



Consumer Pulse Study

Consumer behaviours and attitudes about current and future household budgets, spending and debt

Zambia Q2 2025

TransUnion's quarterly survey explores how consumers' personal finances have changed and what changes they expect in the future. The study measures shifting consumer attitudes and behaviours based on the dynamics of income, debt and identity theft. The analyses and insights give consumers a voice and inform businesses' decision-making as they seek to create economic opportunities for consumers.

KEY TAKEAWAYS



Zambians faced financial challenges but remained hopeful: While 34% reported income growth in the last three months, 49% said they had worse than expected finances. Still, 79% reported optimism about their household finances in the next 12 months, with Gen Z being the most optimistic among generations surveyed at 81%. Despite reported job losses and wage cuts, many adapted by saving more, reducing spending and paying down debt. Inflation, housing prices and jobs were the most reported household financial concerns. Although 35% expected to be unable to pay at least one of their current bills and loans in full, they showed efforts to pay – with the top ways of doing so being paying a partial amount they can afford but not the whole balance (48%), gig work (45%), and borrowing money from a friend or family member (35%).



Opportunity for financial inclusion: While 94% of Zambians said access to credit and lending products is important to achieve their financial goals, only 42% felt they had sufficient access. Although 45% planned to apply for new or refinance existing credit in the next year, 54% of all surveyed abandoned their applications. The top reasons cited for doing so were high borrowing costs (36%) and refinancing wouldn't make enough of a difference to their payments (30%, up 10 percentage points/pp from Q2 2024). Furthermore, 56% of all surveyed said rising interest rates will impact whether or not they're going to apply for credit in the next 12 months. These trends show growing financial caution and the need for more accessible, affordable credit options.



Low credit awareness highlights need for financial education: While 71% of respondents viewed credit monitoring as extremely or very important, only 49% said they checked their credit at least monthly. Alarming, 30% reported not monitoring at all, up three pp from a year ago. Half of those who did report monitoring said they did so to improve their credit scores or check for accuracy (50%), while others did so to protect against fraud (40%) and learn about credit offers (35%). Among all surveyed, 50% believed alternative data like rent or gym payments could boost their credit scores. Only 34% of consumers reported conducting more than half of their transactions online.



Fraud is a major concern in Zambia: During this most recent survey, 85% reported being targeted by email, online, phone call or text messaging fraud in the last three months, with 9% saying they fell victim. Among those who said they were targeted, high-income individuals (ZK108,000 and more annually) reported being especially targeted by money/gift card scams (60%) and smishing (51%). The cyber threats respondents said they were most concerned may personally affect them were identity theft (50%), credit/payment card fraud (46%) and data breaches (40%). Additionally, 92% were wary of sharing their personal information, while only 52% felt they have proper access to credit information being used about them.

Household income (HHI), spending and bill payment impact

In Q2 2025, 34% of respondents reported a rise in household income over the past three months. Meanwhile, 36% said their finances were better than planned, 15% as planned and 49% worse than planned. Looking ahead, 79% of consumers felt optimistic about their household finances in the next 12 months, 12% were neutral and only 9% felt pessimistic. Gen Z (81%) were the most optimistic age group surveyed, increasing nine pp from Q2 2024. Additionally, 82% of all respondents expected their incomes to increase in the next year.

Many Zambians reported recently experiencing both financial setbacks and gains. On the downside, 22% said someone in their households experienced job loss, 21% said someone in their households owned a business that closed or lost orders, and 20% reported wage or salary reductions. On the upside, 24% indicated someone in their households started a new business, 14% had wage increases and 13% started a new job. In terms of financial behaviour, 38% of consumers said they paid down debt faster in the last three months, up eight pp from a year ago. As for savings in the last three months, 25% said they saved more in an emergency fund – while 17% reported cutting back on saving for retirement.

Despite their relatively positive income outlooks, Zambians were concerned about macroeconomic dynamics, including inflation, jobs and housing prices. This quarter, 79% listed inflation as one of their top three financial concerns in the next six months – followed by housing prices (rent or mortgage) at 59% and jobs at 58% (nine pp higher than Q2 2024). Possibly due to these concerns, in the past three months, 55% of consumers indicated they cut back on discretionary spending (e.g., dining out, travel, entertainment); 44% cancelled or reduced digital services (e.g., wireless, cable TV, internet); and 41% cancelled subscriptions or memberships (seven pp higher than Q2 2024). It appears consumers are prioritising essential expenses and actively trimming non-essential costs to maintain financial stability.

Close to half (49%) expected to decrease their discretionary spending in the next three months. This percentage was significantly higher than those who expected discretionary spending to remain the same (19%) or increase (27%). Additionally, 49% expected their contributions to retirement funds and investments to increase, and 46% expected reduced spending on large purchases (e.g., appliances, cars).

Regarding payment obligations, 35% expected to be unable to pay at least one of their current bills or loans in full. Among these respondents, almost half (48%) said they would pay their current bills and loans with a partial amount they could afford. Meanwhile, 45% planned to take on temporary/gig work to service their debts, and 35% intended to borrow money from a friend or family member. Finally, 28% of respondents said they would use savings. While financial strain is evident among Zambian consumers, there are also signs of resilience and adaptability.

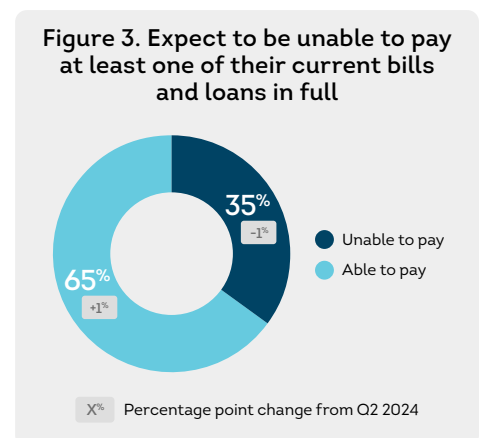
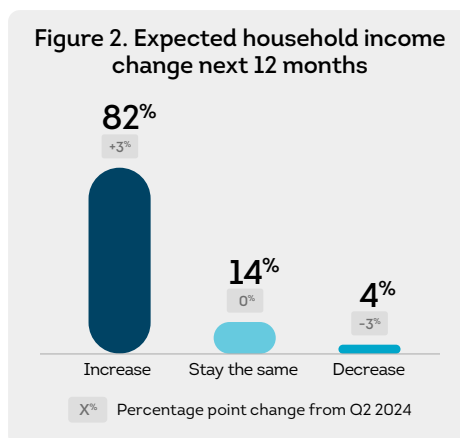
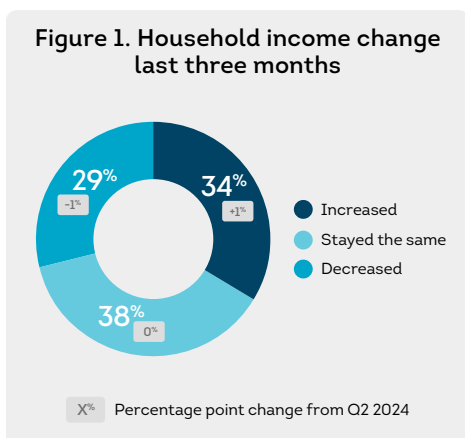


Figure 4. Plans to pay current bills or loans
(among those unable to pay bills/loans)

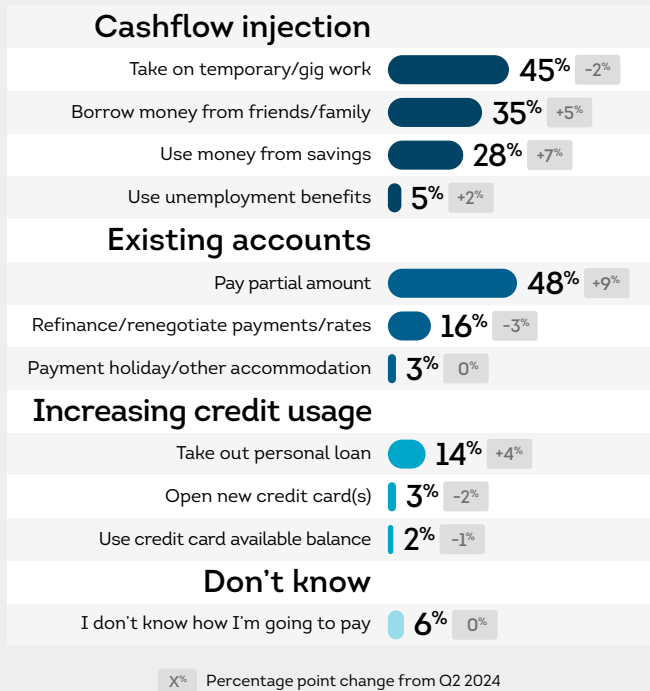


Figure 5. Changes to household budget
in the last three months

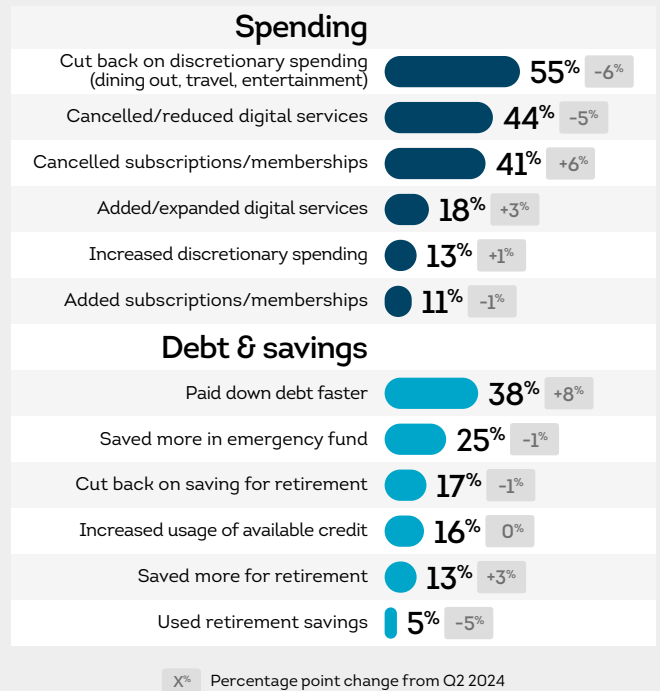
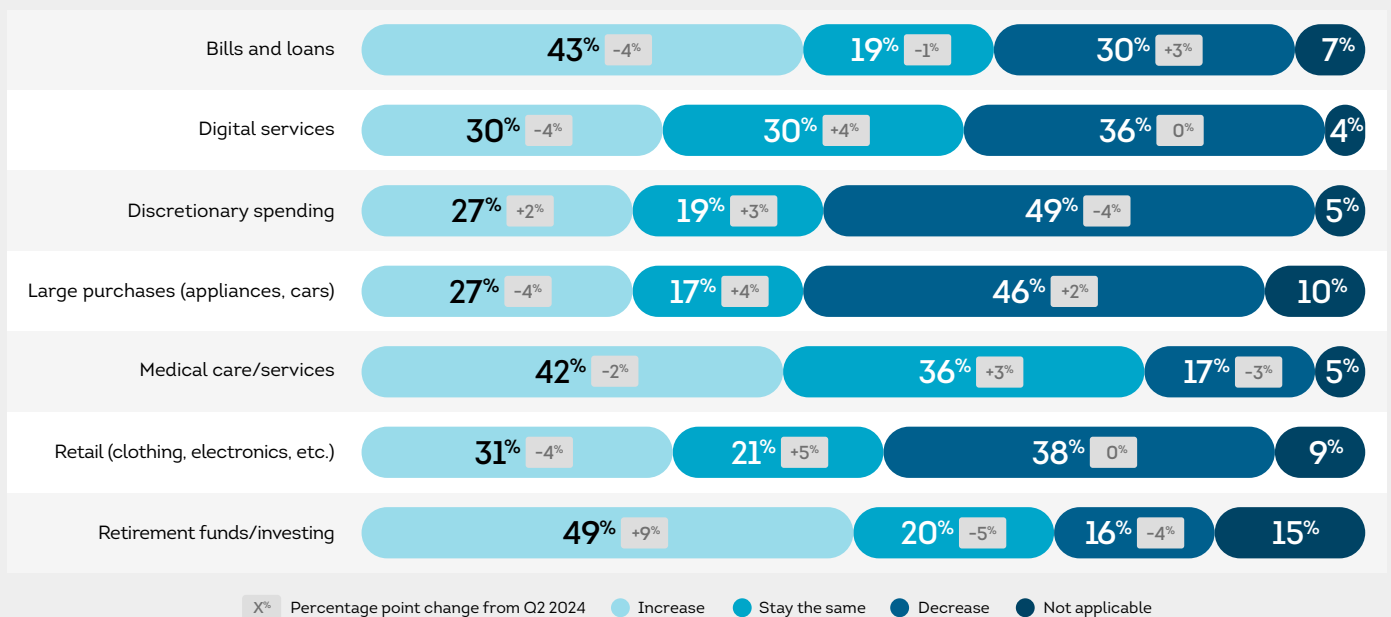


Figure 6. Expected change to household spending over next three months



Attitudes and plans for economic participation

This quarter, 94% of respondents viewed access to credit and lending products as important to achieve their financial goals, yet only 42% felt they had sufficient access. Among all surveyed, 45% planned to apply for new or refinance existing credit within the next year. Among them, the most popular credit products they said they'd apply for were new personal loans (46%) and refinancing existing personal loans (37%). Additionally, 23% said they'd apply for buy now, pay later services and 20% a new student loan.

More than half (54%) considered applying for credit or refinancing but ultimately chose not to proceed. High borrowing costs (36%) and not enough difference to payments when refinancing (30%, up 10 pp from a year ago) were the main reasons Zambians were hesitant to pursue credit. These trends, likely driven by broader economic pressures, continue to discourage engagement with formal credit channels.

Rising interest rates also influenced consumer behaviour. More than half (56%) said interest rate increases had a high impact on whether or not they would apply for credit in the next 12 months, while 29% reported a moderate impact. These trends underscore a growing sensitivity to economic conditions and highlight the need for more affordable, transparent and flexible credit solutions.

Figure 7. Believe important to have access to credit and lending products to achieve financial goals

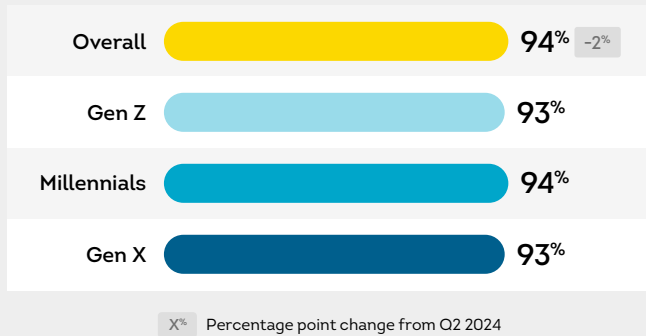


Figure 8. Believe have sufficient access to credit and lending products

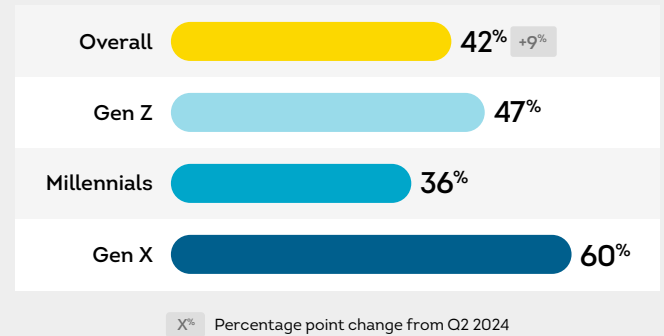


Figure 9. Plan to apply for new credit or refinance existing credit within the next year

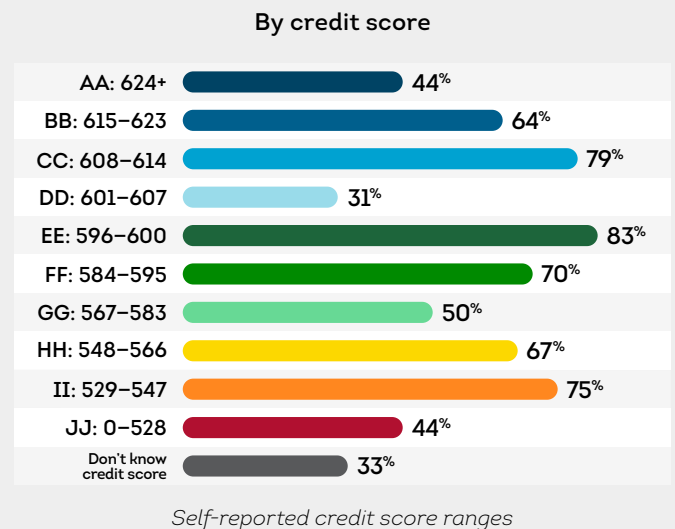
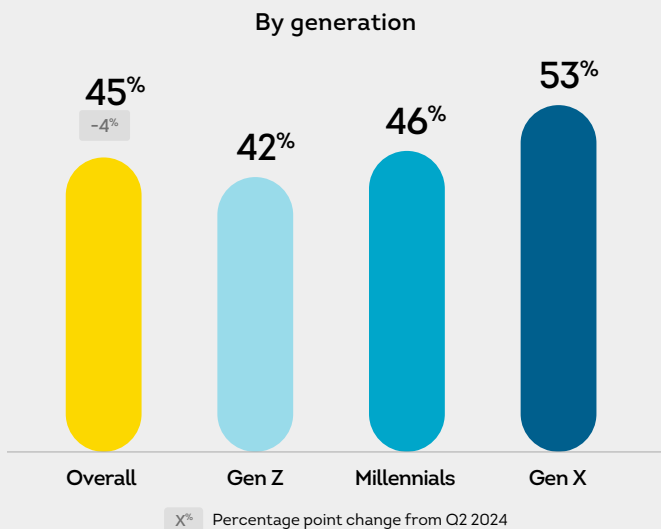
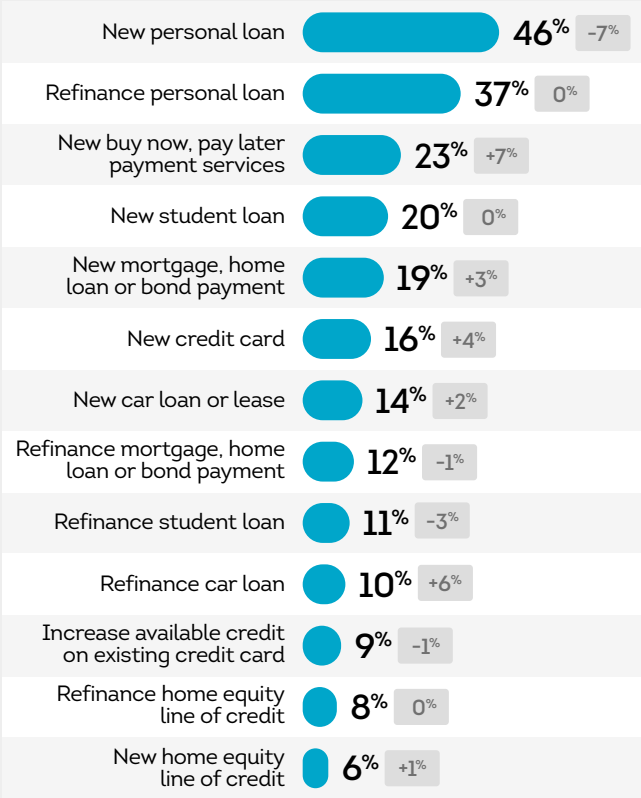
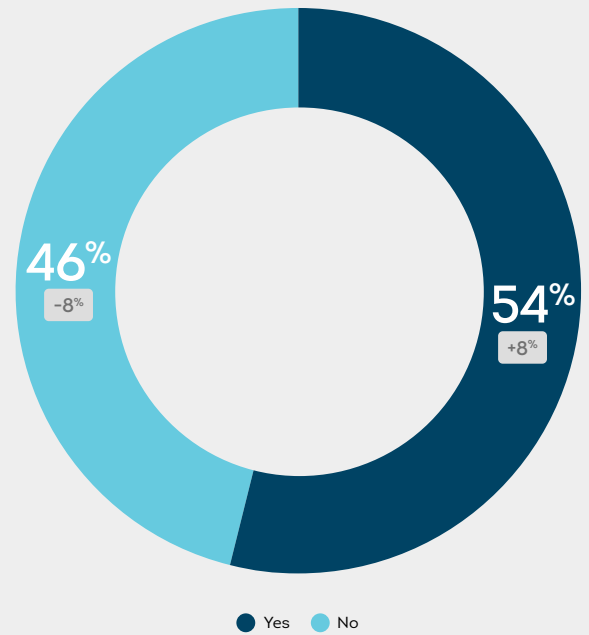


Figure 10. Type of new credit and loan activity planned in next 12 months
(among those who plan to apply for new or refinance existing credit)



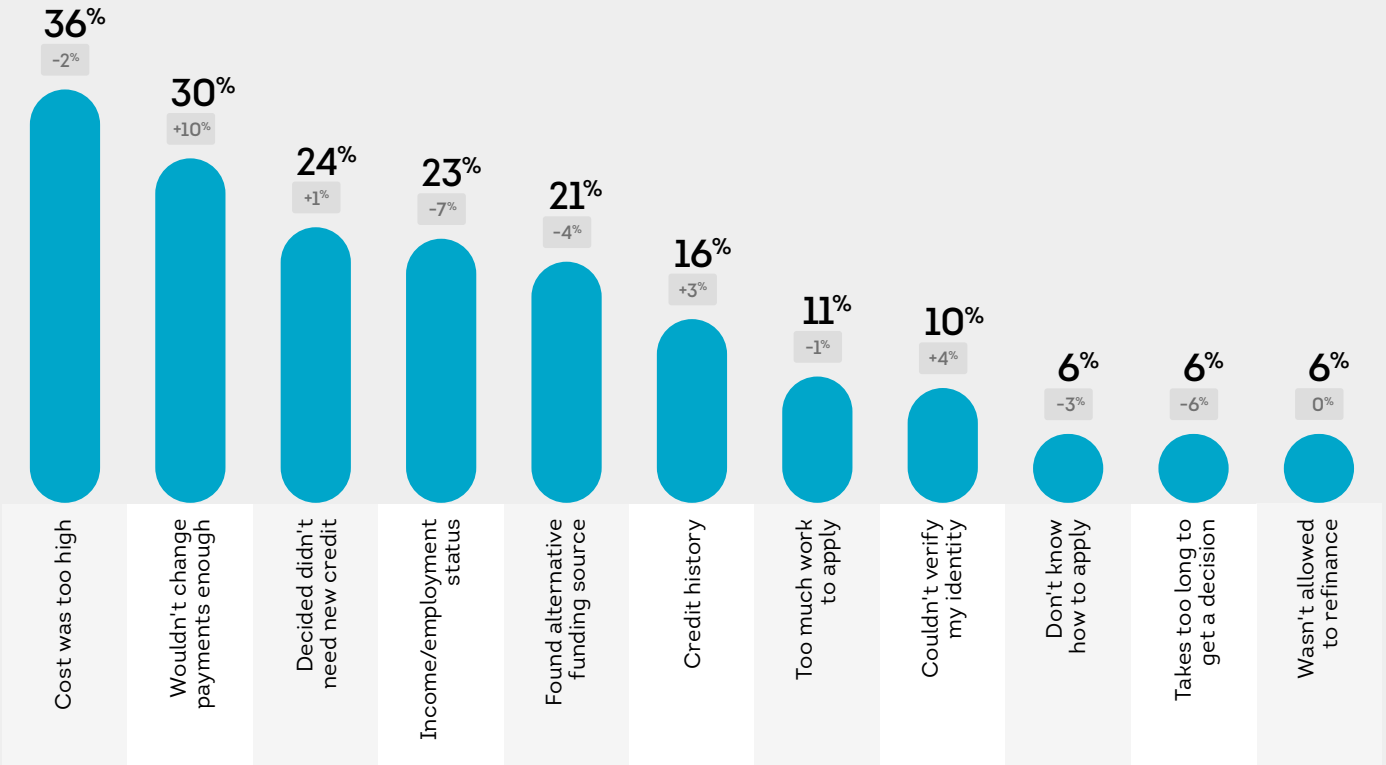
X% Percentage point change from Q2 2024

Figure 11. Abandoned plan to apply for new credit or refinance



X% Percentage point change from Q2 2024

Figure 12. Reasons for abandoning application for new credit or refinance



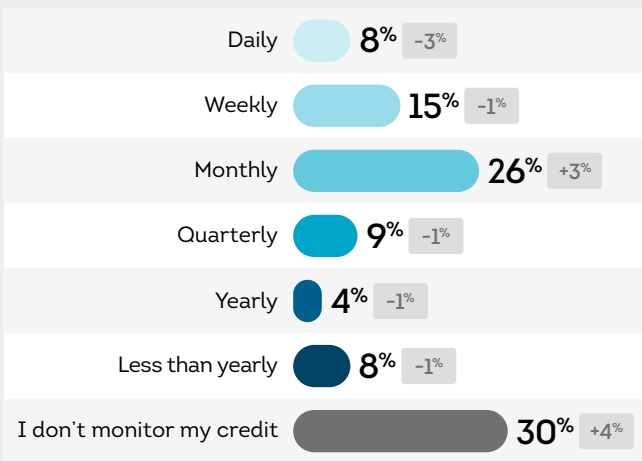
X% Percentage point change from Q2 2024

Attitudes and behaviour to manage financial choices

A majority of surveyed Zambians recognised the importance of credit monitoring: 36% considered it extremely important and 35% rated it as very important. Despite this awareness, only 49% reported checking their credit at least once a month, and just 23% at least weekly. Alarming, 30% of respondents said they do not monitor their credit reports at all, an increase of four pp from Q2 2024. This gap between perceived importance and action highlights the need for improved financial literacy and easier access to credit monitoring tools. Among those who reported monitoring their credit, their top-stated reasons for doing so were to improve their credit scores or ensure the accuracy of their reports (both 50%). Other top motivations included protecting against fraud (40%) and discovering credit offers they may qualify for (35%).

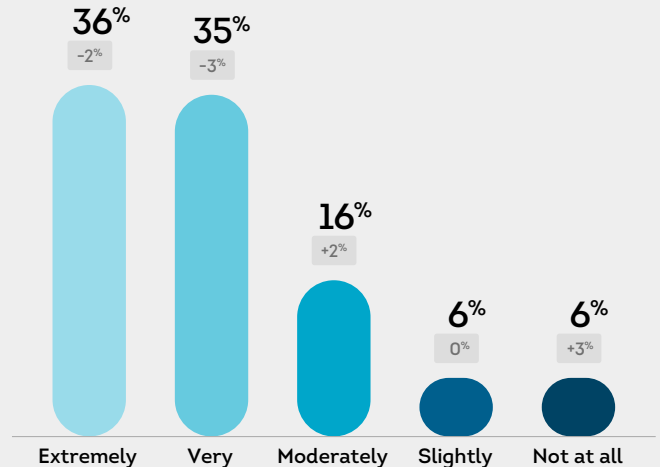
Exactly half believed their credit scores would increase if businesses used information not on a standard credit report, such as rental payments, gym membership payments and other alternative data. About a third (34%) claimed they performed more than half of their transactions online, with only 7% indicating none of their transactions were done online.

Figure 13. Credit report monitoring frequency



X% Percentage point change from Q2 2024

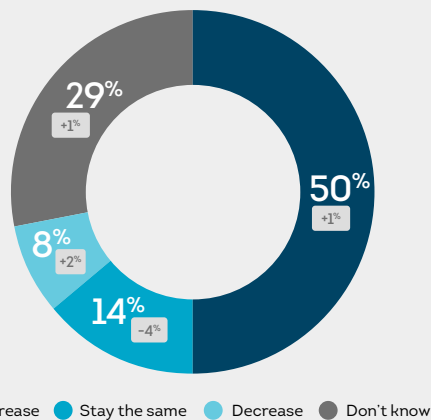
Figure 14. Believe monitoring credit report is important



X% Percentage point change from Q2 2024

Figure 15. How believe credit score would change if businesses used information not on standard credit report

Examples provided of non-standard information include: rental payments and short-term loan history



X% Percentage point change from Q2 2024

Identity risks and usage

As fraud attempts continue to infiltrate Zambian markets, their consumer impact is being felt beyond just becoming a victim. For instance, when it comes to using digital technology in new ways, 49% of survey respondents cited cybersecurity threats as a major barrier to doing so, while 39% expressed concerns about identity theft.

Stolen identity (50%), credit/payment card fraud (46%) and data breaches (40%) were the cyber threats that most concerned surveyed consumers. Identity attack methods respondents said they were most concerned about becoming a victim of were: fake social media profiles (69%), personal information exposed in data breaches (51%), email phishing (50%), and viruses or malware (43%).

More than three quarters (76%) reported being targeted by email, online, phone call or text message fraud in the last three months but didn't fall victim. An additional 9% said they were both targeted and fell victim. High-income consumers were particularly affected: 91% reported being targeted – at least seven pp higher than other income groups. Among all respondents who said they were targeted in the last three months, the most common types of scams they reported facing were: money/gift card scams (49%); smishing (fraudulent text messages meant to trick users into revealing data) at 42%; phishing (fraudulent emails, websites, social posts, QR codes, etc. meant to steal data) at 35%; vishing (fraudulent phone calls meant to trick users into revealing data) at 31%; and money mule scams (solicited to transfer or move illegally acquired money on behalf of someone else) or unemployment fraud – both at 29%. Among high-income consumers who said they were targeted, money/gift card scams (60%) and smishing (51%) were most frequently encountered.

Sharing personal information was a concern for 92%, primarily due to fears of privacy invasion (78%) and identity theft (77%). Additionally, only 52% said they have proper access to their credit information. These issues not only hinder consumer confidence but also limit the abilities of individuals to safeguard their identities and financial well-being.

Figure 16. Personal experience with online, email, phone call or text message fraud attempts in last three months

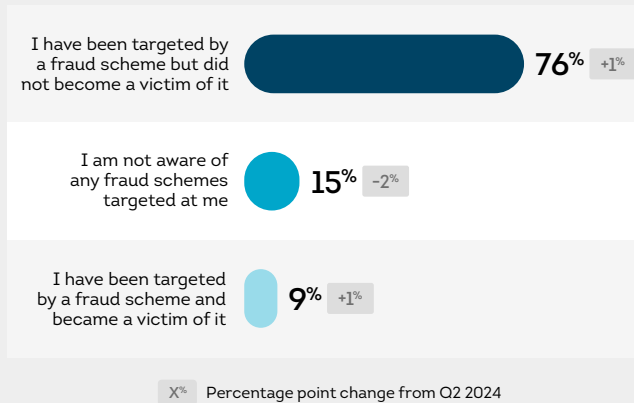


Figure 17. Most frequent fraud schemes targeting consumers
(among those targeted with online, email, phone call or text message fraud)

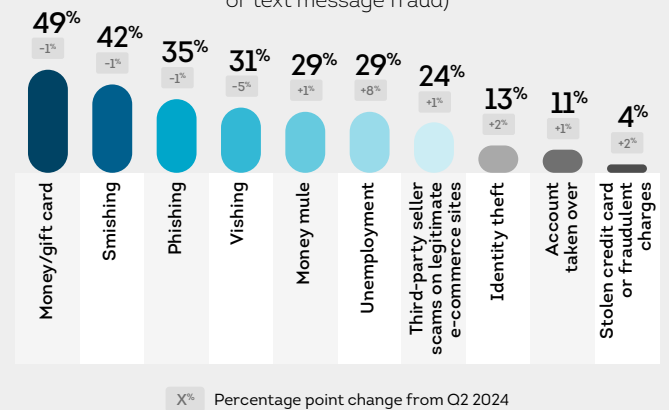
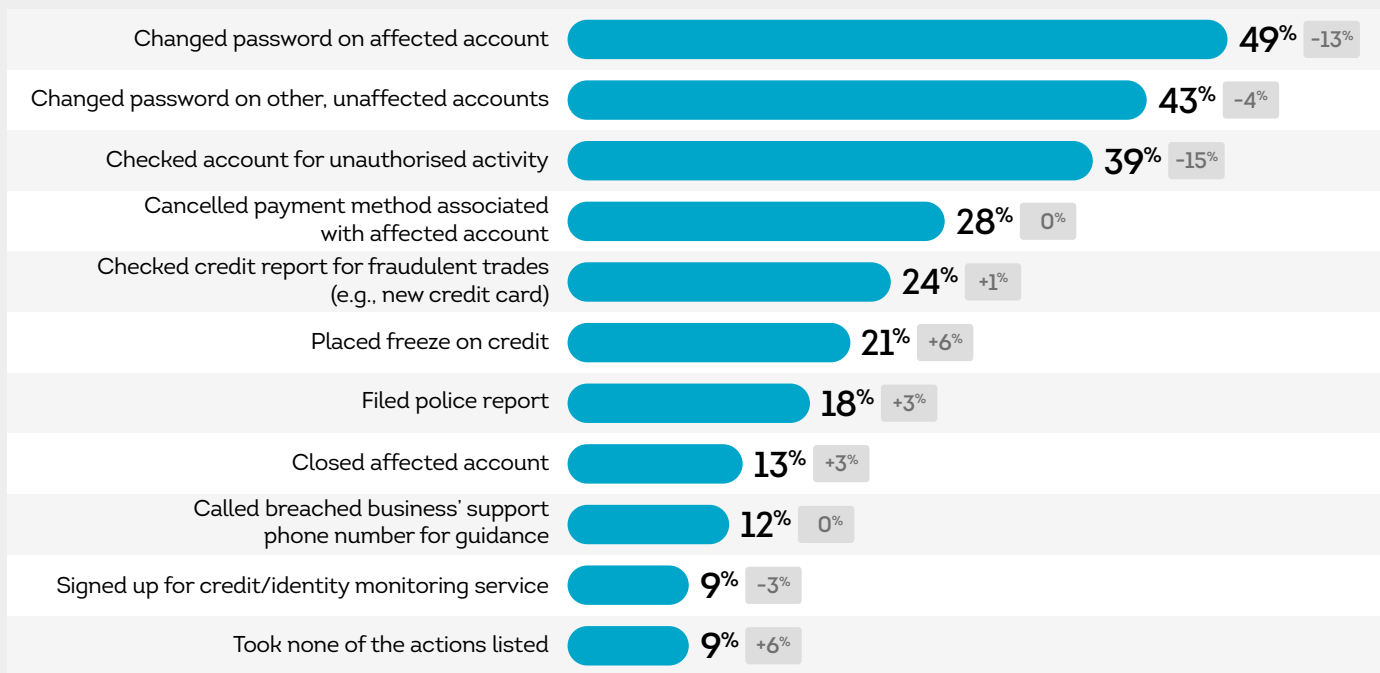


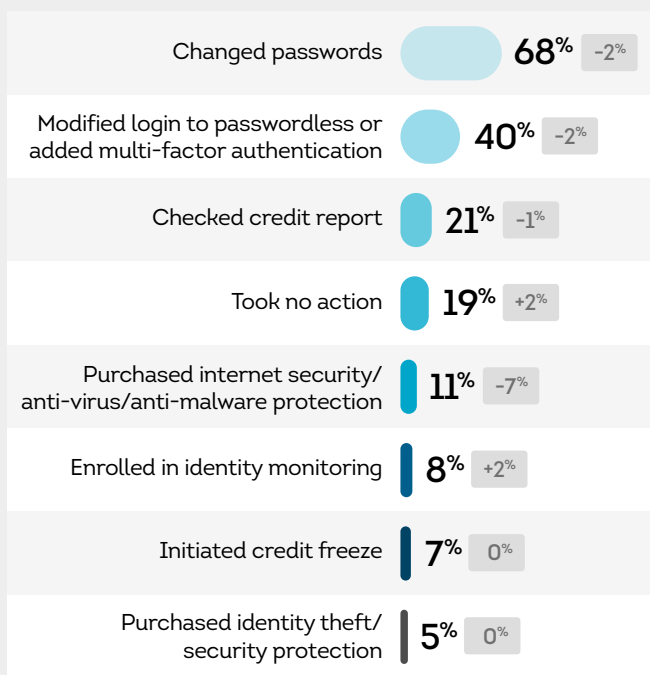
Figure 18. Most frequent actions data breach victims took

(among consumers notified in the last three months that details about their identities and/or online accounts were stolen)



X* Percentage point change from Q2 2024

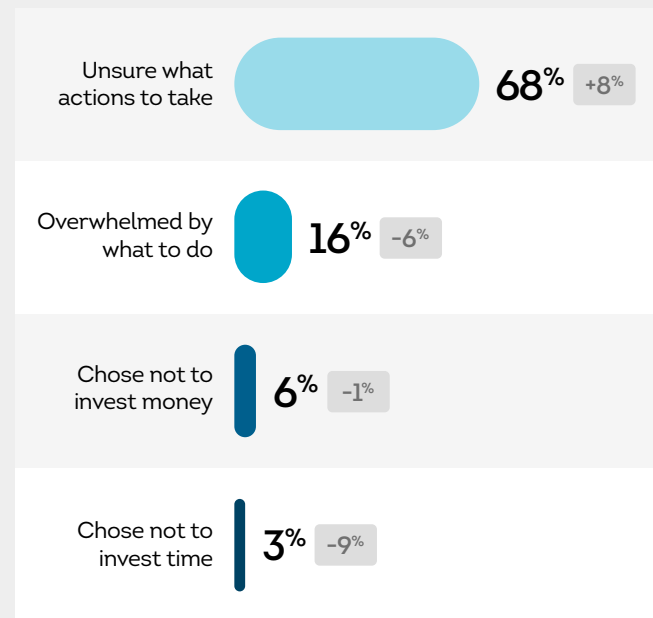
Figure 19. Actions taken in last 60 days due to cybersecurity concerns



X* Percentage point change from Q2 2024

Figure 20. Reasons did nothing about cybersecurity concerns

(among those who took no action about cybersecurity concerns in the last 60 days)



X* Percentage point change from Q2 2024

Research Methodology

TransUnion's Consumer Pulse Survey of 325 adults was conducted 5–25 May 2025 by TransUnion in partnership with third-party research provider, Dynata. Adults 18 years and older residing in Zambia were surveyed using an online research panel method across a combination of desktop, mobile and tablet devices. Survey questions were administered in English. To increase representativeness across resident demographics, the survey included quotas to balance responses to the census statistics dimensions of age, gender, household income and region. Generations were defined in this research as follows: Gen Z, 18–28 years old; Millennials, 29–44; Gen X, 45–60; and Baby Boomers, age 61 and above. Those not included in this report didn't have adequate base size. These research results are unweighted and statistically significant at a 95% confidence level within ±5.4 percentage points based on a calculated error margin. Please note some chart percentages may not add up to 100% due to rounding or multiple answers being accepted.

For a better understanding of how TransUnion can help your business meet the changing needs of your customers, please contact your TransUnion representative or email us at zmsupport@transunion.com



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