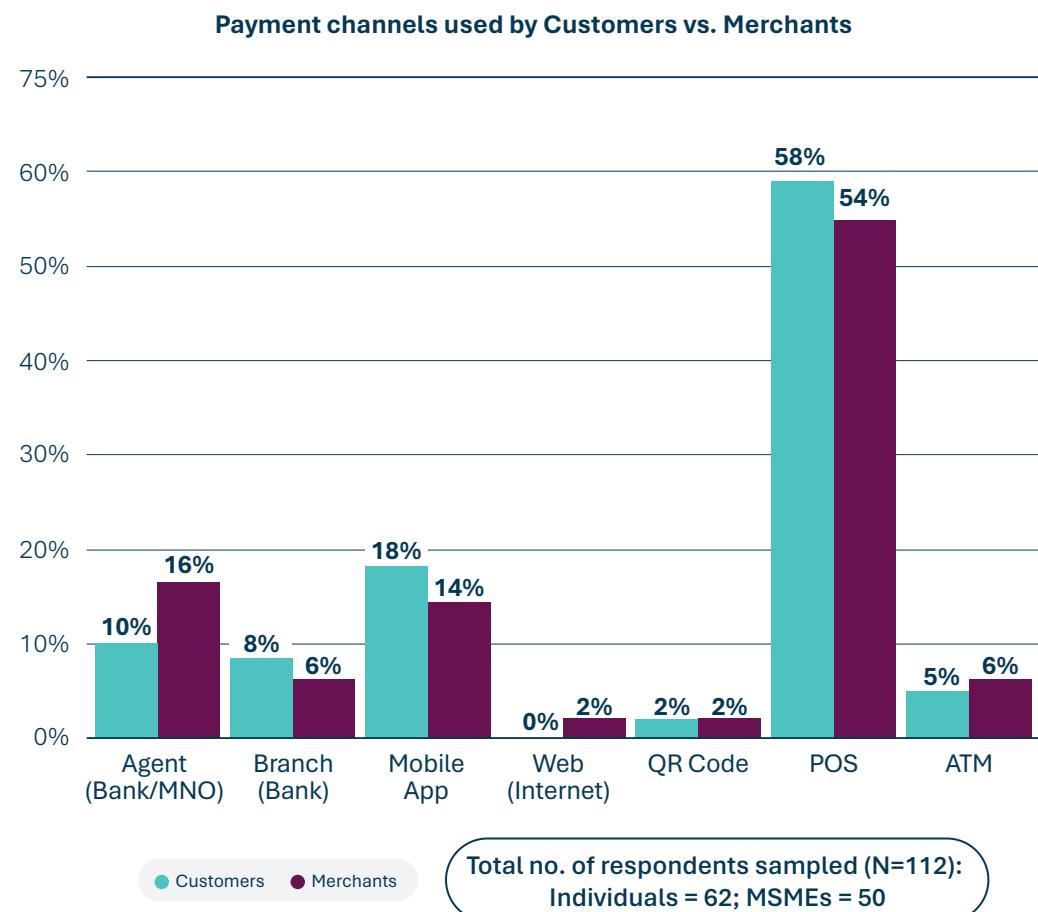
Payment decision-making power	Incoming payments: conditions and contexts	Outgoing payments: suppliers and employees	Criteria for choosing digital payment tools	Technology use and systemic constraints
Men and women merchants defer to individual user payment preference but make strategic exceptions for operational needs—like restocking and liquidity.	Respondents express strong situational preferences for cash or digital, shaped by security concerns, time of day, transaction size, and liquidity needs.	Merchants use cash and digital channels, their choices shaped by supply chain expectations and their employees' access to banking. Men adopt a dual-mode approach for outgoing payments: digital for suppliers (especially formal ones) and cash for informal transactions or employees without bank accounts. Women merchants often work around systemic gaps like bank account ownership by relying on intermediaries or maintaining cash as a practical fallback.	Digital payment adoption is primarily driven by safety, convenience, speed, and accessibility, with trust in the platform playing a pivotal role. While men merchants prioritize speed, security, and traceability, women merchants demonstrate a more cautious and selective approach, valuing fraud protection, proof of payment, and system transparency.	Women merchants are often excluded from digital payments not by choice but due to structural barriers such as limited access, digital illiteracy, and complex registration processes. Men, while more likely to engage digitally, cite unreliable infrastructure, transaction limits, and mistrust in digital proofs as key reasons for continued cash preference.
<p> “If all day nobody paid in cash... I will have to buy stock tomorrow... I ask individual users to pay in cash if they have it.”</p> <p>—Woman, merchant, Zango</p> <p> “There are some that I ask for in cash, but only if the client also has the money. It is not an obligation.”</p> <p>—Woman, merchant, Talatona</p>	<p> “Normally, I will prefer cash during the weekend because of network challenges, so it is preferably cash.”</p> <p>—Man, merchant, Zango</p> <p> “When it's a large amount, I always prefer digital payment... It's complicated to receive a lot of cash and then have to count it all later.”</p> <p>—Man, merchant, Talatona</p>	<p> “To suppliers, I always use digital. To employees, I pay cash when they don't have a bank account.”</p> <p>—Man, merchant, Talatona</p> <p> “I preferred using digital payment when my suppliers had a promotion... it was faster and safer. I use cash to buy small things and for repairs.”</p> <p>—Woman, merchant, Zango</p>	<p> “We don't have many options for digital payments; the fastest and easiest is [Provider C].”</p> <p>—Man, merchant, Talatona</p>	<p> “Sometimes there are many scams... They can give a false proof of payment... You check, no money.”</p> <p>—Man, merchant, Calumbo</p> <p> “If we have a network problem and I can't pay today, I will pay tomorrow because I don't want to go back to the system of carrying money in bags.”</p> <p>—Woman, merchant, Calumbo</p>

# Section 2.3

## Payment channel usage patterns

### Digital payment channels: individual and MSME users

Merchant acceptance of digital payments is shaped by visible individual user demand.



Digital payments are primarily bank-led, with many commercial banks offering mobile banking. Mobile money is nascent and mostly used for buying airtime. Fintechs are emerging, offering diverse payment channels, including mobile apps, QR codes, and POS, with integrations of multiple accounts.

**“We have our POS that facilitates receiving payments from all banks’ cards in Angola... It is satisfactory when you see the balance the next day of all payments reflected on our account.”**

—Man, merchant, Talatona

Mobile apps offer interfaces that enable QR code scanning, removing the need for individual users to have a card. Merchant users value them for speed and convenience.

**“The experience is good because you can do the transfer from anywhere... It’s the most trustworthy way of payment, fast and safe.”**

—Woman, merchant, Zango

ATMs and POS card withdrawals are common, driving the use of agent channels for digital payments. Frequent network issues limit both digital and cash convenience, especially at the end of the month.

**“Customers usually prefer digital payment at month’s end because of lack of funds at ATMs... they prefer to make a payment via bank transfer or card.”**

—Woman, merchant, Talatona

**“At the end of the month, my individual users prefer to pay using transfers from their bank app ... and cards because during these periods, there are long queues at the banks, and it’s impossible to withdraw money.”**

—Man, merchant, Zango

Use of mobile phone numbers instead of IBAN (full bank account details) is emerging; however, it is only common for small-value payments. Customers prefer cards for larger transactions, while merchants favor POS.

**“First, it makes it easier to deliver the amount... With the card, it’s easy. You activate it, enter the amount, and swipe. It’s already easier when you use the digital payment service.”**

—Man, merchant, Calumbo

# Section 2.4

## Use case patterns

For both individual and MSME end users, paying digitally for any use case depends on monthly activities and having access to a funded digital account.

Ranking of most recent and most preferred use cases	#	Individual users	MSMEs
	1	Receive income (B2P)	Receive individual user payments (P2B)
	2	Deposit money in bank/wallet/ card/savings	Statutory payments (B2G)
	3	Pay a bill, e.g., internet, water, electricity (P2B)	Supplier payments (B2B)
	4	Pay a merchant (P2B)	Wage payments (B2P)
	5	Send money (P2P)	Bill payments (B2B)

Less than 75% of respondents made or received this type of digital transaction over the last 2 weeks.

Between 75% and 85% of respondents made or received this type of digital transaction over the past 2 weeks.

More than 85% of respondents made or received this type of digital transaction over the past 2 weeks.

**Note:** Send money (B2P) refers to transfers from a business to a personal account, typically for household expenses, family support, or savings. | N=Merchants respondents=208

Individuals often divide their salaries for digital and cash payments. Electricity, water, internet, and PayTV are top digital expenses, typically paid via **mobile app, ATM, or POS**. Individuals use cash for everyday essentials in cash-only settings (e.g., informal markets, taxis).

**“When I receive my salary, I directly transfer via [Provider C] for payments whose account details I have. For those I don’t have... I go to the nearby ATM to withdraw some cash to use when I go to the informal market to buy, because they don’t accept digital payment.”**

—Man, youth, individual user, Talatona

Remittances are incorporated in monthly routines and are often done digitally for speed, safety, and reliability. When remittances are done in cash, it is because the recipients (other individuals or merchants) prefer it, but not necessarily because they don’t have a digital account or wallet to receive it.

**“When my salary is transferred to my bank account, I withdraw some money at the ATM to use for those things that I need to pay cash for. I transfer the rest to my savings account at BIC, and the rest I use for bills.”**

—Woman, older, individual user, Zango

Merchants view receiving digital payments from individual users as fast, convenient, and safe. Risks and challenges like scams and system failures are often mentioned, but for heavy digital users, these do not outweigh cash-related issues like fake notes, counting errors, or a lack of change. In fact, some merchants operate as money agents, giving cash to individual users in exchange for e-money.

**“Sometimes my friends who need cash will transfer the money directly to my account, and I give them the cash.”**

—Woman, merchant, Zango

Merchants pay **statutory payments** such as business licenses and taxes digitally for traceability and proof of payment. **Most suppliers**, especially formal ones, accept or require digital payments. Similarly, **digital salary payments** are preferred for tracking and formalized payments to staff, offering security to both the employer and the employee. **Water, electricity, and other utilities** are mostly paid digitally if payment locations are remote. Most merchants will also use cash when they are closer to the utility pay points.

**“The easiest way [to pay electricity] is via [Provider C], regardless of your busy schedule. If you have... when you are free, you can pay in cash at the nearest store.”**

—Man, merchant, Zango

# Section 2.5

## Summary user profiles

Five end-user profiles emerged from considering the quantitative survey findings and usage patterns in combination with the in-depth interviews. These profiles humanize the observed usage patterns by highlighting distinct motivations and behaviors that influence digital payment adoption.

Individual users		MSMEs		
Situational user	Digital mover	Cash-first user	Juggling Merchant	Structured Boss
 <p>Wants convenience but will <b>forego it for cash if the cost and context</b> are not right. Large value, online purchases, and the inconvenience of carrying change encourage the use of digital payments.</p>	 <p>Wants a <b>fully digital life</b>, motivated by speed, the ability to track expenditures, and recurring digital incomes.</p>	 <p>Both individuals and owners fall into this microenterprise category. The cash-first user wants <b>familiarity</b>, not surprises, but is curious about digital payments. Human support, <b>simplicity</b>, and remittances drive usage.</p>	 <p>Wants to <b>see the money working</b> but finds digital stressful except when customers demand it or for reconciliations at the end of the day.</p>	 <p>Wants systems and <b>professionalism</b> motivated by ease for customers, supervising employees (visibility), and avoiding cash risks.</p>

# Digital mover—highly digital individual end user

**Wants a fully digital life and frictionless user experience.**

<b>Age</b>	Financially established adult (36-54 years old)
<b>Occupation</b>	Office employee
<b>Income classification</b>	Salaried—frequent earner
<b>Location</b>	Urban
<b>Education level</b>	Post-secondary
<b>Financial access</b>	Has two or more financial accounts: bank or mobile money
<b>Digital access</b>	Smartphone owner with access to apps

## Aspirations & priorities (what matters most)

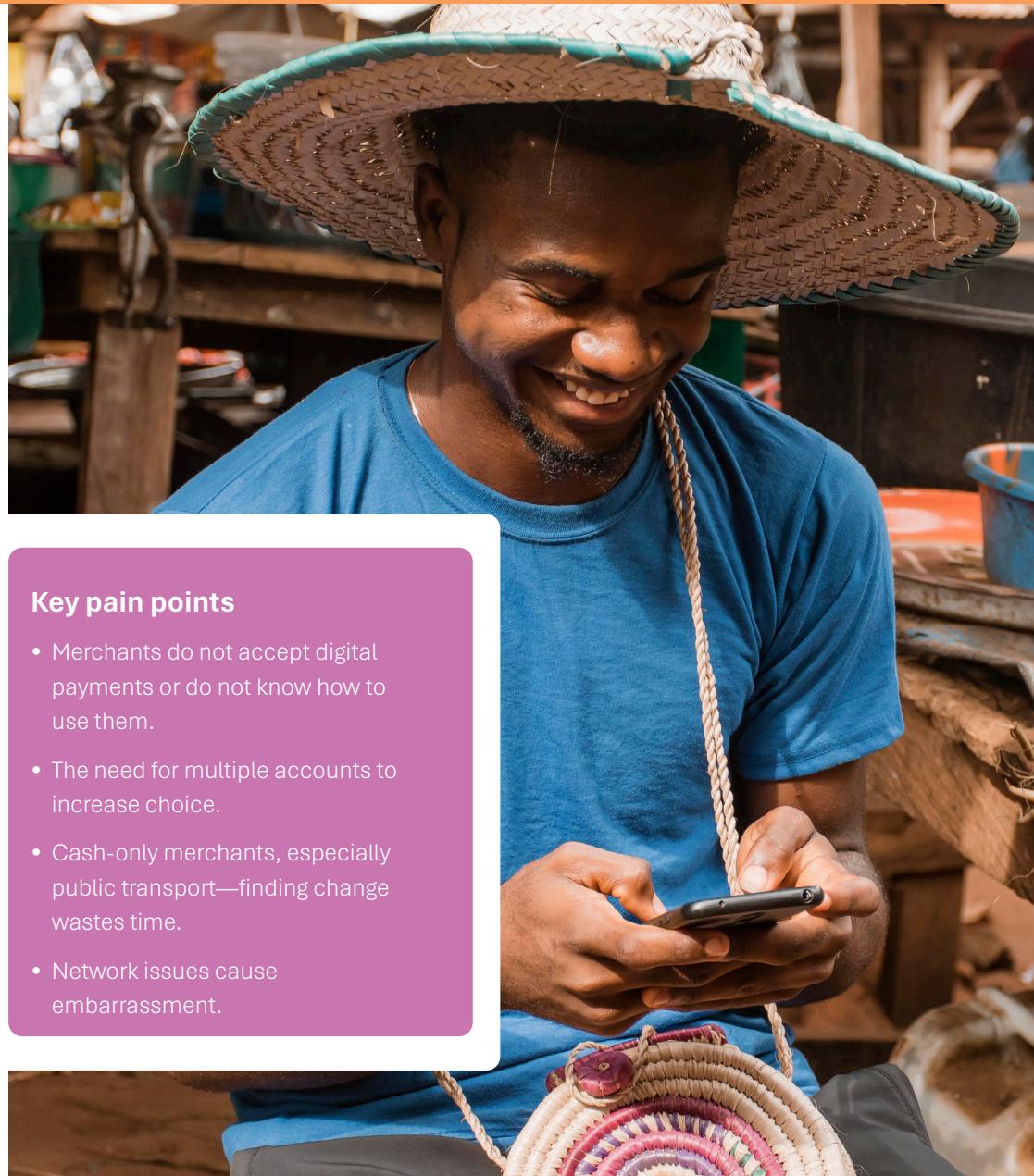
- Aspires to have a fully digital life and options to pay digitally.
- Pursues financial goals and tracks spending.
- Need for control drives use of digital payments.
- Views digital payments as improving their social status.

## Payment behavior

- Sees clear benefits of digital payments, such as:
  - Ease of managing routine expenses (e.g., rent, utility bills).
  - Help avoid overspending.
  - Anytime, anywhere convenience.
- Large-value payments still require a bank branch visit.
- Needs help using some features.

## Key pain points

- Merchants do not accept digital payments or do not know how to use them.
- The need for multiple accounts to increase choice.
- Cash-only merchants, especially public transport—finding change wastes time.
- Network issues cause embarrassment.



# Structured boss—highly digital MSME end user

**Sees digital payments as essential business tools and uses them to schedule payments to ensure accountability and professional service to clients and employees.**

<b>Age</b>	Older (36-50 years old)
<b>Business type</b>	Retail trade
<b>Business classification</b>	Small business
<b>Location</b>	Urban or main street of a peri-urban or rural setting
<b>Turnover</b>	High volumes
<b>Formalization</b>	Has two or more employees, has formally registered the business, and has a permanent location
<b>Education level</b>	Post-secondary
<b>Financial access</b>	Has two or more financial accounts: bank and/or mobile money
<b>Digital access</b>	Has a business device, phone, or POS and cash register



**“Digital payments are safer, faster, and more professional. I get confirmation and have proof—it’s easier to manage staff and payments.”**

—Merchant, Angola

## Aspirations & priorities (what matters most)

- Hopes to expand the business by serving more individual users.
- Focuses on individual user service quality.
- Emphasizes compliance.
- Wants visibility over business operations.

## Payment behavior

- Plans cash management in line with business operations. Makes some payments weekly, others monthly.
- Offers multiple digital payment channels for individual users.
- Visits the bank to make a deposit on a cash-heavy day.
- Finds digital payments secure and an essential operational tool.

### • Perceived digital payments benefits include:

- Collecting payments
- Records
- Paying employees, suppliers, and business bills, such as electricity
- Compliance—tax and policy compliance
- Handling large value payments

## Key pain points

- Cash prevalence limits real-time visibility into business operations.
- Customers require help to transact.
- Cash is risky, and finding change wastes time.
- Network issues affect operations.

# Situational user—moderately digital individual end user

**A typical situational user is an irregular earner who finds both cash and digital payments convenient depending on the situation. They use digital mainly for e-commerce and large-value payments.**

Age	Early career (18-35 years old)
Occupation	Semi-formal employee
Income classification	Infrequent earner
Location	Peri-urban or urban
Education level	Post-primary
Financial access	Has at least one financial account: bank or mobile money
Digital access	Owns a smartphone or basic phone

## Aspirations & priorities (what matters most)

- Seeks convenience, ease, and cost savings when making payments.
- Desires digital options that are simple, affordable, and fit specific needs (e.g., digital for large or remote transactions).
- Open to using new platforms if they come with incentives like cashbacks.
- The context of the transaction determines the payment method (e.g., urgency, amount, distance).
- Wants the ability to control how they receive and spend money.
- Familiarity with one approach may make them hesitant to learn a new digital process.

## Payment behavior

- Uses cash for small-value purchases.
- Uses digital payments for large-value payments or routine expenses like rent, TV subscriptions, and electricity. It helps to avoid queues.
- Prefers cash to avoid digital transaction fees and other costs.
- Receives wages in cash or through mobile money; if the former, they must deposit at an agent to conduct digital payments.
- Negative experiences or unresolved issues discourage the use of digital payments in more contexts.

## Key pain points

- Network issues.
- Unresolved grievances.
- High transaction fees.
- Poor user experience that leads to errors and mistakes.
- Mobile data costs discourage the use of app and web channels.

# Juggling merchant—moderately digital MSME user

A typical juggling merchant operates a microbusiness, either self-run or with one employee, and skillfully balances cash and digital payments. While it can be stressful, using digital tools helps them serve individual users better and steadily grow.

Age	Younger (18-35 years old)
Occupation	Retail services
Income classification	Microenterprise
Location	Urban or peri-urban
Turnover	Moderate
Formalization	One or no employees, semi-permanent outlet, no formal registration
Education level	Post-primary
Financial access	Has one financial account: either a bank or mobile money
Digital access	Has a personal phone and a cash register

## Aspirations & priorities (what matters most)

- Speed of transactions
- Serving more individual users to increase sales
- Certainty that transactions go through without errors or delays
- Fast end-of-day reconciliations
- Benefits of digital payments include:
  - Access to individual user contacts
  - Record keeping
  - Access to loans
  - Easy reconciliation

## Payment behavior

- Recognizes that they must support multiple digital payment methods to meet diverse individual user preferences.
- Trusts traditional channels (e.g., banks) more than e-money wallets.
- Appreciates that digital payments are faster than cash since there is no hassle finding change.
- Adopts a new method if individual users insist on it.
- Prefers digital for large-value payments.
- Prefers cash for local supplier payments to avoid fees.
- Finds cash more practical in the morning and when the recipient is present. Pays employees in cash, as it is available.

## Key pain points

- Misunderstanding the digital payment fees and making errors.
- Network delays.
- Merchant fees that reduce sales margins.
- Some suppliers demand cash.
- Finding change.
- Agents close early and open late.
- Missing features—transparency and reconciliations.



**"I rarely do digital transactions for my business because mostly I deal directly with people from rural areas who don't deal with or don't understand digital tools, so they prefer cash."**

*—Woman, merchant user, peri-urban, Angola*

# Cash-first user—minimally digital individual or microenterprise end user

**A typical cash-first user is a rural, low-income earner who cautiously uses digital payments out of necessity yet faces access barriers and low digital confidence.**

Age	Young students or seniors over 55 years old
Occupation	Student, smallholder farmer, kiosk operator
Income classification	Salaried–frequent earner
Location	Rural
Education level	Primary or less
Financial access	Has access to a bank account or mobile money (own or shared)
Digital access	Has a basic phone, no smartphone



**“Yes, I would need technical assistance... basic technical skills on how to use the platform or equipment.”**

*—Man, individual user, Angola*

## Aspirations & priorities (what matters most)

- Wants to feel included and stay connected with family.
- Needs a secure and reliable channel for receiving remittances.
- Values trusted human support (e.g., agents) and fears making mistakes.
- Prefers flexibility—cash is simple, familiar, and usable anywhere.

## Payment behavior

- Uses at least one digital channel (e.g., card, USSD, bank transfer).
- Has low digital and financial confidence—often needs help to register or use platforms.
- Avoids complexity and finds digital payments difficult to navigate.
- Has no urgency to adopt, since many nearby merchants lack phones or digital payment options.
- Prefers cash, as it is still widely accepted and familiar.
- Recognizes the value of digital payments for utilities and sending money over long distances.

## Key pain points

- Limited agent coverage and restricted opening hours.
- Complex and slow reversal process when errors occur.
- Providers do not take pains to provide information on how digital payments work.
- Network issues disrupt access and lead to transaction failures.
- Stories about fraud create apathy and disinterest in digital payments.

# SECTION 3

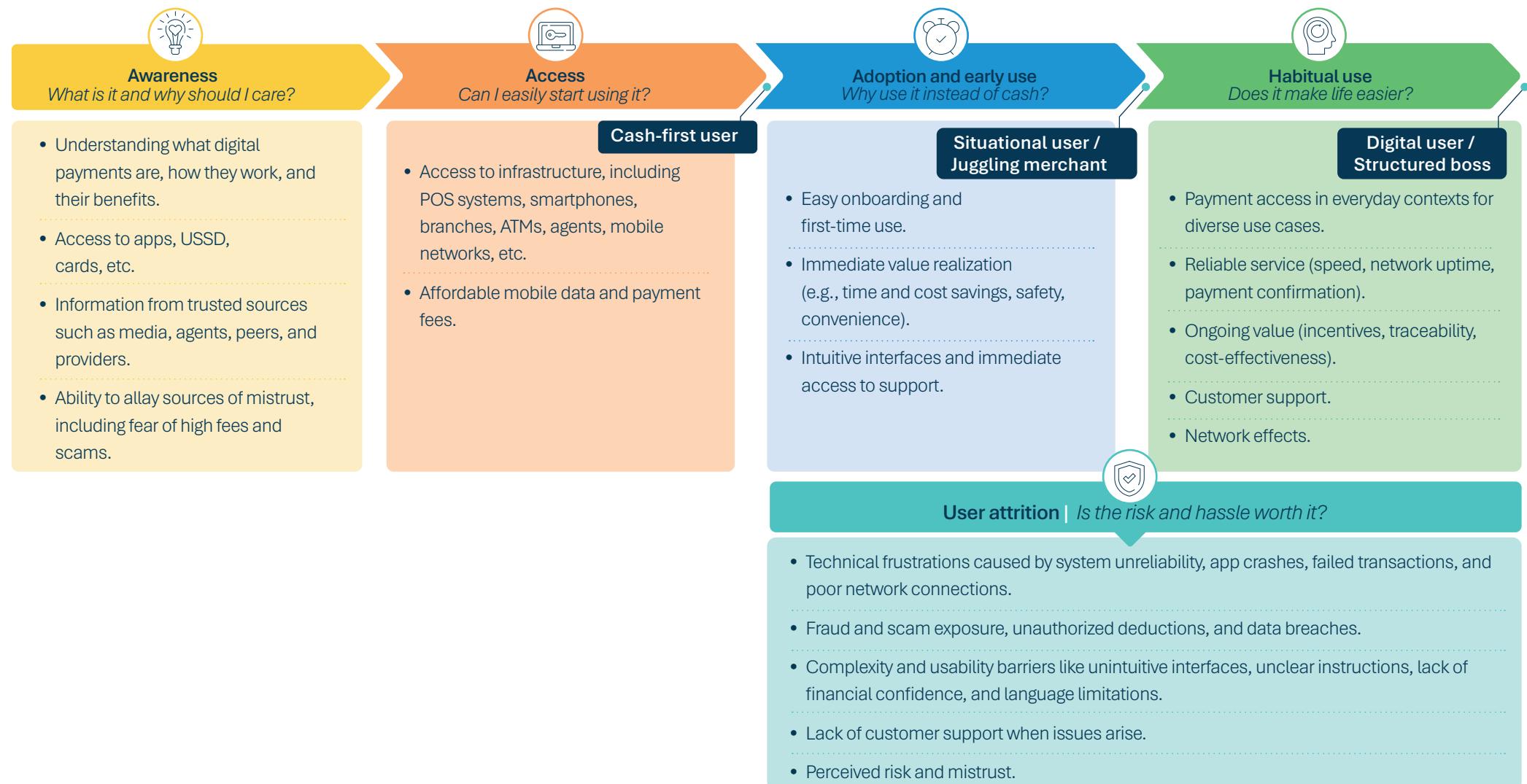
## ENABLERS AND BARRIERS TO THE ADOPTION AND USE OF DIGITAL PAYMENTS



# Section 3.1

## Pathway to habitual use of digital payments

### Digital payment usage framework: The path from awareness to habitual digital payment use



# Section 3.2

## Awareness of digital payments

### Individual user awareness overview

Individual users are most aware of cards, bank transfers, POS, and mobile banking. They are less aware of mobile money and QR codes.

Digital payment instrument	Examples	Awareness level	Context and description	Customer voice
Payment cards	Debit, Credit	Very high	Most individual respondents are aware of and use cards to make payments, including cash withdrawals at ATMs.	 "[I am aware of] e-wallets, for example, app-based transfers, QR codes." —Woman, Talatona
Bank transfers	IBAN, ATM	High	Bank transfers are broadly known, especially among merchants using IBAN or ATM-based methods.	 "Large payments are always made by bank transfer. Not cash. Always a transfer. By IBAN." —Woman, merchant, Zango
POS	Bank-issued Terminals	High	POS is mentioned frequently, especially in formal business contexts.	 "[I know about]POS, cards, and Express." —Woman, individual user, Zango
Mobile banking apps	BAI Direito, Multicaixa Express	High	Mobile banking apps are widely known and seen as offering convenience for business and personal transactions.	 "Normally, people use the [Provider R], bank applications, [Provider C]. These are the instruments I have seen people using frequently, even people close to me. These are the ones I know." —Man, individual user, Talatona
E-wallets / app-based transfers	Kwik, e-Kwanza	Moderate	Many know the brands of mobile money wallets, but few mention using them as e-wallets per se. This shows that there is confusion between banking apps and digital wallets.	 "We have Kwik transfer, [Provider K], QR Code... Well, there are several, but until now, some of them don't come to mind, but there are several." —Man, individual user, Calumbo
Mobile money	Unitel Money, Afrimoney	Low to moderate	Some know of mobile money operators, but usage is rare and limited in all payment contexts.	 "Yes, [I am aware of] [Provider L], but we don't use it." —Woman, individual user, Zango
QR codes	Offered by various providers	Low	Several respondents know what QR codes are, but have not used them.	 "[Provider V] was created last year, in December, but it has been around for years." —Man, individual user, Columbo

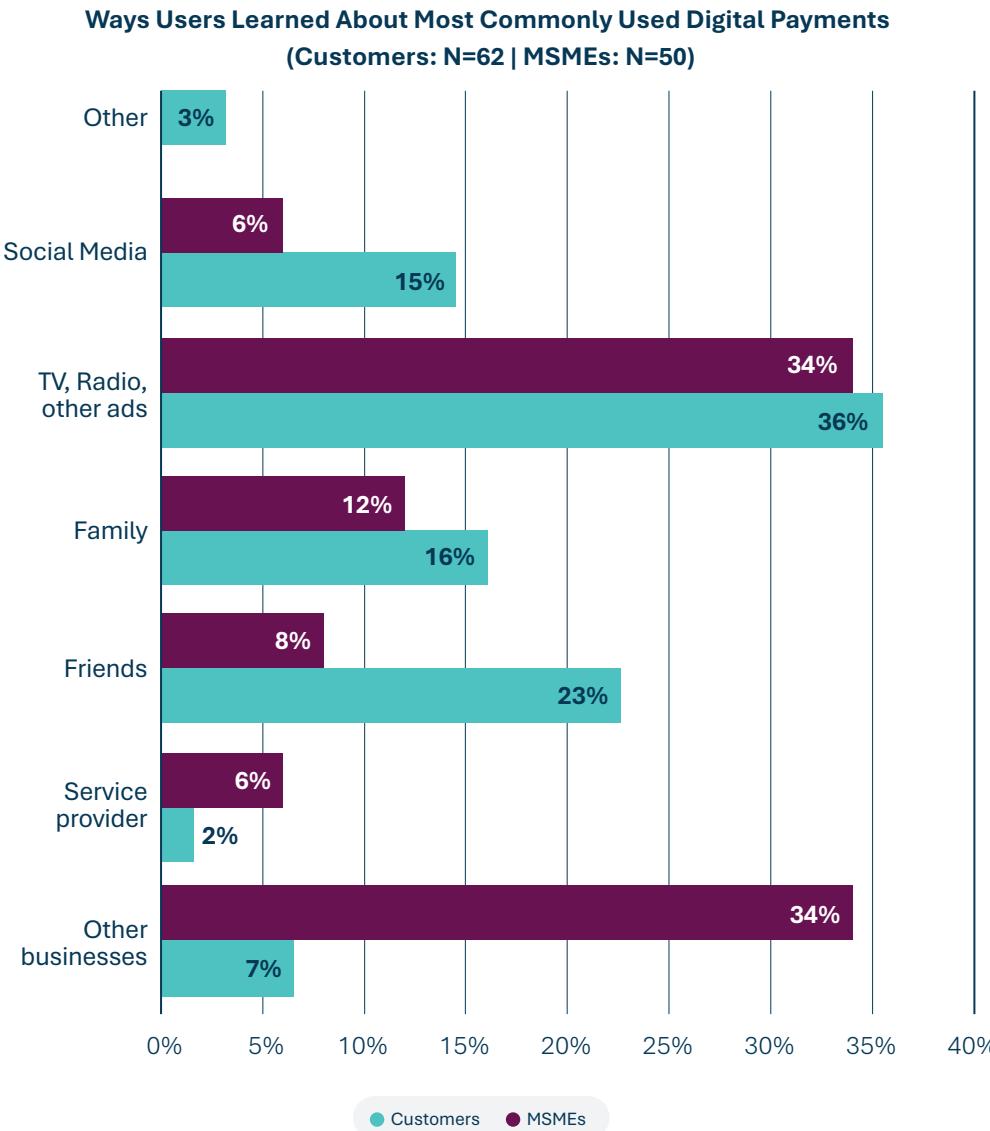
# Merchant awareness overview

Merchants are most aware of POS, cards, and bank transfers and less aware of mobile money and QR codes.

Digital payment instrument	Examples	Awareness level	Context and description	Merchant voice
<b>POS</b>	Bank-issued POS terminals	Very high	Nearly all merchants mention POS, showing that it is core to merchant digital acceptance, especially from individual users.	 "I'm aware of POS, cards, and mobile apps." —Woman, merchant, Talatona
<b>Payment cards</b>	Debit/Credit Cards	Very high	Strong familiarity, often in relation to POS or individual users, but also as part of the merchant's payment tools (for suppliers, etc.).	 "Yes, I know [Provider C], I know cards, I know bank transfers; there is this [Provider K] that is coming up, also [Provider L], and recently [Provider M]." —Woman, merchant, Talatona
<b>Bank apps and transfers</b>	Multicaixa Express, BAI Direito, IBAN, Kwik	High	Merchants reference bank apps as common tools for fast, safe, and reliable supplier payments and digital receipts.	 "It has [Provider W], [Provider R], [Provider F], and also has [Provider X]." —Woman, merchant, Talatona
<b>E-wallets / app-based transfers</b>	Kwik, e-Kwanza	Moderate	Understanding is mixed, as some merchants conflate banking apps with e-wallets.	 "I have it on my son's phone." —Woman, merchant, Calumbo
<b>Mobile money</b>	Unitel Money, Afrimoney	Low to moderate	Heavy marketing drives awareness, but mobile money is rarely used, and there are no network effects. Interview participants mentioned trust issues and liquidity constraints for agents.	 "Yes, I know about it [digital payments], but I have never used it." —Woman, merchant, Zango
<b>QR codes</b>	QR codes	Low	Mentioned by some merchants, though QR code usage is rare. Limited POS support and low individual use diminish practical merchant adoption.	 "I don't know [about QR codes]." —Woman, merchant, Zango

# Methods for building awareness

Media and peer learning through social networks are the primary sources driving awareness, yet information gaps still exist related to the benefits and utility of digital payments.



Media and social networks (family and friends, other merchants, and businesses) play a crucial role in creating awareness about digital payments for both individual users and merchants.

Merchants mentioned the role of service providers a few times, yet some individual users expressed disappointment and questioned how effective they are at converting them into regular users.

“[Provider M] and [Provider Y] are active in marketing materials like stickers and billboards.”

—Man, merchant, Talatona

“When I received this POS, one employee of the provider came and taught me how to operate the POS.”

—Man, merchant, Calumbo

“Commercial banks should educate consumers. For example, when a new system or service is launched, they must run campaigns, go to markets, and inform people about the type of service, what its benefits are, and how it will improve people’s lives.”

—Man, merchant, Calumbo

# Section 3.3

## Access to digital payments

### Access and adoption overview

Some recurrent factors set the conditions to shape the overall access and adoption of digital payments.

Factors	Context and description	Individual and merchant voice
Digital infrastructure	Access to phones, the internet, POS devices, and ID are foundational for digital payments.	 "I think for any digital payment, the first requirement is to know how to read and know how to manage the machine or even a phone." <i>—Man, individual user, Calumbo</i>
Regulatory compliance	ID verification, NIF (tax number), and business registration are critical for onboarding merchants for POS and digital accounts for individual users.	 "We don't have [digital payments] because we are a small business, and we don't have enough money to get the license they require." <i>—Woman, merchant, Talatona</i>
Funded digital wallets with interoperable payments	A fully digital payment ecosystem with more than just a funded wallet, but also the ability to pay across different platforms seamlessly to avoid falling back to cash.	 "[I withdraw half of my salary at the ATM] to pay for taxi, kids' school fees, and vegetables at the open market, and half of it I use to pay for household items through digital payment." <i>—Man, individual user, Talatona</i>
Acceptance Across Ecosystem	Widespread acceptance by merchants, peers, and institutions validates the uptake of digital payments.	 "The issue is that most of the shops don't have this digital payment. If they had, this could have encouraged us to use it." <i>—Man, merchant, Calumbo</i>
Perceived benefits	Adoption increases with perceived ease of use (intuitive, quick, and not requiring advanced skills) and perceived safety and trust (secure and reversible if errors occur).	 "Digital payments are more modern, faster, secure, and efficient ways to complete transactions." <i>—Woman, merchant, Zango</i>
Social proof	Informal exchange of information between friends, family, and peer merchants helps alleviate fear, increase confidence, and accelerate trial.	 "I've seen people close to me use it, so I started too." <i>—Woman, merchant, Calumbo</i>

# Access barriers

Security fears, lack of digital payment devices, and low technical know-how hinder the broader adoption of digital payments.

	Ranking of barriers based on the % of non-users who stated it	Individuals vs. MSMEs	Women vs. men	Qualitative insights
1	 Fraud and security concerns	More pronounced for <b>individuals</b>	More pronounced for <b>men</b>	<p><b>“</b>I usually make my payments with cash. I don't make digital payments because... I don't use tools that allow me to have apps and other things. Nowadays, there are a lot of scams and clones, so I prefer to go to the bank, withdraw the money at the counter, keep the money, and do my things normally.”</p> <p>—Man, merchant, Talatona</p>
2	 Need more information or training on digital payments	More pronounced for <b>individuals</b>	More pronounced for <b>women</b>	<p><b>“</b>[We need] more information as they can provide and have a physical or digital companion that will provide more information and guidance as to how we should navigate the digital payment.”</p> <p>—Woman, merchant, Talatona</p> <p><b>“</b>There is no information on how to start. Providing us with the right information would help.”</p> <p>—Woman, merchant, Calumbo</p>
3	 Don't have a phone or device for digital payments	More pronounced for <b>individuals</b>	No variance	<p><b>“</b>I do not use digital payments because I do not have the instruments/tools that allow me to have the applications.”</p> <p>—Man, individual user, Calumbo</p> <p><b>“</b>The process of getting the POS is long; they ask for many documents, so I just hesitate to apply.”</p> <p>—Woman, merchant, Calumbo</p>

Legend for color gradient: Gap in percentage points (pp) between two user groups that identified the barrier as significant

● 5-9pp   ● 10-15pp   ● Larger than 15pp

## Top adoption barriers from individual user in-depth interviews

- Security and trust issues due to fraud and scams
- Difficult or complex registration
- Insufficient knowledge about the digital payment products

## Top adoption barriers from merchant in-depth interviews

- Difficult or complex registration process
- Insufficient knowledge about the digital payment products
- Perceived network issues

Total number of non-users sampled: 30

# Access enablers

Most users are open to signing up for digital payment solutions if the right conditions are met.

Top enablers mentioned by both merchants and individual users	Key enabler sentiments: What specific aspects would make me sign up?	Qualitative insights
 Perceived convenience, speed, and availability*	If it was quick, safe, easy to use, convenient, and provided an option to cash out.	 "[Digital payments offer] a different way of payment. It reduces the cost a little... brings extra benefits, also confidence when making payments." <i>—Man, individual user, Talatona</i>
 Security and safety*	If digital were more secure than cash, and if there were no scams and fraud.	 "[I would use digital payments] if it is good and safe, yes, because it will be easy to use and pay for some services and goods." <i>—Man, individual user, Talatona</i>  "...if it saves us from receiving fake notes and torn money." <i>—Man, merchant, Talatona</i>
 Interoperability between provider platforms*	If I could pay seamlessly across multiple platforms.	 "There are several ways [payment methods]... If I had a single centralized application on my phone that allowed me to log in to all my cards... to make a payment by one click on that application, then I would benefit even more." <i>—Man, individual user, Calumbo</i>
 Digital literacy	If I could learn how to use digital platforms to facilitate easier payments and meet my financial goals.	 "Most of us don't know much about technologies. We will need help; someone from that company providing the digital payment to teach us how to operate it." <i>—Woman, merchant, Talatona</i>
 Incentives and discounts	If I got tax rebates, discounts, and loans for business.	 "The incentives that would help me accept more digital payments are loans." <i>—Man, merchant, Calumbo</i>
 Easy registration process	Short, simple registration with less paperwork and fewer document requests would make me use digital.	 "The time it takes to acquire this type of service [it takes too long]; if it will take long to register and they ask for a lot of paperwork, I will not register." <i>—Man, individual user, Calumbo</i>  "[If service providers can] serve those who don't have bank accounts [so that they don't have to] look for someone [to pay digitally on their behalf]." <i>—Man, merchant, Talatona</i>

\*The analysis of the key enablers was drawn from both surveys and qualitative interviews and cut across genders, merchants, and individual users.

# Section 3.4

## Early use and adoption of digital payments

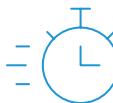
### Early use barriers

Many users remain at a tipping point between cash and digital. They are motivated to use digital payments, yet held back by real and perceived barriers.

	Ranking of why they still use cash based on the % of users who stated it	Individuals vs. MSMEs	Women vs. men	Qualitative insights
1	 Security and scam concerns	More pronounced for individuals	More pronounced for men	 “I usually make my payments with cash. I don't make digital payments because nowadays, there are a lot of scams and clones, so I prefer to go to the bank, withdraw the money at the counter, keep the money, and do my things normally.” —Man, individual, Talatona
2	 Cash is easier for merchants to use	More pronounced for individuals	More pronounced for men	 “I prefer when payments are made in cash. It makes things easier. Because when it's a transfer [digital payment], there are a lot of constraints when it comes to going to the bank to withdraw the money. And there's a lot of bureaucracy.” —Woman, merchant, Talatona
3	 Cash is available for everyone	More pronounced for individuals	More pronounced for men	 “Our suppliers accept cash because most of the products that we use here come from the informal market, and they accept mostly cash as it is easy to do transactions with no complications.” —Woman, merchant, Talatona
4	 Cash makes it easier to track expenditure	More pronounced for individuals	More pronounced for men	 “I typically use cash for small daily expenses within the store, minor supply purchases, occasional petty cash needs, immediate small repairs, or urgent local purchases, and informal service payments.” —Woman, merchant, Zango
5	 Cheaper to make payments via cash (no fees)	More pronounced for merchants	No variance	 “[Digital payments] are easy and fast, but they are not cheap.” —Man, individual user, Talatona

# Early usage enablers

Digital payment acceptance across the ecosystem must be supported by 24/7/365, trusted, interoperable platforms to ensure a seamless start.

	Ranking of barriers based on the % of non-users who stated it	Individuals vs. MSMEs	Women vs. men	Qualitative insights
1	 Broad digital payment acceptance	More pronounced for <b>individuals</b>	More pronounced for <b>women</b>	<p> "I usually make my payments with cash. I don't make digital payments because... I don't use tools that allow me to have apps and other things. Nowadays, there are a lot of scams and clones, so I prefer to go to the bank, withdraw the money at the counter, keep the money, and do my things normally." —Man, merchant, Talatona</p>
2	 24/7 access	More pronounced for <b>individuals</b>	More pronounced for <b>women</b>	<p> "[We need] more information as they can provide and have a physical or digital companion that will provide more information and guidance as to how we should navigate the digital payment." —Woman, merchant, Talatona</p> <p> "There is no information on how to start. Providing us with the right information would help." —Woman, merchant, Calumbo</p>
3	 Interoperability between provider platforms	More pronounced for <b>individuals</b>	More pronounced for <b>women</b>	<p> "I do not use digital payments because I do not have the instruments/tools that allow me to have the applications." —Man, individual user, Calumbo</p> <p> "The process of getting the POS is long; they ask for many documents, so I just hesitate to apply." —Woman, merchant, Calumbo</p>

Legend for color gradient: Gap in percentage points (pp) between two user groups that identified the barrier as significant

● 5-9pp   ● 10-15pp   ● Larger than 15pp

Total number of non-users sampled: 30

# Section 3.5

## Habitual use of digital payments

### Habitual use barriers

Persistent service frictions and poor experience undermine the habitual use of digital payments.

	Key Barrier	How it affects/limits habitual usage	Qualitative insights
1	 <b>Network instability and system downtime</b>	Frequent connectivity issues, failed or delayed transactions, and limited infrastructure, such as scarce agents, POS devices, and merchant acceptance.	<p><b>“There is always a lack of system, a lack of network, and that makes things very complicated.”</b>  <i>—Woman, merchant, Zango</i></p> <p><b>“The disadvantages [of digital payments] are network issues, the card does not read, and no charge [for the power on the POS device].”</b>  <i>—Man, merchant, Zango</i></p>
2	 <b>Security and scam concerns</b>	Fear of fraud, cloned cards, scams, identity theft, and falsified receipts.	<p><b>“[I would] stop using it [digital payments]... for fear of card cloning... several scammers who have been hacking, accessing accounts digitally. So, this would stop me from using it, and I would use physical money.”</b>  <i>—Man, individual user, Talatona</i></p>
3	 <b>Low perception of usefulness</b>	Little use or demand, apathy, or lack of incentive for digital payment methods, despite having registered.	<p><b>“As a merchant, I always keep cash, so due to the flooding at ATMs or cash machines, just to withdraw money, it makes it difficult for me to get the product on time. So, that's why I don't use it.”</b>  <i>—Woman, merchant, Zango</i></p>
4	 <b>Negative experiences with service providers</b>	Poor service, lack of follow-up.	<p><b>“They told me to step aside because I only had 7,000kz... since then, I keep my money at home....Old people stand in lines under the sun just to receive their money.”</b>  <i>—Man, individual user, Talatona</i></p>
5	 <b>Cost misconceptions and/or lack of transparency</b>	Perceived high cost or confusing fee structures among some service providers.	<p><b>“It depends on the store. There are stores that are 14% (service fees) and stores that are 7% (service fees), regardless of the product you are going to take.”</b>  <i>—Woman, individual user, Talatona</i></p>

# Habitual use drivers

Both individual users and merchants stick with digital payments when they are rewarded, supported, and in control.

	Ranking of barriers based on the % of non-users who stated it	Individuals vs. MSMEs	Women vs. men	Qualitative insights
1	 Incentives like loans, discounts, and loyalty points	More important to <b>merchants</b>	More important to <b>women</b>	<p> “The incentives that would help me accept more digital payments are loans.”</p> <p>—Man, merchant, Calumbo</p>
2	 Lower fees	More important to <b>merchants</b>	More important to <b>women</b>	<p> “I don't notice any discounts [charges]. When I opened the account, they asked me for 20,000 kz, which I deposited in the account, but once the account is open, you can withdraw that 20,000 kz again and use it normally.”</p> <p>—Woman, individual user, Calumbo</p>
3	 Improved service provider support	More important to <b>merchants</b>	More important to <b>women</b>	<p> “We need more POS around the community and more ATMs because these are the things that will make us use more digital payment than cash.”</p> <p>—Man, individual user, Calumbo</p>
4	 24/7/365 availability	More important to <b>merchants</b>	More important to <b>women</b>	<p> “What we want first is the digital platform to be available first on our business.”</p> <p>—Man, individual user, Zango</p>
5	 Interoperability between accounts to allow easier payment	More important to <b>merchants</b>	More important to <b>women</b>	<p> “I have a single centralized application; my phone allows me to log in to all my cards and make a payment. I just click on that application, and the card that has money will automatically withdraw it, and then I will benefit even more.”</p> <p>—Man, merchant, Calumbo</p>

Legend for color gradient: Gap in percentage points (pp) between two user groups that identified the barrier as significant

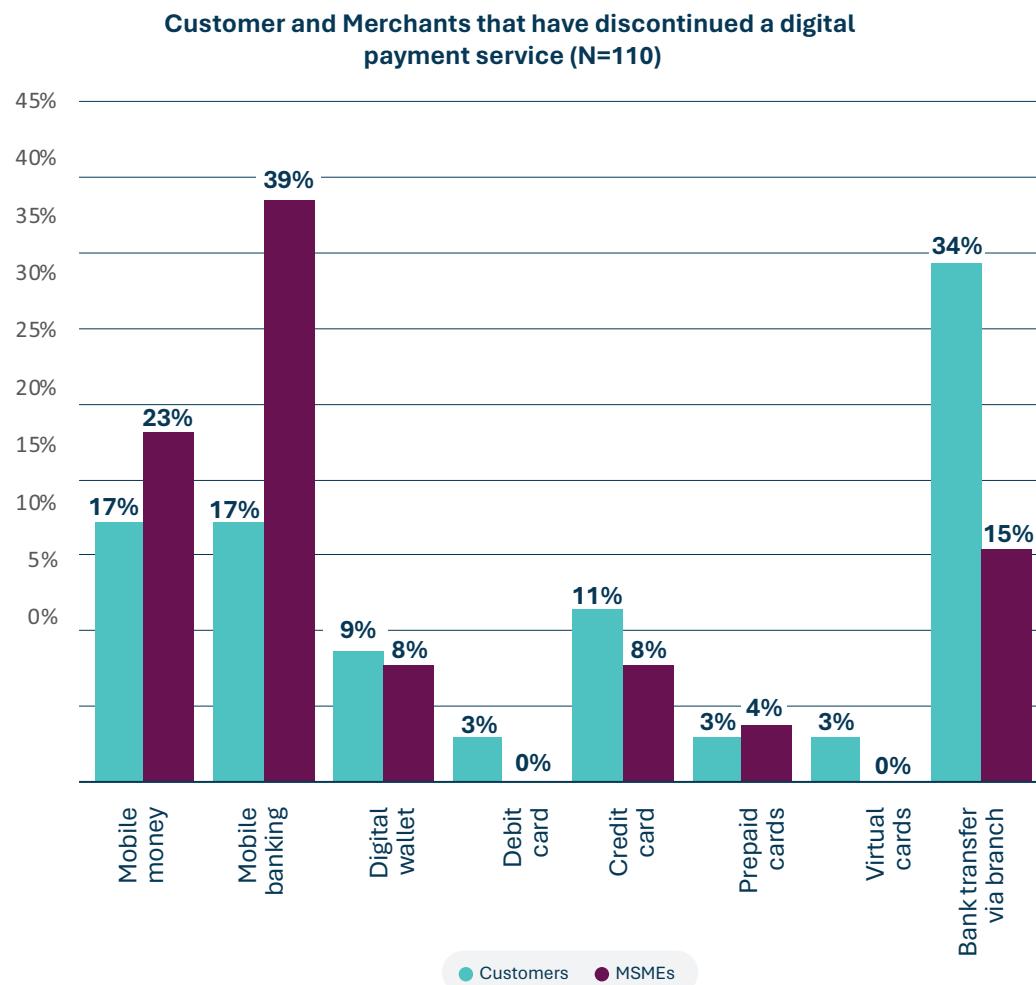
● 5-9pp   ● 10-15pp   ● Larger than 15pp

# Section 3.6

## Drop-off

### Reasons for the drop-off

Persistent service frictions and poor experience undermine the continuous use of digital payments.



57% of individual users have stopped using at least one type of digital payment. Payment channels with the highest churn rate are branch transactions, mobile money, and mobile banking. For merchants, the proportion was 52%, led by mobile banking, mobile money, and bank transfer in that order.

Drop-off typically is the result of a buildup of unresolved issues, from lack of access to devices and limited information on how to use services to poor user experiences, fraud, scams, and unreliable network connectivity.

For many, discontinuing use is a last resort—triggered when digital payments no longer feel useful, safe, or aligned with their needs. Others disengage partially, using digital options only when alternatives are unavailable.

“

**“I’ve thought about deleting the [digital] transfer [app], because sometimes... it takes a long time for the money to reflect in the bank account.”**

—Man, merchant, Talatona

# Cost and affordability perceptions

Perceptions on costs vary according to the users' knowledge level and usage context. There is no consensus on whether costs are too high or too low.

## When cost is perceived as high and/or unaffordable, users:

- Don't actively monitor fees and charges, or lack knowledge/understanding of the pricing model. This creates uncertainty and disengagement.
- Concerned about charges from POS terminals, bank maintenance, and per-transaction deductions, especially when business is slow.
- See initial setup costs as high (i.e., upfront costs of acquiring devices for merchants).
- Unexpectedly high fees for some products, like interbank transfers and international transactions.

## When cost is perceived as low and affordable, users:

- Consider if the costs are worth the convenience of digital payments.
- See little to no visible deductions during transactions.
- Perceive apps that require internet connectivity or mobile data as less accessible or more costly than data-free options.

## Other cost/affordability perceptions:

- Lost sales when they don't offer digital.
- Adjacent cost benefits of digital: security, convenience, efficiency, and time savings outweigh fees compared to the cost of cash handling (e.g., transport, safety risks).
- Incentives and low-cost channels contribute to the perception of low fees.



# Overall customer service experience

Unreliable service discourages digital payments usage.

## Main issues or perceived gaps

- Customers and merchants feel inadequately supported, especially when facing scams, technical issues, or transaction disputes.
- Some merchants felt distant from the providers, especially when they needed to be onboarded.
- Inadequate information, education, or training, e.g., on fees and how to use digital systems.

## Coping mechanisms

- Avoidance of digital payment platforms until clear instructions are provided.
- Using cash when transactions are not accepted digitally, or falling back to cash to avoid future conflicts or system failures.
- Relying on peers, friends, and family or informal networks for help with registration and usage.

## Influence on payment behavior

- Reduced trust in digital and more use of cash for payments.
- Reluctance to fully adopt or expand usage.
- Drop-off from digital systems.



# SECTION 4

## END-USER PERSPECTIVES ON THE FUTURE OF IIPS



# Section 4.1

## Voice of the user



Invest in user education and incentives to increase adoption and usage

- Users request more **channels that are personalized and customized to them** to create awareness of digital payment methods.
- Awareness should be accompanied by **training on how to use digital channels**.
- Incentives will boost uptake for both merchants and individual users.

“Commercial banks should educate consumers... when a new system or service is launched, they must run campaigns, go to markets, and inform people about the type of service, what its benefits are, and how it will improve people's lives... go out on the street, give lectures, and go to informal markets, and explain, and then it will make the consumer's life much easier.”

—Man, merchant, Calumbo



Eliminate any complexities in the registration process to increase adoption and usage

- **Simplifying the digital payment signup process** would lower entry barriers for new users (both individuals and merchants) and encourage existing users to explore more options, ultimately driving broader adoption and consistent usage.
- This includes **simplifying documentation and identity requirements**, as most people may want to register but do not have the required documents.

“The time it takes to acquire this type of service. If it takes a long time to register and they ask for a lot of paperwork, I will not register.”

—Man, individual user, Calumbo

“[Providers should not] have a long process to register and ask for a lot of documents because we also need to keep money in the bank.”

—Woman, individual user, Calumbo



Expand merchant acceptance and access in underserved areas

- **Improve the infrastructure** that supports the expansion of digital payments, especially in rural and peri-urban areas.

“We need more POS around the community and more ATMs because these are the things that will make us use more digital payment [than] cash.”

—Man, individual user, Calumbo

“It [digital payments] should just be available everywhere; this is very important.”

—Woman, individual user, Zango



### Improve overall user experience

- **Reduce payment friction:** Customers want less payment friction when using digital channels and request providers to reduce transaction confirmation/completion delays (especially for transactions across different providers), as well as system downtimes.
- **Address support gaps:** provide adequate assistance, particularly when dealing with scams, technical issues, or transaction disputes.

**“Transfers [digital payments] have a lot of constraints when it comes to going to the bank to withdraw the money. And there’s a lot of bureaucracy.”**

*—Woman, merchant, Talatona*



### Give more incentives

- Customers and merchants alike appreciate **incentives like cashback, discounts, and loyalty points**, seeing them as differentiators in the market that would drive use and provider preference.

**“Incentives that would encourage me to use digital payments more are cashback offers, discounts at specific merchants, loyalty points, or rewards programs.”**

*—Man, merchant, Talatona*

**“Paying digitally makes it easy and faster and produces good records on our bank statement for future loans, but for small orders, we can buy them in the market.”**

*—Man, merchant, Talatona*



# Section 4.2

## Implications for IIIPS design

Coordinated efforts through public-private partnerships can help accelerate IIIPS and overall digital payment adoption in Angola.

### Payment ecosystem

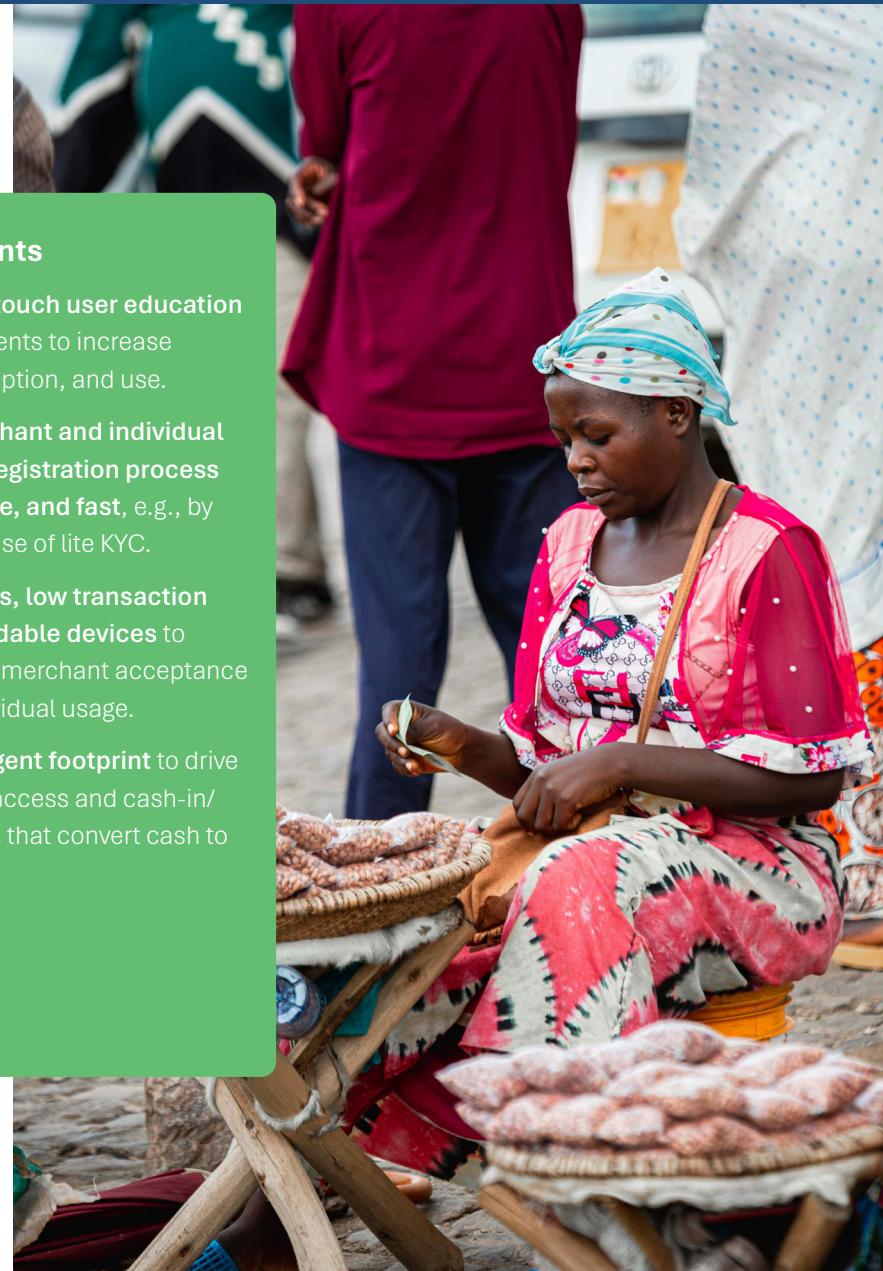
- Design national policies to **increase financial literacy** and digital inclusion.
- **Increase access to cheap mobile phones and promote internet access and use** to drive digital payment adoption, especially in rural areas.
- **Support lite KYC requirements** to ease digital account registration.
- **A central digital payment platform for G2P payments** can drive digital payments for critical government services. This will drive mass user awareness, access, and participation in digital payments.
- Support **infrastructural growth** to increase internet access, mobile networks, and access points for financial services.

### IIIPS operators

- Prioritize security and fraud concerns and **increase dispute resolution channels** to quickly resolve any connectivity issues.
- Increase **seamless connectivity between banking and mobile platforms** to increase quick interoperable transactions from a variety of channels.
- Ensure digital payment services are designed for availability at the last mile.
- **Increase system uptime and speed to reduce failed transactions.**

### IIIPS participants

- **Increase high-touch user education** on digital payments to increase awareness, adoption, and use.
- **Make the merchant and individual user account registration process easy, affordable, and fast**, e.g., by promoting the use of lite KYC.
- **Offer incentives, low transaction fees, and affordable devices** to promote higher merchant acceptance and higher individual usage.
- **Increase the agent footprint** to drive mobile money access and cash-in/cash-out points that convert cash to e-money.



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AfricaNenda Foundation is an Africa-based, African-led nonprofit working with central banks and payment ecosystem stakeholders to accelerate the design, development, launch, and improvement of inclusive instant payment systems.

Our team of 25 experts in 14 countries provides technical expertise, builds capacity, shares knowledge, and advocates for inclusivity across the instant payment system project lifecycle.

Through this work, we aim to help deliver the power of seamless and affordable digital payments to 260 million financially excluded Africans by 2030.

November 2025

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