



# Financial Consumer Protection Survey (FCPS) Kenya 2025

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# Executive Summary

## Top five challenges and risks identified by DFS users

1. Sent money to an incorrect number	80%
2. Fraud attempt	70%
3. Defaulted on mobile loan (% of loan users)	55%
4. Poor network quality	47%
5. Difficulty managing debt payments (% of debt users)	34%

## Choice and transparency

Compares prices before selecting a financial service provider	37%
Often or always learns prices for DFS before the transaction	46%

## Over-indebtedness

Loan users that missed a scheduled payment in last 12 months	65%
Loan users that regretted taking on debt	35%
Loan users that reduced food expenditure to repay debt	48%

## Fraud

Experienced a fraud attempt in last 12 months	70%
Lost money due to fraud in last 12 months	14%

# Executive Summary

## Challenges with agents

Paid an extra fee in last agent transaction	0%
Experience agent discrimination sometimes, often, or always	10%

## Complaints redress

Sought redress in the last 12 months, among those that lost money due to fraud, unclear fees, or service quality challenges	43%
Of redress seekers, somewhat or very satisfied with last redress outcome	68%
Redress seekers changed, stopped, or reduced usage of DFS	
- Of redress seekers, <b>satisfied</b> with redress outcome	10%
- Of redress seekers, <b>dissatisfied</b> with redress outcome	31%

## Trust

Share of respondents who report full trust in each provider type (regarding privacy, fraud protection, and problem resolution):	
- Mobile money providers	65%
- Mobile banking providers	56%
- Mobile loan providers	36%
- Agents	36%

# Executive Summary

## Sample characteristics

- 1 Demographics:** 78 percent had completed at least some secondary education or more, similar to the 76 percent in the Findex 2025 survey, and half were between 26 and 45 years of age. 50 percent of interviewed respondents were female, and 50 percent urban (comparing to 25 percent of typical urban DFS users in Findex).
- 2 Smartphone usage:** 75 percent of respondents use smartphones as their primary phone, with higher usage among urban, higher educated, middle-aged, less poor, and more financially literate consumers.
- 3 SIM card registration:** 10 percent of respondents used SIM cards not registered in their name, down from 15 percent in 2021. Younger respondents and those with some secondary education were more likely to use SIM cards registered in someone else's name.
- 4 Financial health challenges:** 81 percent of respondents found it difficult to access emergency funds equivalent to 1/20th of GNI per capita (USD 100) within 30 days, with 95 percent finding it difficult to do so within a week.

## Executive Summary

### Digital Financial Services Usage and Consumer Choice

- 1 Services used:** Mobile money and DFS agents are the most used services overall, with around 40 percent using overdraft services and mobile banking. Buy-now-pay-later and credit cards are rare.
- 2 Provider concentration:** One mobile money provider accounts for nearly 100 percent of the market. 76 percent had only used one mobile loan provider, while only 7 percent had used just one agent.
- 3 Comparing prices:** Between 29 percent and 43 percent of consumers compared prices depending on the service used, with 26 percent of payment services users and 27 percent of loan users finding it somewhat or very difficult to compare prices.
- 4 Stopped using a service:** 37 percent had stopped using a payment service provider (primarily due to lack of money), and 30 percent had stopped using a mobile loan provider (mainly due to cost or unresolved debt).

# Executive Summary

## Challenges and risks

- 1 Fraud exposure:** 70 percent of respondents experienced a fraud attempt in the last 12 months (similar to 69 percent in 2021), with 14 percent losing money due to fraud. The median loss was USD 19.
- 2 Over-indebtedness:** Among mobile loan users, 55 percent failed to repay a loan on time in the last 12 months, 35 percent regretted taking on debt, and 48 percent reduced food expenditure to repay debt.
- 3 Sending money incorrectly:** 80 percent of payment services users had ever sent money to a wrong number, with 68 percent unable to recover the funds.
- 4 Service quality issues:** 63 percent experienced any type of service quality challenge in the past 12 months, with 47 percent experiencing poor network quality and 25 percent struggling to reach customer care when needed.

# Executive Summary

## Complaints redress

- 1 Redress-seeking rates:** Of respondents who lost money due to fraud, unexpected fees, or service quality challenges in the past 12 months, only 43 percent sought redress to resolve the issue. Middle-aged were more likely to seek redress compared to younger adults.
- 2 Recovery of funds:** Among redress seekers who lost money, 41 percent were able to recover some or all of it. Rural respondents were more likely to recover funds.
- 3 Redress resolution:** 68 percent of redress seekers were satisfied with the outcome. 9 percent of cases did not get resolved, and 36 percent of respondents spent money (averaging USD 3.09) on resolution costs like airtime fees or travel expenses.
- 4 Impact on service usage:** Among redress seekers, 17 percent made a change to their DFS usage as a result of the challenge experienced. Those dissatisfied with the outcome were significantly more likely (31 percent) to switch providers or reduce/discontinue DFS usage compared to those satisfied (10 percent).



# Executive Summary

## Trust in Digital Financial Services

- 1 Trust levels by provider:** Consumer trust was highest in mobile money and mobile banking providers, with between 56 percent and 65 percent of respondents giving them full trust ratings. Only 36 percent fully trusted in mobile loan providers and agents.
- 2 Help with challenges:** Across all services, consumers were least confident in providers' ability to help them resolve challenges related to DFS usage, and most confident in their ability to keep money safe from fraud, with ability to keep information private between the two.
- 3 Demographic trust patterns:** Less financially literate respondents tended to be less trustful, as measured by a trust index score constructed from all trust indicators.
- 4 DFS challenges and impact on trust levels:** Consumers who experienced DFS challenges showed markedly lower trust scores, with issues related to customer care challenges and unclear fees particularly strongly correlated with reduced trust.

## Key Terms

**BNPL:** Buy-now-pay-later, or installment payment services, allow users to purchase goods or services immediately and repay the cost later through deductions from their accounts over several weeks or months. These services are typically provided by a financial company instantly at the time of purchase.

**Credit card:** A credit card is a card that allows users to borrow money in order to make payments or purchases. The balance is repaid later.

**Debit card:** A debit or ATM card is a card connected to an account that allows users to withdraw money or buy things, and the money is taken out of the account immediately.

**DFS agents:** DFS agents provide cash-in (deposit) and cash-out (withdrawal) services for customers, acting as human ATMs. Agents may also support customers complete other types of transactions, open accounts for new customers, and help customers resolve problems.

**Digital credit:** financial service that enables you to obtain loans through digital rather than in-person channels, most often via a mobile phone.

**Digital financial services (DFS):** Financial services—such as deposits, payments, and credit—delivered through digital channels, most commonly via mobile phones.

# Key Terms

**Mobile banking:** A service that allows users to access and manage their bank account via a mobile phone using USSD codes or a bank app. A bank account is required to use mobile banking services.

**Mobile money:** An electronic wallet service that uses a phone number as the account number, allowing users to hold money electronically, send and receive funds, and make payments without needing a bank account - just a phone number and ID are required.

**Overdraft services:** Overdrafts allow users to spend more than their account balance by automatically covering the cost of a purchase if it exceeds the account balance. This credit is repaid later.

**USSD:** Unstructured Supplementary Service Data. A communication service that enables customers to use mobile financial services (MFS) on nearly any phone, by sending instructions to the MFS provider along with their personal identification number (PIN) for authentication, while enabling MFS providers to send responses to clients and confirm transactions. Examples of usage includes making payments or sending funds with mobile money, checking account balances, and buying airtime and internet bundles.

## SUBGROUPS

# Subgroups

Throughout this report, segmentation analysis is conducted using the following six respondent characteristics:

**GENDER:** In our survey, respondents self-identified as either male or female.

**AGE:** Grouped into brackets of 18-25 years, 26-45 years, and older than 46 years.

**URBAN:** Respondents were automatically categorized as urban or rural. We sampled from the country's two largest cities by population size (urban) and randomly selected districts with a population density below the country median (rural)

**EDUCATION:** We grouped respondents into those who have completed primary education or less, those who have completed some level of secondary education, and those who have completed secondary education or a higher level. Higher levels includes diplomas and university education.

**POVERTY:** Our definition was based on the [Poverty Probability Index \(PPI®\)](#) score. Individuals were grouped into more and less likely to be poor, where more poor individuals had a poverty probability higher than the sample median

**FINANCIAL LITERACY:** We grouped respondents into less financially literate (scoring less than 3/4 questions correctly) and financially literate (scoring at least 3/4 questions correctly), based on [Standard & Poor's global financial literacy survey](#)

# Study Methodology: Financial Consumer Protection Study

**Summary:** FCPS studies are conducted as **in-person market intercept surveys** targeting **1,000 DFS active customers** (respondents who had used digital financial services in the past 12 months). By design, the samples include **equal representation by gender as well as rural and urban** locations. We present **unweighted statistics**.

**Sampling:** Our sampling methodology involves a multi-tiered purposive sampling process to select markets where intercept surveys are conducted. An equal number of urban and rural markets are selected, each with different sampling approaches:

**Urban locations:** We select the country's **two largest cities** by population. In each selected city, field teams identify five markets (where food, clothing, or other consumer goods are typically sold), one market in the city's central business district and one market in each cardinal direction from the central business district (with modifications based on geography as needed).

**Rural locations:** We select administrative units at the level with a count closest to 100 units, and randomly select **two administrative units**, subject to three constraints: (1) below median population density, (2) no safety and security concerns, and (3) no IPA or partner survey firm operational limitations. To sample markets, we **randomly generate ten geocoordinates** per administrative unit, excluding areas with high population density ( $>1,000/\text{km}^2$ ). Field teams then identify the **nearest market** within a 15km radius of these coordinates.

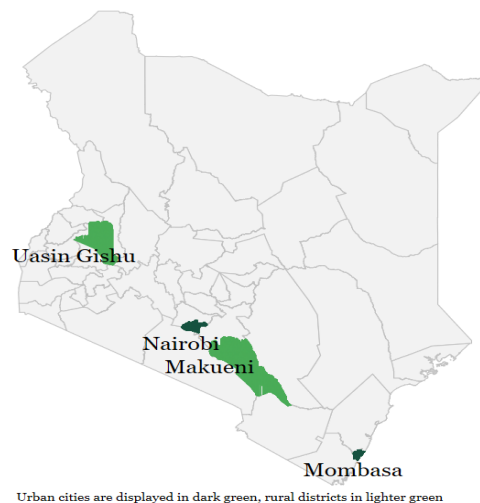
**Respondent selection and recruitment:** Enumerators station themselves in sampled markets, **intercepting individuals** to screen them for eligibility. Interviews are conducted until a total of 25 surveys have been completed in each market. Respondents must be **at least 18 years old, and have used mobile money, mobile banking, or a DFS agent within the past 12 months**. We sample an **equal number of men and women**.

# Study Methodology: The Kenyan FCP Survey

**Sampled Districts:** In Kenya, we conducted the FCP survey in **urban markets** in **Nairobi** and **Mombasa**, and in **rural markets** in **Makueni** and **Uasin Gishu** counties.

**Representation:** Our survey is **not representative of the population of DFS users in Kenya**.

Our **purposive sampling approach** is designed to allow us to make comparisons across important consumer segments, without taking a resource-intensive, nationally representative sampling approach. As a rough assessment of representativeness, we present detailed sample demographics and compare them with those of DFS users in the nationally representative 2025 Global Findex survey.



Urban cities are displayed in dark green, rural districts in lighter green

# Sample Characteristics

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## Key Findings

**1. Demographics:** 78 percent had completed at least some secondary education or more, similar to the 76 percent in the Findex 2025 survey, and half were between 26 and 45 years of age. 50 percent of interviewed respondents were female, and 50 percent urban (comparing to 25 percent of typical urban DFS users in Findex).

**2. Smartphone usage:** 75 percent of respondents use smartphones as their primary phone, with higher usage among urban, higher educated, middle-aged, less poor, and more financially literate consumers.

**3. SIM card registration:** 10 percent of respondents used SIM cards not registered in their name, down from 15 percent in 2021. Younger respondents and those with some secondary education were more likely to use SIM cards registered in someone else's name.

**4. Financial health challenges:** 81 percent of respondents found it difficult to access emergency funds equivalent to 1/20th of GNI per capita (USD 100) within 30 days, with 95 percent finding it difficult to do so within a week.

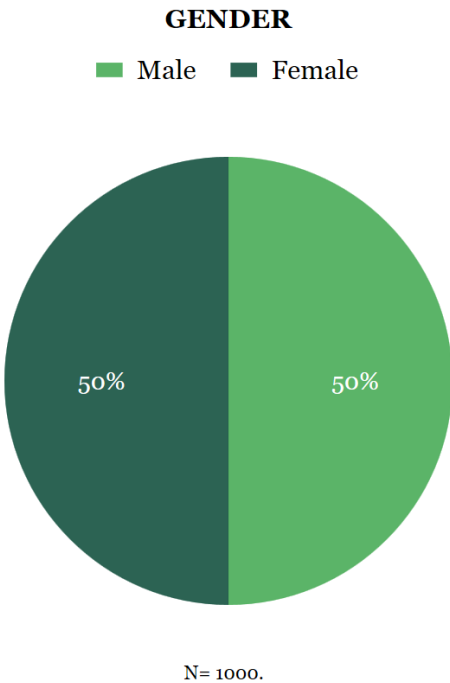


SAMPLE CHARACTERISTICS

By design, our sample is balanced by gender and urbanicity.

We surveyed a total of 1,000 DFS users in Kenya.

Our survey sampled equal shares of men and women.



We surveyed 500 respondents in the two biggest cities, Nairobi and Mombasa, and another 500 in two randomly selected rural districts, Makueni and Uasin Gishu.

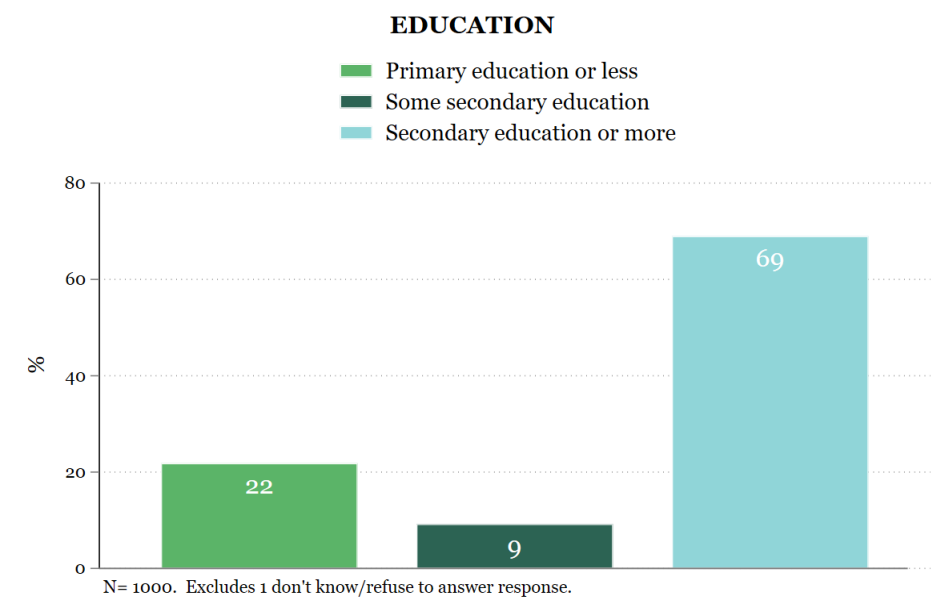
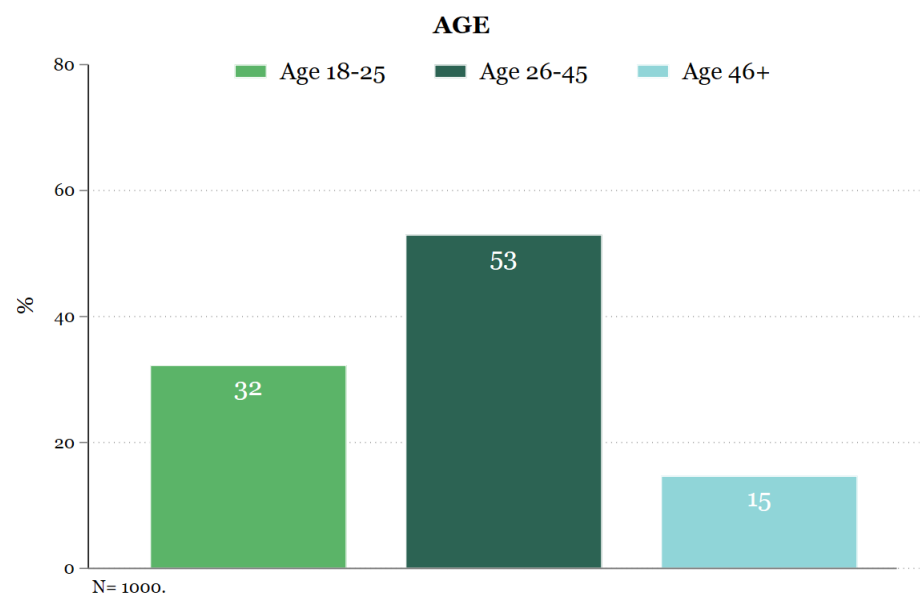


This compares to 53 percent female and 25 percent urban DFS consumers nationally in the Findex 2025 survey.

AGE AND EDUCATION

Surveyed DFS users are primarily middle-aged adults who have completed secondary education.

78 percent had at least some secondary education, similar to the 76 percent in the Findex data.

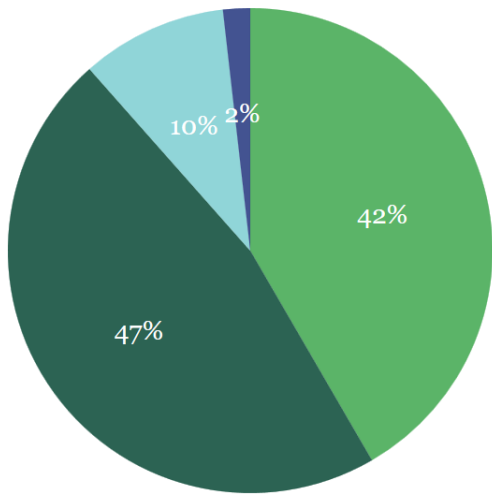


HOUSEHOLDS

Half of surveyed DFS users were married or cohabitating, and most were the household head or their partner.

MARITAL STATUS

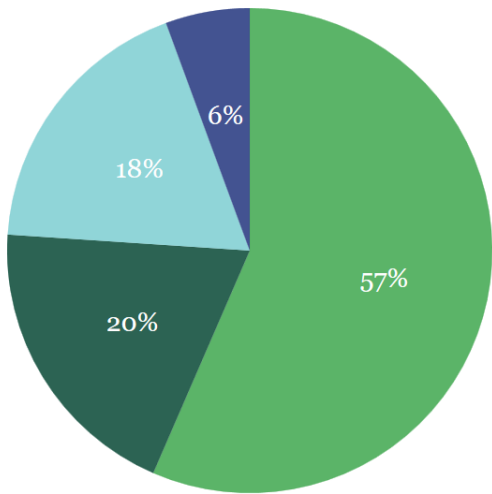
Never married Married Seperated/Divorced/Widowed Cohabitating



N= 1000. Excludes 3 don't know/refuse to answer responses.

RELATIONSHIP TO HEAD OF HOUSEHOLD

Household head Partner/Spouse Child Other



N= 1000. Excludes 2 don't know/refuse to answer responses.

EMPLOYMENT

Most respondents were working and self-employed.

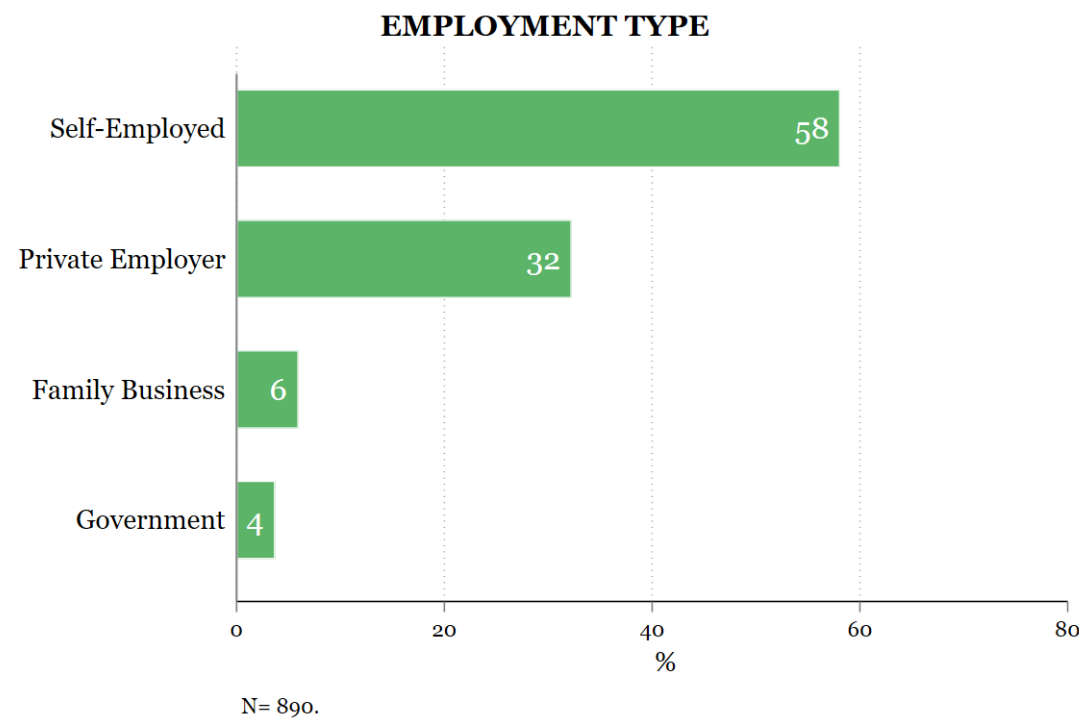
89 percent of respondents were working at least 20 hours a week.

Of those working for an employer,

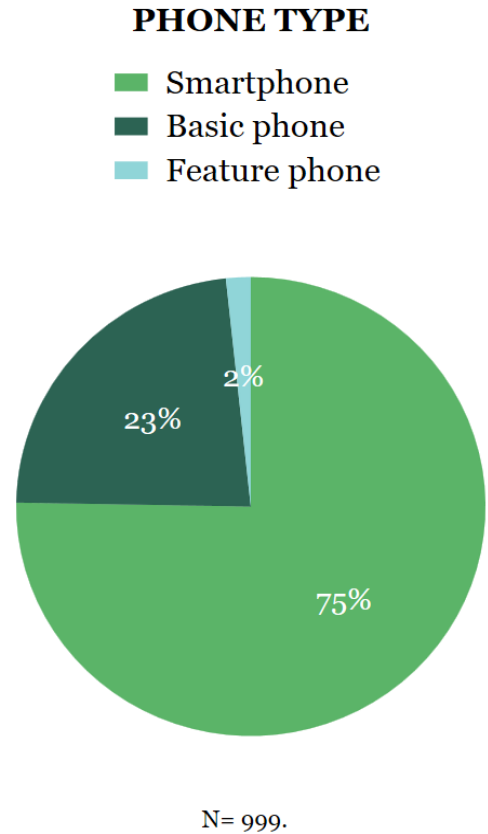
**18 percent** had received wages into an account at a bank or similar financial institution.

**59 percent** had received wages through their phone.

Almost 60 percent were self-employed. Among all workers, 34 percent worked at a formally registered business.



# Three quarters of respondents use smartphones.



66 percent of typical DFS users in the Findex survey owned a smartphone.

Urban, higher educated, middle-aged, less poor, and more financially literate respondents were more likely to use a smartphone as their primary phone.

PHONE USAGE

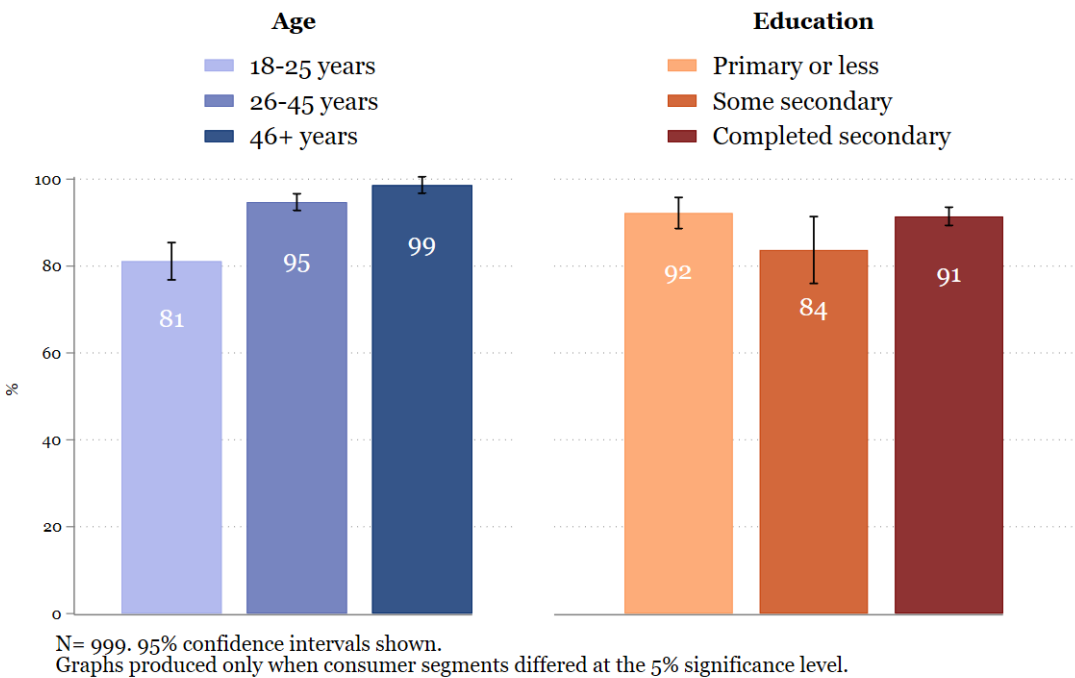
SIM cards were usually registered in the respondent's name.

10 percent said the SIM card they used was not registered in their name.

Younger adults and those with some secondary education were more likely to use phones registered in someone else's name.

The share is lower than it was in 2021\*, when 15 percent of consumers used SIM cards not registered in their name.

PHONE SIM IS REGISTERED IN RESPONDENT'S NAME



\*The 2021 survey conducted by IPA was a phone survey that interviewed 793 active DFS consumers across Kenya.

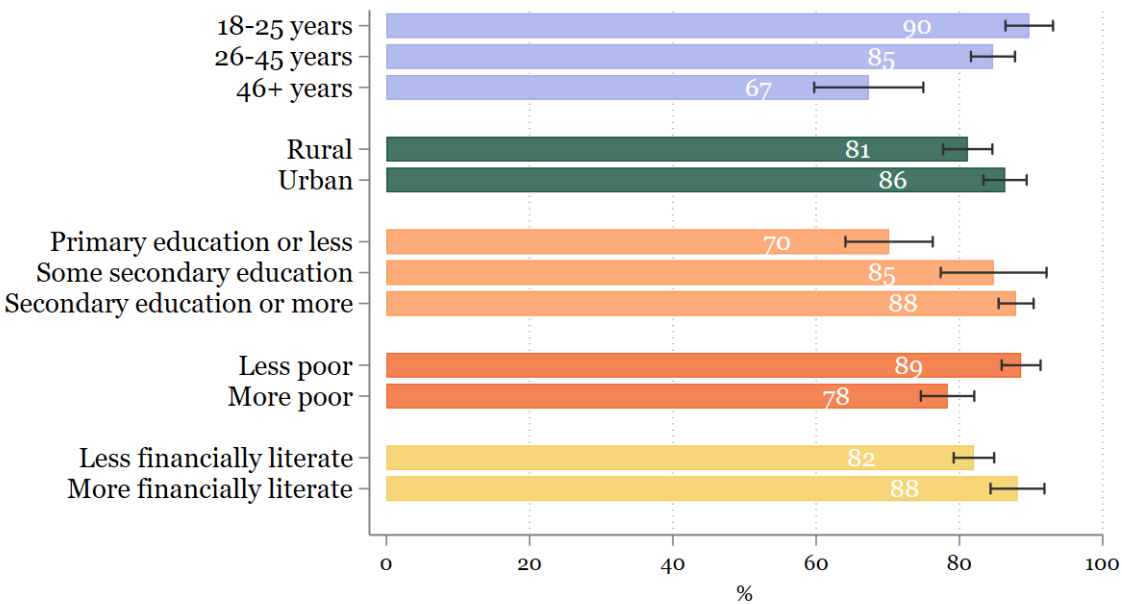
PHONE USAGE

16 percent of DFS users did not have a PIN or password on their phone to protect their accounts.

Older adults and poorer, less educated, and less financially literate respondents were less likely to have password protected phones.

Among respondents who had a PIN or password,  
**4 percent did not know how to change it.**

PHONE IS PASSWORD PROTECTED

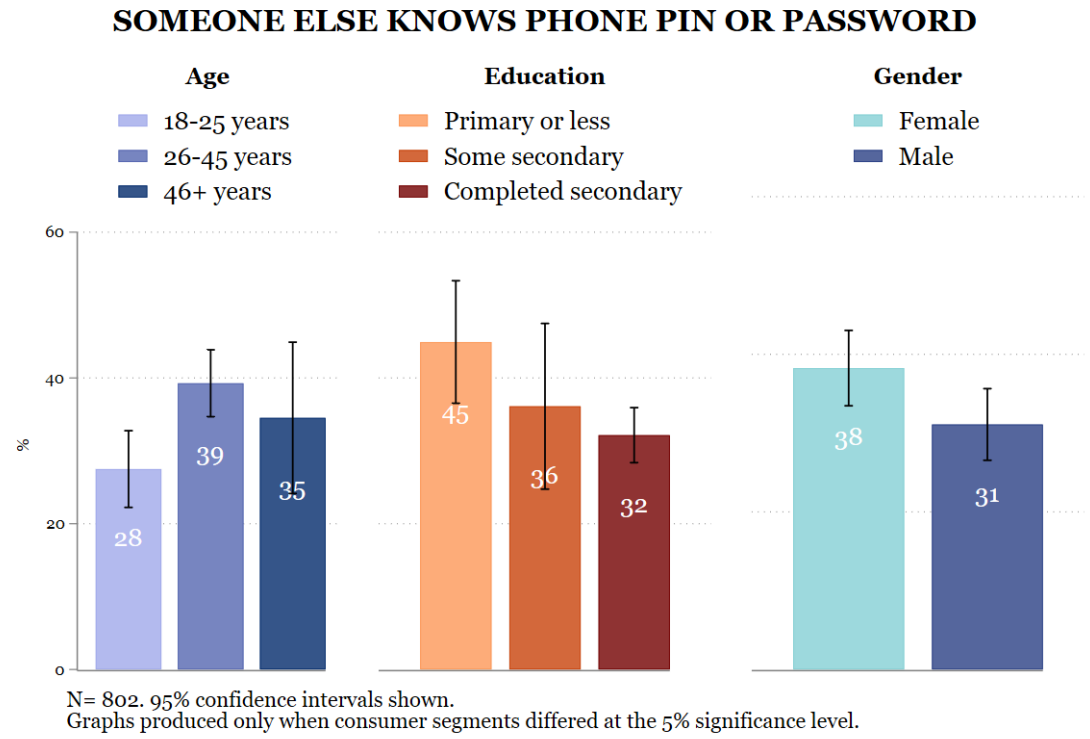
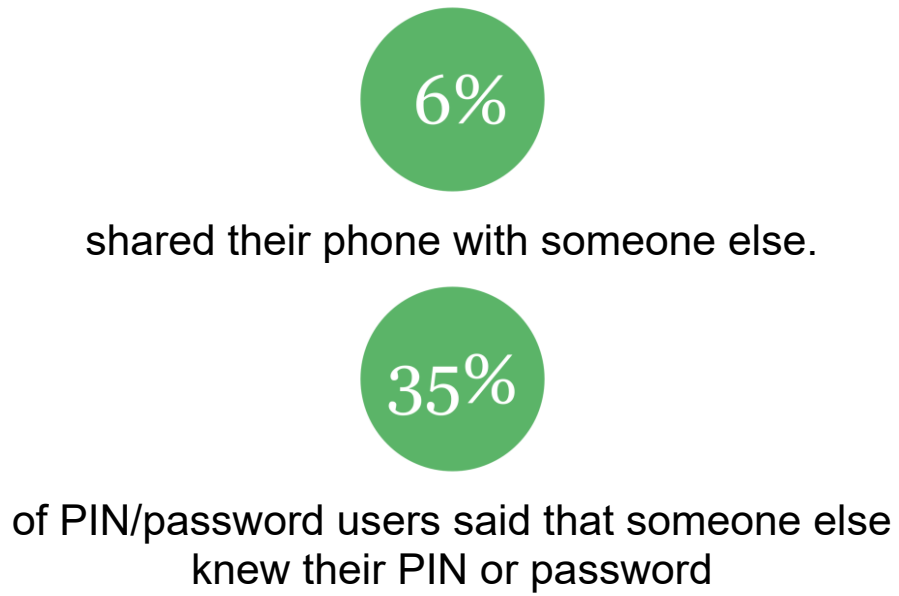


N= 998. 95% confidence intervals shown.  
Graphs produced only when consumer segments differed at the 5% significance level.

PHONE USAGE

Most consumers use their own phone, but one in three that use a PIN or password share it with others.

When respondents shared passwords, it was typically with their spouse/partner or another household member. Middle-aged, less educated, and female respondents were more likely to say that someone else knew their PIN or password.

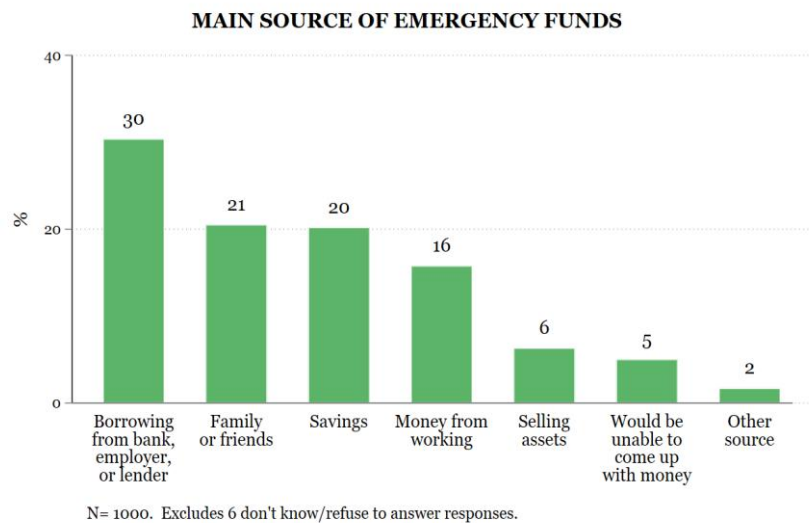




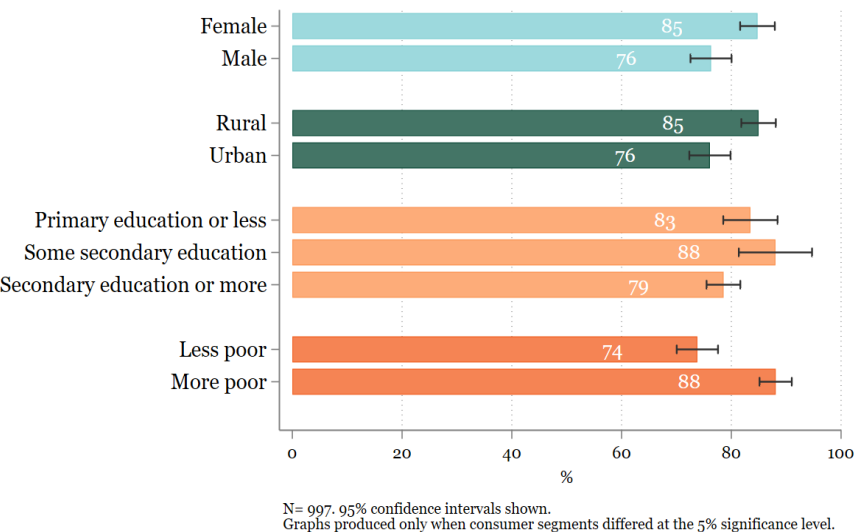
Four out of five consumers found it difficult to meet a basic financial health benchmark: accessing funds equal to 1/20th of GNI per capita within 30 days in an emergency.

While 81 percent of respondents had difficulty coming up with emergency funds equivalent to 1/20th GNI per capita (USD 100) within a month, nearly all (95 percent) found it difficult to do so within a week.

Female, rural, more poor, and lower educated consumers were most vulnerable to financial emergencies.



DIFFICULT TO COME UP WITH EMERGENCY FUNDS (30 DAYS)



In Kenya, USD 100 or KSH 13000 is equal to 1/20th of GNI per capita. The questions are taken from [IPA's Financial Health Survey \(2020\)](#)

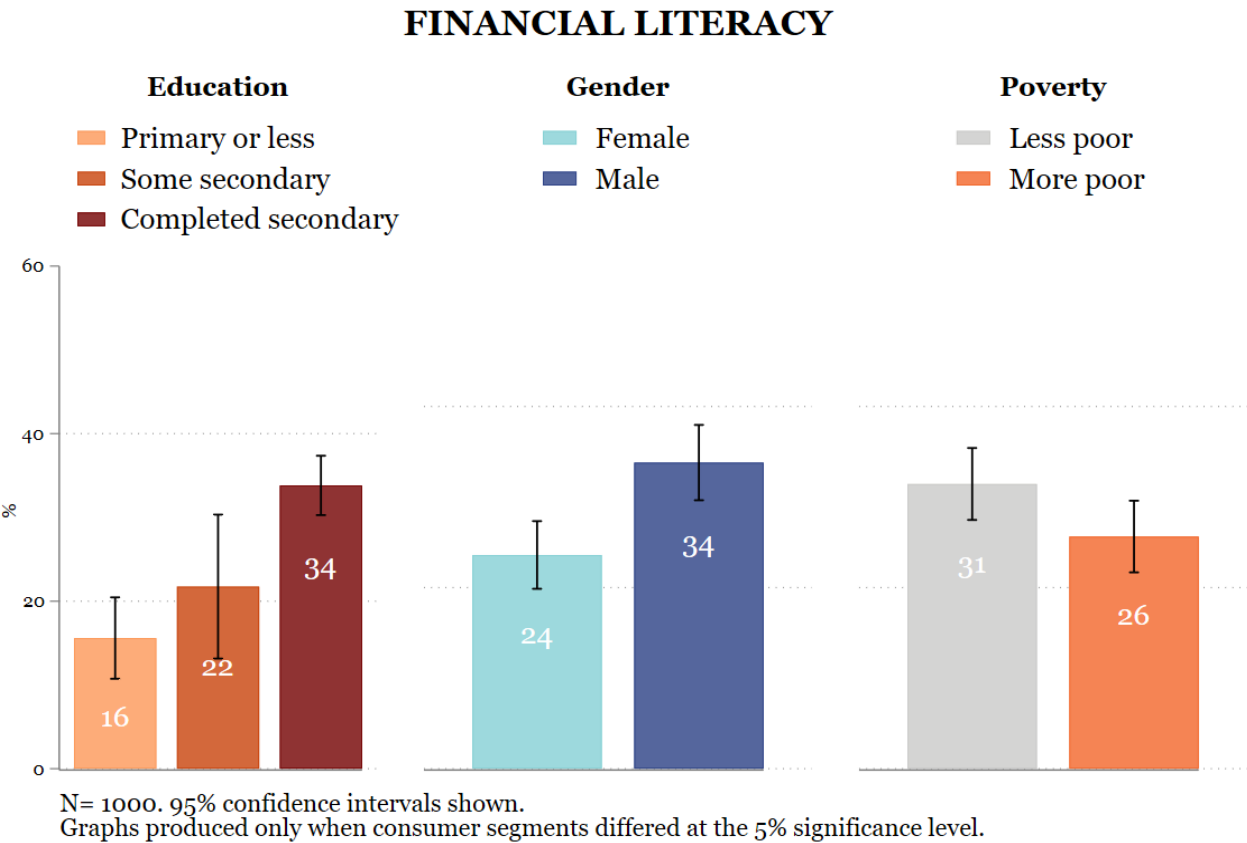
## Financial Literacy.

In our study we relied on [Standard & Poor's global financial literacy survey](#) which is the world's largest global measurement of financial literacy. This measure probes knowledge of four basic financial concepts: risk diversification, inflation, numeracy, and interest compounding.

*A person is considered financially literate if they answer three out of the four questions correctly.*

In our sample, 29 percent of respondents were financially literate.

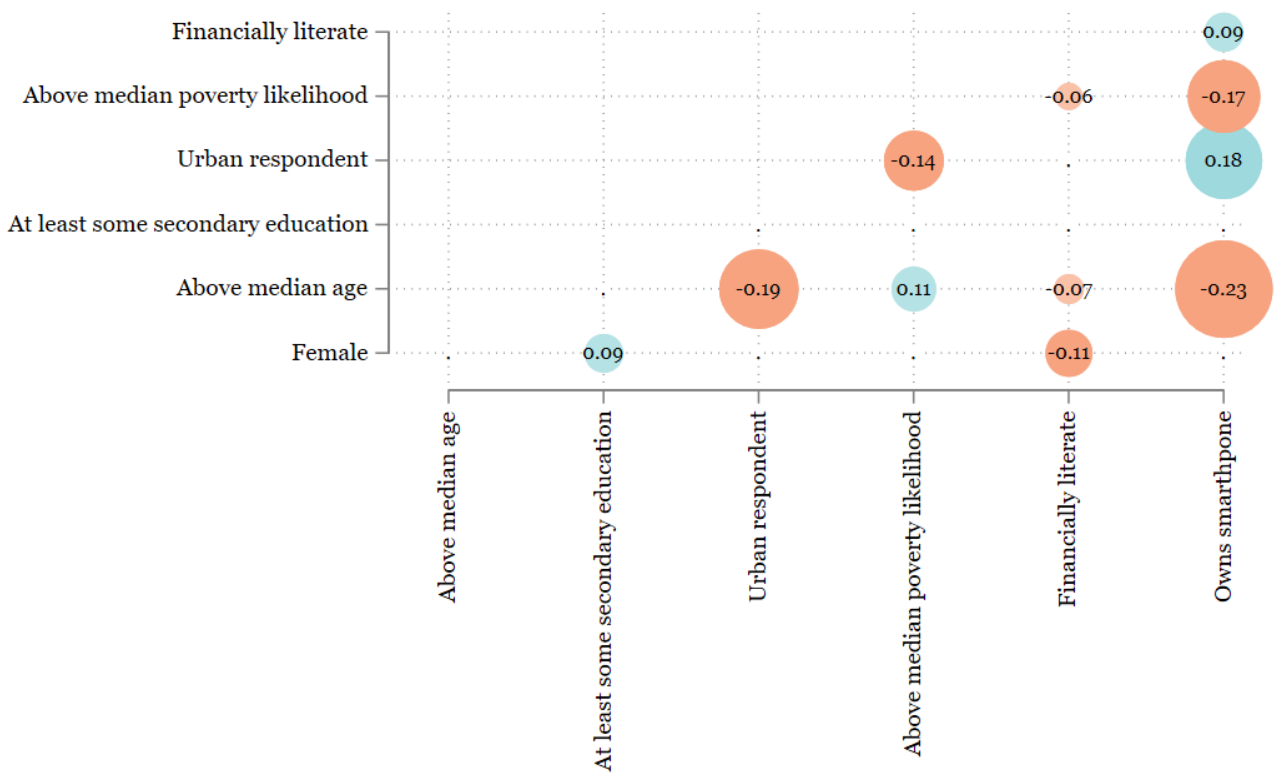
Financial literacy is correlated with education, gender, and poverty.



CORRELATIONS

Several key demographic characteristics of our sample are correlated.

CORRELOGRAM OF RESPONDENT CHARACTERISTICS



Stronger relationships are shown as larger circles, in light blue for positive correlations and red for negative correlations.

Age, urbanicity, poverty likelihood, and smartphone ownership are most correlated.

Only correlations statistically significant at the 5%-level shown.

# Digital Financial Services Usage and Consumer Choice

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## Key Findings

**1. Services used:** Mobile money and DFS agents are the most used services overall, with around 40 percent using overdraft services and mobile banking. Buy-now-pay-later and credit cards are rare.

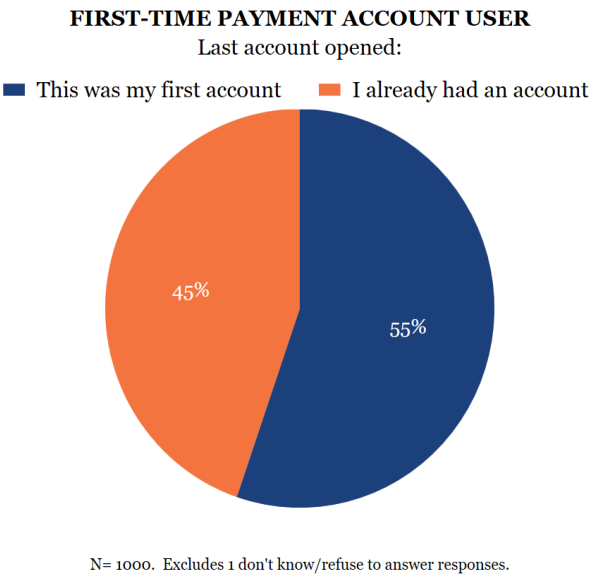
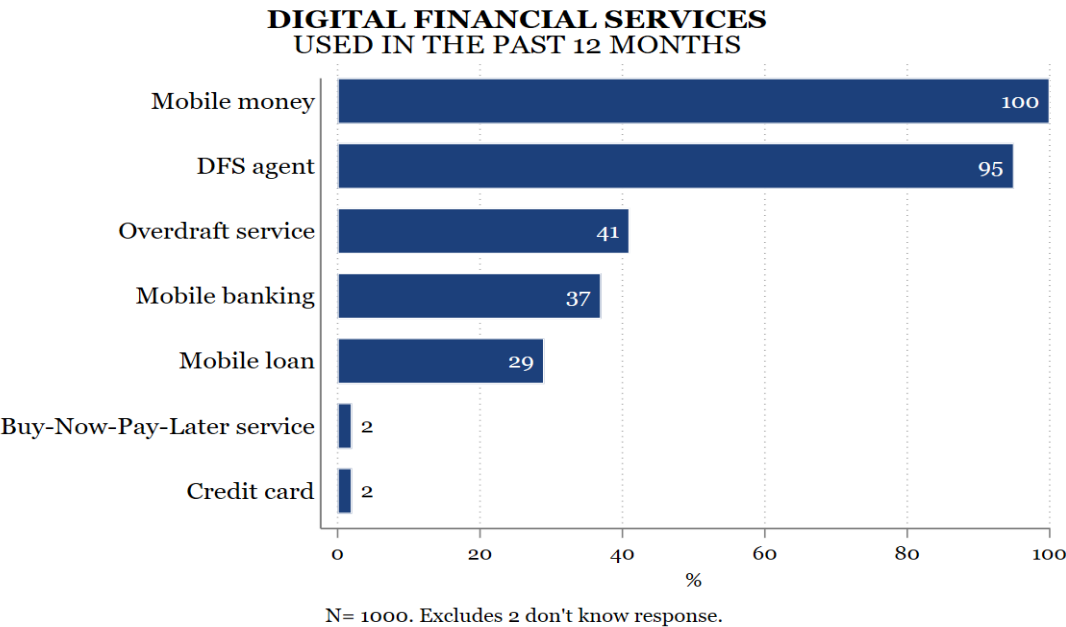
**2. Provider concentration:** One mobile money provider accounts for nearly 100 percent of the market. 76 percent had only used one mobile loan provider, while only 7 percent had used just one agent.

**3. Comparing prices:** Between 29 percent and 43 percent of consumers compared prices depending on the service used, with 26 percent of payment services users and 27 percent of loan users finding it somewhat or very difficult to compare prices.

**4. Stopped using a service:** 37 percent had stopped using a payment service provider (primarily due to lack of money), and 30 percent had stopped using a mobile loan provider (mainly due to cost or unresolved debt).

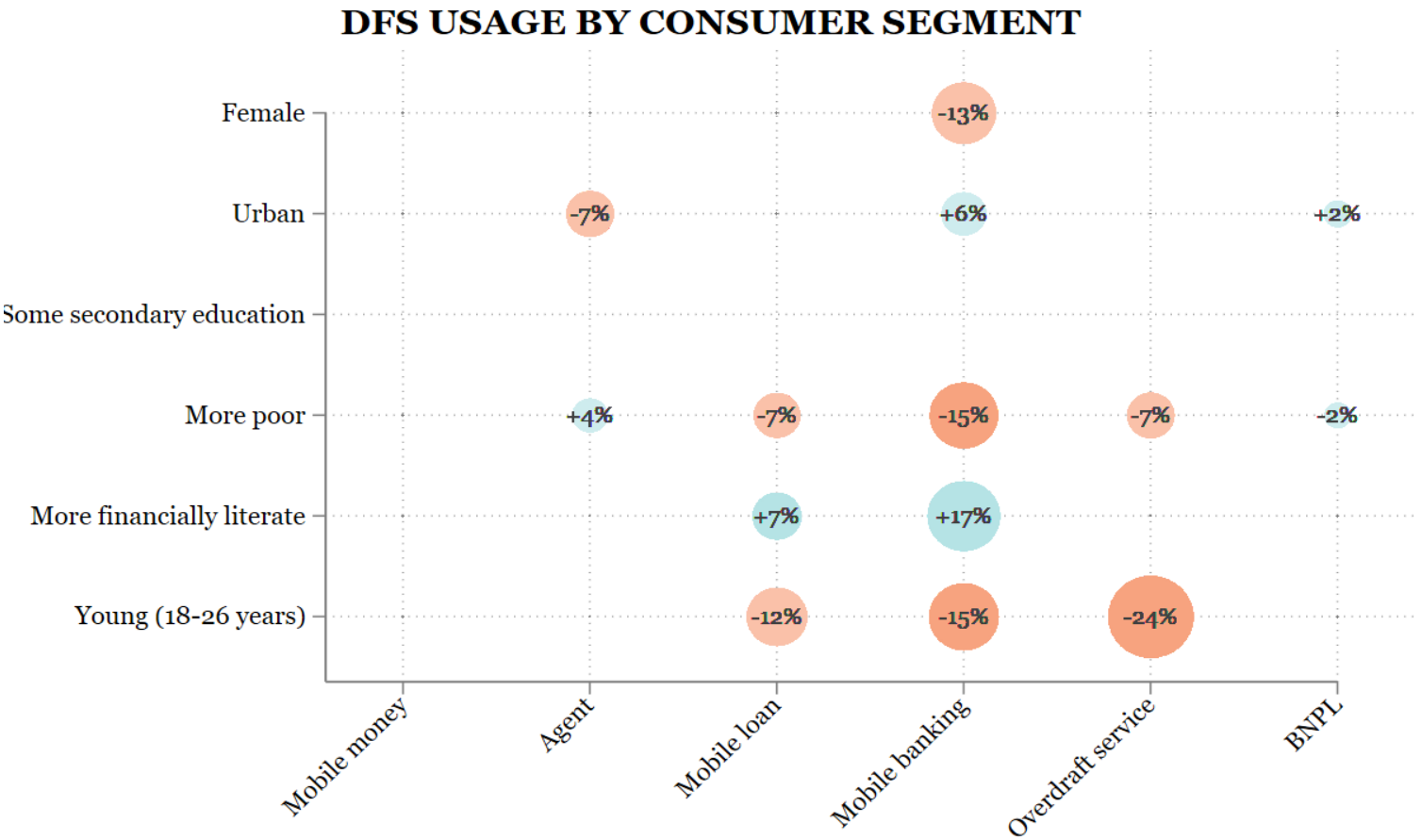
# Among DFS users, mobile money use is universal, and nearly all use agents.

Almost all DFS users (95 percent) had used an agent, around 40 percent had used overdraft services and mobile banking, and a third had used mobile loans. Other credit services – buy-now-pay-later (BNPL) and credit cards are relatively uncommon.



# The type of services used differed by consumer segment.

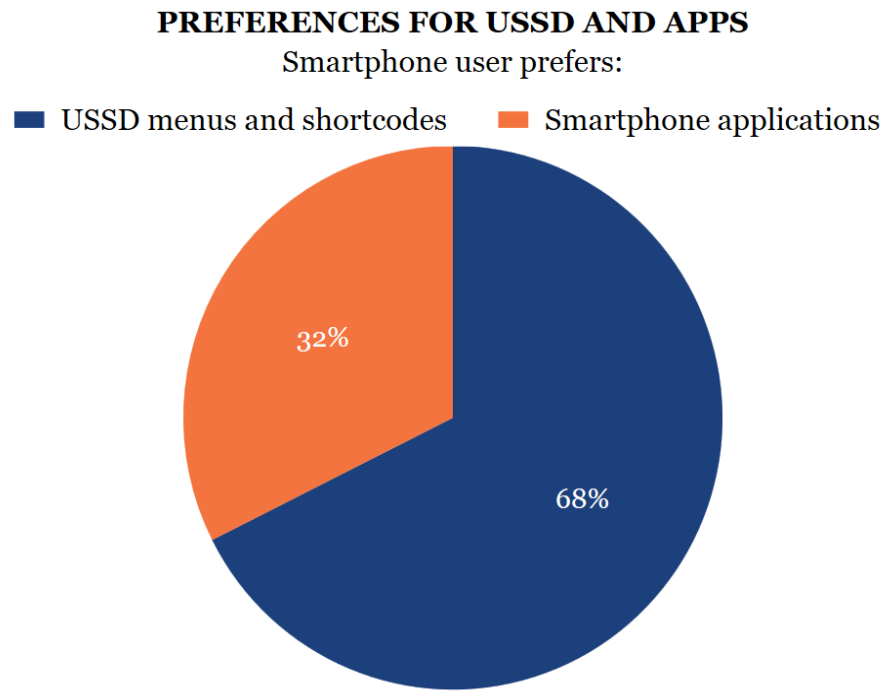
Urban and socioeconomically advantaged consumers tended to use banking and debt services to a greater extent.



Percentage point difference in usage. Only differences statistically significant at the 5%-level sh



The majority of smartphone users preferred USSD menus over apps for digital transactions.

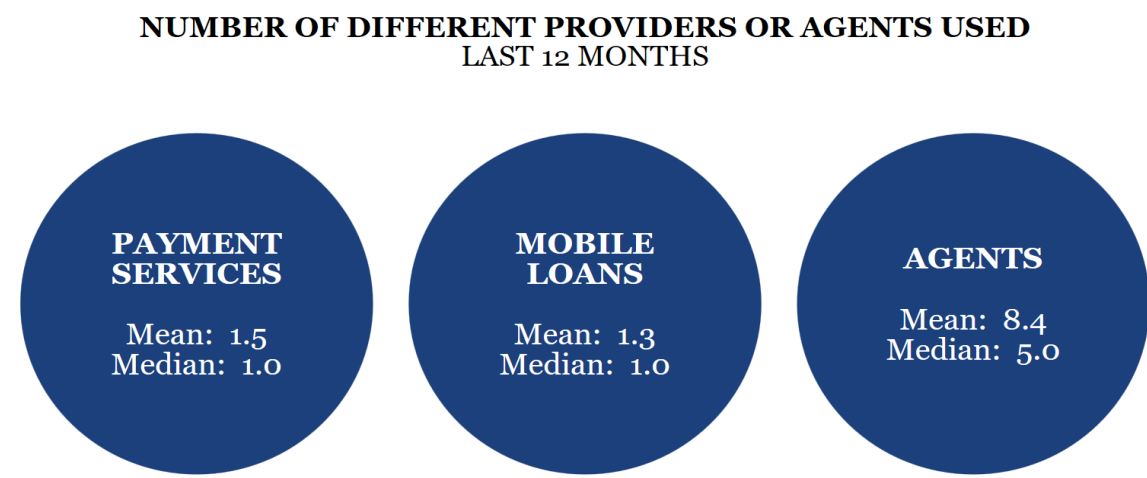


Rural, less educated, older, and poorer smartphone users were more likely to prefer USSD menus.

Mobile banking users were more likely to prefer smartphone applications compared to non-mobile banking users: 37 percent compared to 29 percent.

N= 769. Excludes 1 don't know/refuse to answer responses.

DFS consumers use multiple agents, but have typically used one payment service provider.



Payment services: N= 1000, Mobile loans: N= 289, Agents: N= 953

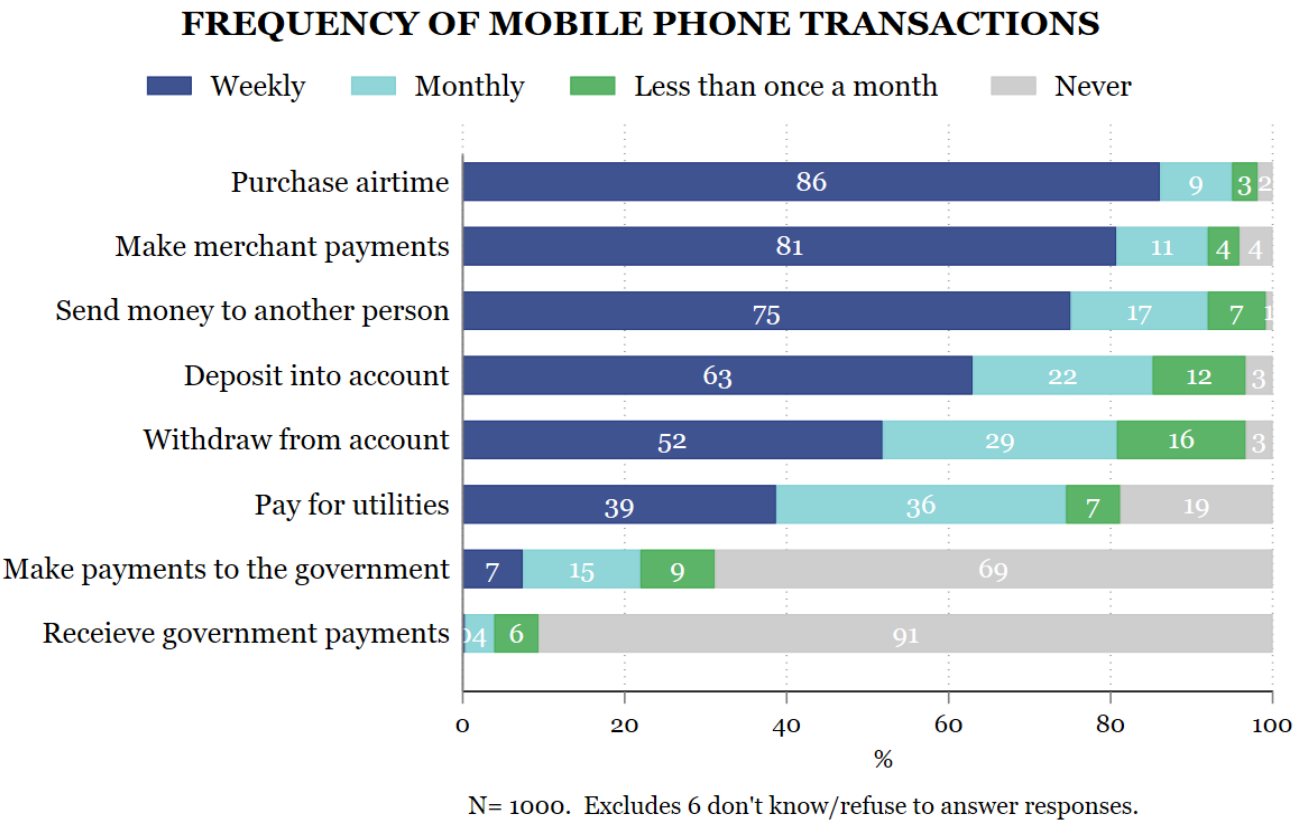
59 percent had only used one payment services provider, 76 percent had only used one mobile loan provider, and 7 percent had only used one agent.

Urban respondents used more agents than rural respondents, averaging 8.9 compared to 7.9 agents (with a median of 5 for both).

USAGE

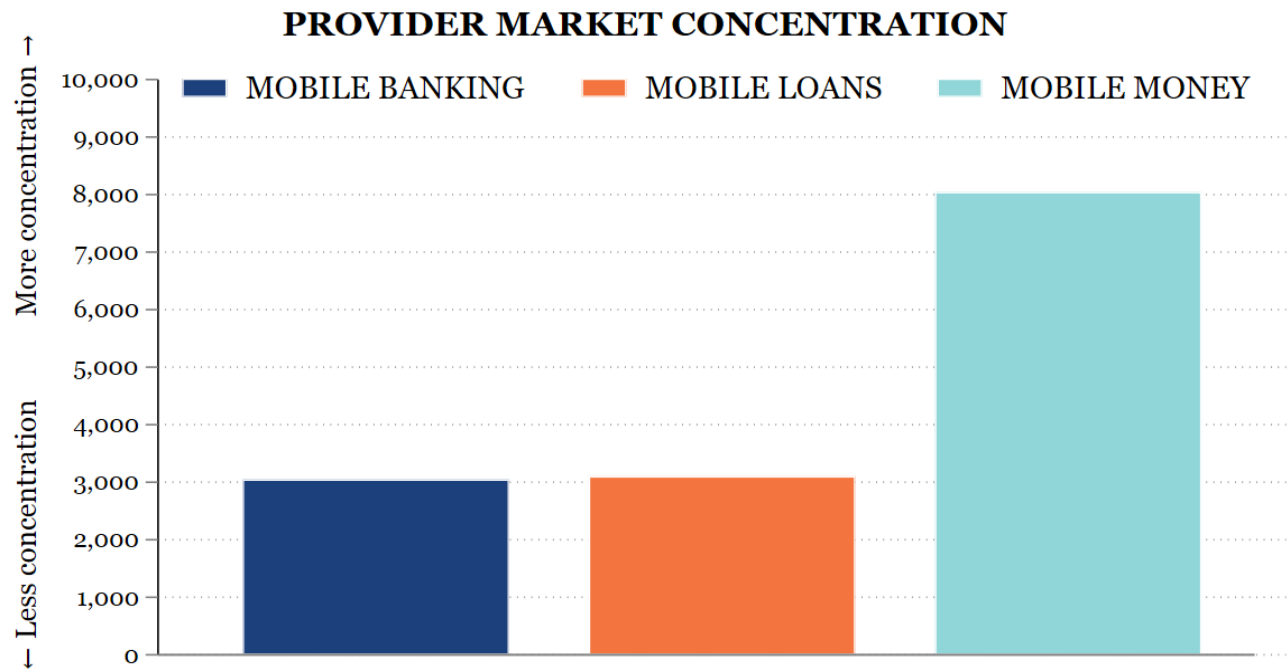
The majority of respondents used their DFS account to make payments, send, deposit, or withdraw money at least monthly.

88 percent of respondents purchase airtime weekly. Payments for utilities are relatively common.



PROVIDERS

Mobile money markets are highly concentrated, with one provider accounting for nearly 100 percent of the market.

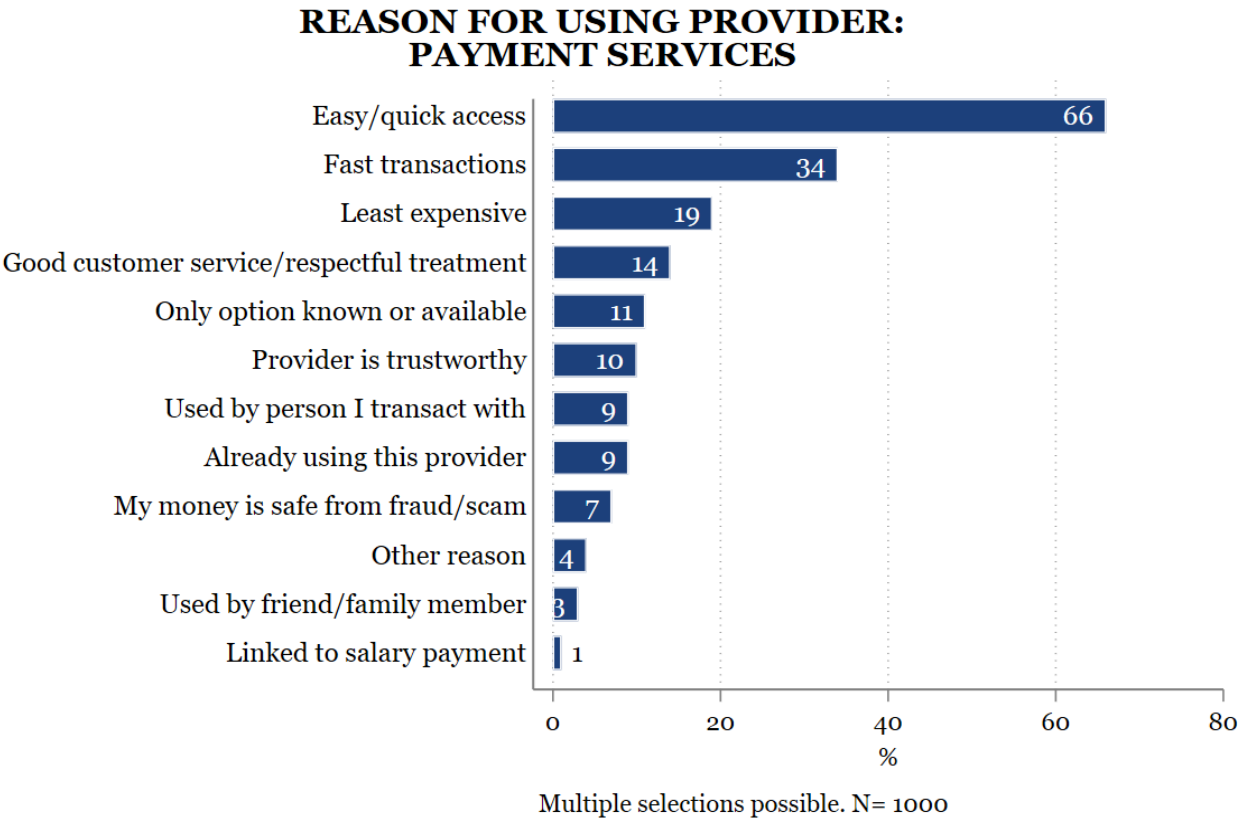


Y-axis shows the Herfindahl–Hirschman Index (HHI). The HHI is a measure of market concentration, calculated by summing the squares of the market shares of all the financial services providers used by respondents in our data within mobile money, mobile banking, and mobile loan services, respectively. Lower values indicate less market concentration and higher values suggesting greater market concentration.

REASON FOR USING PROVIDERS

Expediency is the main driver of payment service provider choice.

66 percent of respondents said they chose to use their most used provider due to easy and quick access, significantly more than mentioned price.

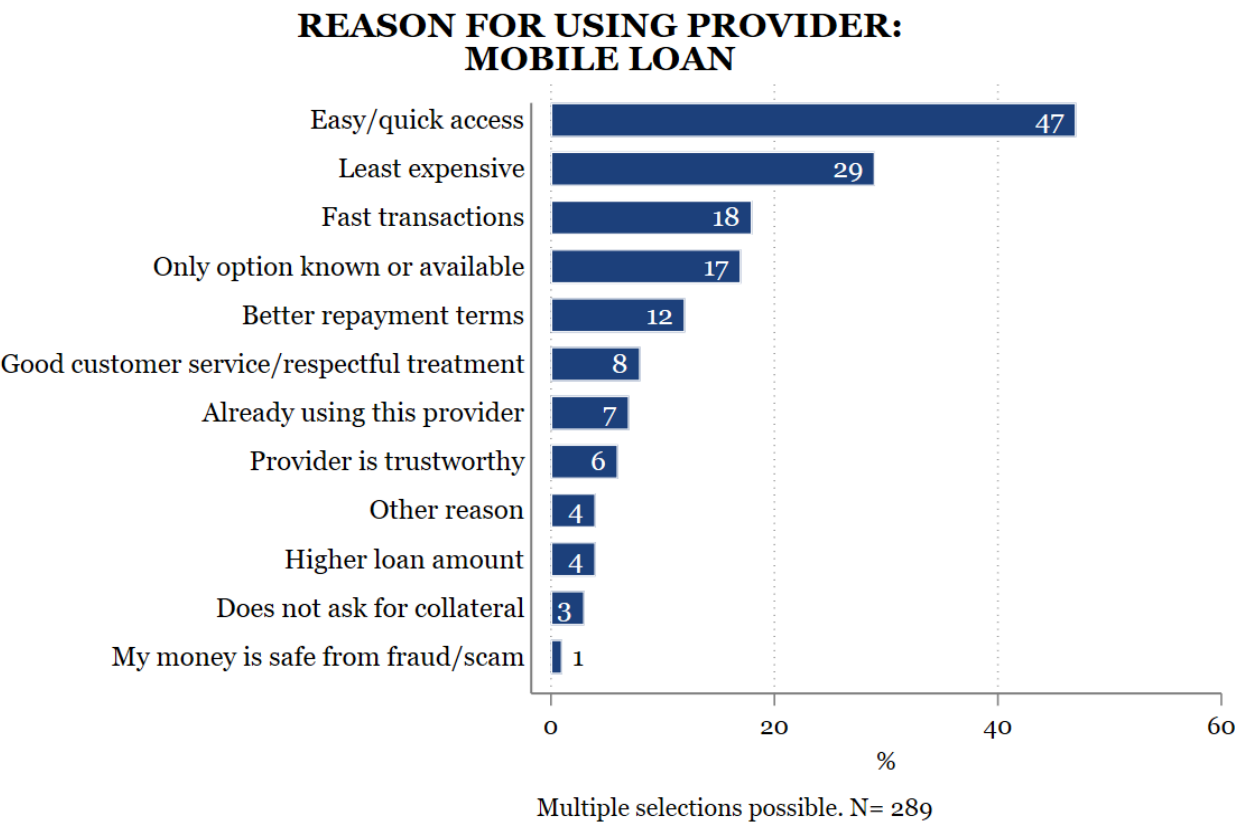


Customer service and trust also play a significant role in provider choice.

Rural consumers and younger adults are more concerned about price, while urban consumer were more likely to cite customer service.

REASON FOR USING PROVIDERS

Similar to payment services, the primary reason for choosing a mobile loan provider was ease of access.

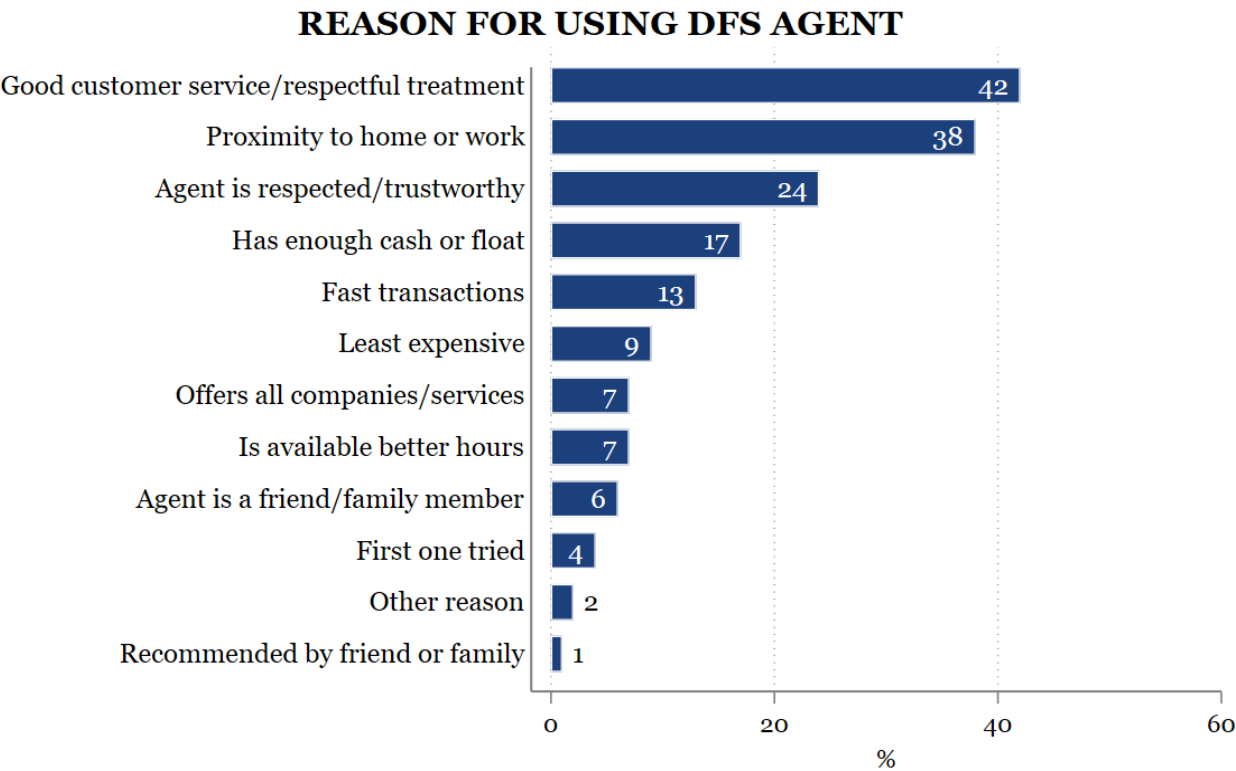


17 percent of respondents cited lack of other options.

Female and less poor respondents were more likely choose providers based on repayment terms.

REASON FOR USING PROVIDERS

Respondents choose agents based on their quality of customer service and proximity.



Multiple selections possible. N= 955.

A quarter of respondents said they chose agents based on trust.

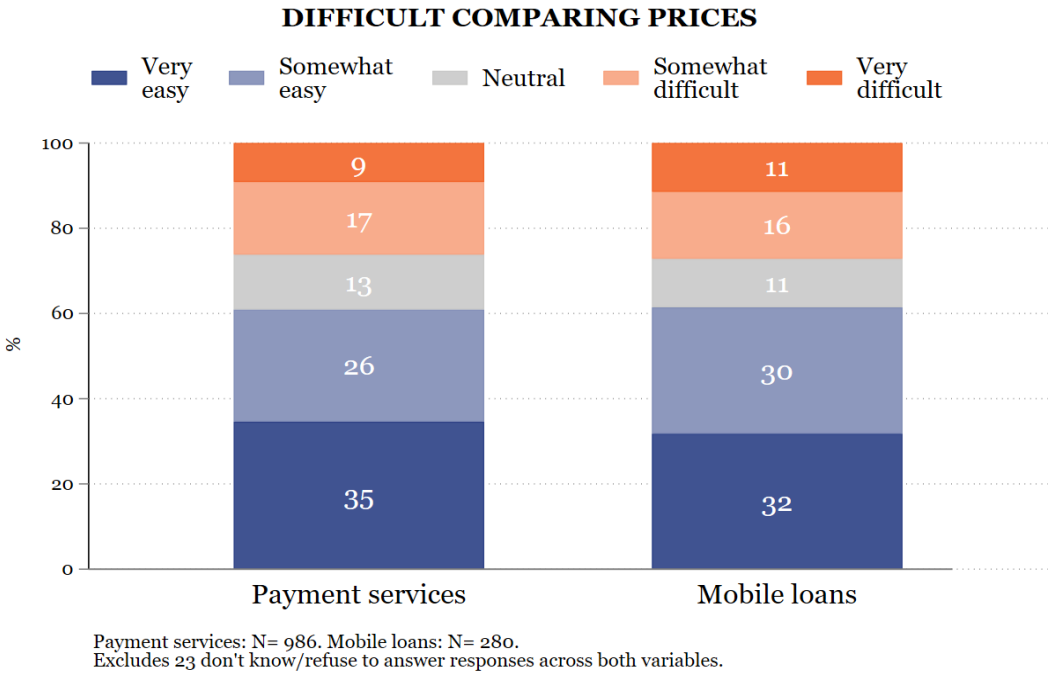
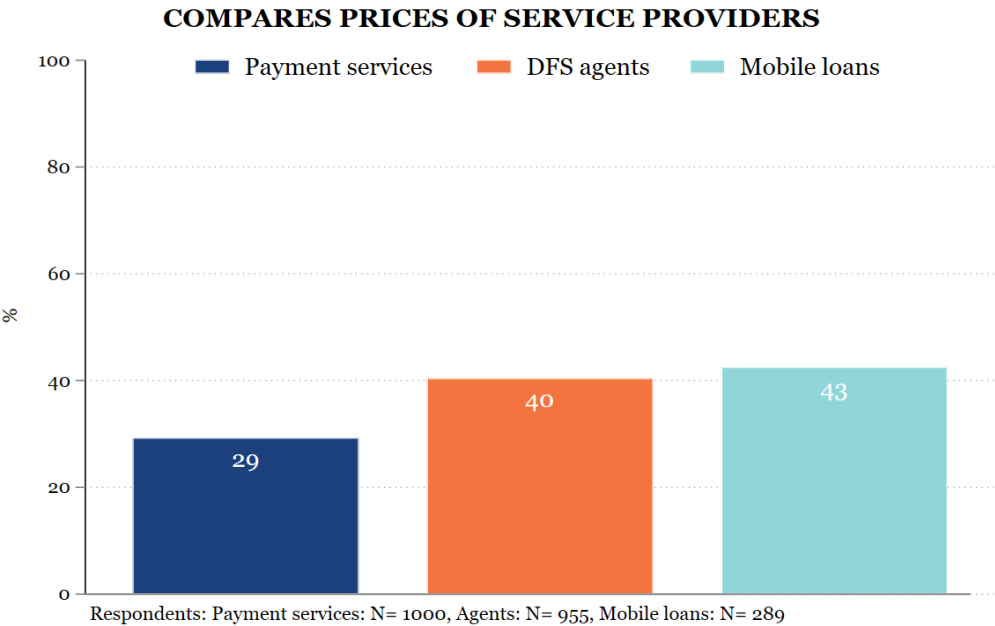
Liquidity was mentioned more often by older adults, lower educated, and rural respondents. Poorer, lower educated and middle-aged consumers were more likely to cite respectful treatment by agents.

PRICE COMPARISON

Relatively few consumers compare prices.

Between 29 and 43 percent compared prices, depending on the service used. Higher educated and less poor consumers were more likely to compare prices and services across different DFS.

However, there are barriers to price comparison: 26 percent of payment services users and 27 percent of loan users said it was somewhat or very difficult to compare prices.

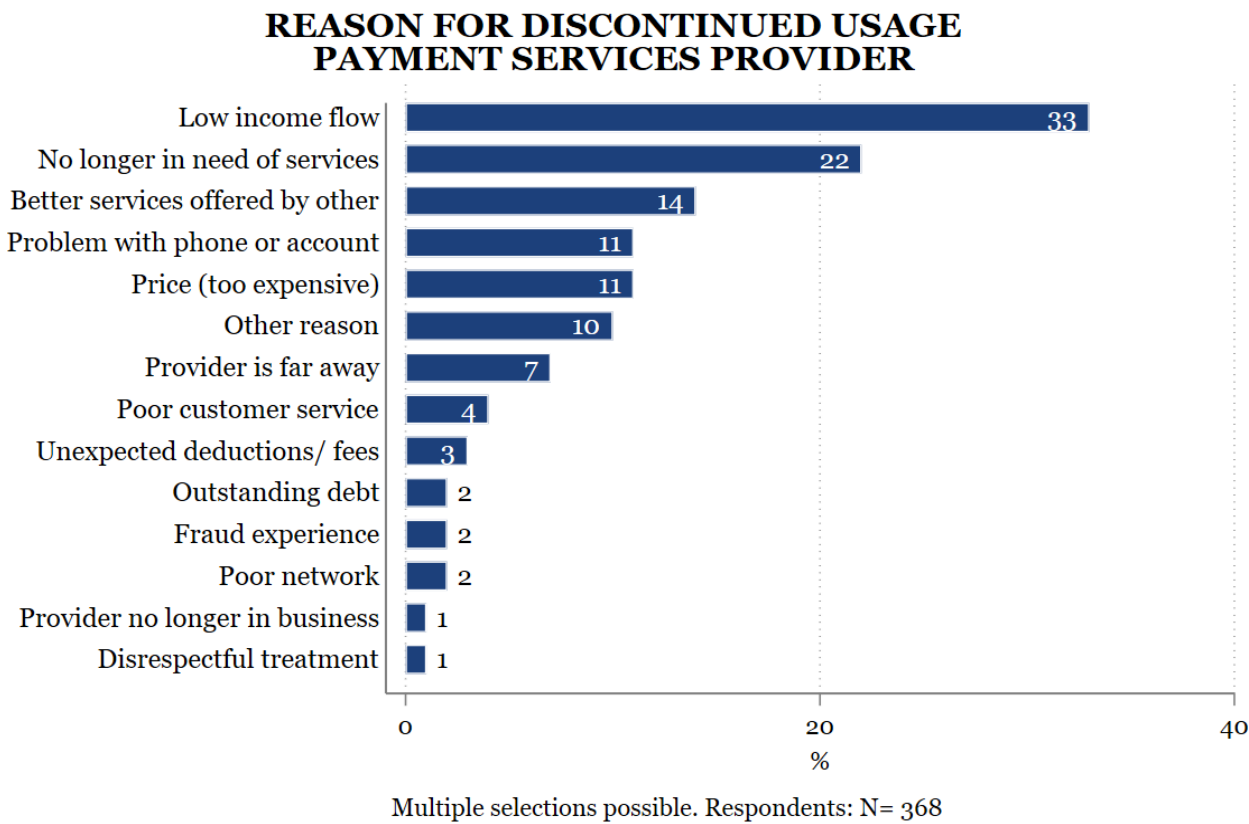




DISCONTINUED USAGE

37 percent of respondents had stopped using a payment service provider in the past.

The most common reason was lack of money to conduct transactions with, and because the service was no longer needed.

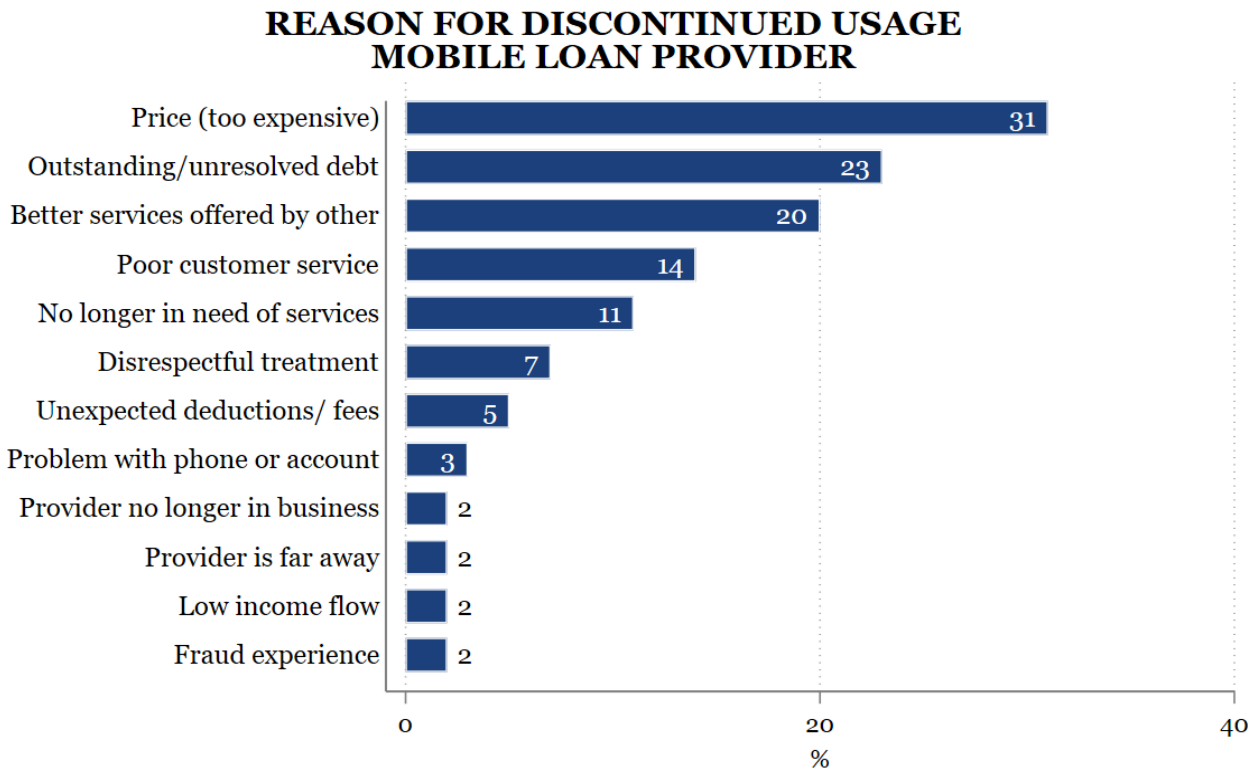


Older adults, male, rural, and less poor consumers were more likely to have stopped using a payment services provider.

DISCONTINUED USAGE

30 percent of respondents had stopped using a mobile loan provider in the past.

Most did so because of cost, or because of unresolved debt.



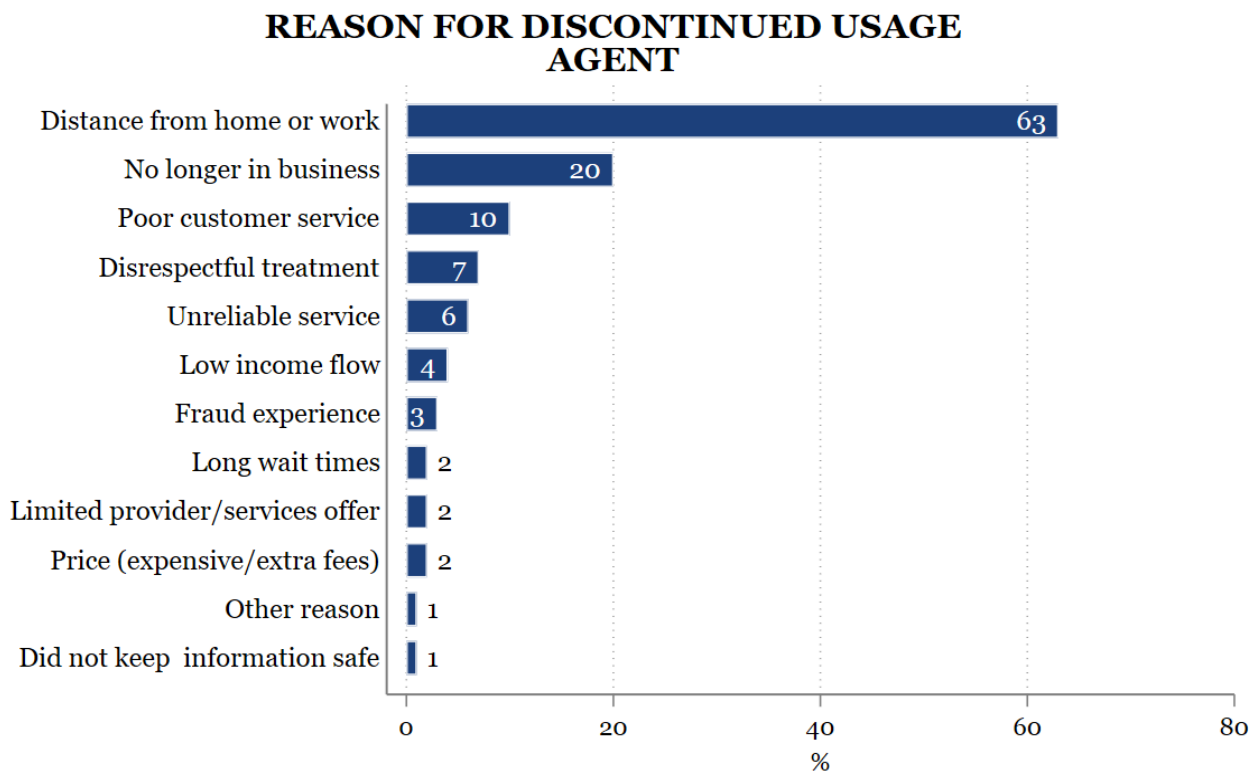
Multiple selections possible. Respondents: N= 87

Rural consumers and older adults were more likely to stop using a mobile loan provider.

DISCONTINUED USAGE

57 percent of respondents had stopped using an agent in the past.

Most switched agents due to distance from their home or workplace. One fifth said their agent had gone out of business.

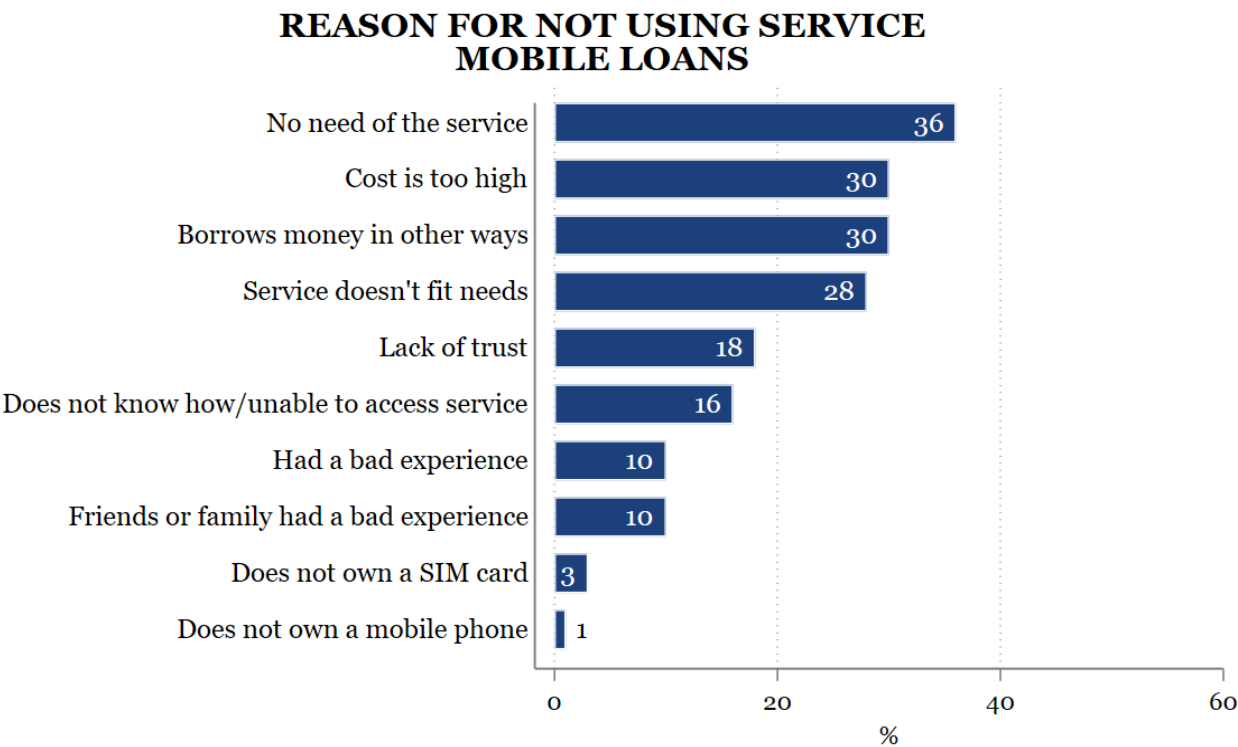


Multiple selections possible. Respondents: N= 543

Urban consumers and younger adults were more likely to cite distance, while rural consumers and older adults mentioned agents going out of business more often.

REASON FOR NOT USING SERVICE

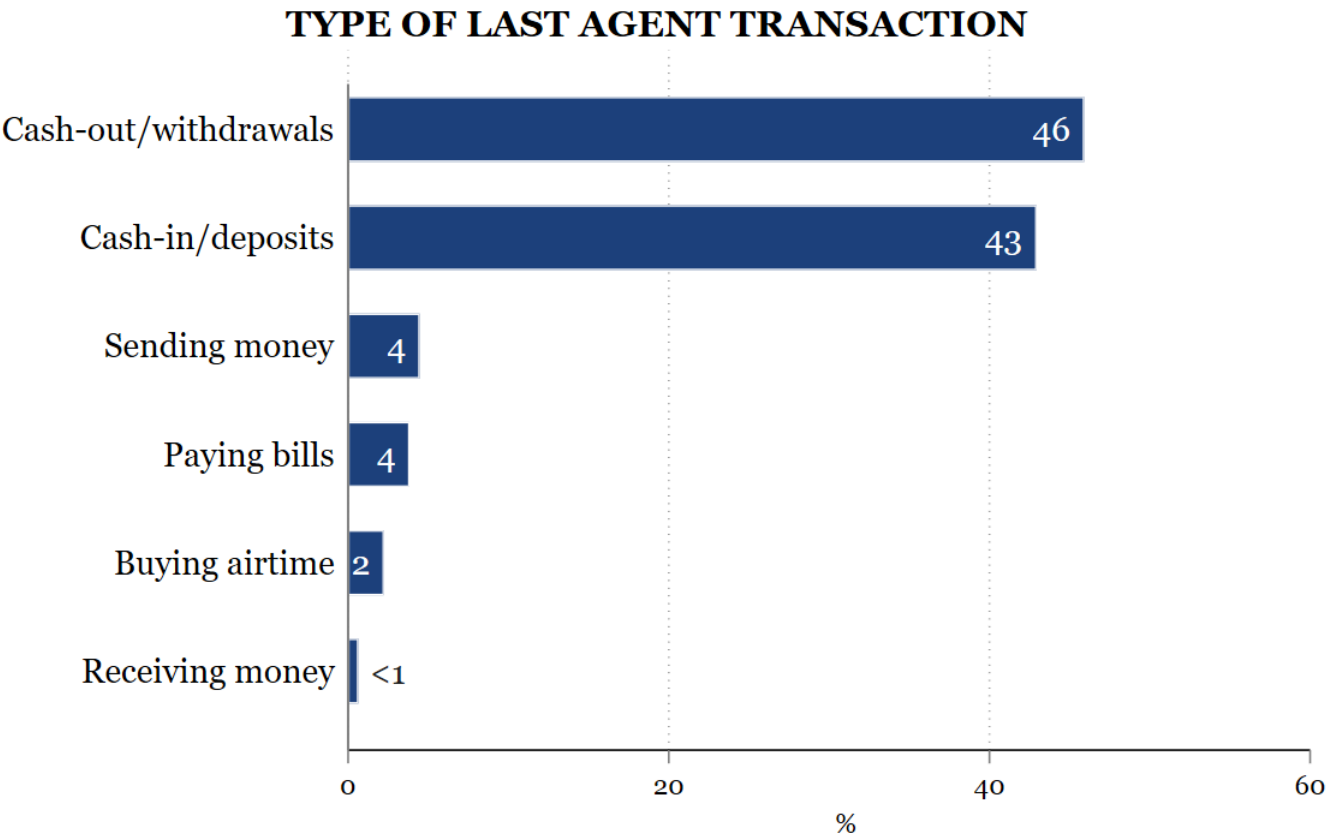
Respondents cited high costs, alternative borrowing options, and lack of need for the service as reasons for not using mobile loans.



Nearly a third said that the service does not fit their needs, and 18 percent cited lack of trust.

Multiple selections possible. Respondents: N= 709.  
Excludes 10 don't know/refuse to answer responses.

DFS users primarily rely on agents for cash-in / cash-out services.

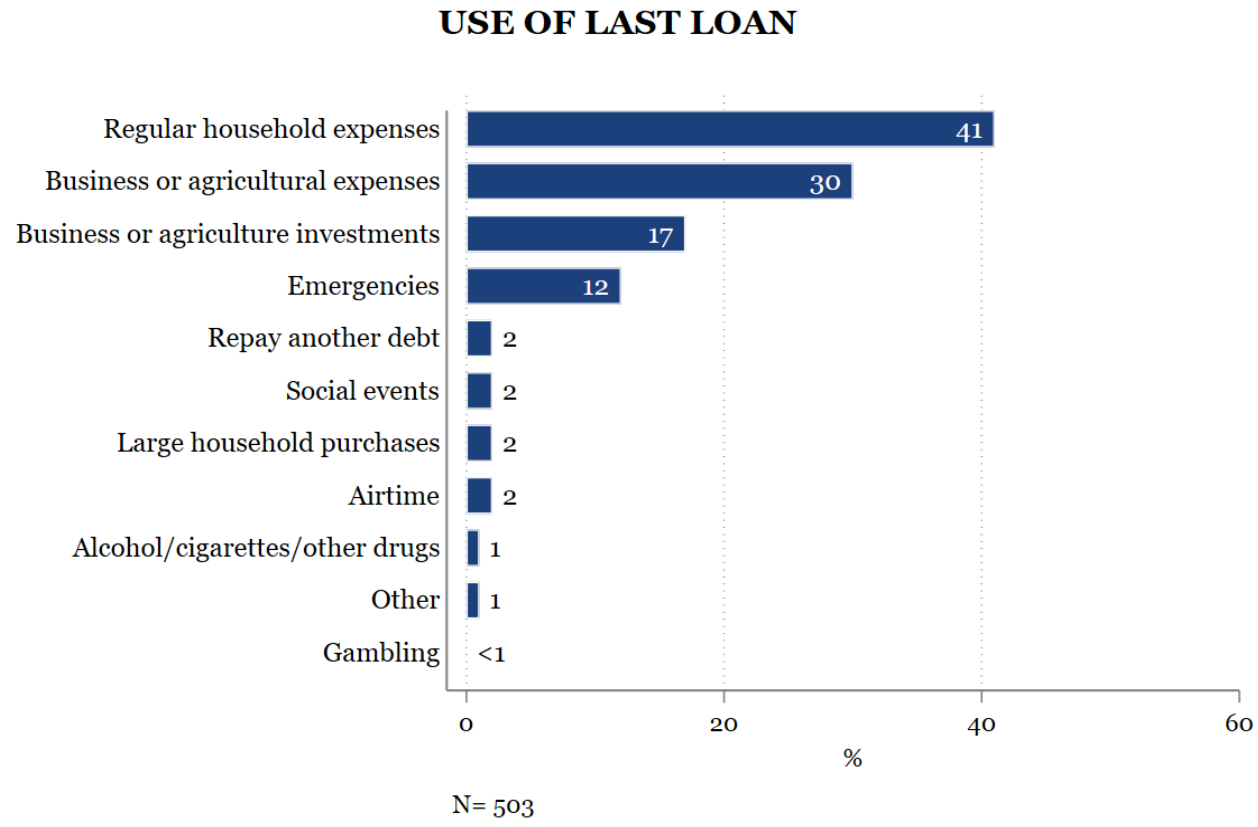


N= 955. Excludes 14 don't know/refuse to answer responses.

LOANS

50 percent of DFS users had borrowed money from any source in the past 12 months.

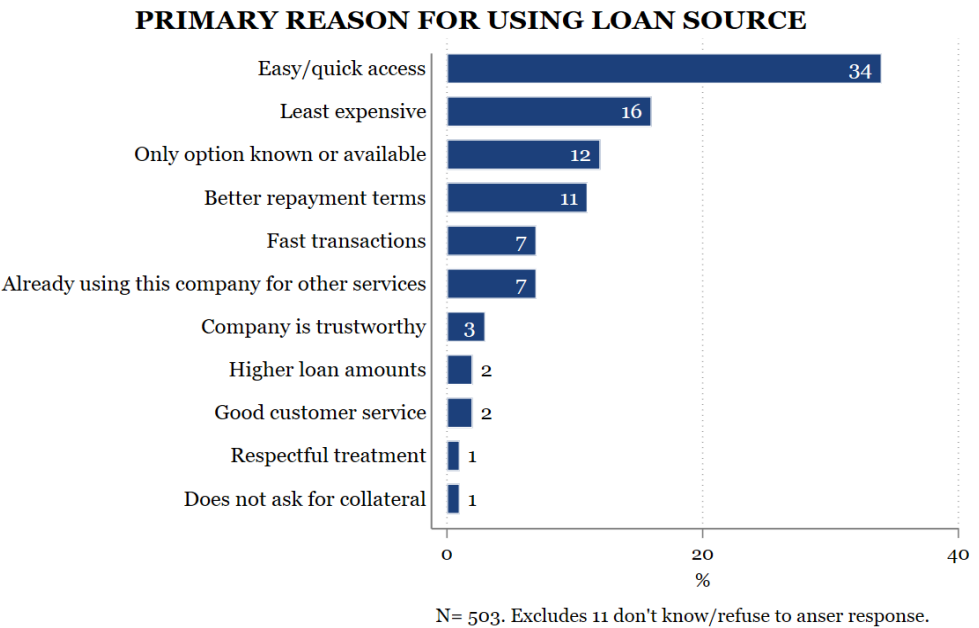
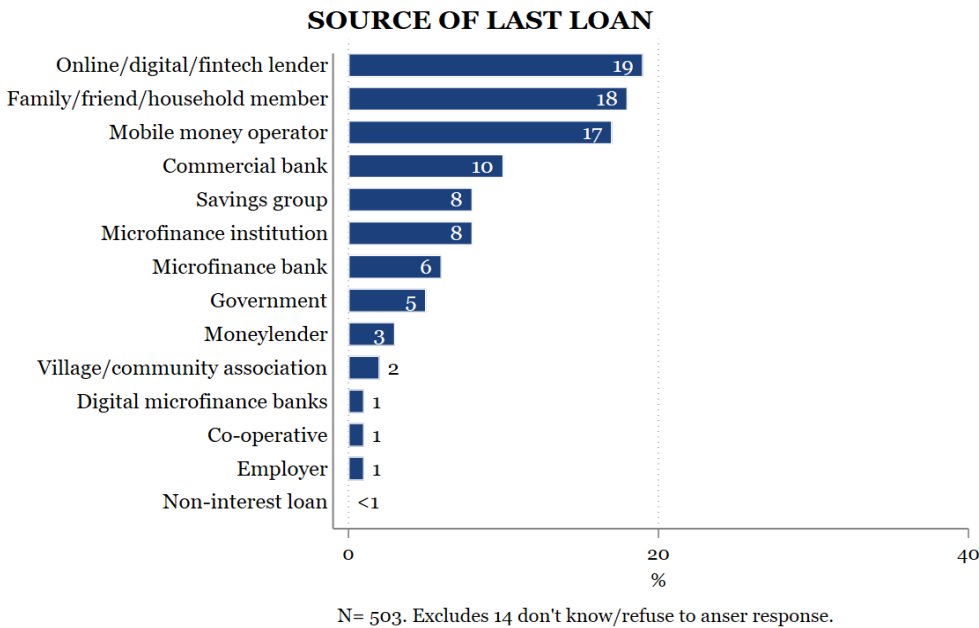
Loans were much more commonly used for regular household or business expenses than investments or emergencies.



LOANS

Nearly one fifth of all borrowing was done through online lenders. A similar share borrowed from their social network.

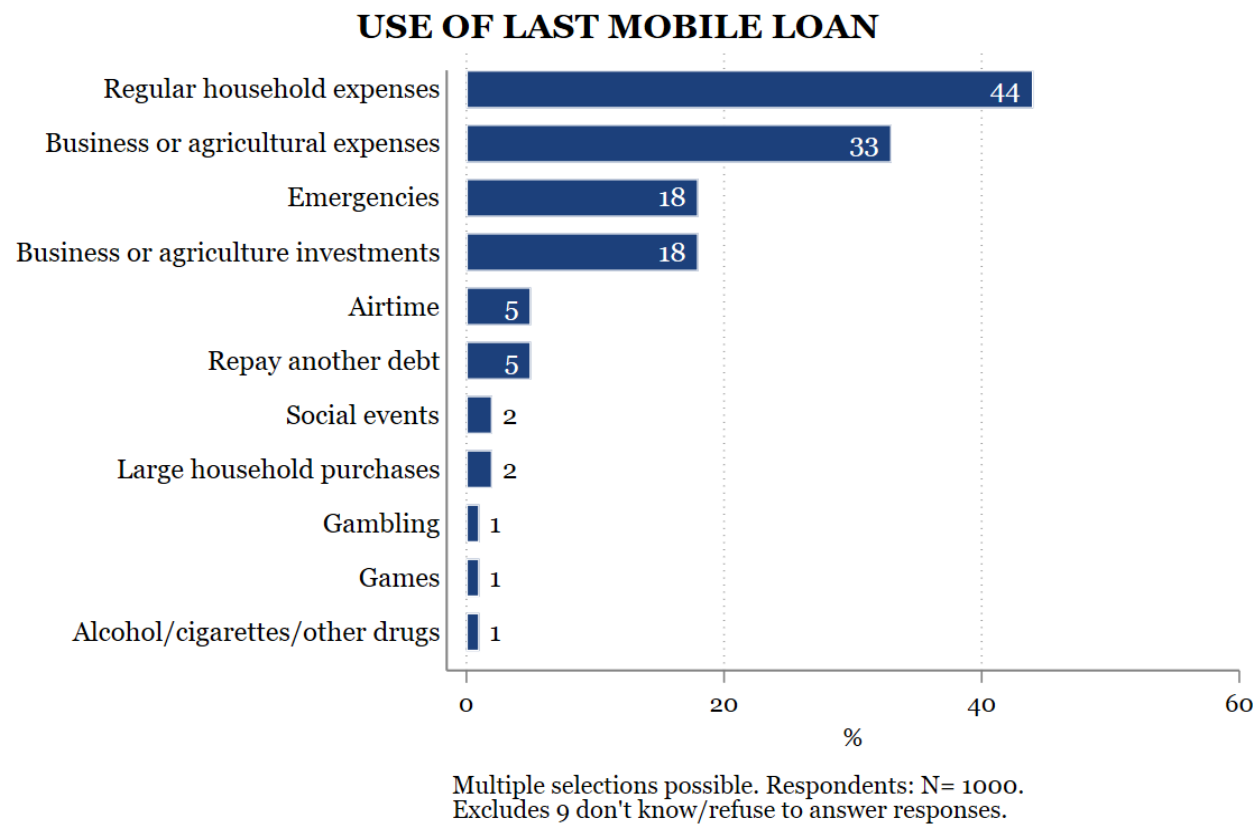
25 percent of most recent loans came from a microfinance or commercial bank.



MOBILE LOANS

Mobile loans are mostly used for routine household and business needs. 18 percent used their last loan for business investments.

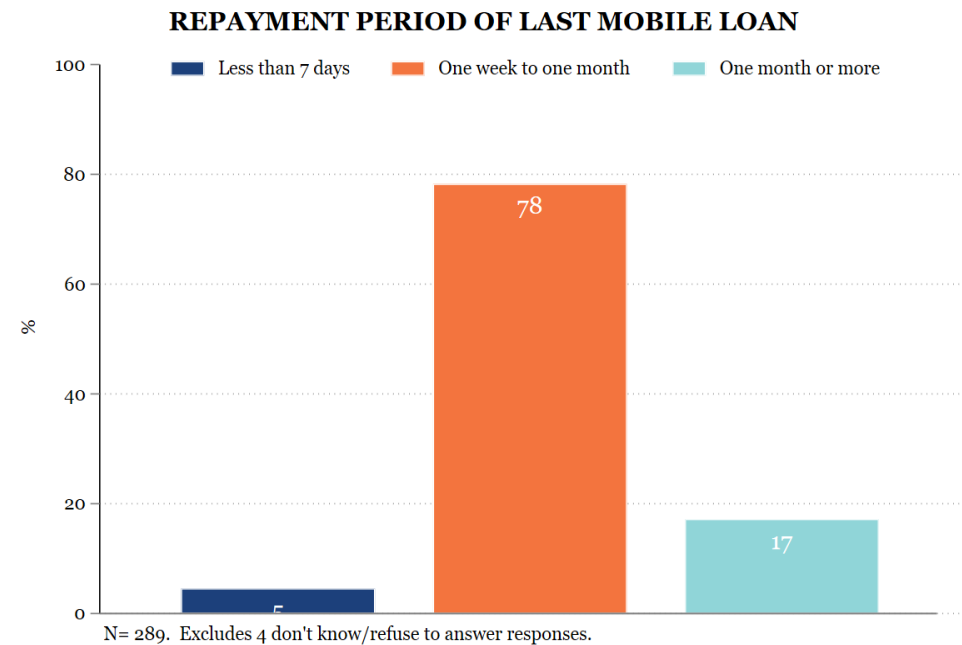
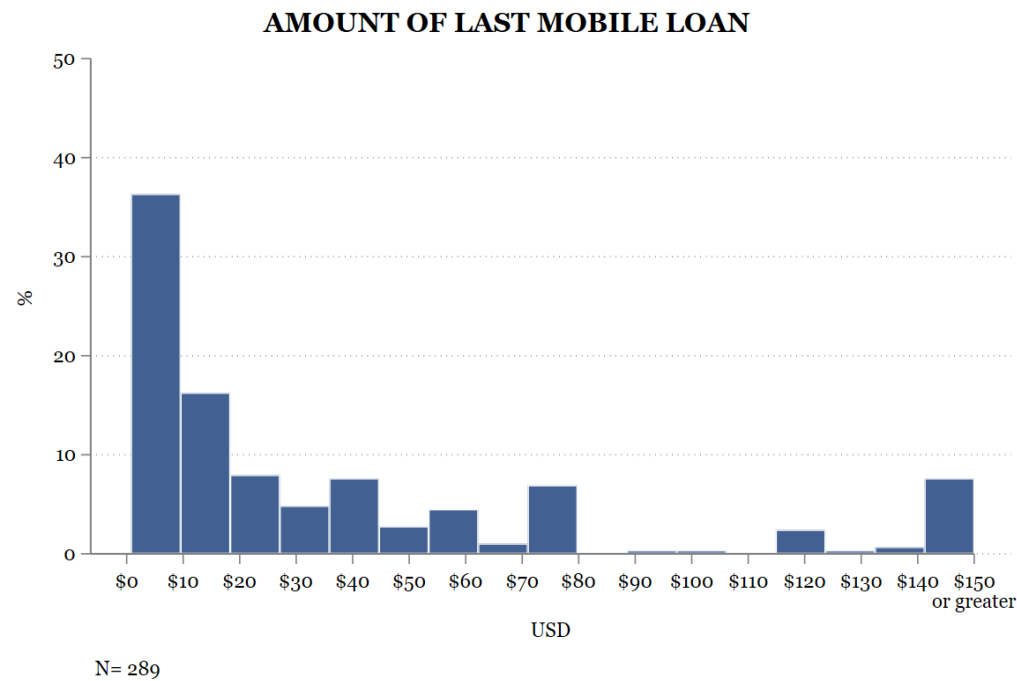
18 percent used it to cover emergency expenses, and 5 percent to repay other debt.





MOBILE LOANS

Mobile loans are typically low value and short tenure.

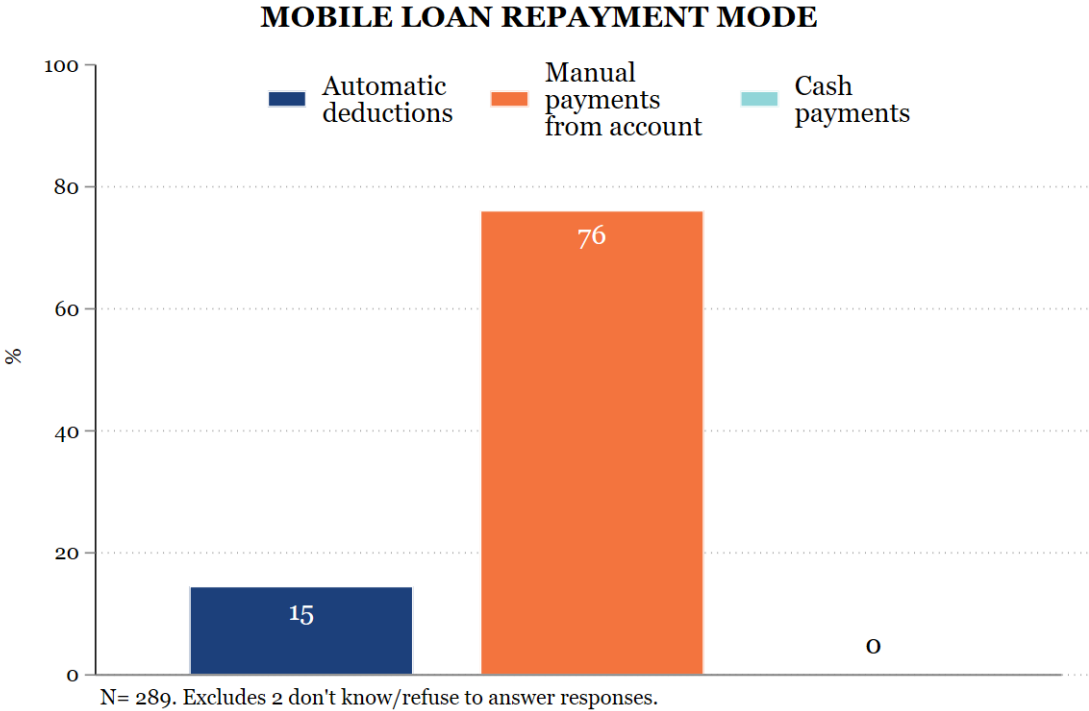


Early repayment is common, but it doesn't usually reduce fees.

**57 percent**  
of loan users repaid their last loan before the due date.

Amongst those that did,

**36 percent**  
reported paying less in fees or interest because of it.



# Challenges and Risks

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59	Fraud
72	Over-indebtedness
79	Challenges with agents
82	Other types of financial loss
86	Service quality challenges
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## Key Findings

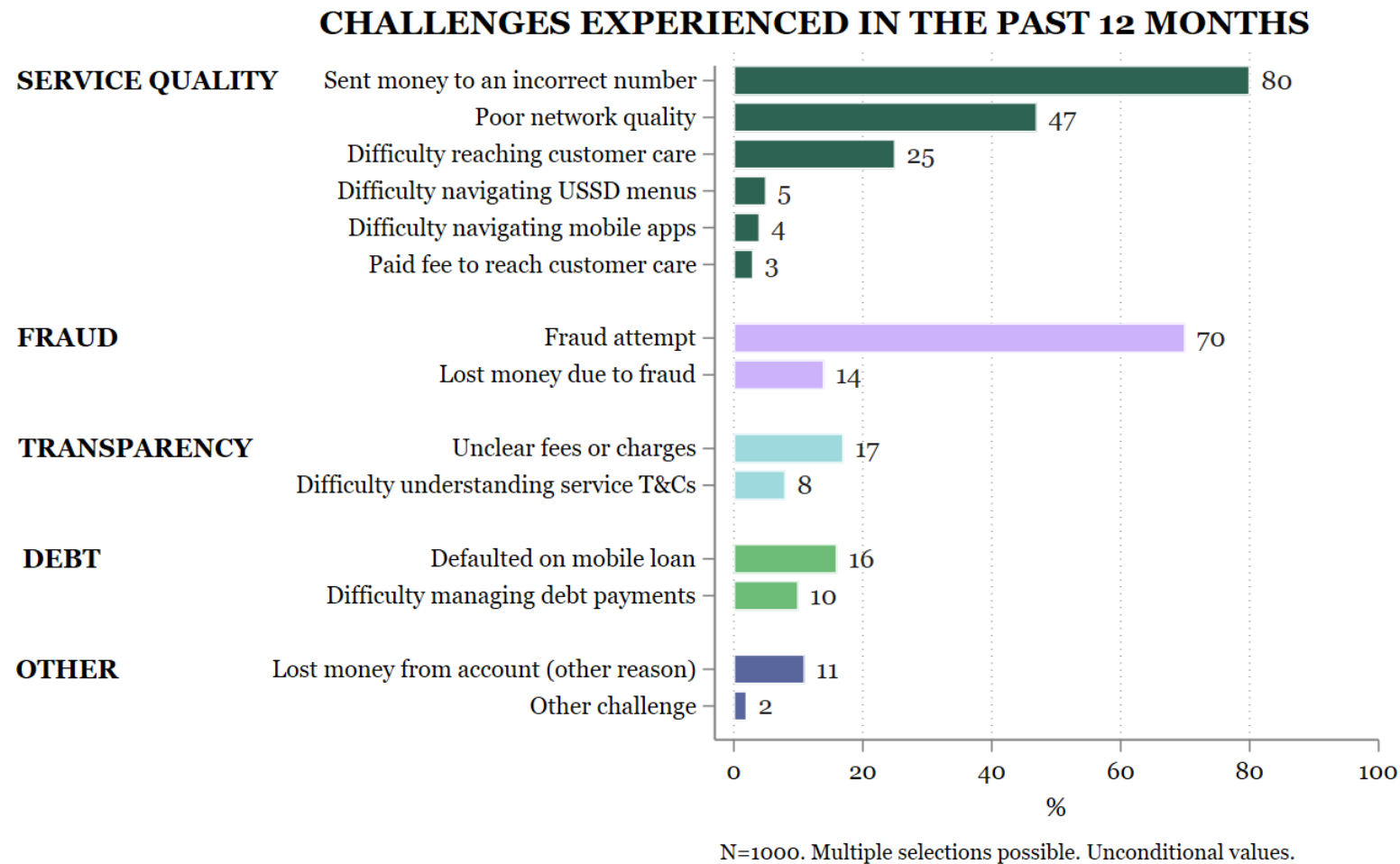
**1. Fraud exposure:** 70 percent of respondents experienced a fraud attempt in the last 12 months (similar to 69 percent in 2021), with 14 percent losing money due to fraud. The median loss was USD 19.

**2. Over-indebtedness:** Among mobile loan users, 55 percent failed to repay a loan on time in the last 12 months, 35 percent regretted taking on debt, and 48 percent reduced food expenditure to repay debt.

**3. Sending money incorrectly:** 80 percent of payment services users had ever sent money to a wrong number, with 68 percent unable to recover the funds.

**4. Service quality issues:** 63 percent experienced any type of service quality challenge in the past 12 months, with 47 percent experiencing poor network quality and 25 percent struggling to reach customer care when needed.

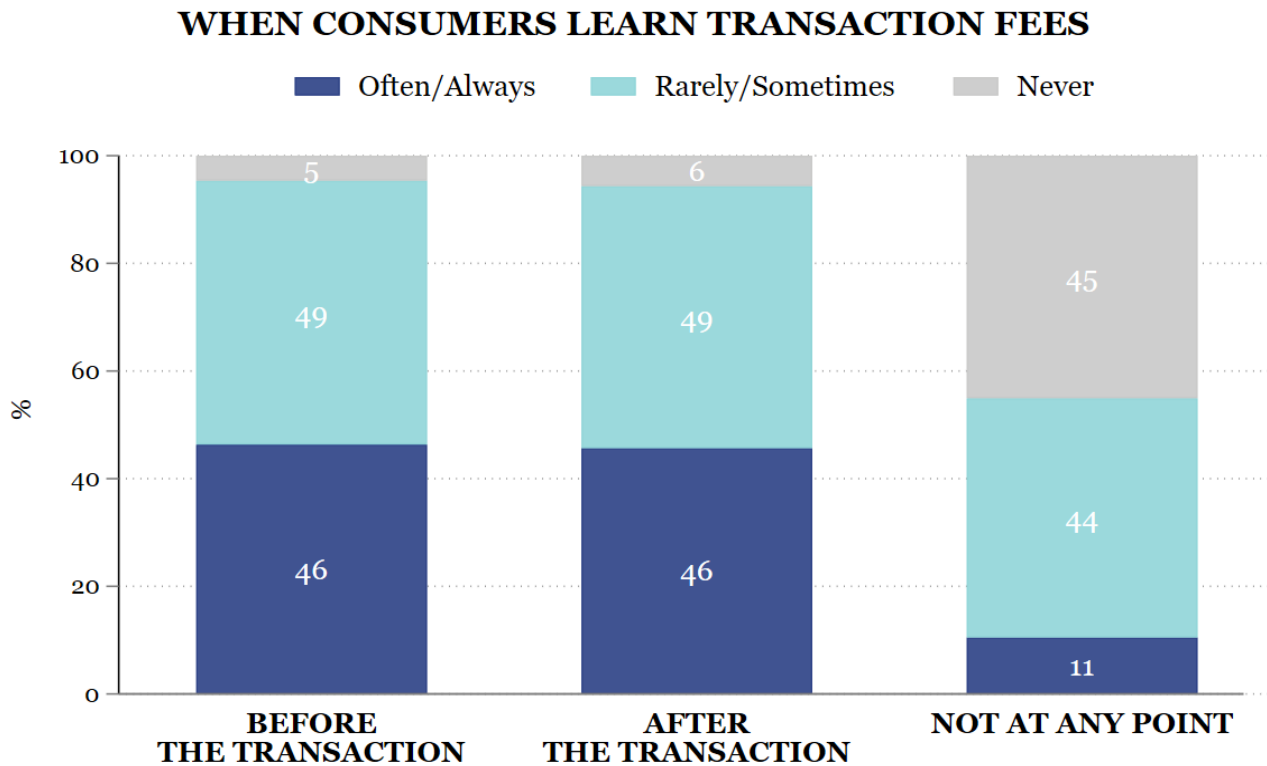
# Challenges experienced in the past 12 months.



LACK OF PRICE TRANSPARENCY

Less than half of respondents consistently knew fees before completing transactions.

11 percent said they did not learn prices at any point.

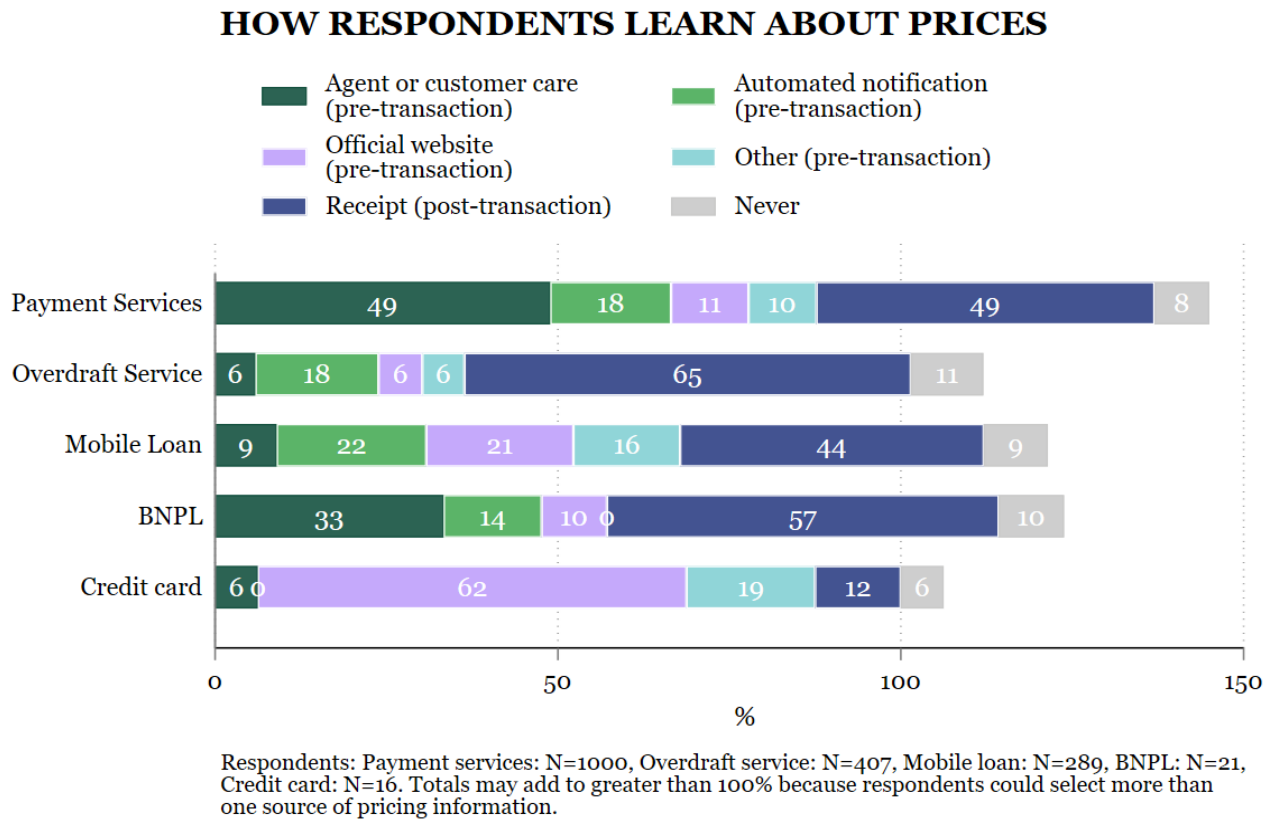


N= 1000. Excludes 8 don't know/refuse to answer responses.

LACK OF PRICE TRANSPARENCY

Most respondents learned about prices at agent locations or from receipts after the transaction had been completed.

Unlike other products, credit card prices tended to be found online.

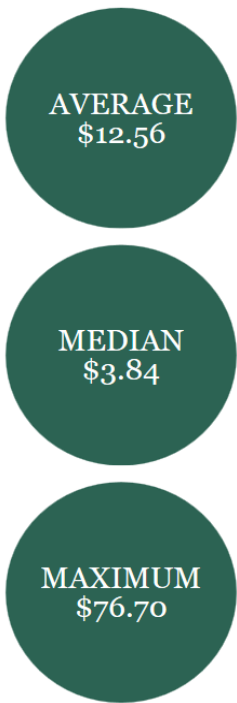


UNCLEAR FEES

In our sample, 17 percent of respondents had experienced a fee or deduction on their account that they did not understand at first.

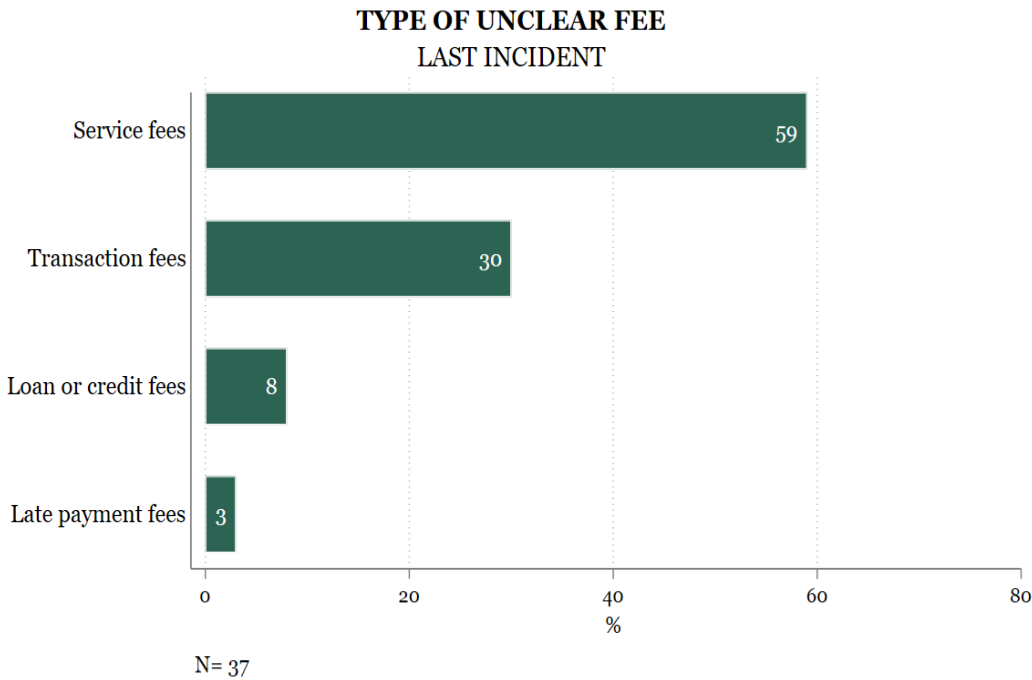
16 percent had experienced such a fee in the past 12 months. This is an increase from 11 percent in 2021.

AMOUNT PAID IN UNCLEAR FEES  
LAST 12 MONTHS



N= 171

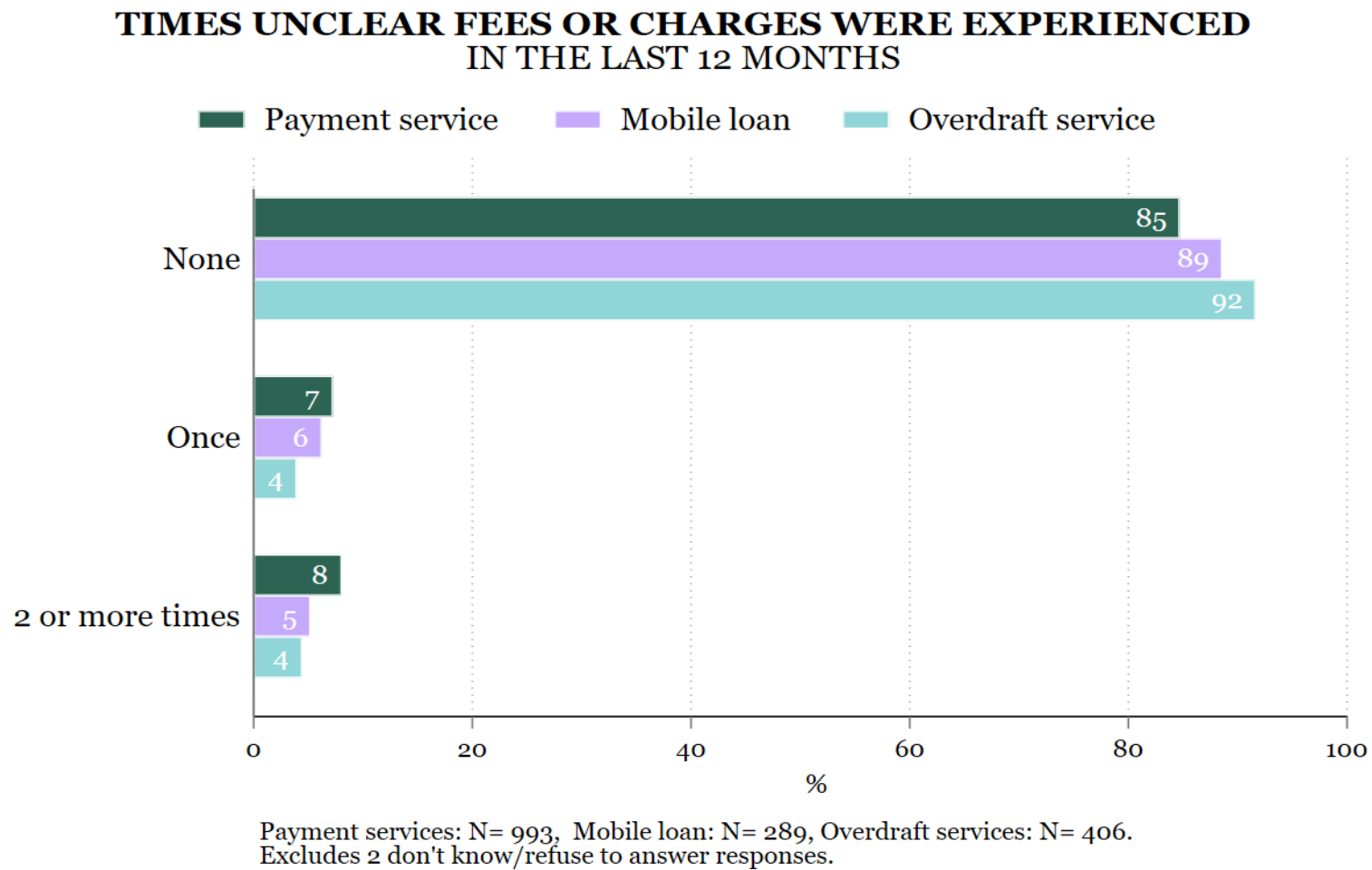
Among consumers who later identified a provider fee as the cause of an unclear deduction, service fees were the most common type.





UNCLEAR FEES

Users of payment services reported more frequent incidents of unclear fees compared to other types of DFS.

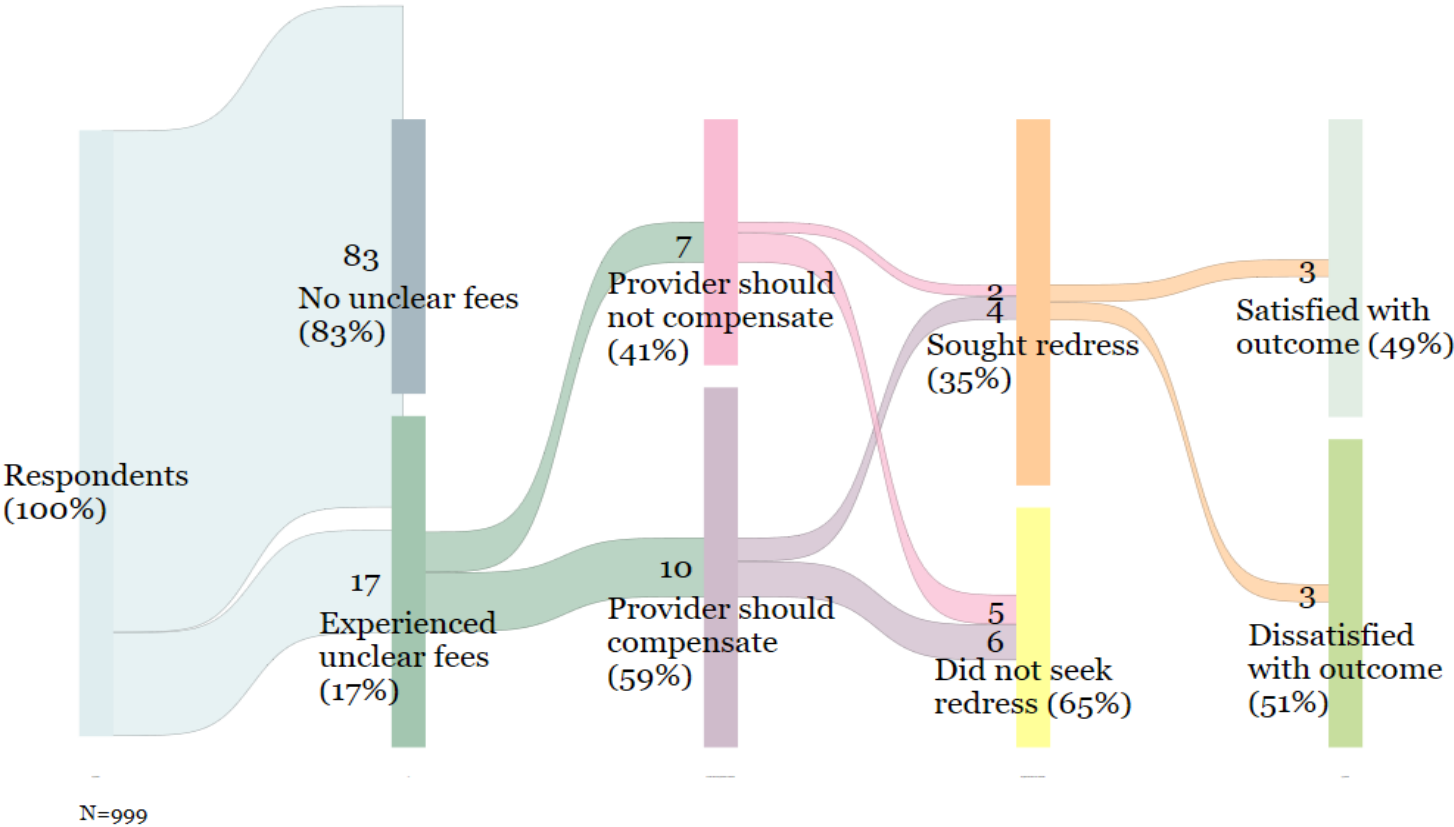


UNCLEAR FEES

Few consumers seek formal redress for issues involving unclear fees.

Even though 35 percent believed that this charge was not allowed under their account's rules.

REDRESS: UNCLEAR FEES



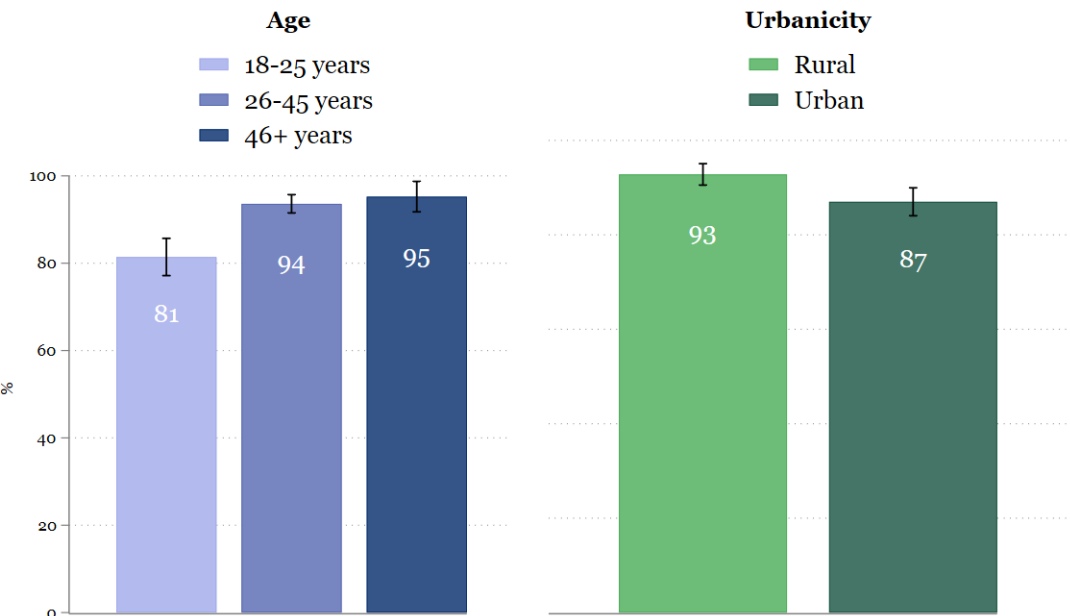
A third of consumers never found out the cause of the unclear fee.

ATTEMPTED FRAUD

The vast majority of respondents had experienced a fraud attempt.

90 percent said they had been contacted by someone attempting to deceive them into sharing personal financial information or authorizing a transaction, and 70 percent said that it had happened in the past 12 months.

EVER EXPERIENCED A FRAUD ATTEMPT



N= 1000. 95% confidence intervals shown.  
Graphs produced only when consumer segments differed at the 5% significance level.

Rural consumers and older adults reported higher incidents of fraud attempts.

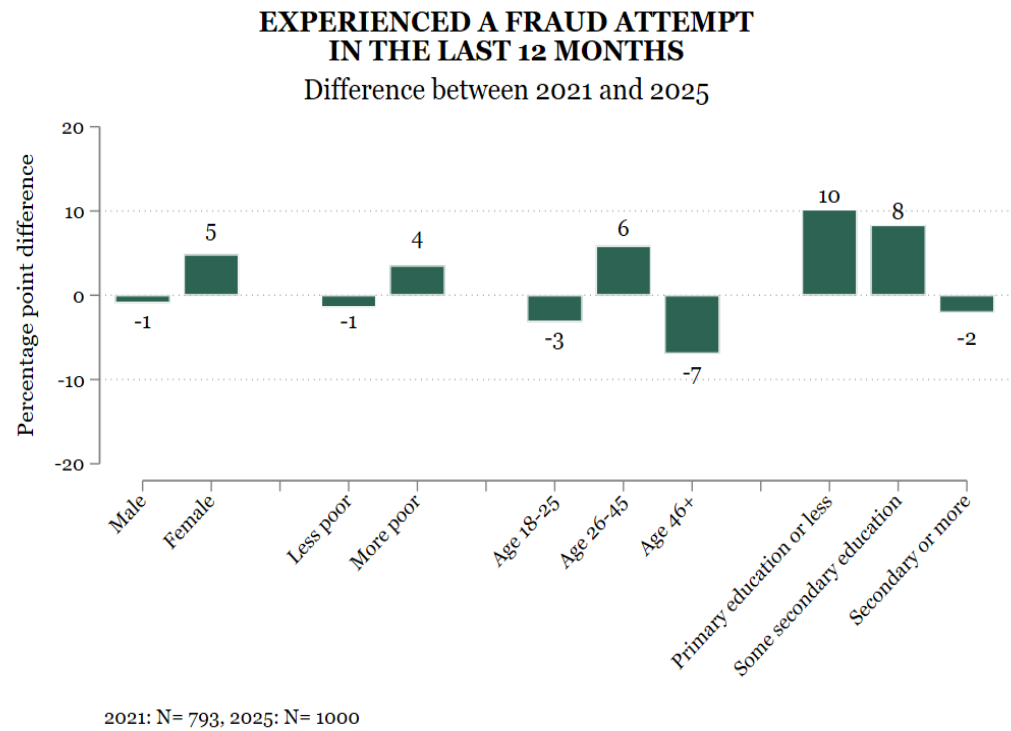
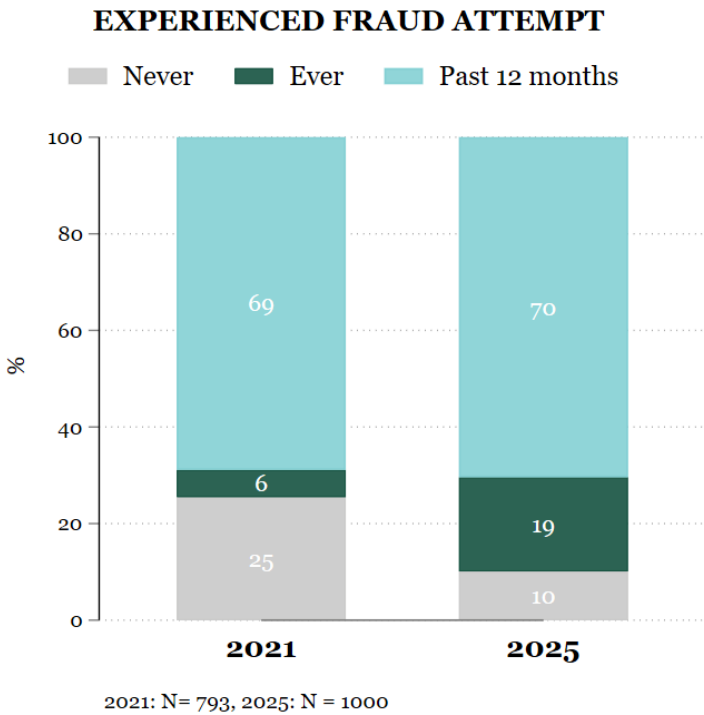
We did not observe any significant differences in reported fraud attempts by gender, education level, poverty, or financial literacy.

ATTEMPTED FRAUD

The prevalance of fraud attempts is almost the same as it was in 2021.

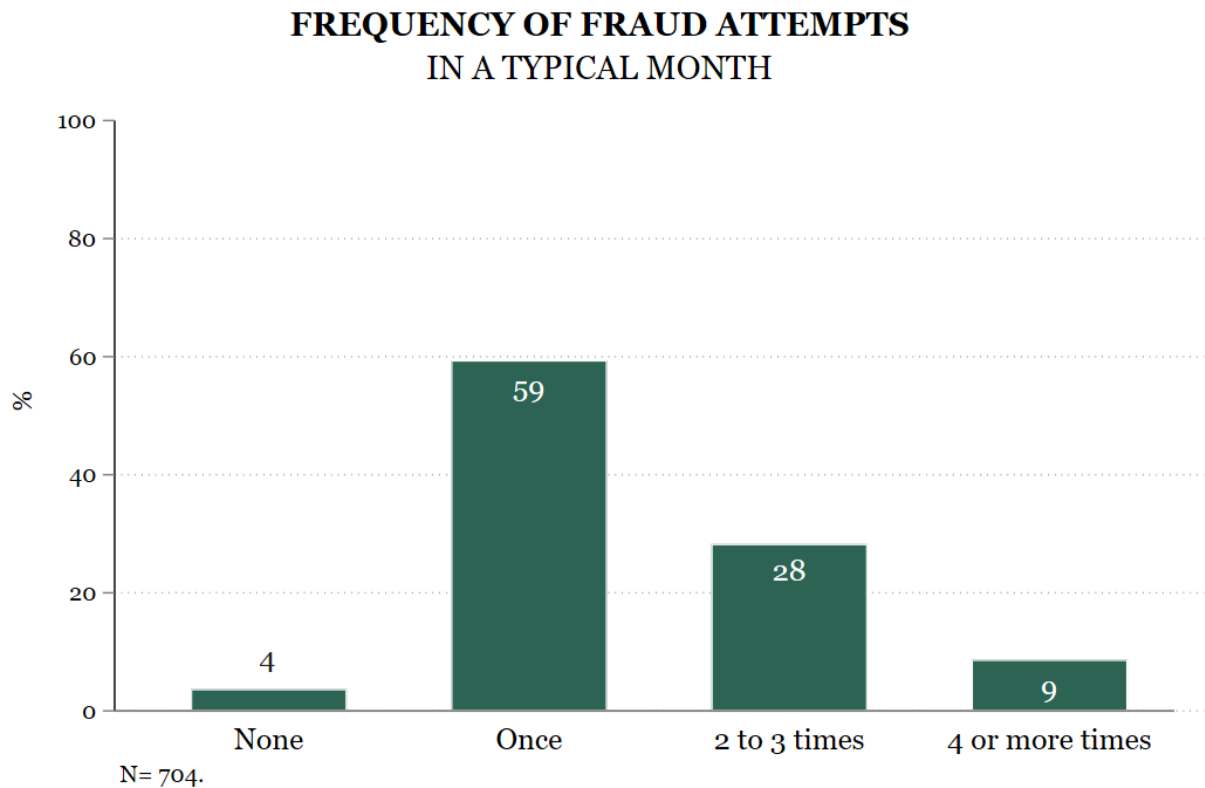
In 2021, 69 percent of surveyed DFS consumers said they had experienced a fraud attempt in the last 12 months, similar to the 70 percent in 2025.

Female, more poor, middle-aged, and less educated respondents reported higher rates compared to 2021.



ATTEMPTED FRAUD

Fraud attempts happen once in a typical month.

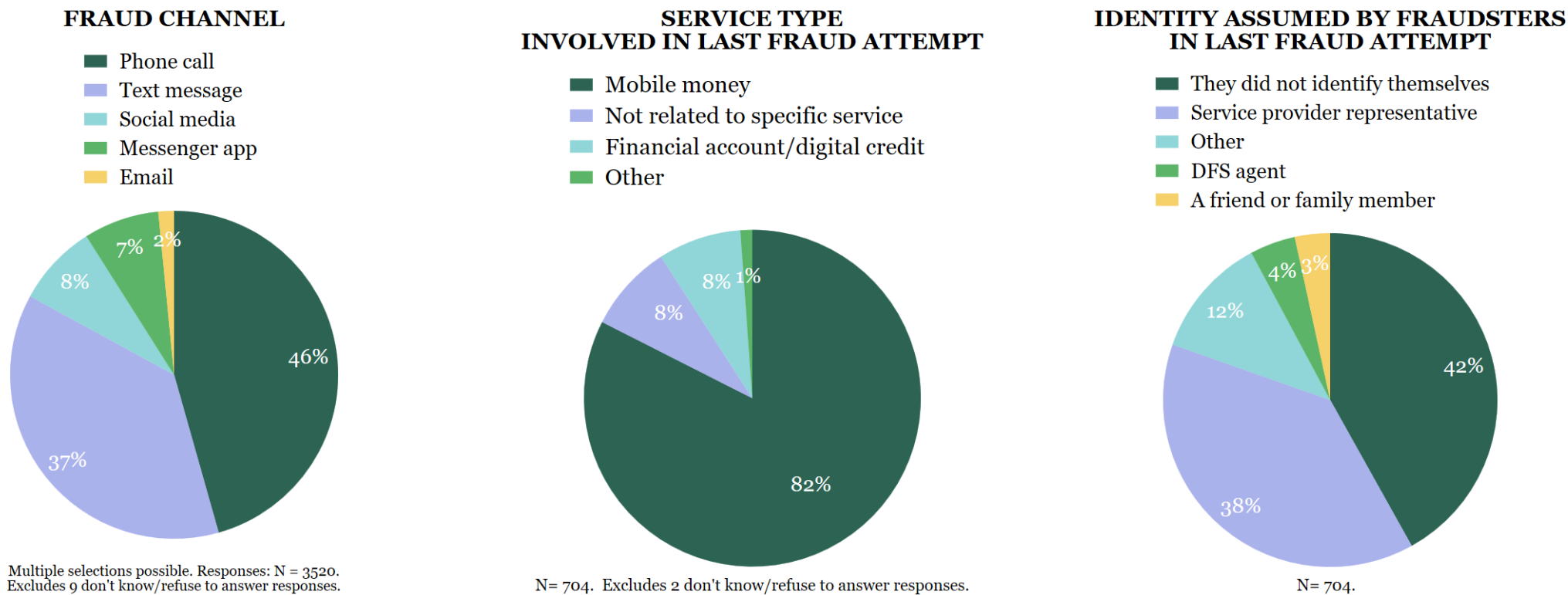


**37 percent**  
of respondents were typically targeted  
more than once a month.

Male respondents and older adults were  
significantly more likely to experience  
fraud attempts more than once a month.

ATTEMPTED FRAUD

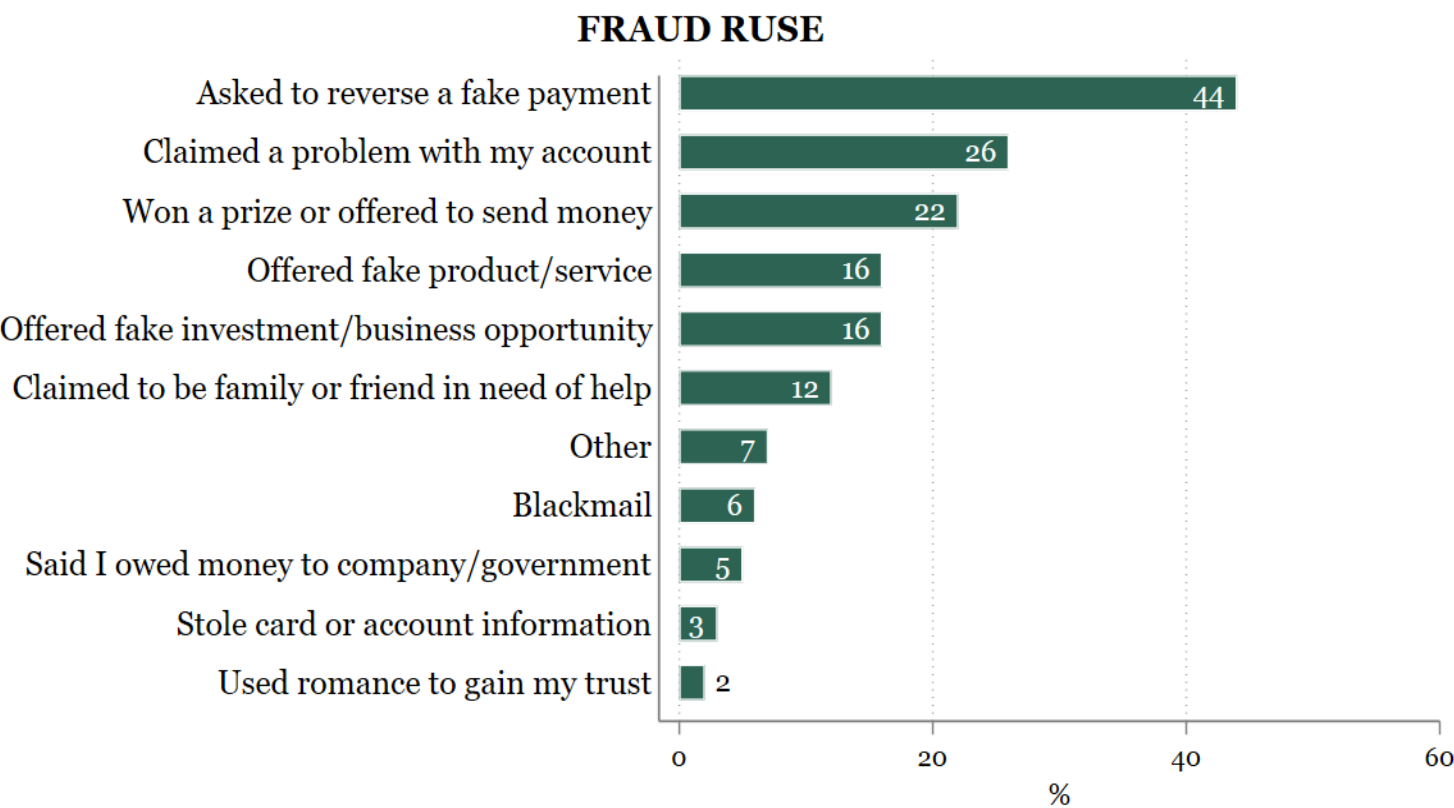
Most fraud attempts occur by phone or SMS, and many fraudsters pose as FSP representatives.



All graphs refer to the last fraud attempt experienced, except for fraud channel which due to a survey error refers to fraud attempts experienced in the last 12 months, and allows for multiple selections.

ATTEMPTED FRAUD

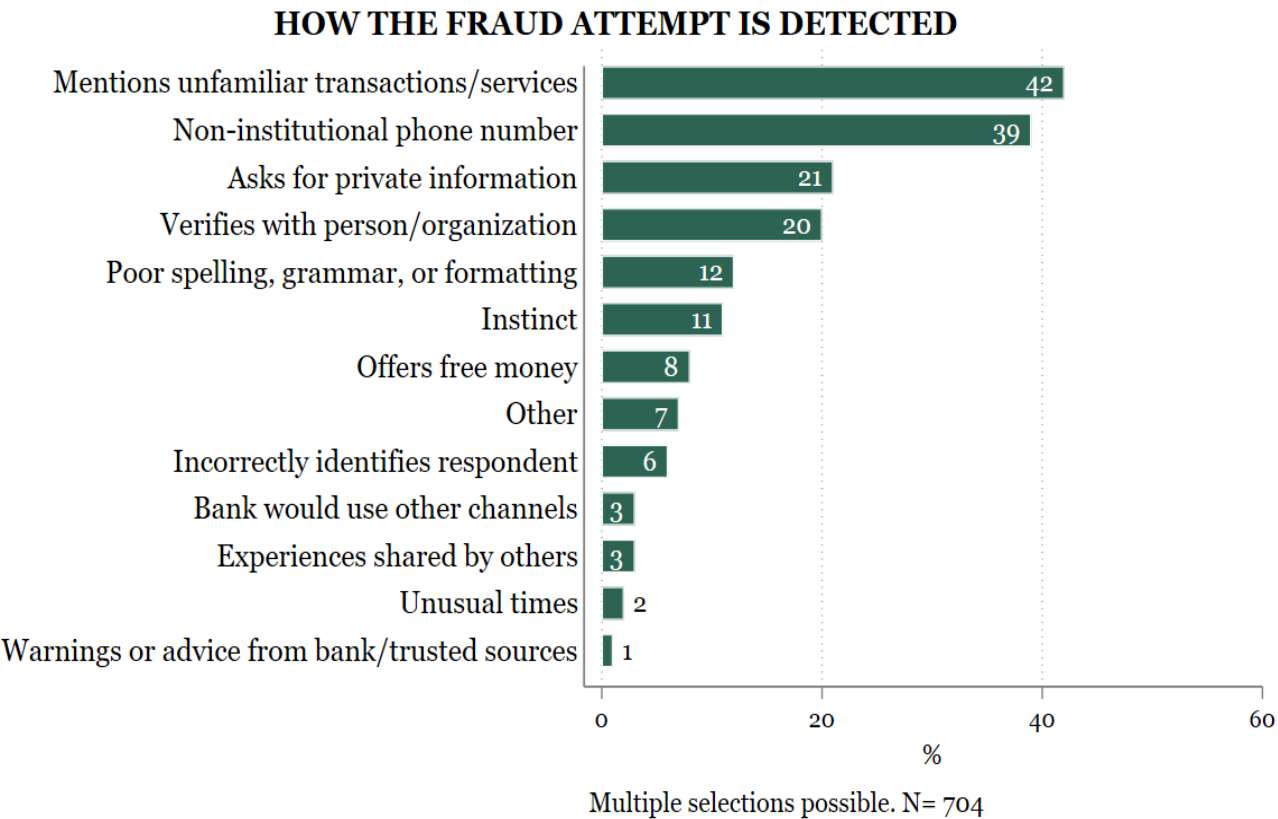
Fraudsters most commonly try to trick respondents into reversing a payment, or claim there is a problem with their account.



Multiple selections possible. N= 704.  
Excludes 21 don't know/refuse to answer responses.

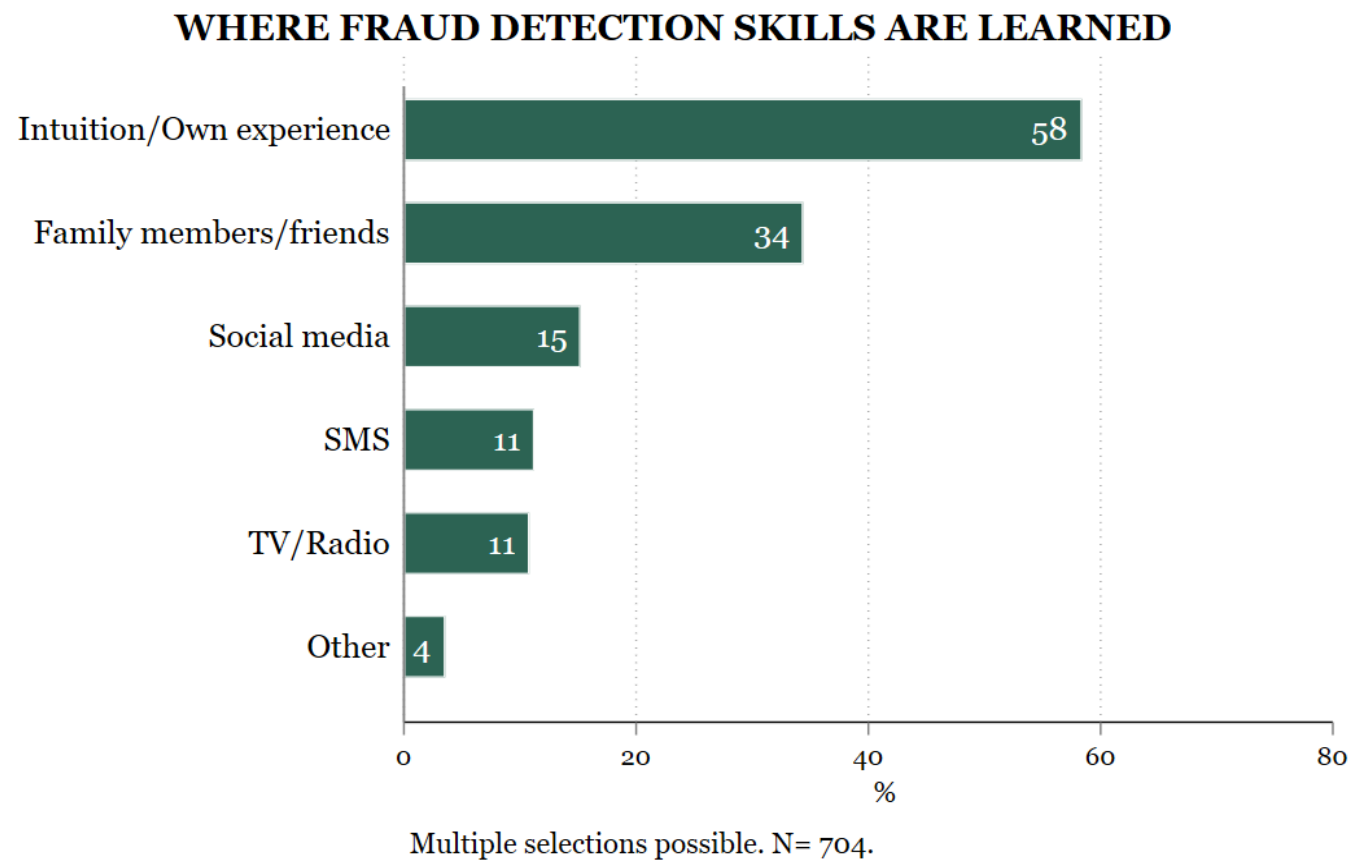
ATTEMPTED FRAUD

Around 40 percent of respondents report that they identified scams by two common suspicious behaviors: references to unfamiliar transactions, and calls from non-institutional numbers.

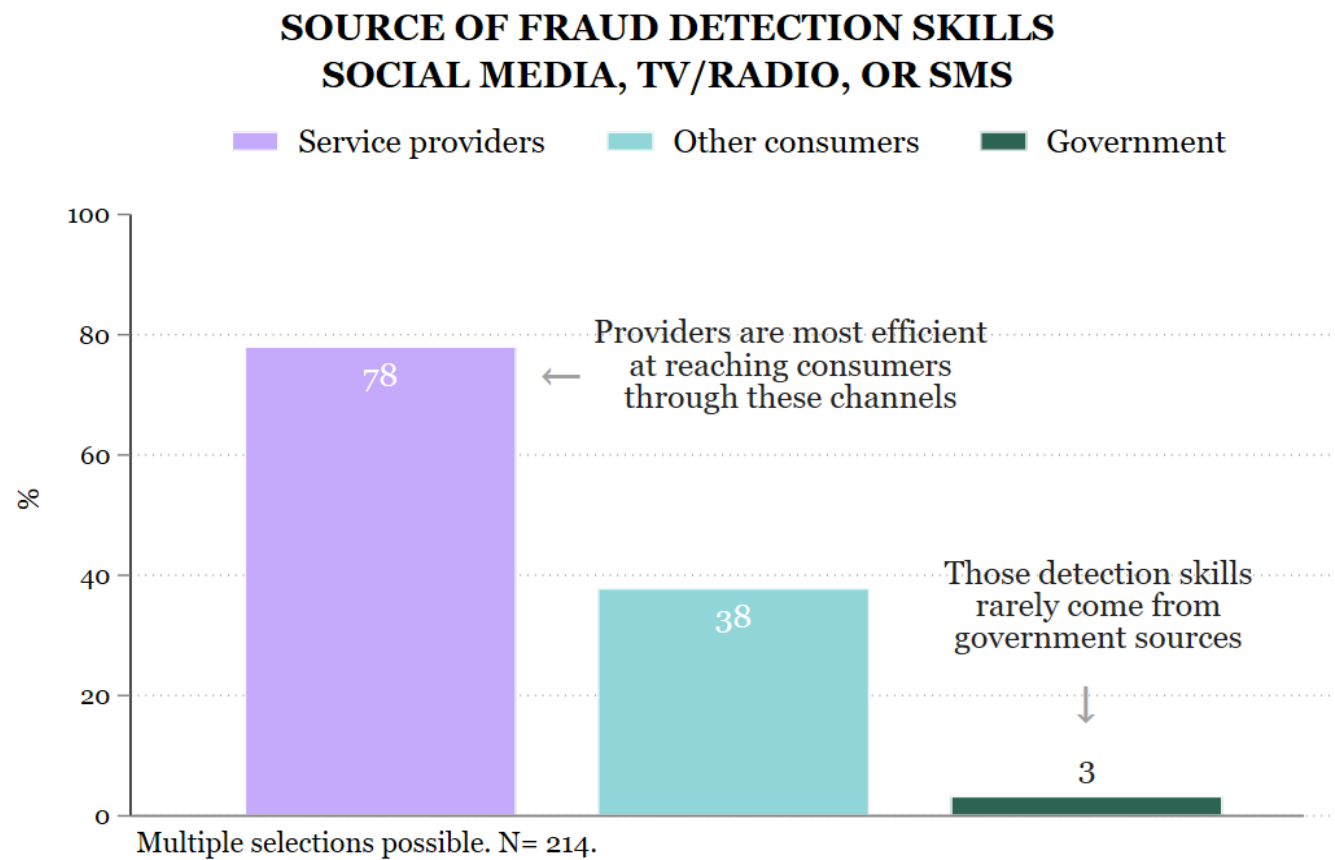




Respondents often learn to detect scams based on own experiences or those of their social network.



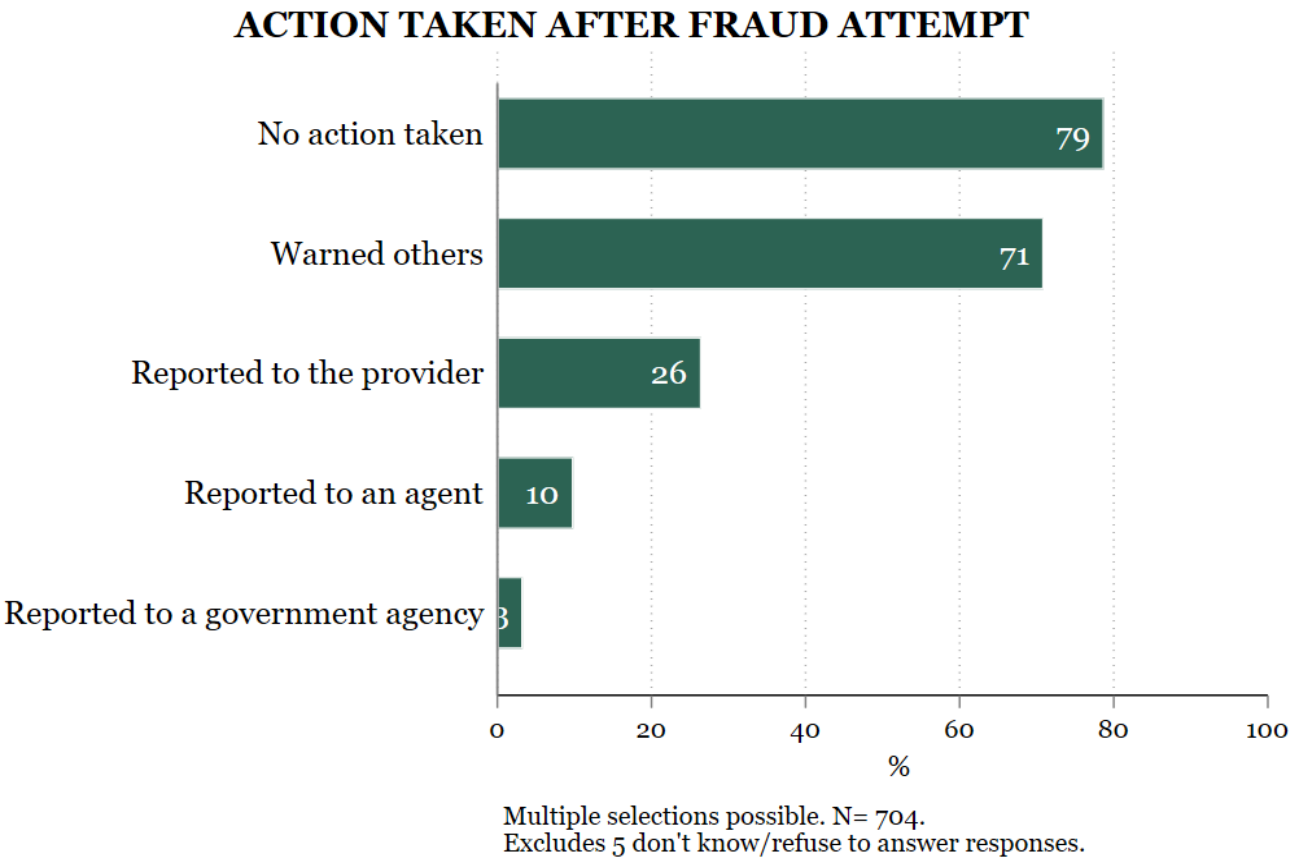
When fraud detection skills are learned through social media, TV, radio, or SMS, the source is by far most often service providers.



ATTEMPTED FRAUD

Only 32 percent formally reported the last fraud attempt they experienced.

The majority of respondents warned friends and family. 79 percent took no action at all.

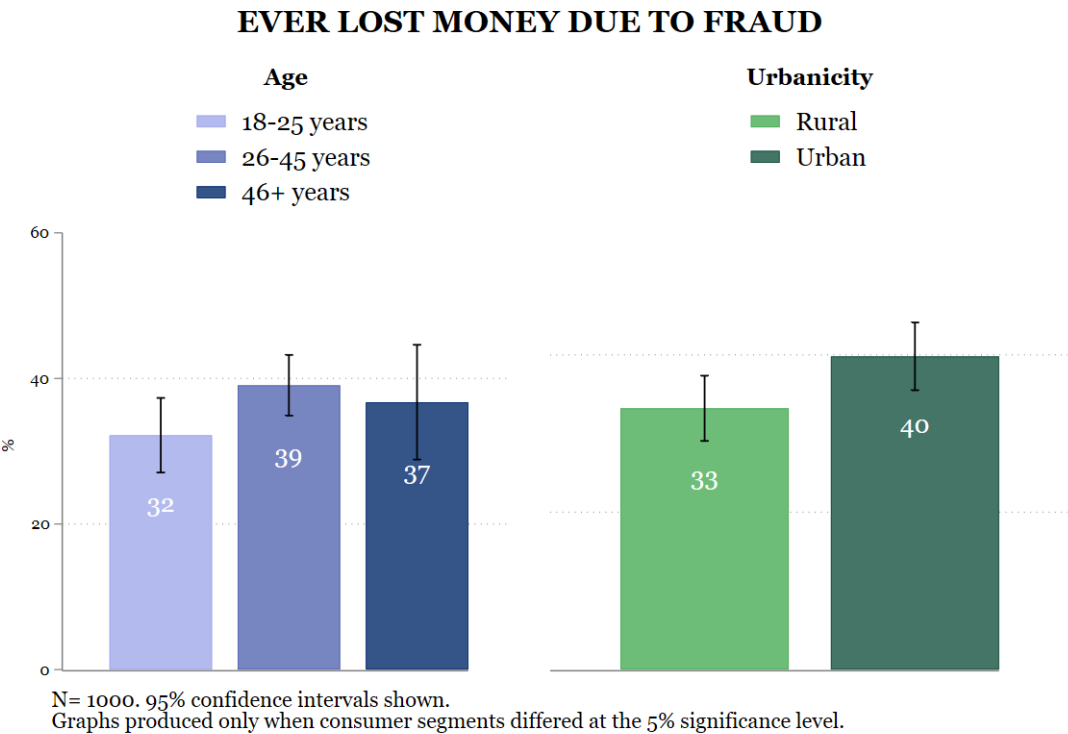


SUCCESSFUL FRAUD

More than one third of DFS users had lost money due to fraud.

36 percent of respondents had ever lost money, and 14 percent had lost money in the past 12 months.

Middle-aged and urban consumers were more likely to say that they had been defrauded.

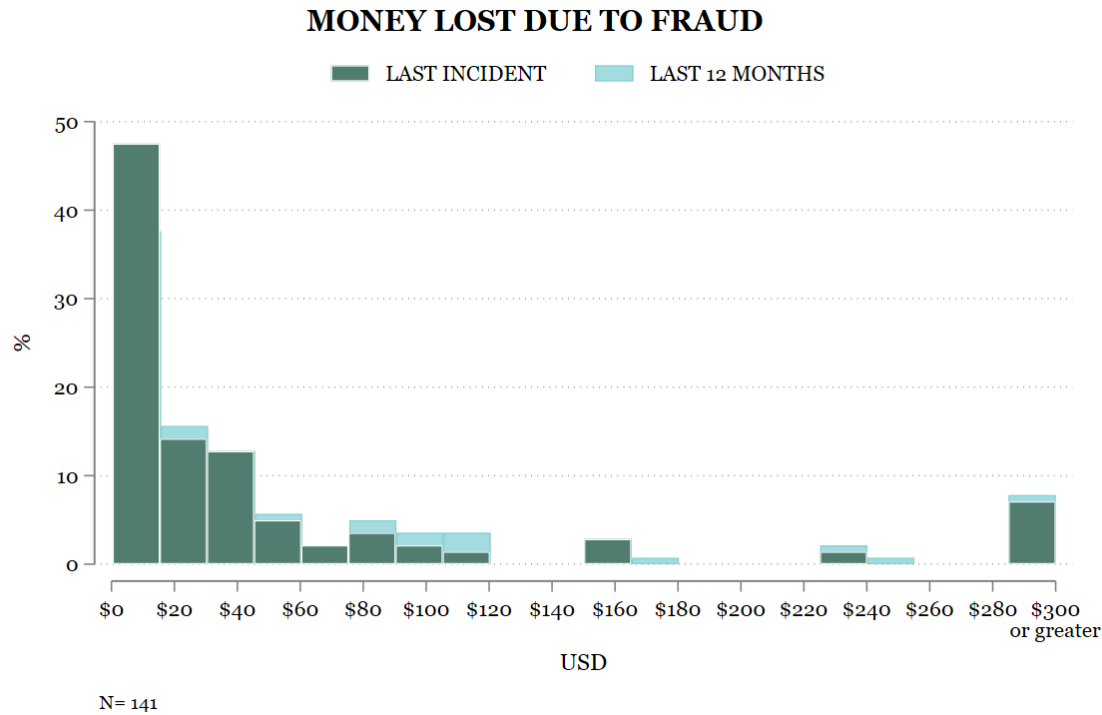


6 percent

of respondents had lost money specifically due to fraudulent fintech smartphone applications in the past 12 months.

SUCCESSFUL FRAUD

The median respondent lost \$19 the last time they were defrauded.



\$30.68

Median annual financial loss due to fraud among fraud victims in our sample

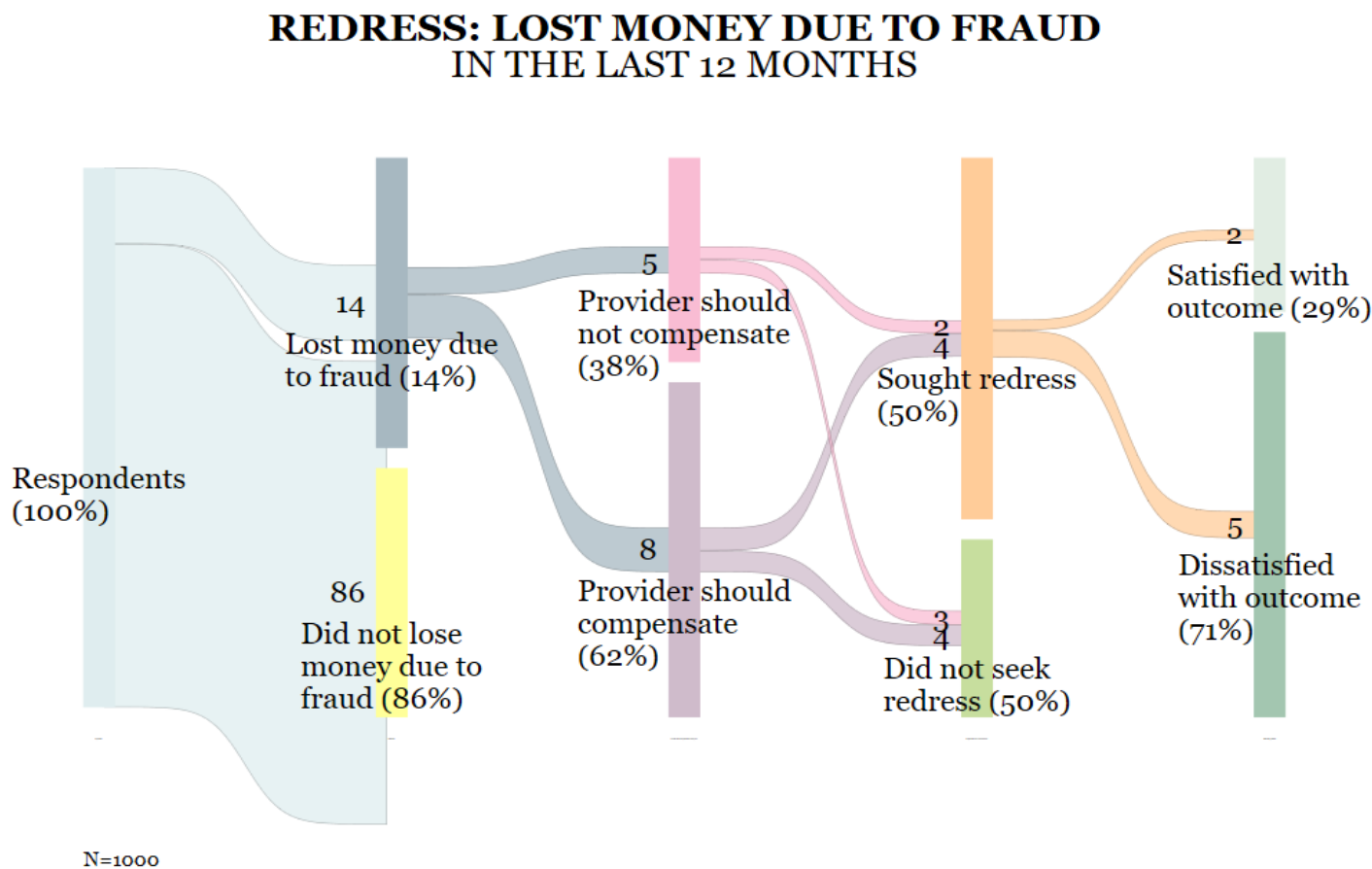
\$280 million

Estimated total annual loss due to fraud among all Kenyan DFS users.\*

\*Calculated by multiplying the mean amount lost due to fraud across our entire sample (including those who did not lose money to fraud) – \$9.08 – by the total number of Kenyan DFS consumers (reported by Findex 2025) – 30,808,360.

SUCCESSFUL FRAUD

When consumers lose money due to fraud, half of them seek redress, and most that do are dissatisfied with the outcome.

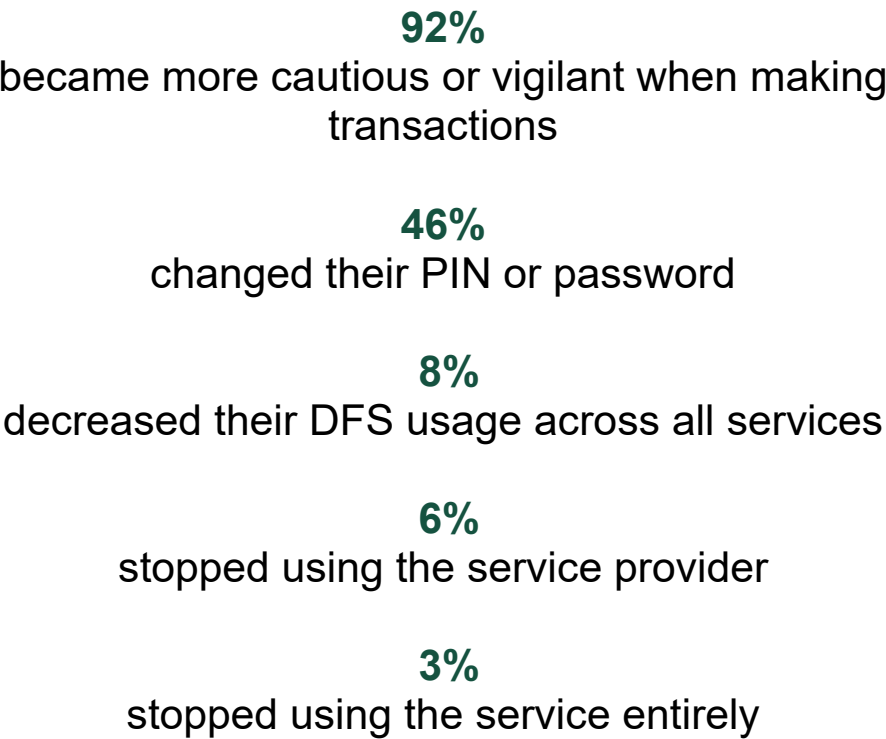


SUCCESSFUL FRAUD

Fraud victims become more cautious, reduce their DFS usage, and experience negative impacts on their well-being.

Female and middle-aged respondents were more likely to experience negative psychological impacts.

IMPACTS ON DFS USAGE



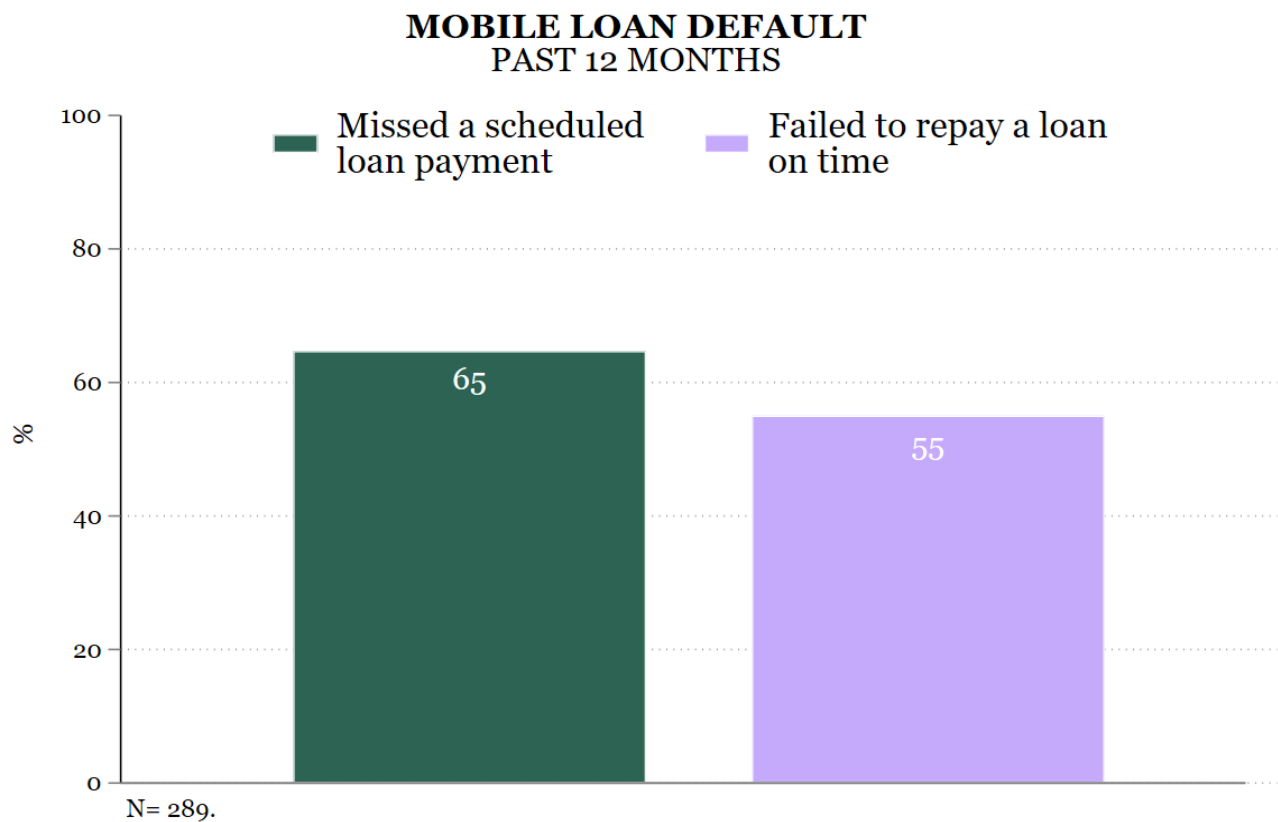
IMPACTS ON WELL-BEING



OVER-INDEBTEDNESS

More than half of mobile loan users reported failing to repay on time in the last year.

Failing to repay a loan on time does not differ significantly by consumer segment.





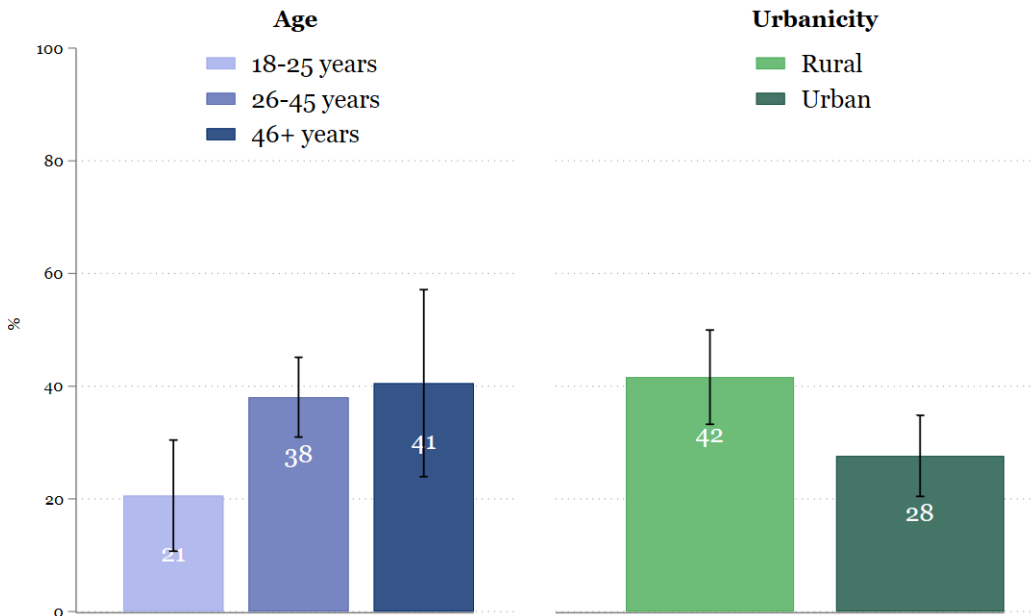
OVER-INDEBTEDNESS

One in three mobile loan users had multiple active loans.

Rural and middle-aged consumers were more likely to have multiple loans.

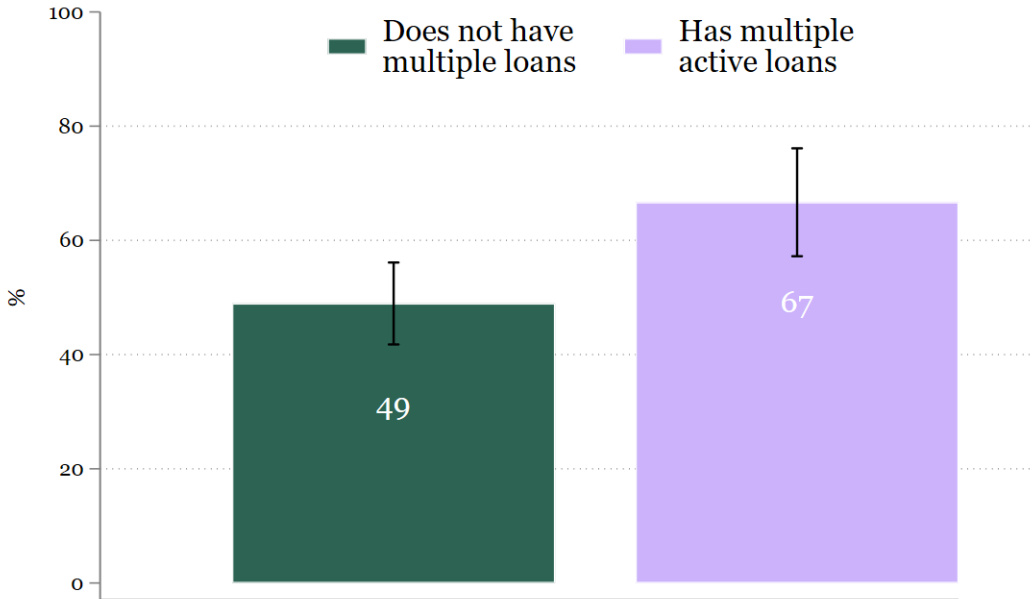
Consumers with multiple loans were significantly more likely to have failed to repay a loan on time.

HAS MORE THAN ONE ACTIVE MOBILE LOAN



N= 289. 95% confidence intervals shown.  
Graphs produced only when consumer segments differed at the 5% significance level.

FAILED TO REPAY A MOBILE LOAN ON TIME  
PAST 12 MONTHS



N= 289

OVER-INDEBTEDNESS

Usage of overdraft services is common, while credit cards and buy-now-pay-later remain relatively rare forms of credit.

OVERDRAFT SERVICES



had used overdraft services in the past 12 months.



overdraft users were enrolled without their knowledge.

CREDIT CARDS



had used a credit card in the past 12 months.



of credit card users had missed a scheduled credit card repayment.

BUY-NOW-PAY-LATER



had used buy-now-pay-later in the past 12 months.



of BNPL users were charged an unexpected fee for the service.

OVER-INDEBTEDNESS

Signs of over-indebtedness are relatively common among mobile loan, credit card, overdraft, and buy-now-pay-later users.

Proportion of debt services users reporting in the last 12 months...



...regretting taking on debt.

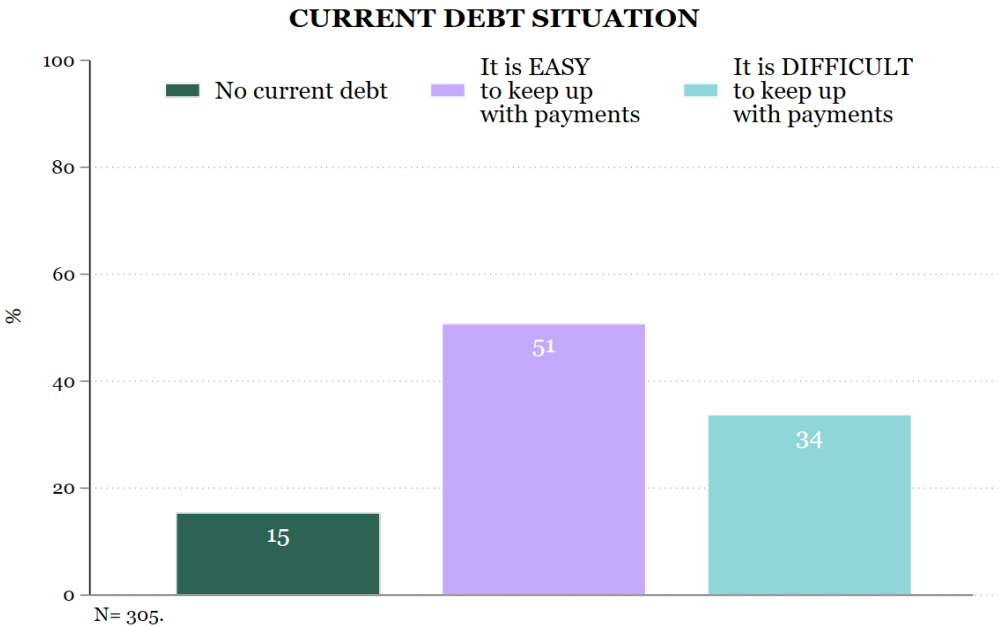


...using a loan to repay another debt.



...losing access to one of their accounts due to unpaid debt.

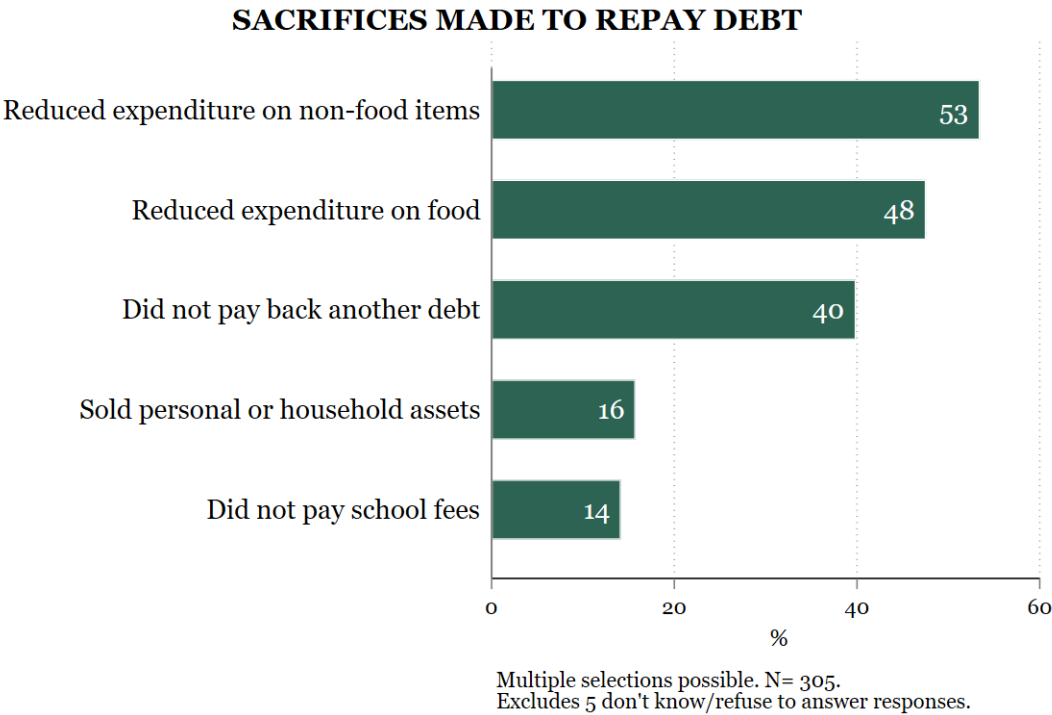
Among respondents that used debt services in the past 12 months, **34 percent** found it somewhat or very difficult to keep up with their debt payments.



OVER-INDEBTEDNESS

Among mobile loan, credit card, overdraft, and buy-now-pay-later users, nearly half had cut back on food expenditure to repay their debt in the past 12 months.

Female respondents are significantly more likely to reduce expenditure on food and school fees compared to male respondents.



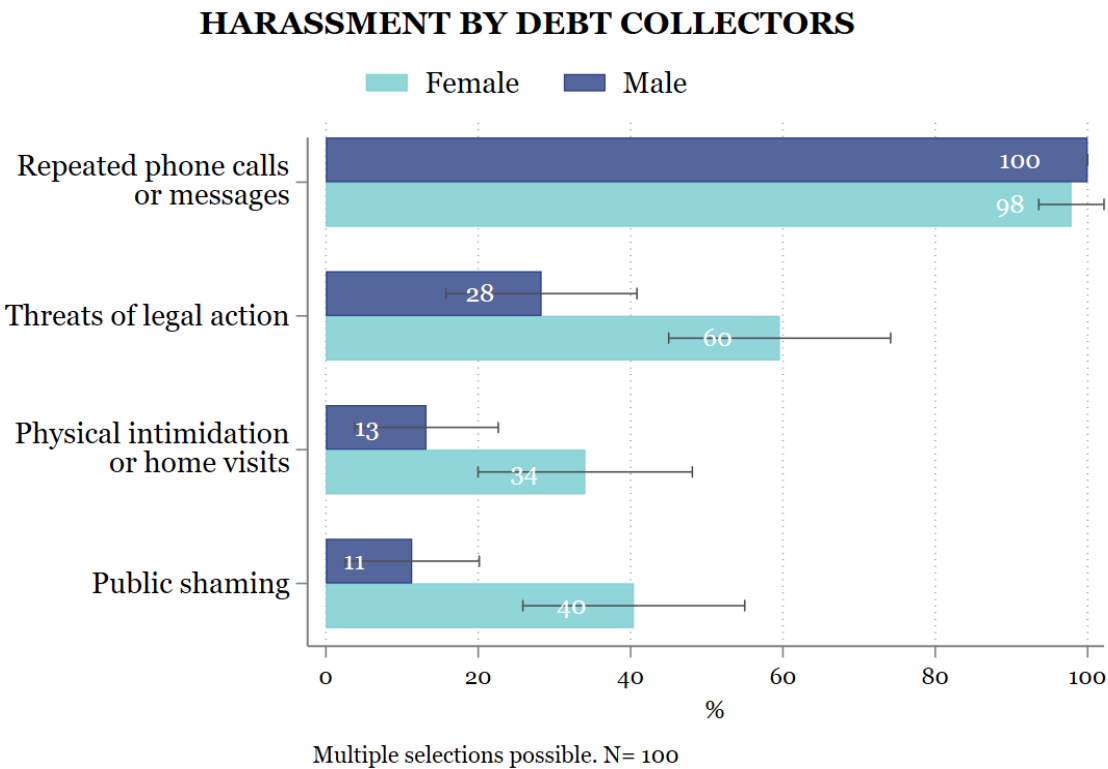
**53 percent**  
of debt users used two or more strategies to cope with their debt situation.

**34 percent** used three or more coping strategies.

OVER-INDEBTEDNESS

Users of mobile loans, credit cards, overdrafts, and buy-now-pay-later services commonly experience harassment by debt collectors.

33 percent had experienced harassment by debt collectors in the past 12 months.

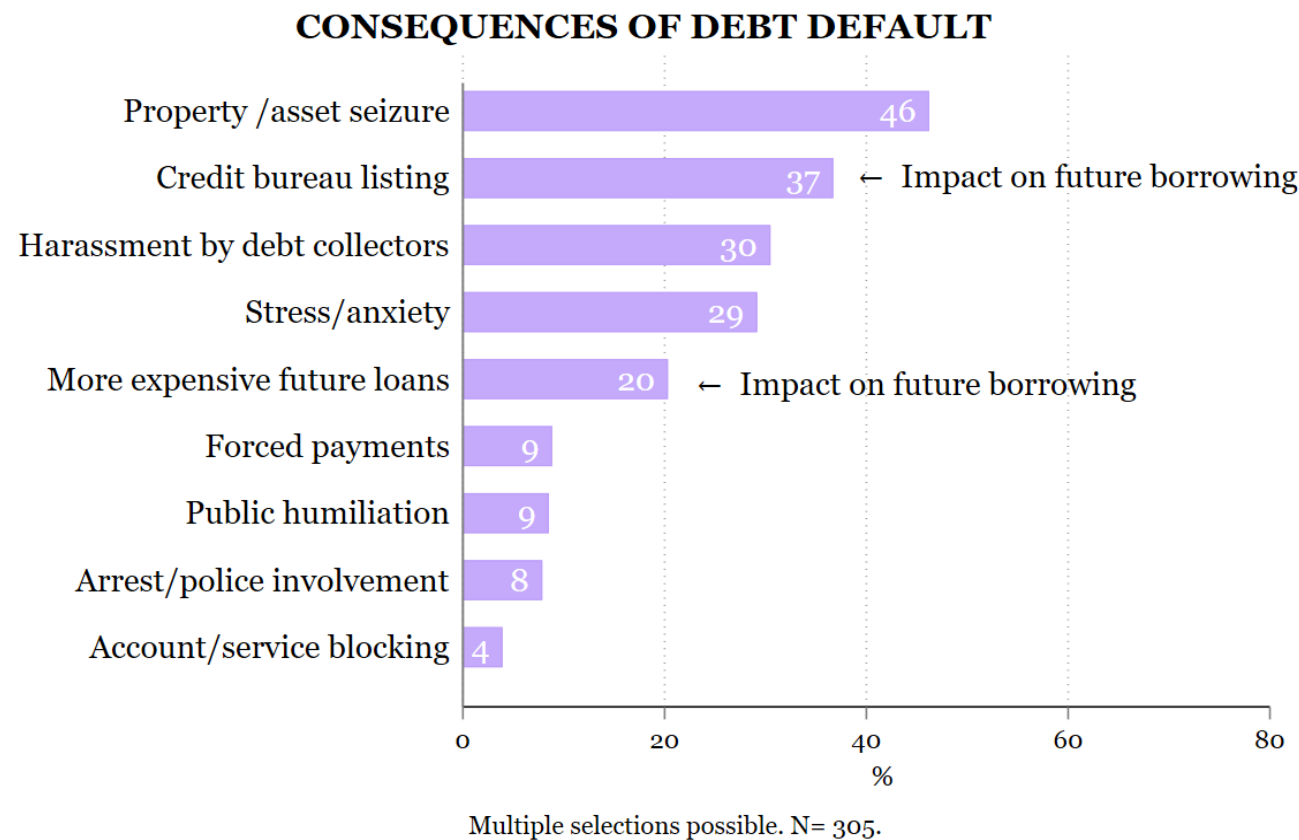


The most common form of harassment was through **phone calls or text messages**.

Female respondents reported higher rates of legal action and being publicly shamed or physically intimidated.

OVER-INDEBTEDNESS

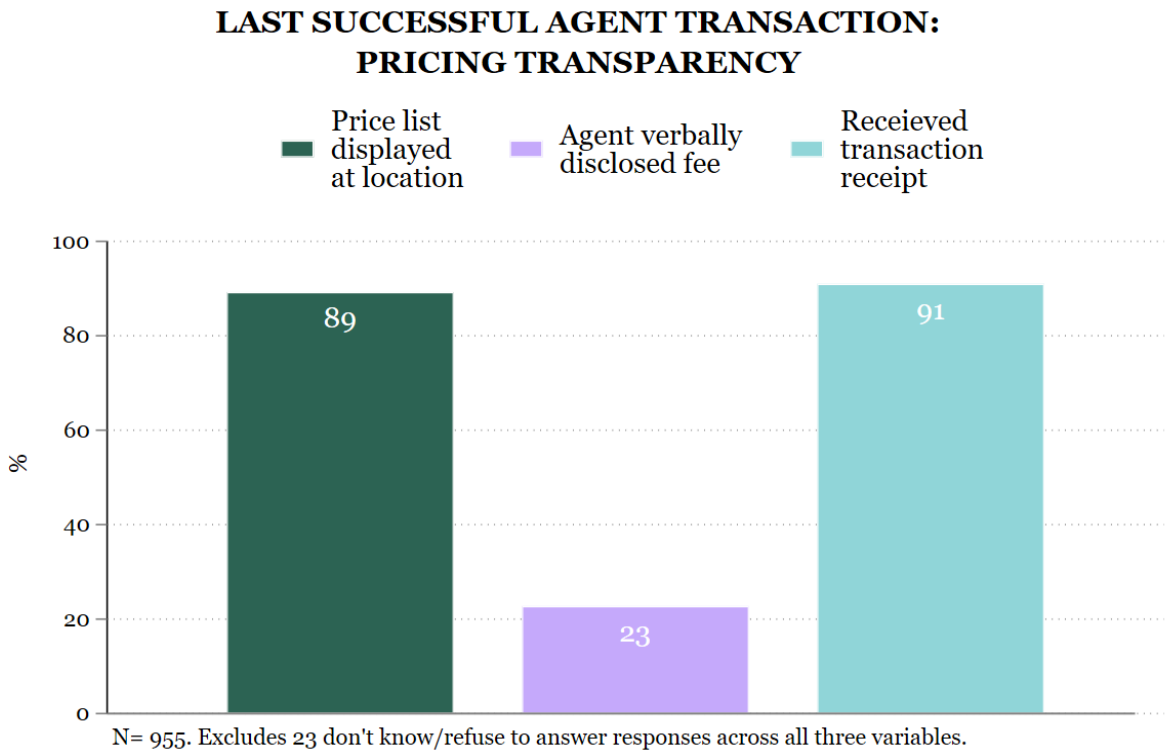
Consumers identified the negative consequences a borrower might face if they default on their debt.



Most borrowers did not identify key consequences for default, including credit bureau listing and more expensive future loans.

CHALLENGES WITH AGENTS

Agents typically do not disclose prices and 11 percent do not have price lists visible to consumers.



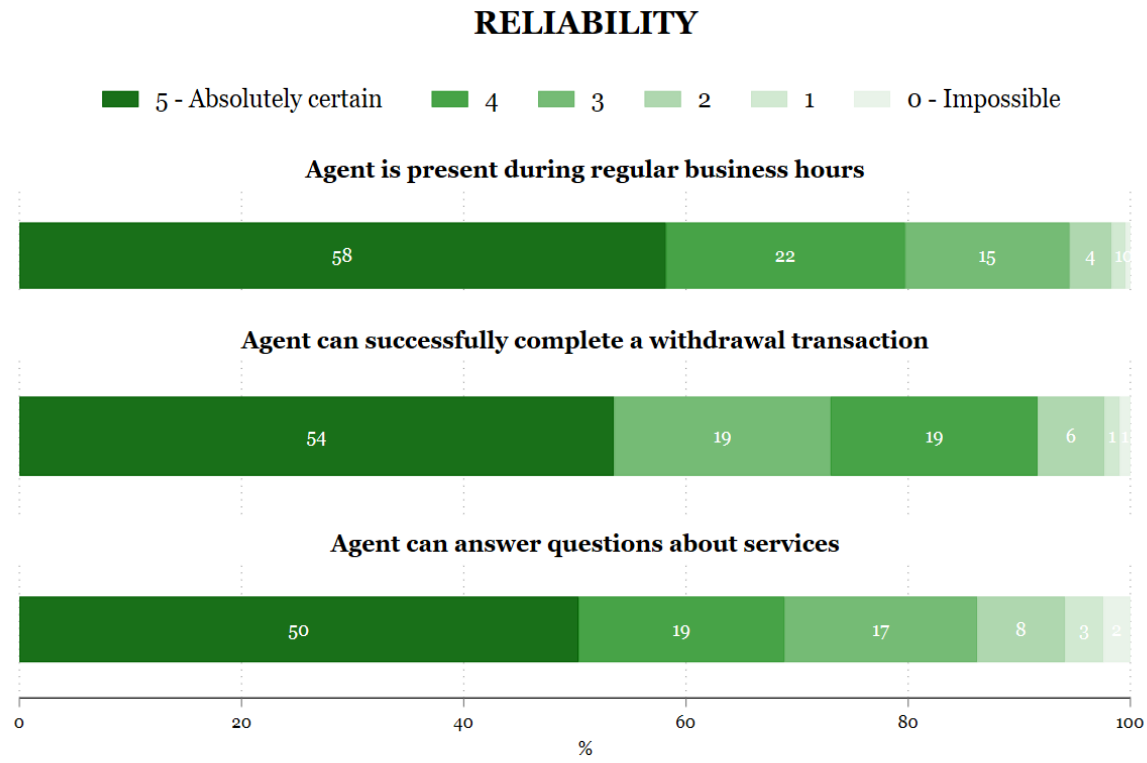
Most consumers stated that they received transaction receipts.

Urban and younger respondents were significantly less likely to report seeing pricelists at agent locations.

0%  
reported paying an extra fee in their last agent transaction.

# Agents do not always provide reliable service.

Agents are not always present or able to complete transactions successfully. Only half of respondents were absolutely certain that an agent could help them answer questions related to their services.



N= 955. . Excludes 14 don't know responses across all three variables.



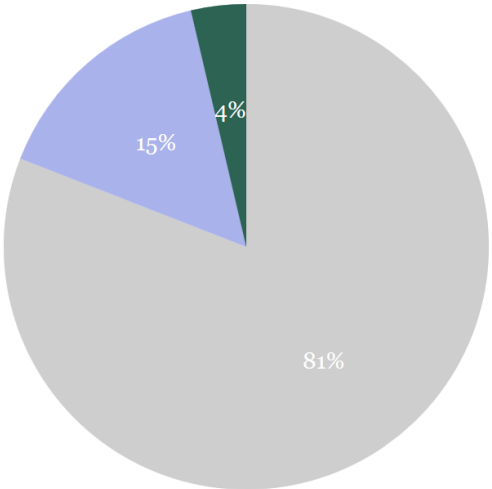
CHALLENGES WITH AGENTS

4 percent of respondents said that agents often or always treat them differently because of their gender, age, ethnicity, or religion.

Younger adults and urban and higher educated consumers were more likely to report experiences of discrimination. There were no differences by gender.

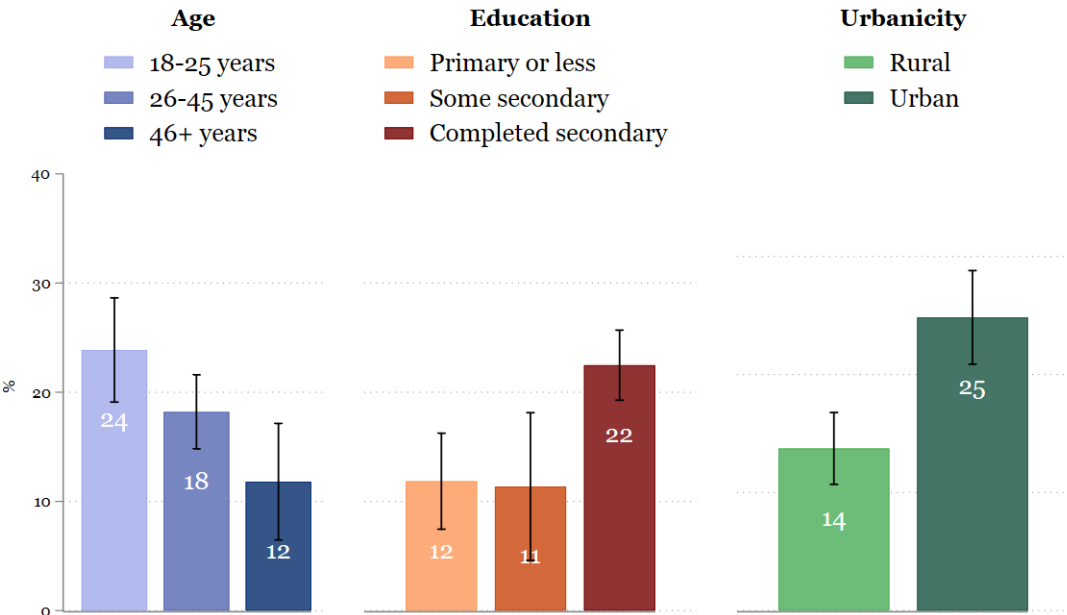
AGENT DISCRIMINATES  
BASED ON GENDER, AGE, ETHNICITY, OR RELIGION

Never Rarely/Sometimes Often/Always



N= 955. Excludes 1 don't know/refuse to answer response.

EXPERIENCED DISCRIMINATION BY AGENT

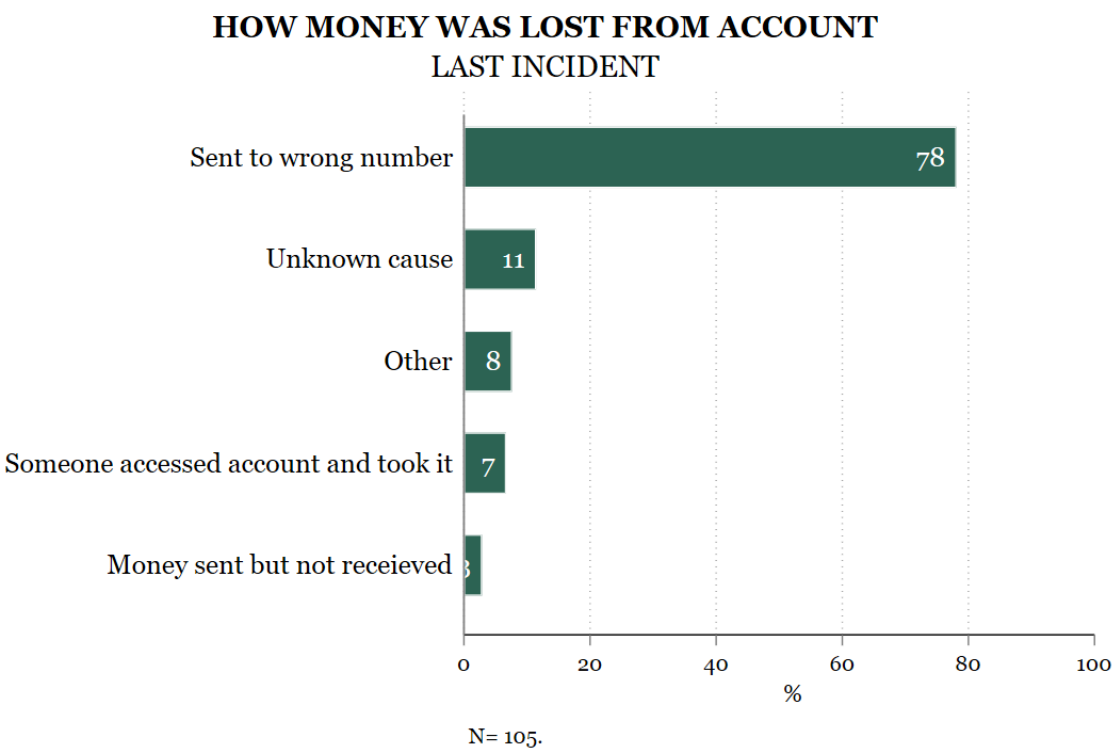


N= 954. 95% confidence intervals shown.  
Graphs produced only when consumer segments differed at the 5% significance level.

OTHER TYPES OF FINANCIAL LOSS

In the last 12 months, 10 percent of respondents lost money from their account for reasons other than fraud, unexpected fees, or agent overcharging.

Most respondents that lost money from their account had sent money to the wrong number. 11 percent could not say what caused the disappearance of funds.



OTHER TYPES OF FINANCIAL LOSS

When money was lost for reasons other than fraud, unexpected fees, or agent overcharging, typically it happened once in a 12 month period.

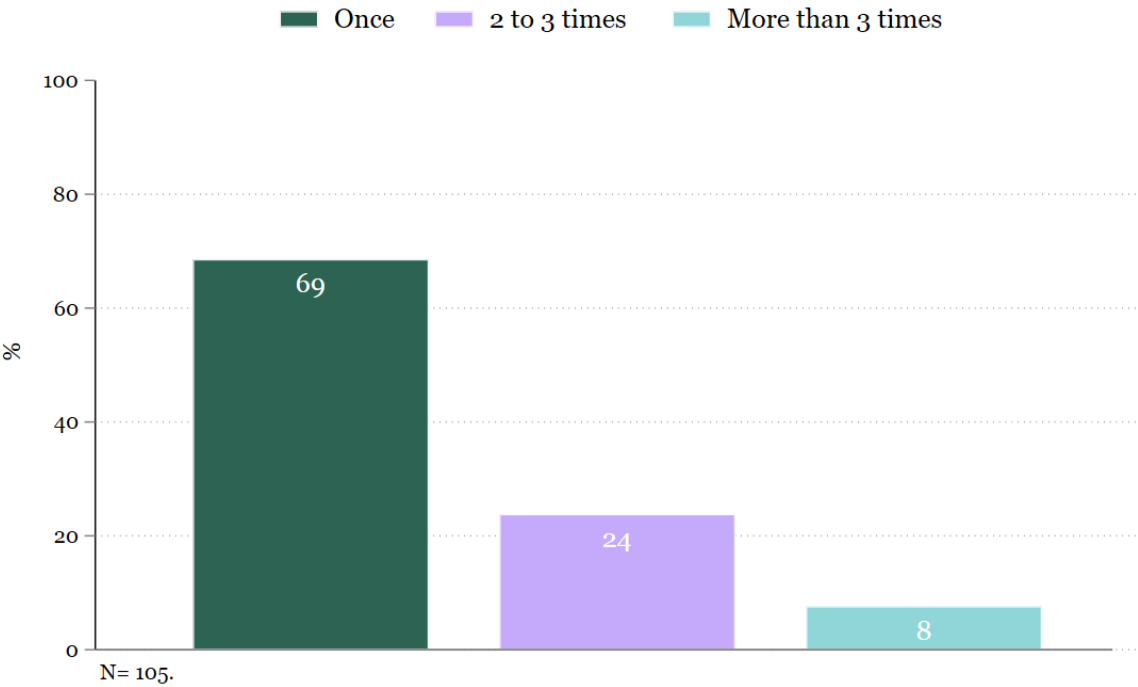
AMOUNT LOST FROM ACCOUNT  
LAST INCIDENT



N= 105

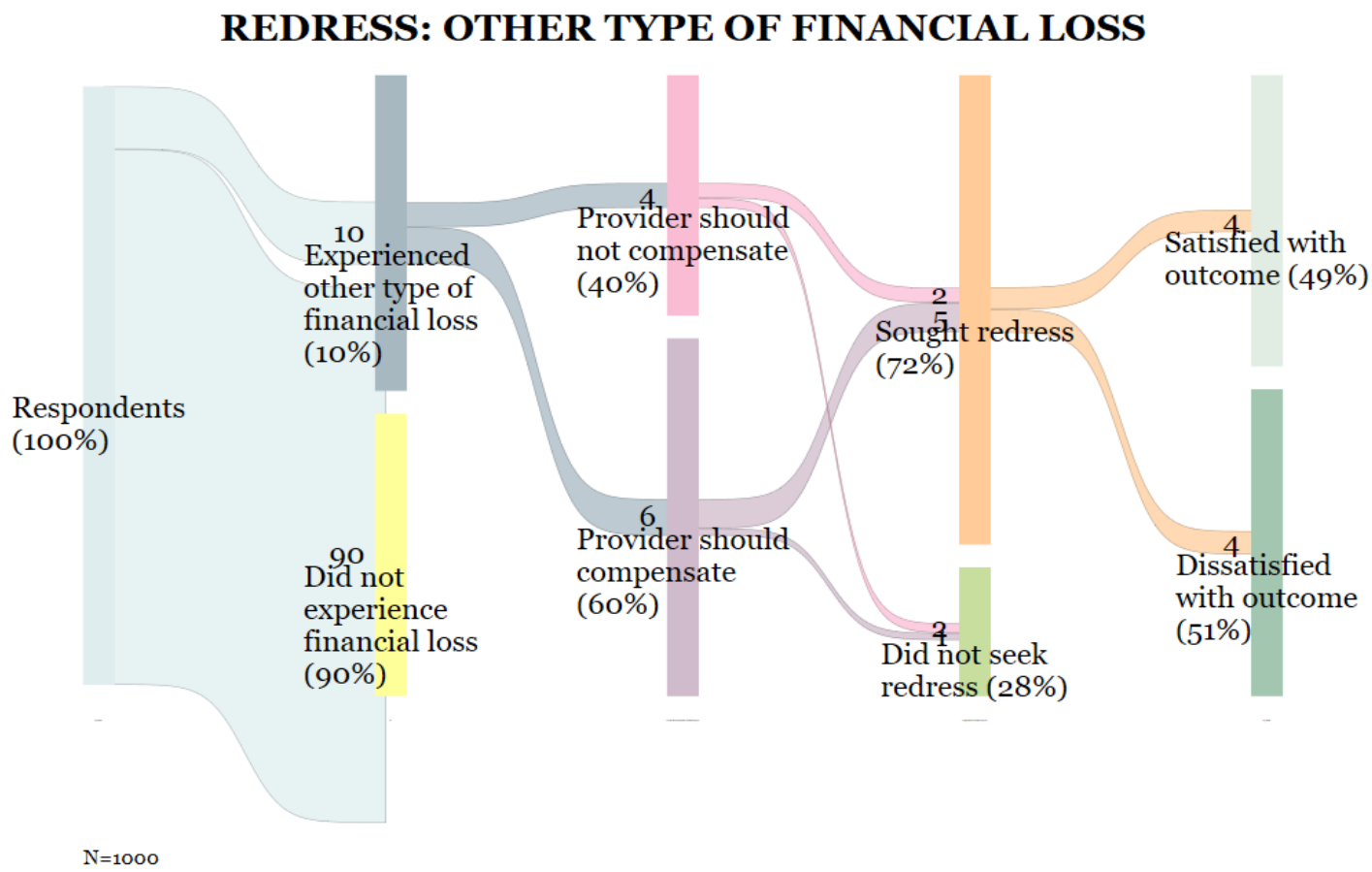
In 31 percent of cases, it happened two times or more.

HOW OFTEN MONEY WAS LOST



OTHER TYPES OF FINANCIAL LOSS

Less than half of consumers sought redress when money was lost from their account.



SENT MONEY TO WRONG NUMBER

Despite safeguards, sending money to the wrong number is common. Most are not able to recover the funds.

89 percent of respondents said that there was an extra verification step they had to complete before sending money to a new phone number. Nonetheless,

80 percent

of payment services users had ever sent money to a wrong number. Of those,

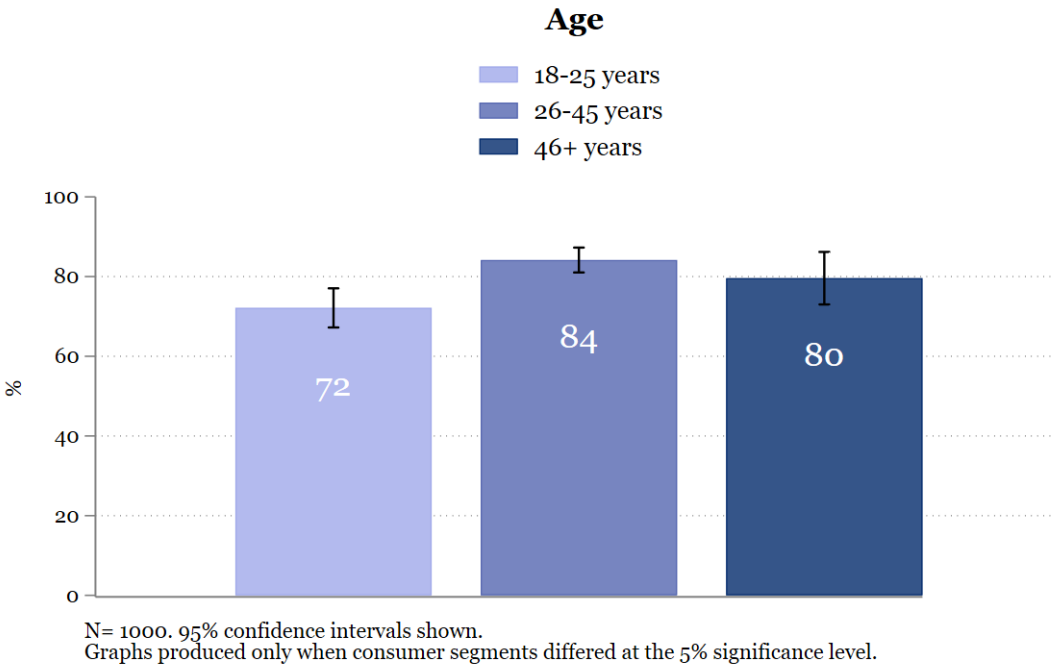
68 percent

were not able to recover the money.

The share of DFS consumers that incorrectly sent money in the last 12 months in 2021 was **35 percent**.

Middle-aged respondents were more likely to experience the challenge compared to younger respondents.

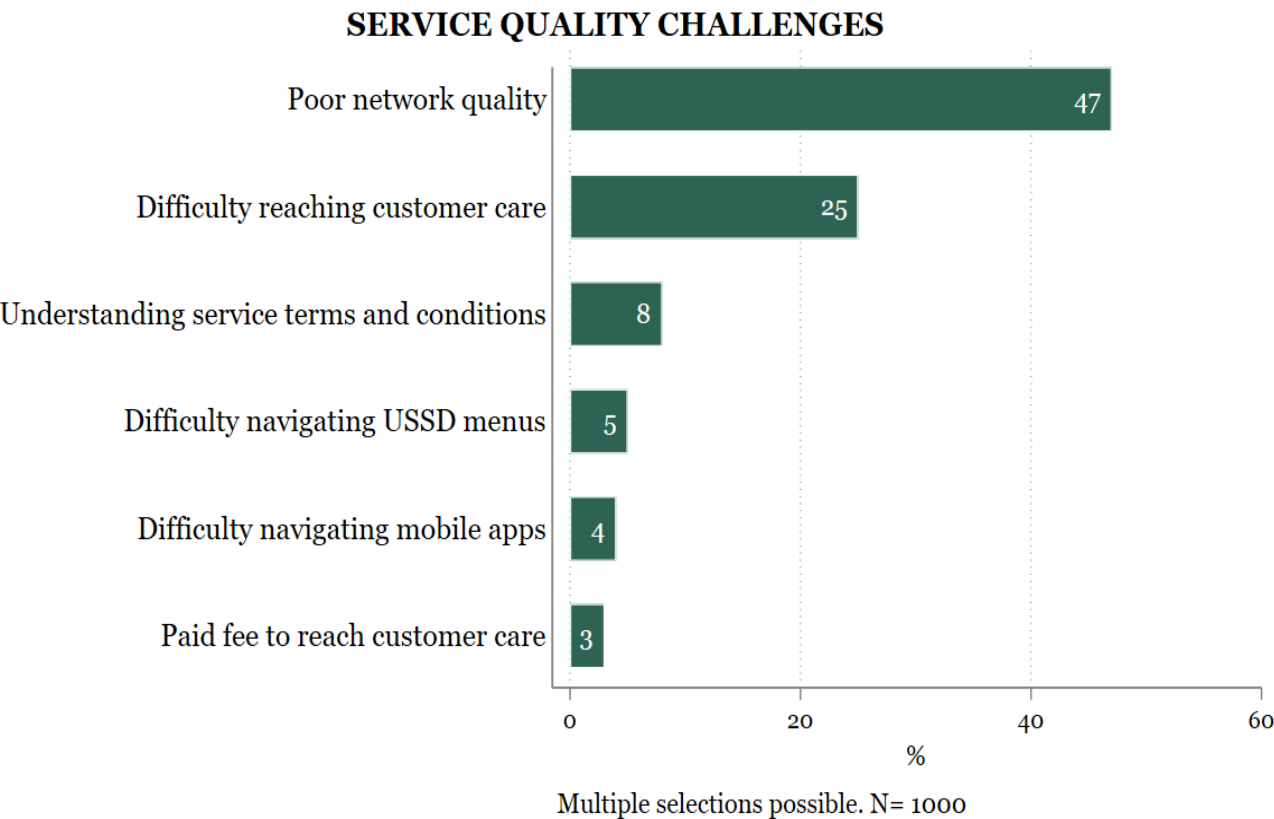
EVER SENT MONEY TO AN INCORRECT NUMBER



SERVICE QUALITY CHALLENGES

Most consumers encounter challenges related to the quality of a service.

63 percent had experienced such a challenge in the past 12 months.



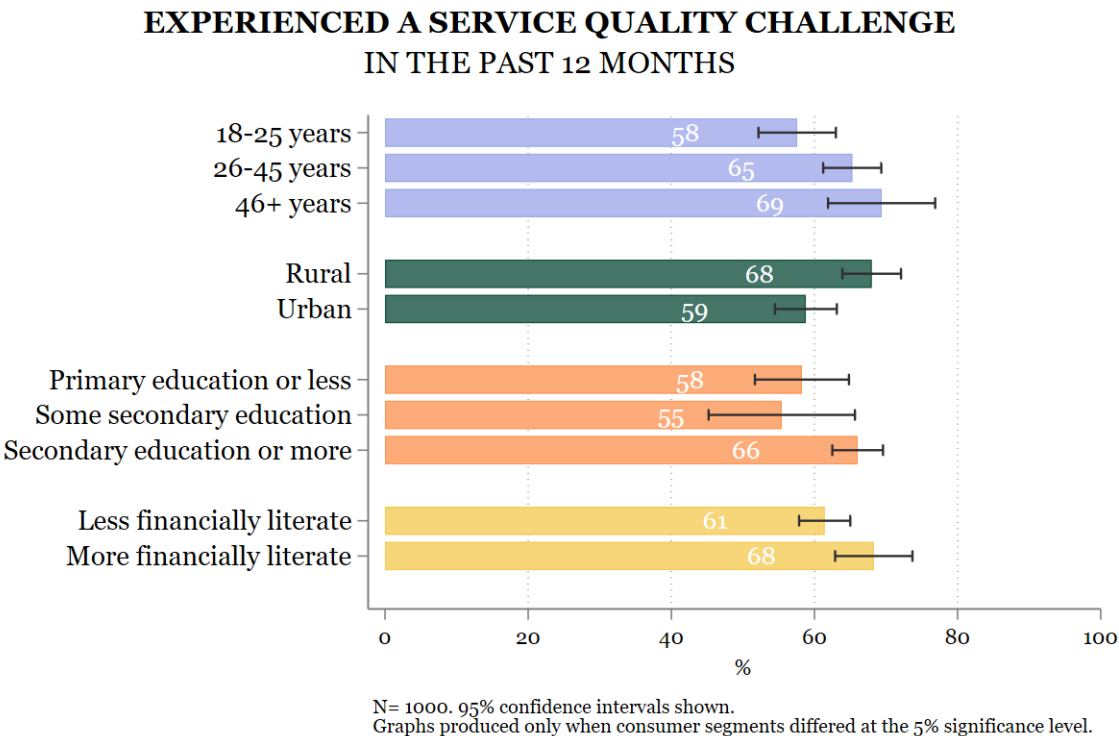
Nearly half had experienced poor network quality that impacted their usage of DFS. One in four had struggled to reach customer care when needed.

The share of consumers that find it **difficult to reach customer care has increased:**

17 percent said they had ever experienced this challenge when asked in 2021, compared to 25 percent in 2025 that had done so in the last 12 months.

SERVICE QUALITY CHALLENGES

Rural, higher educated, more financially literate respondents and older adults were more likely to report having experienced any type of service quality challenge.



Male, higher educated, urban, less poor, and middle-aged respondents reported significantly higher rates of **difficulty reaching customer care.**

Rural consumers were more susceptible to network quality issues. Among all respondents experiencing these difficulties,

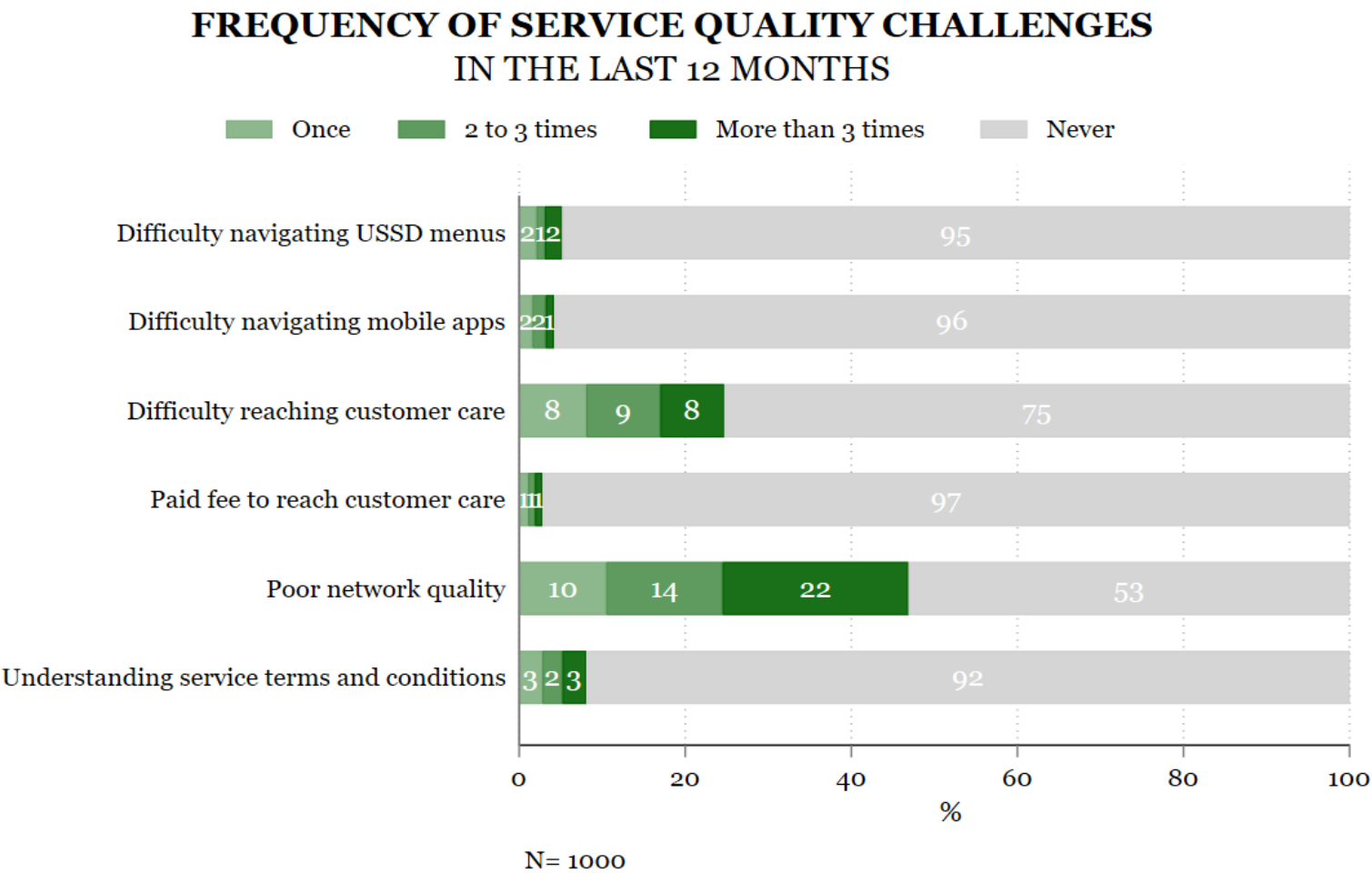
**10 percent**

lost money as a result, losing on average

**\$8.12.**

SERVICE QUALITY CHALLENGES

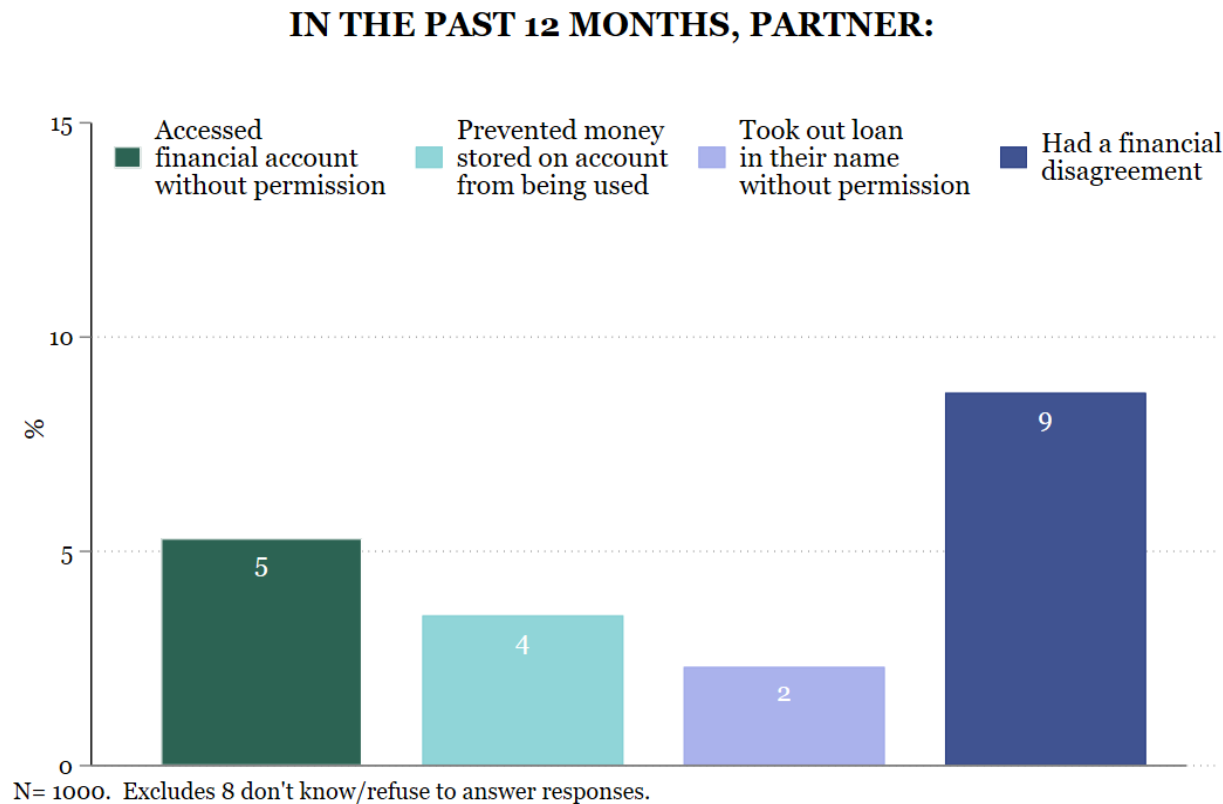
When service quality challenges are encountered, they typically happen more than once to a given consumer.





FINANCIAL ABUSE

9 percent had experienced a financial disagreement with a partner or household decision maker, a potential indicator of financial abuse.



# Challenging Complaints Redress Processes

[Back to Table of Contents](#)

92	Seeking redress
98	Complaints resolution
100	Impact on usage

## Key Findings

**1. Redress-seeking rates:** Of respondents who lost money due to fraud, unexpected fees, or service quality challenges in the past 12 months, only 43 percent sought redress to resolve the issue. Middle-aged were more likely to seek redress compared to younger adults.

**3. Redress resolution:** 68 percent of redress seekers were satisfied with the outcome. 9 percent of cases did not get resolved, and 36 percent of respondents spent money (averaging USD 3.09) on resolution costs like airtime fees or travel expenses.

**2. Recovery of funds:** Among redress seekers who lost money, 41 percent were able to recover some or all of it. Rural respondents were more likely to recover funds.

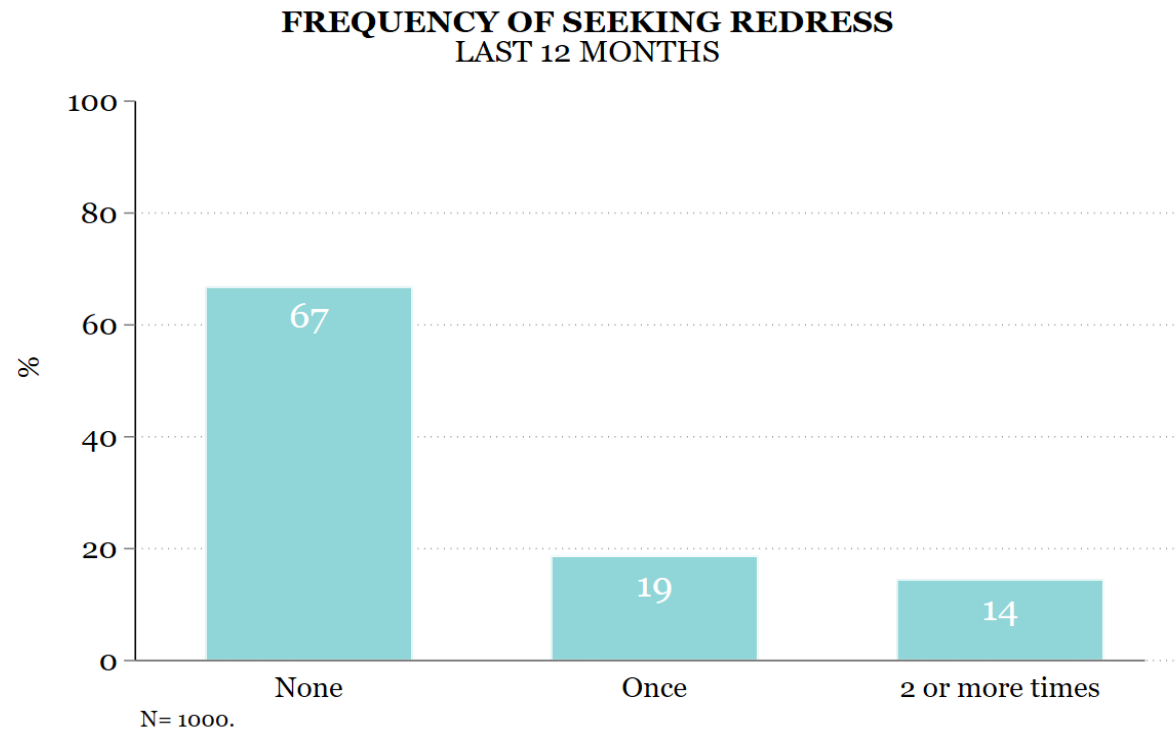
**4. Impact on service usage:** Among redress seekers, 17 percent made a change to their DFS usage as a result of the challenge experienced. Those dissatisfied with the outcome were significantly more likely (31 percent) to switch providers or reduce/discontinue DFS usage compared to those satisfied (10 percent).

# Respondents do not always seek redress for DFS challenges.

**33 percent**  
of all respondents had sought redress for an issue in the past 12 months.

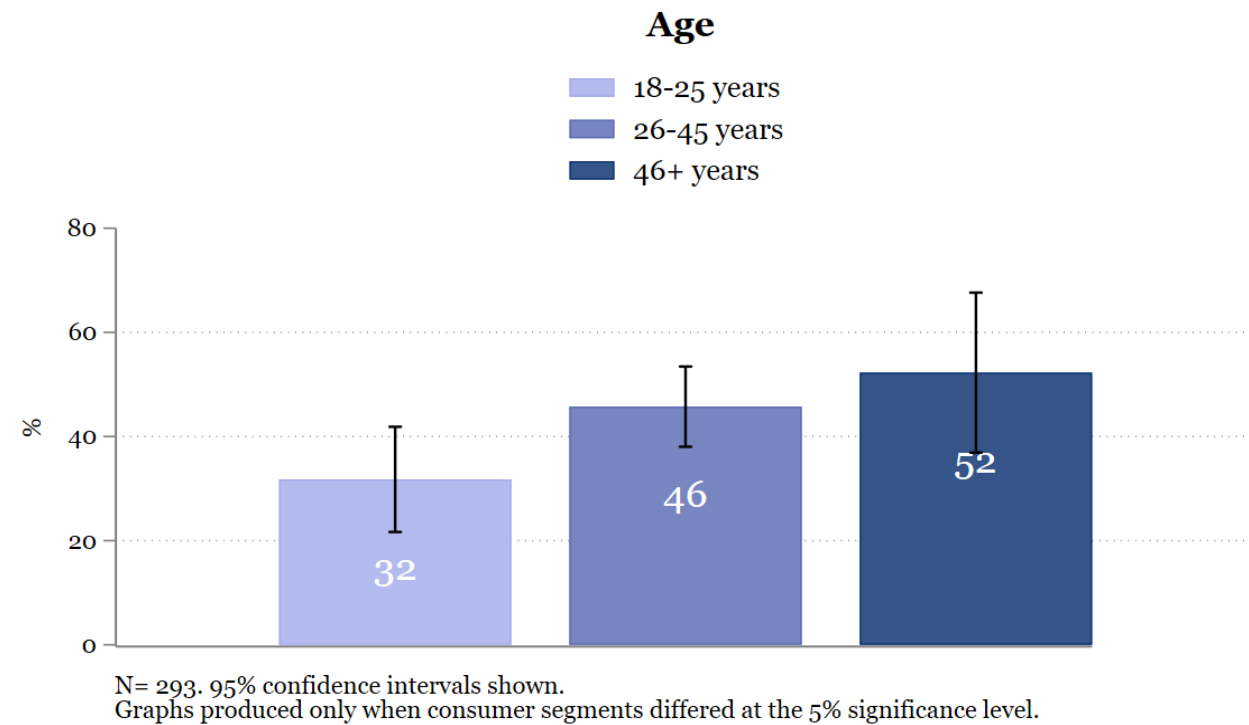
**14 percent**  
had sought redress for an issue more than one time in the past 12 months.

**43 percent**  
of respondents who had lost money due to fraud, an unexpected fee, or a service quality challenge had sought redress in the past 12 months.

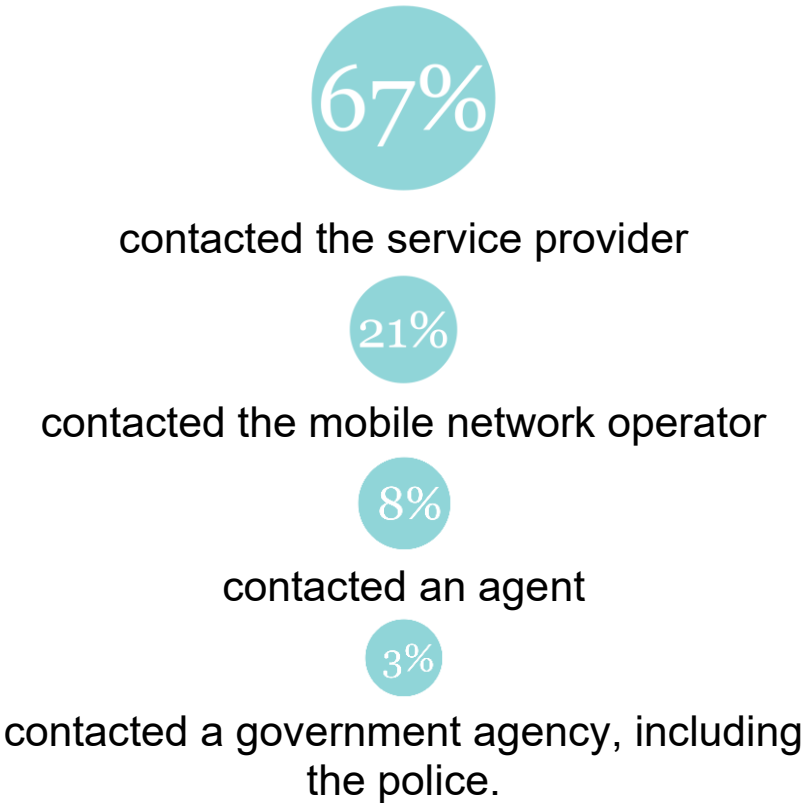
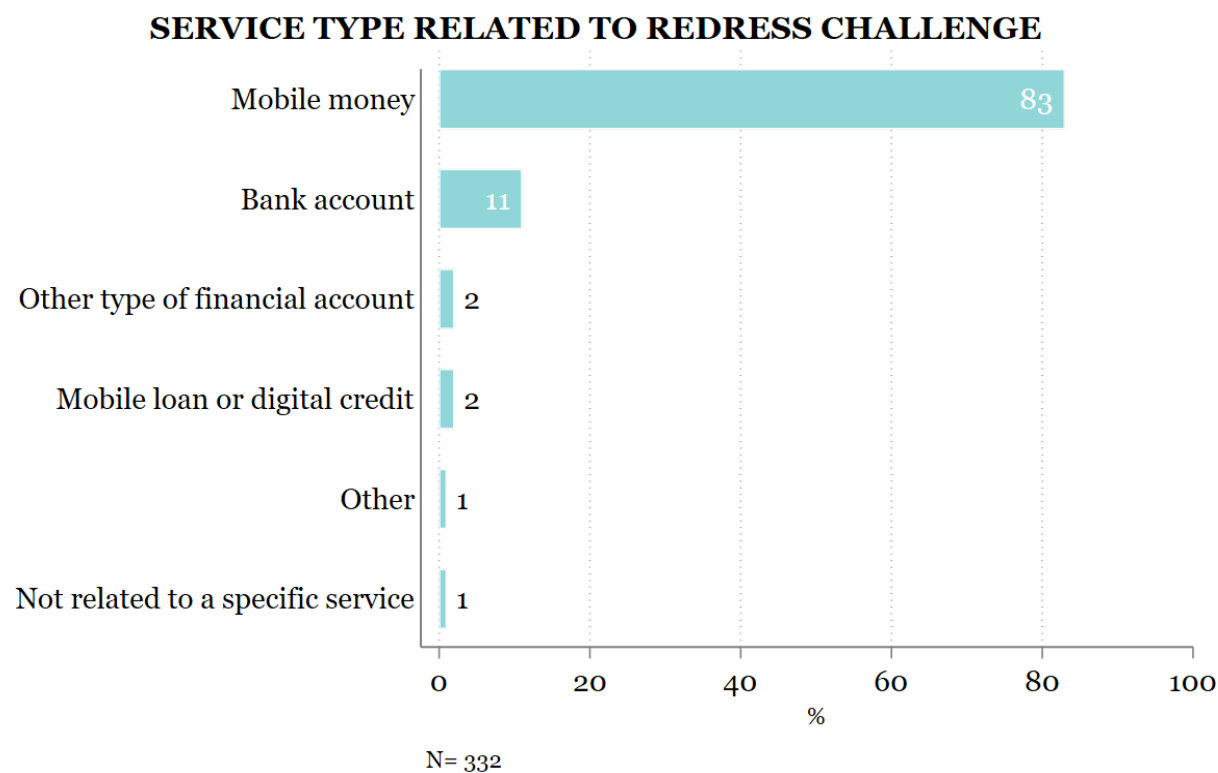


Of those that lost money due to a DFS challenge, older adults were more likely to seek formal redress.

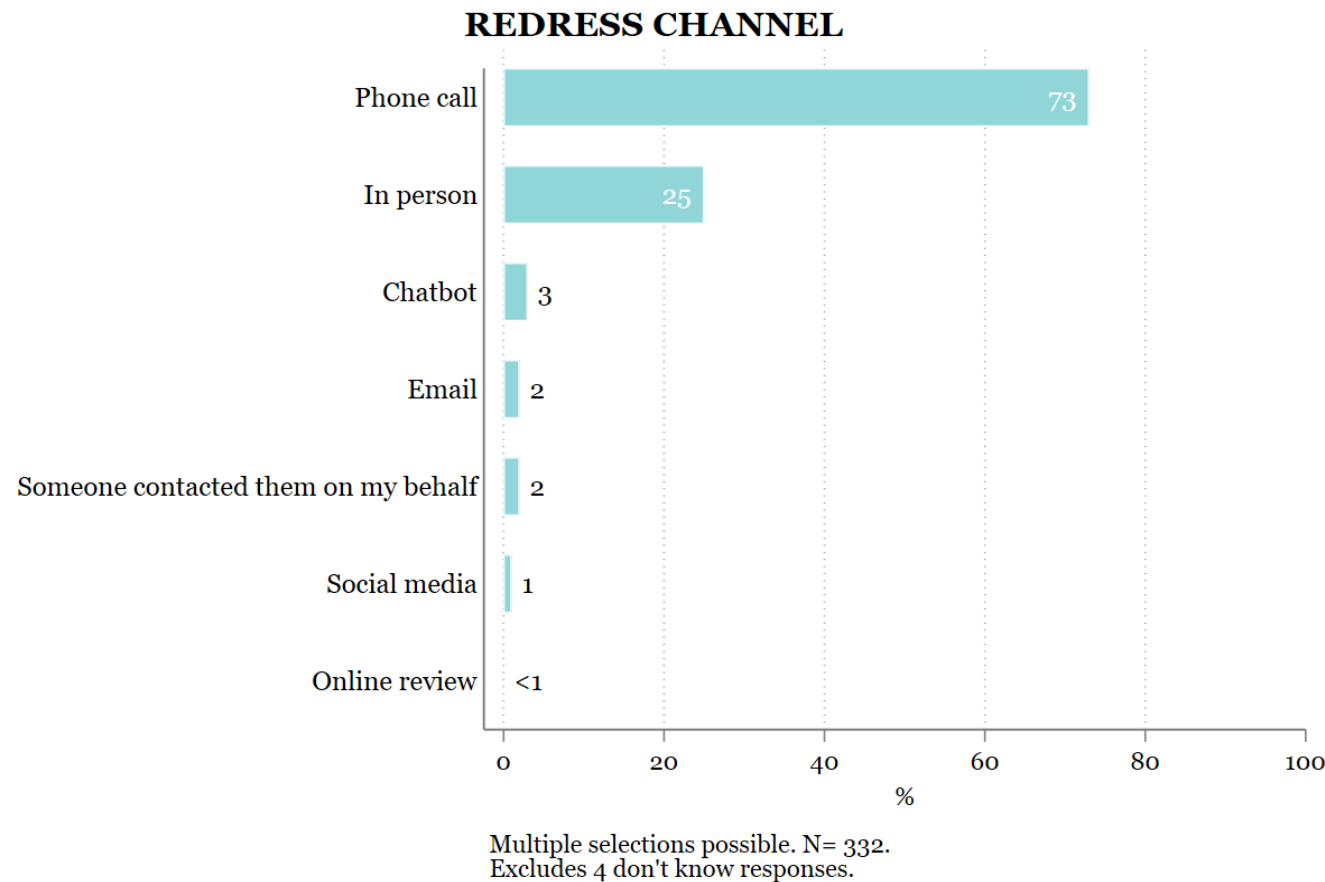
**SOUGHT REDRESS IN THE PAST 12 MONTHS**  
LOST MONEY DUE TO FRAUD, SERVICE QUALITY CHALLENGE, OR UNCLEAR FEES



Mobile money was usually involved in the last challenge for which redress was sought.

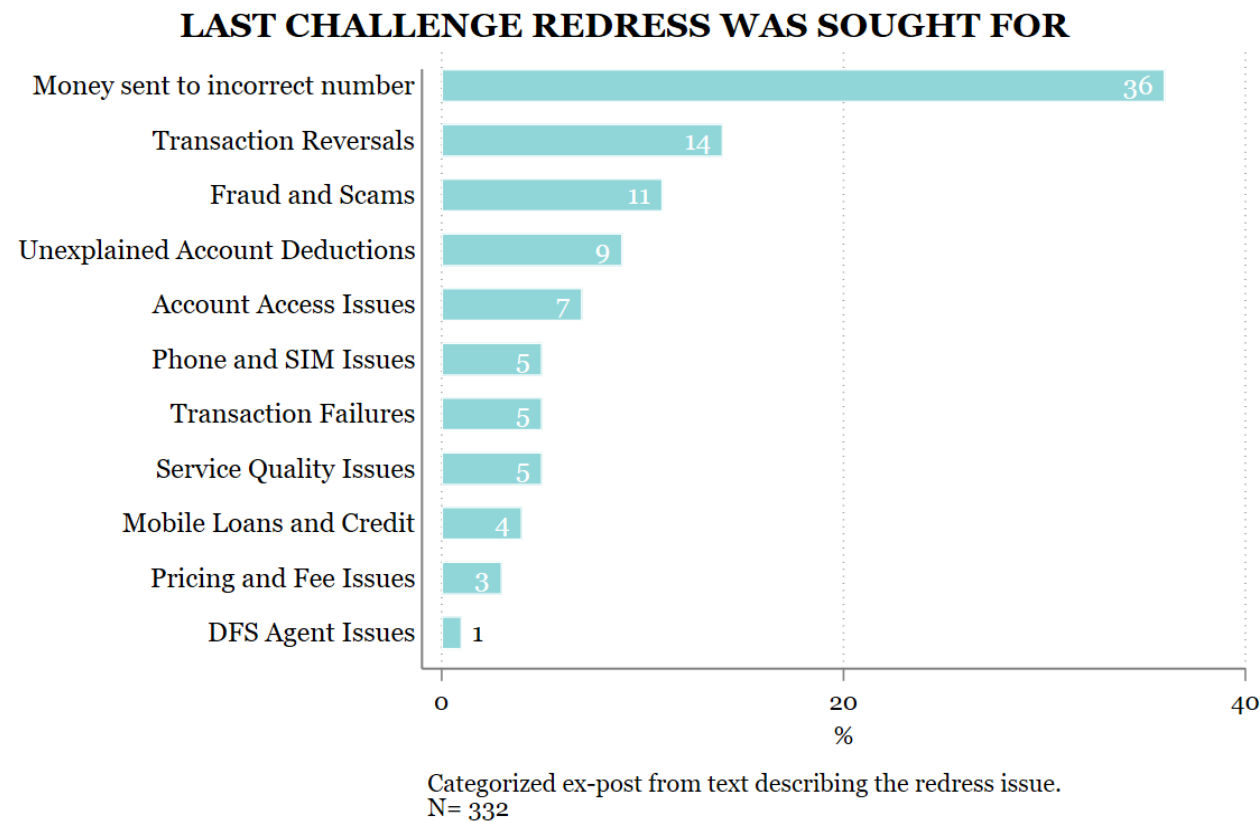


# Phone call was the most common mode of seeking redress.



Urban respondents were more likely to seek redress in person.

Money sent to an incorrect number was the most common issue for which redress was sought.



Rural respondents were more likely to have sought redress for issues relating to mobile loans/credit and incorrectly sending money, and less likely to have sought redress for issues involving fraud and unexplained account deductions relative to urban respondents.



# Half of redress cases involved loss of funds.



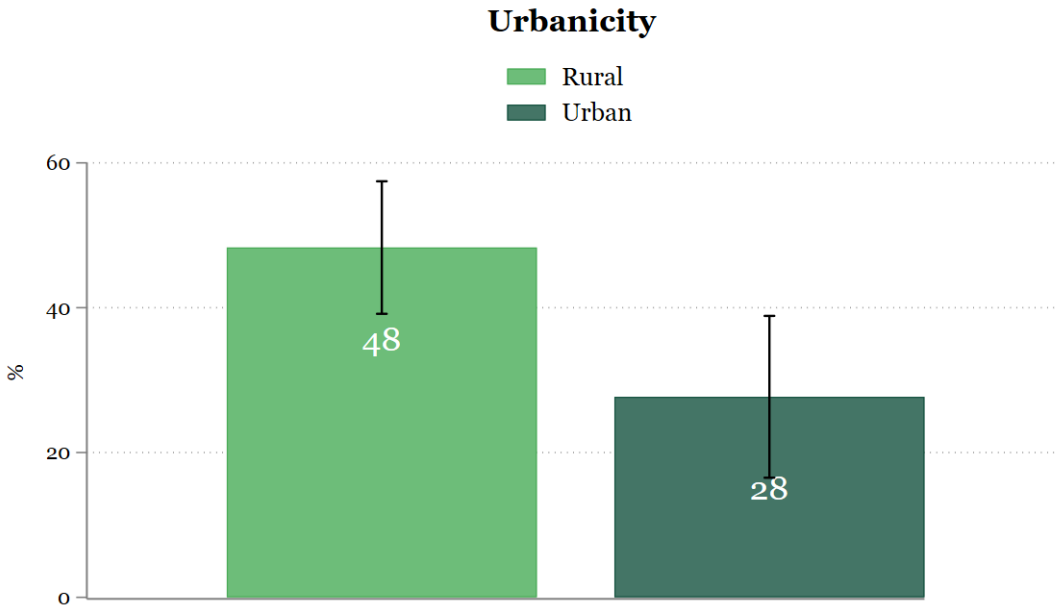
of challenges for which redress was last sought involved loss of funds.



of respondents that lost money were able to recover some or all of it.

Rural respondents were significantly more likely to recover some or all of the money that was lost.

RECOVERED MONEY THAT WAS LOST IN REDRESS INCIDENT

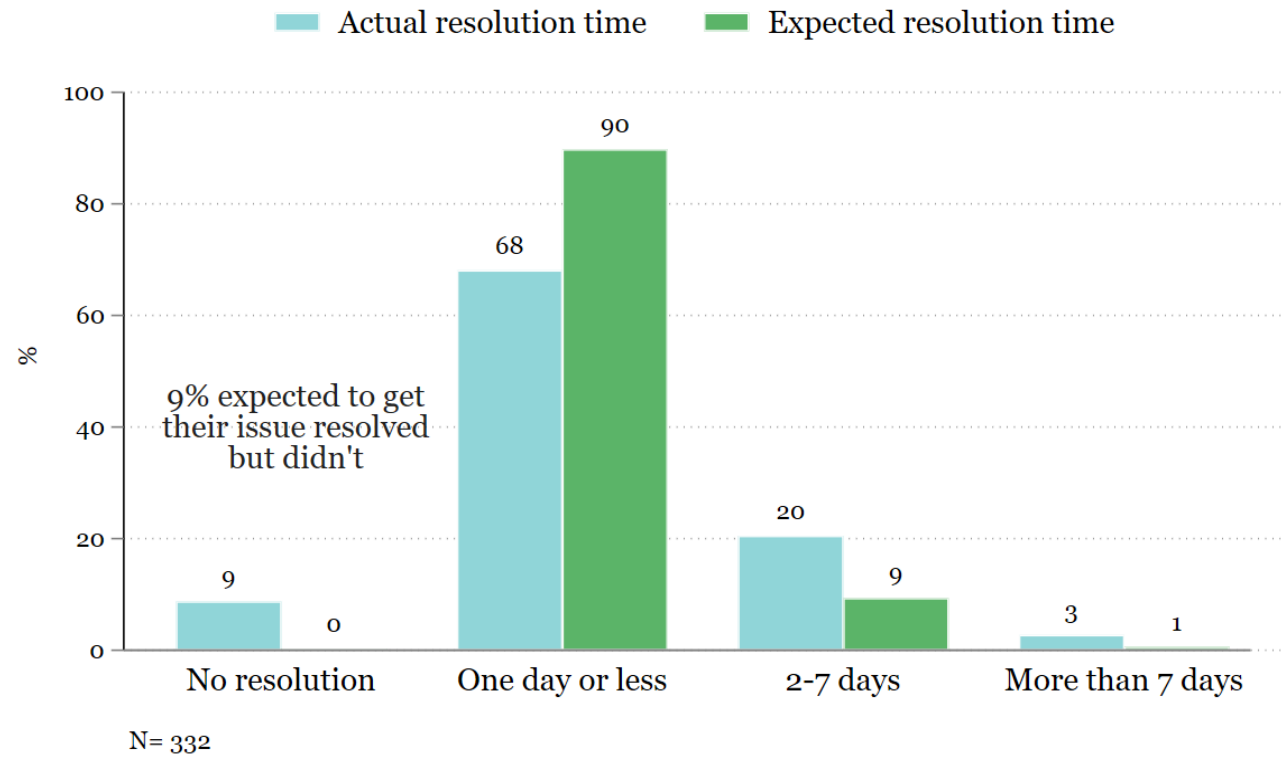


N= 183. 95% confidence intervals shown.  
Graphs produced only when consumer segments differed at the 5% significance level.

Resolution times are longer than respondents expected, and not all issues get resolved.

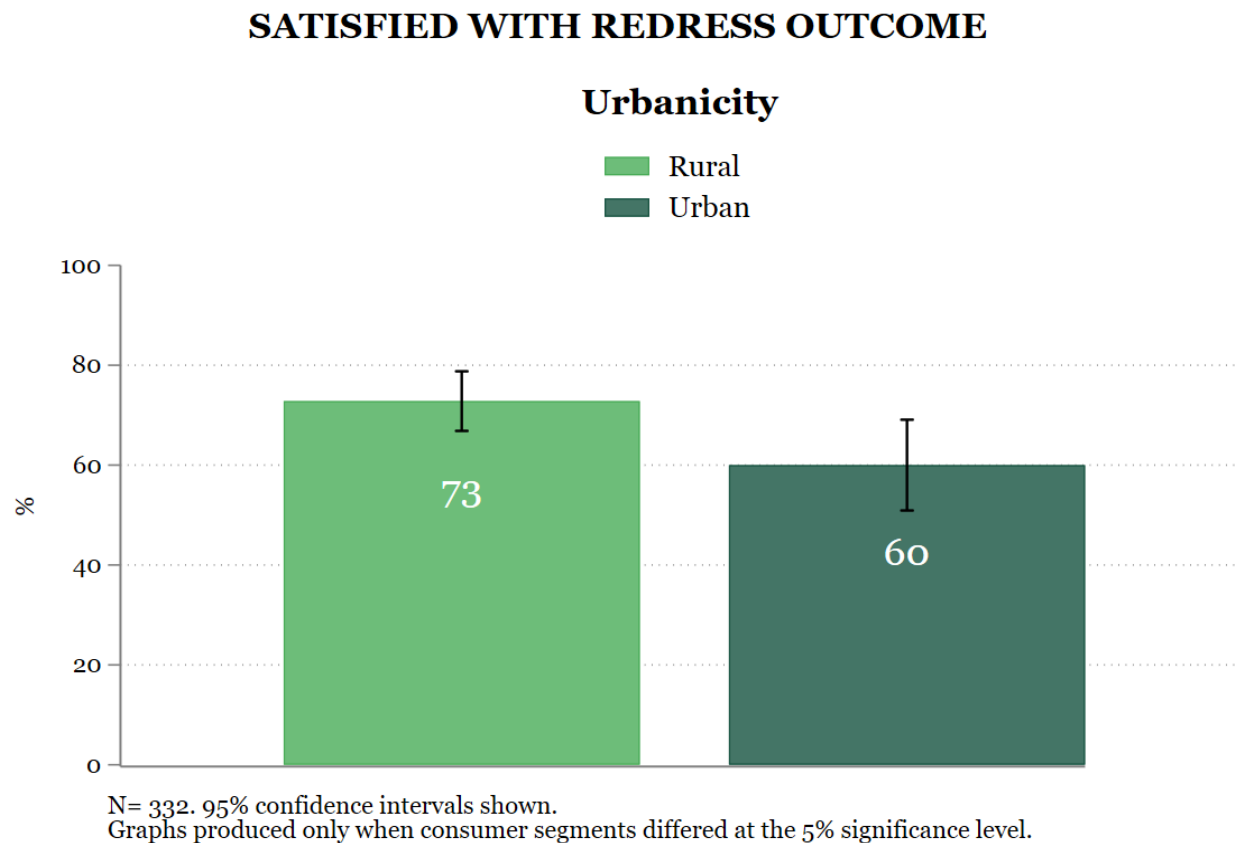
36 percent of respondents spent money to resolve their issue, for example in airtime fees or travel expenses when reports were made in person. On average, they spent \$3.09 on the resolution.

RESOLUTION TIME OF LAST REDRESS INCIDENT



68 percent were somewhat or very satisfied with the redress outcome.

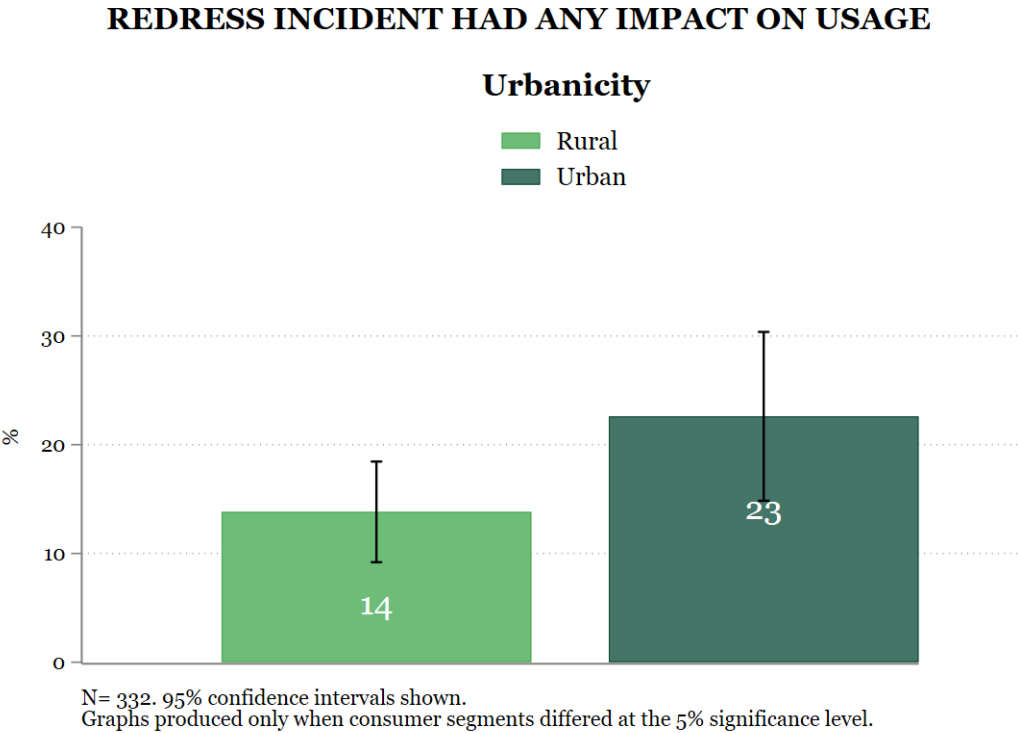
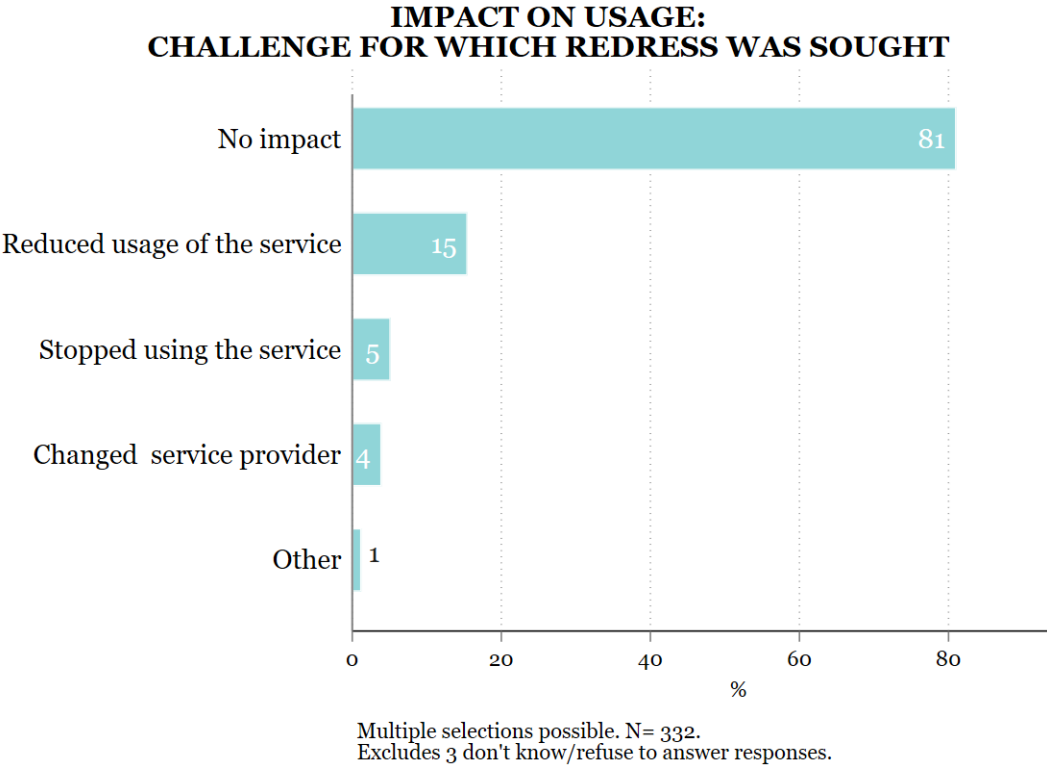
Rural respondents were more likely to be satisfied with the outcome.



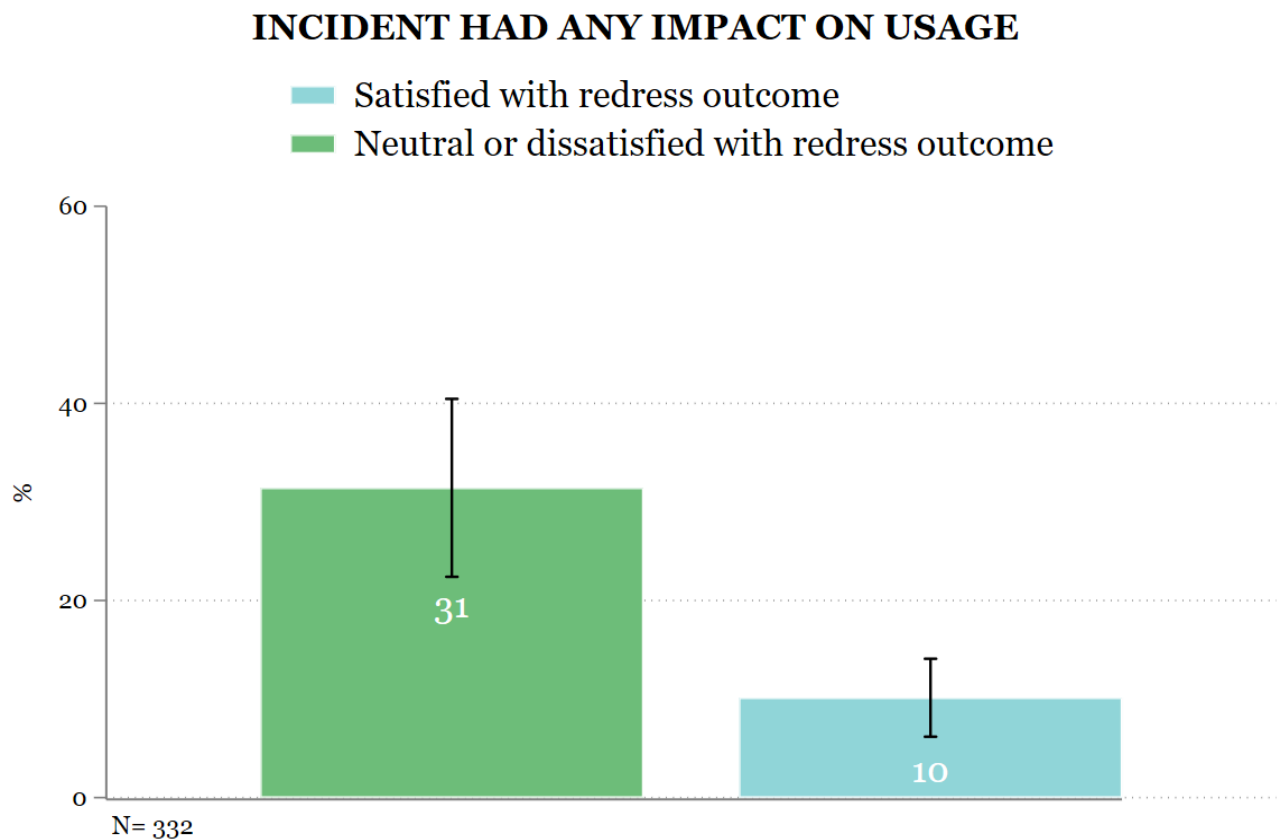
EFFECT ON DFS USAGE

Amongst redress seekers, 17 percent made a change to their DFS usage as a result of the challenge they had experienced.

Urban respondents were more likely to make a change.



Complainants dissatisfied with the redress process tend to reduce their DFS usage.



**Those dissatisfied with the outcome**  
of their complaint were more likely to switch providers or reduce or discontinue their DFS usage.

# Trust in Digital Financial Services

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106	Impact of challenges on trust

## Key Findings

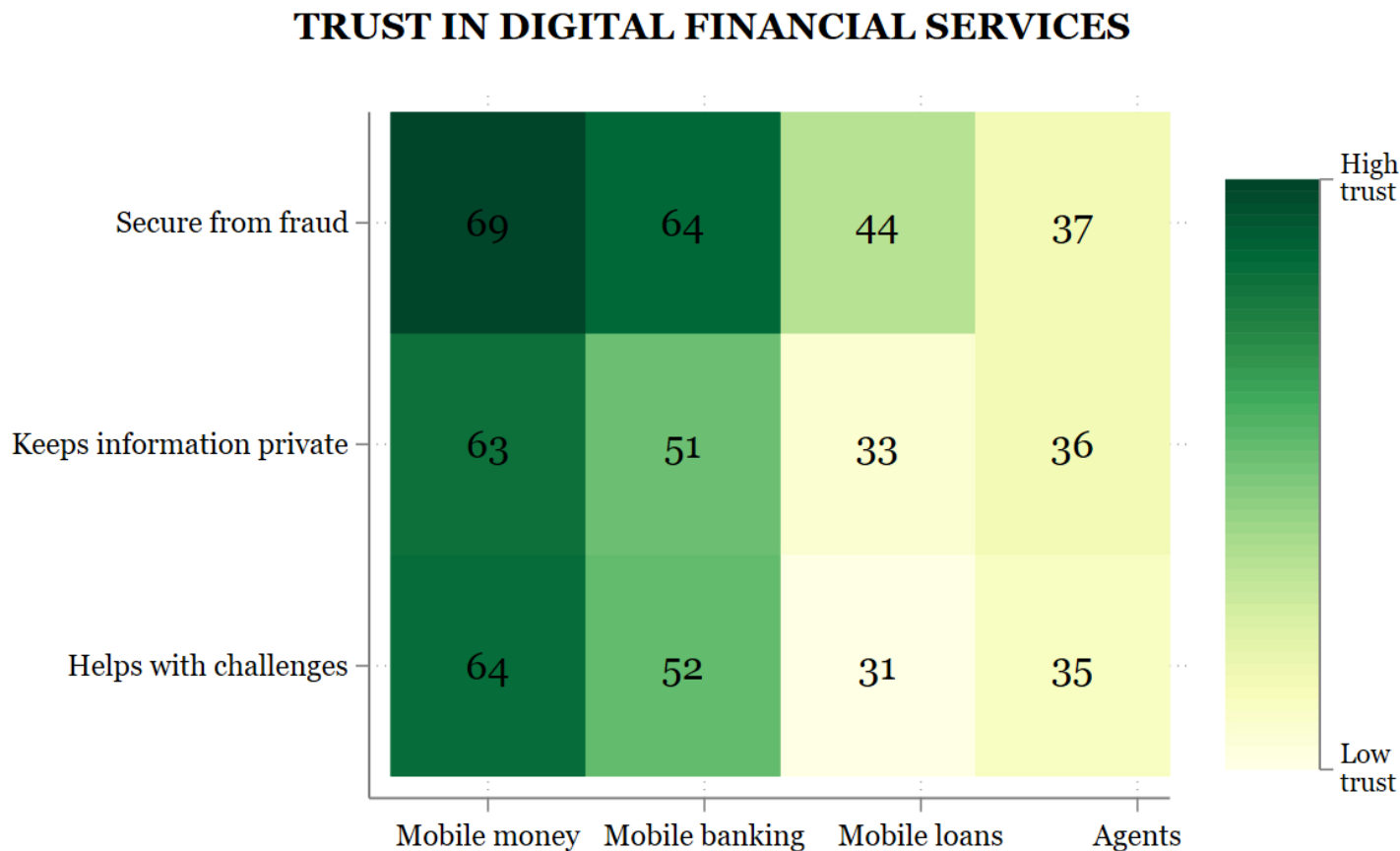
**1. Trust levels by provider:** Consumer trust was highest in mobile money and mobile banking providers, with between 56 percent and 65 percent of respondents giving them full trust ratings. Only 36 percent fully trusted in mobile loan providers and agents.

**3. Demographic trust patterns:** Less financially literate respondents tended to be less trustful, as measured by a trust index score constructed from all trust indicators.

**2. Help with challenges:** Across all services, consumers were least confident in providers' ability to help them resolve challenges related to DFS usage, and most confident in their ability to keep money safe from fraud, with ability to keep information private between the two.

**4. DFS challenges and impact on trust levels:** Consumers who experienced DFS challenges showed markedly lower trust scores, with issues related to customer care challenges and unclear fees particularly strongly correlated with reduced trust.

Consumer trust is highest for mobile money and mobile banking services.

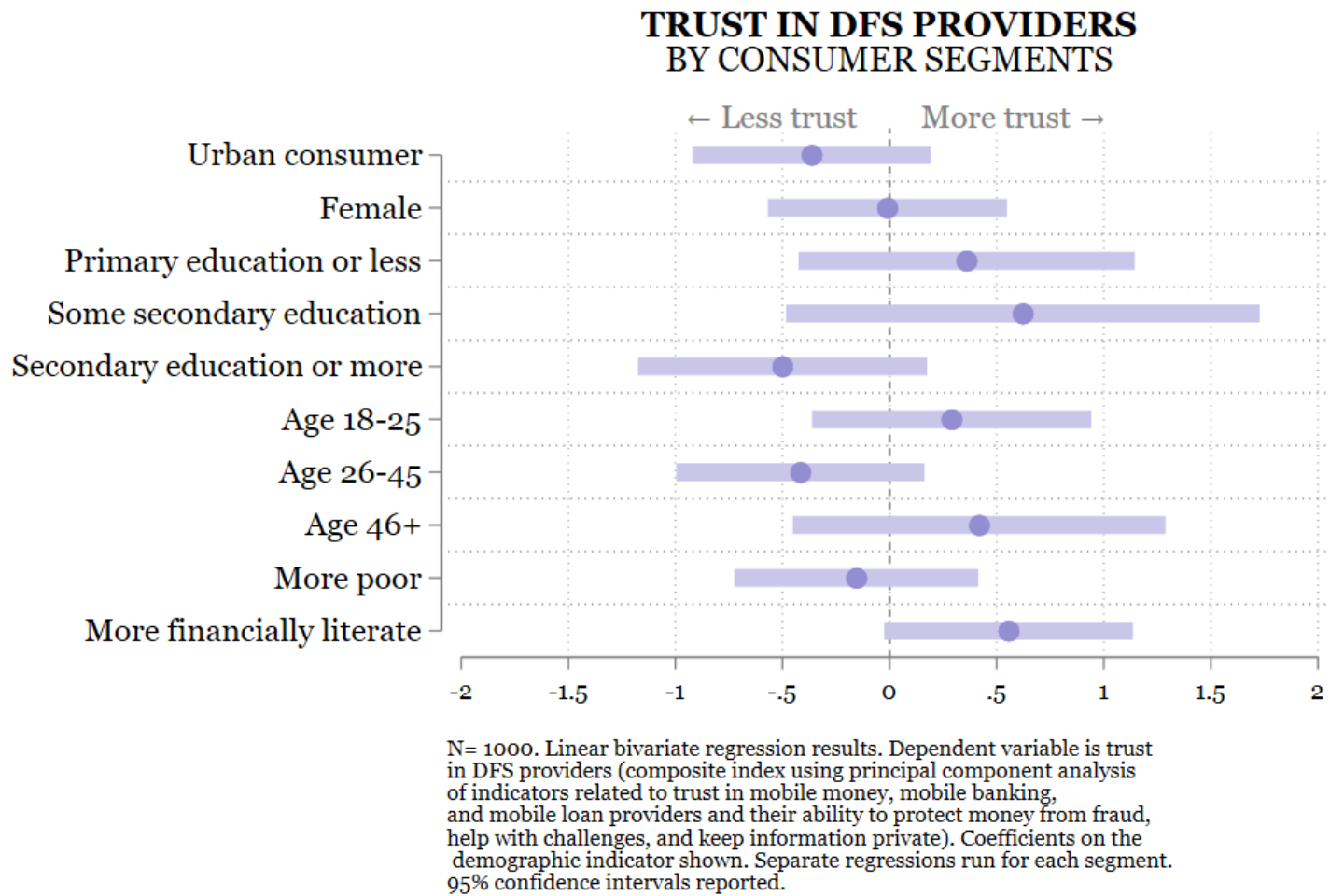


N= 1000. Graph shows the percentage of respondents who gave the highest trust rating to statements related to security from fraud, privacy, and help with challenges.



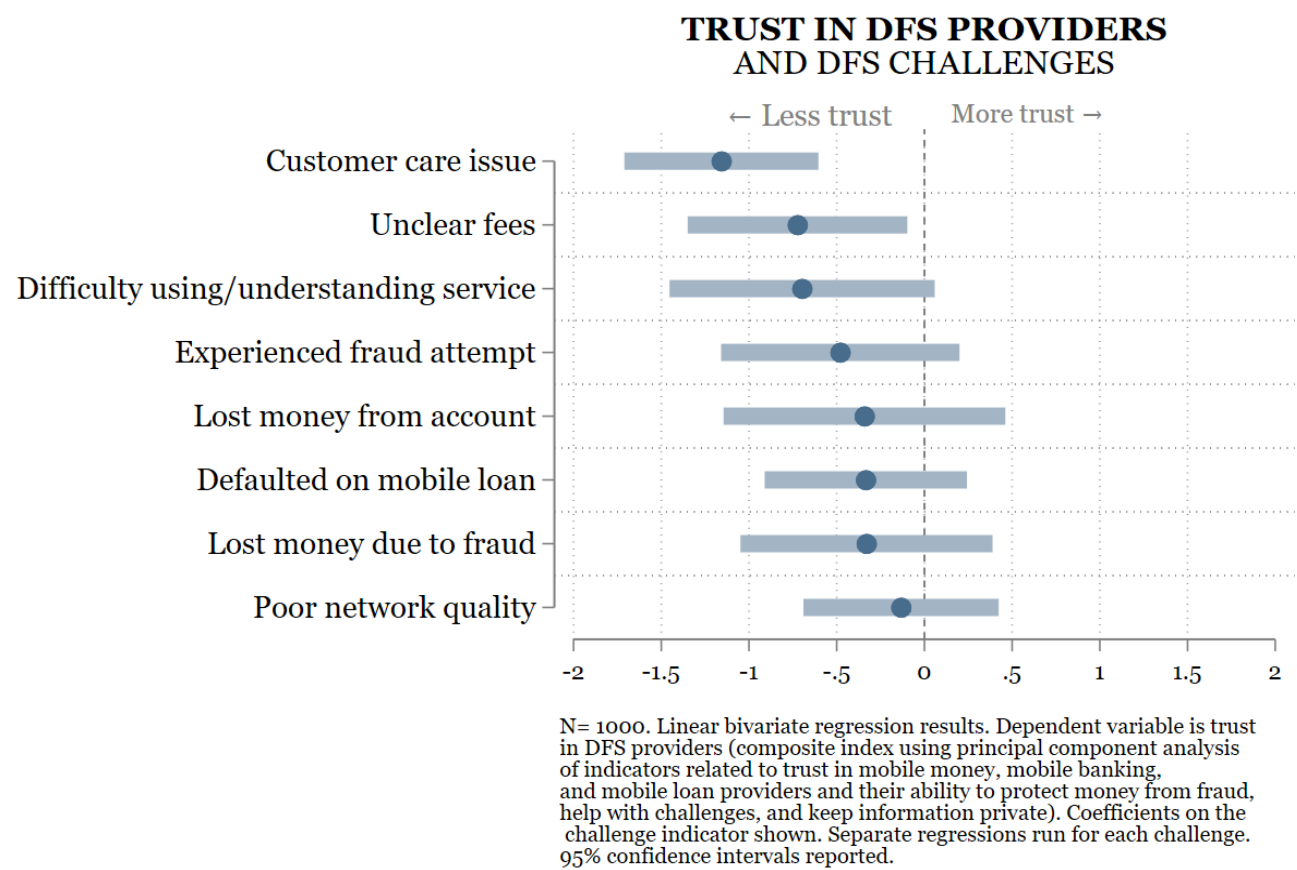
# Trust in DFS providers varies by consumer segments.

Less financially literate respondents tend to be less trustful.



# Consumers who have experienced DFS challenges tend to have lower trust in DFS providers.

All challenges experienced are associated with lower levels of trust. Provider trust is particularly strongly correlated with issues related to customer care challenges and unclear fees.





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