Consumer Pulse Study

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

Zambia Q1 2026

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

Zambia's consumer landscape entering 2026 reflected a clearer sense of forward momentum, supported by an increase in the share of households reporting income gains compared with 2025 results. This year-on-year uplift, together with stronger expectations for income growth over the next 12 months, indicates consumers feel better positioned than they did in 2025. The shift suggests some of the financial pressures experienced last year may be easing, allowing households to look ahead with more confidence and a stronger belief in their financial trajectories.

Despite this improved sentiment, the realities of rising everyday costs continued to shape consumer behaviour. Households remained more discerning about where they spend, routinely separating essentials from discretionary items and prioritising stability over lifestyle-linked purchases. Many expected these patterns to remain in place over the coming quarter, anticipating further increases across essential categories while keeping optional spend restrained. Compared with 2025, consumers appeared more intentional and disciplined in their approach to budgeting, shifting from reactive adjustments to sustained, proactive financial management, reflecting a longer-term view of affordability.

Credit continued to be viewed as an important pathway to achieving financial goals, yet access challenges persist. Many consumers felt they lacked sufficient access to the lending products they need, and a significant share who considered applying for new credit in the past year ultimately did not proceed, often due to concerns about approval, affordability or the expected value of refinancing. These patterns closely mirrored last year's findings and reinforced the structural and perception-based barriers shaping credit participation. At the same time, exposure to digital fraud remained widespread, prompting some consumers to strengthen protective behaviours – while others remained unsure of how to respond. Together, these dynamics illustrate a consumer who is increasingly confident yet still navigating financial and digital-security challenges.

Household income (HHI), spending and bill payment impact

Household income trends over the past three months reveal a more balanced and noticeably improved picture compared to 2025. Overall, 40% of consumers said their incomes had increased (up from 34% last year), while the share reporting no change fell from 38% to 31%. Fewer consumers reported declines as well, showing early signs of stabilisation following a year of widespread financial pressure. Expectations for the year ahead remained strong as 84% anticipated an income increase – slightly higher than in 2025 – and signalling households felt more confident in their earning potential as they entered 2026.

Despite these improvements, 37% of consumers said they expect to be unable to pay at least one of their current bills or loans in full. This indicates, even with brighter income prospects, many households continued to operate with limited financial buffers. To manage ongoing obligations, consumers drew on a range of approaches: 42% paid only a partial amount they can afford, 45% are taking on temporary or gig-based work, 29% are borrowing from friends or family, and 26% used savings to keep up. The continued reliance on these coping mechanisms highlights persistent liquidity strain and shows households remained vulnerable to routine financial shocks, even as their confidence in longer-term earnings began to strengthen.

Spending behaviour continued to reflect a cautious and disciplined approach; 54% of consumers reported they cut back on discretionary spending in the past three months – broadly in line with 2025 but showing more targeted decision-making this year. Among those reducing spend, 68% cut back on dining out, 57% large purchases (e.g., cars, furniture) and 47% trimmed clothing and accessories, highlighting a continued focus on limiting lifestyle-related expenses. Overall, households also reassessed ongoing commitments: 37% reduced digital services and 30% cancelled subscriptions or memberships. These shifts point to a more deliberate budgeting posture in 2026 as consumers refine where savings can be made without compromising essential needs, reflecting a maturing response to persistent cost pressures.

Looking ahead, households expected to maintain a cautious approach to managing their budgets, with 35% anticipating an increase in essential expenses like bills and loan payments and 40% expecting higher medical costs. Discretionary categories are set to come under further pressure; 46% of consumers were planning to reduce personal spending and 37% were expecting to cut back on retail purchases. While these patterns mirror those seen in 2025, the tone in 2026 feels more intentional as households demonstrate clearer boundaries between essential and non-essential expenditures. In combination with stronger income expectations, these disciplined, forward-looking decisions point to a consumer who is more confident than last year but still measured – balancing improved financial prospects with the realities of rising everyday costs.

Figure 1. Household income change last three months

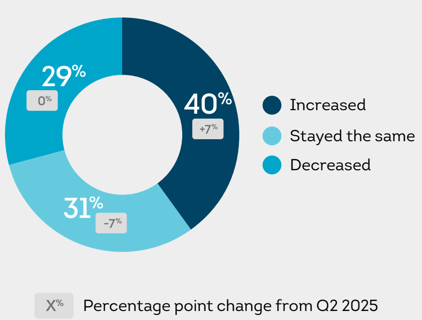


Figure 2. Expected household income change next 12 months

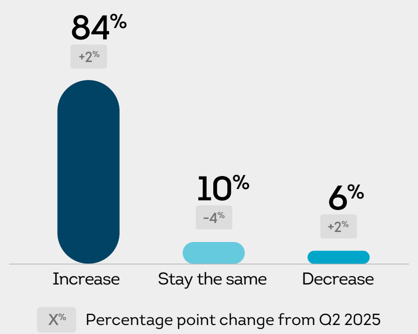


Figure 3. Expect to be unable to pay at least one of their current bills and loans in full

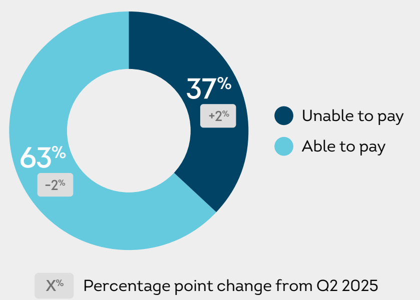


Figure 4. Plans to pay current bills or loans
(among those unable to pay bills/loans)

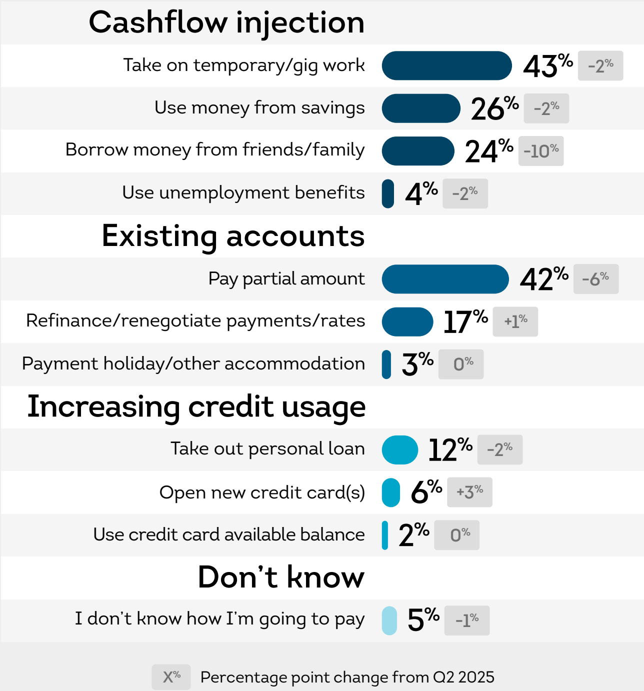


Figure 5. Changes to household budget in the last three months

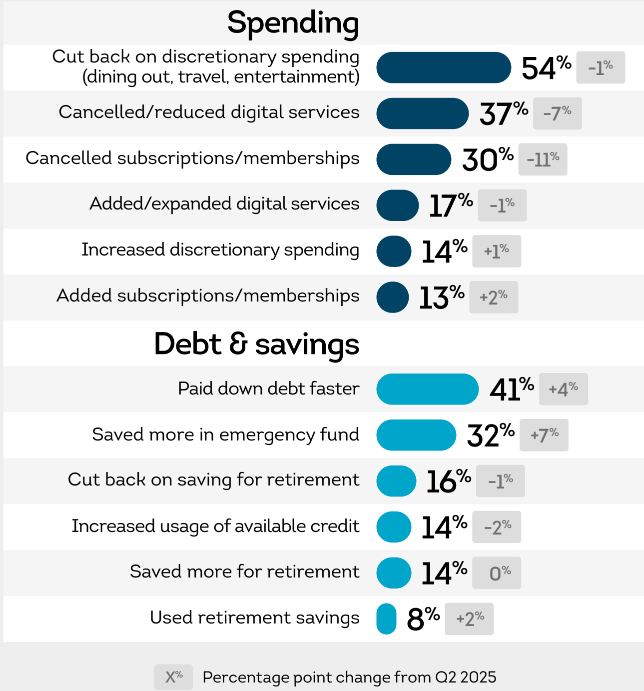
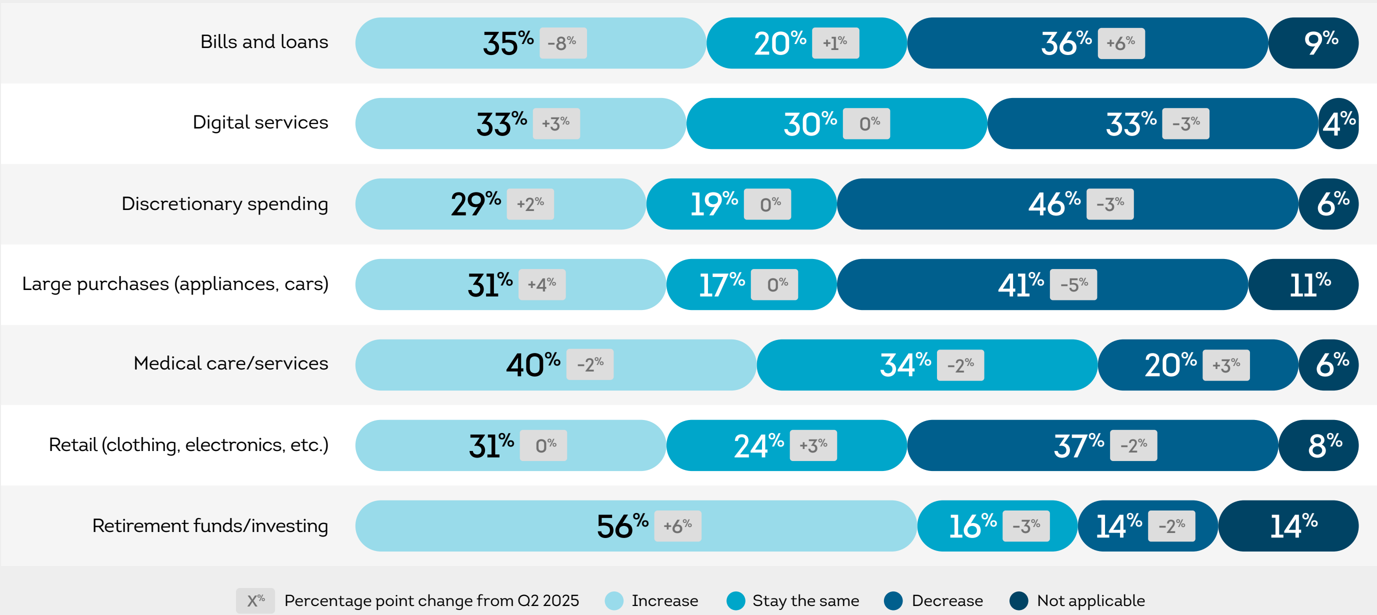


Figure 6. Expected change to household spending over next three months



FINANCIAL INCLUSION

Attitudes and plans for economic participation

Most consumers continue to recognise the value of credit; 93% said access to lending products is important for achieving their financial goals – consistent with the strong sentiment recorded in the 2025 survey. Yet far fewer believed they have sufficient access, only 37% felt they can obtain the credit they need. This persistent gap highlights the ongoing challenge of aligning consumers' aspirations with their real-world abilities to access affordable credit options.

Looking ahead, 41% of consumers planned to apply for new or refinance existing credit within the next year, with Millennials the most likely to do so. Among those planning to borrow, interest is concentrated around essential products: 45% intended to apply for a personal loan, 19% for student financing and 13% for car finance, underscoring the continued importance of credit in supporting mobility, education and financial flexibility.

However, more than half (55%) of consumers who considered applying for credit ultimately did not move forward. The reasons reflect enduring structural and affordability barriers: 30% said the cost of credit is too high, 29% worried their income may prevent approval and 21% felt refinancing would not meaningfully improve their payments. These obstacles remained largely unchanged from last year, limiting progress from intention to actual credit participation.

Collectively, these findings show a continued disconnect between the high importance consumers place on credit and their confidence in navigating the credit system. While interest in borrowing remains firm, concerns around affordability, approval likelihood and the perceived value of refinancing continue to hold consumers back. As a result, 2026 reflects a similar pattern to 2025: strong credit demand but constrained access and limited movement from planning to application.

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

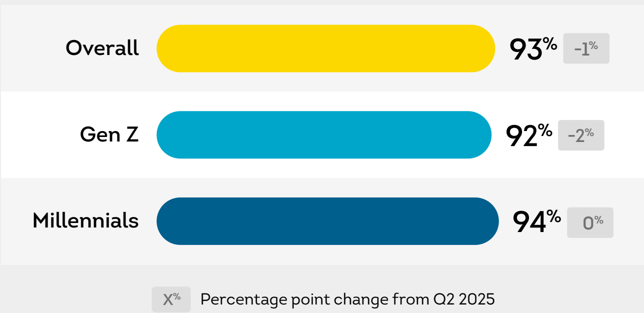


Figure 8. Believe have sufficient access to credit and lending products

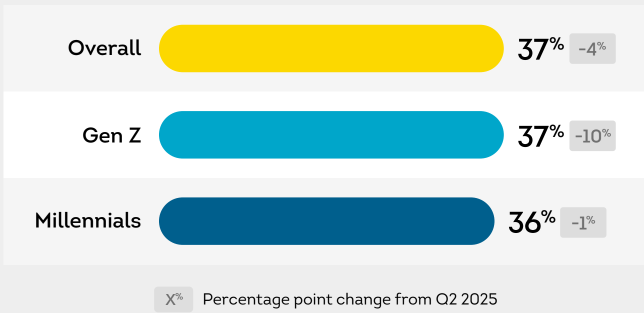


Figure 9. Plan to apply for new credit or refinance existing credit within the next year

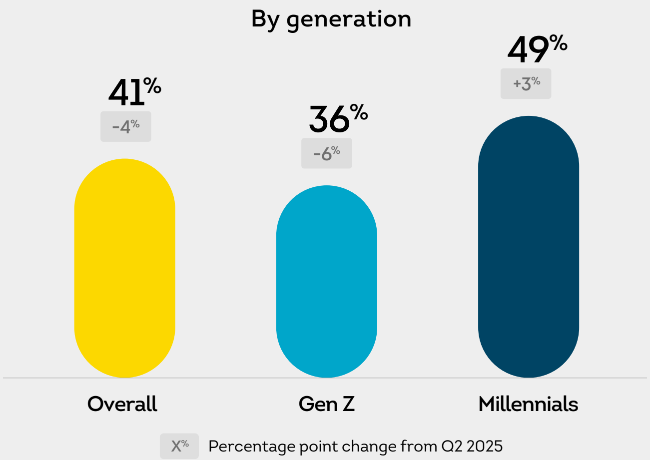
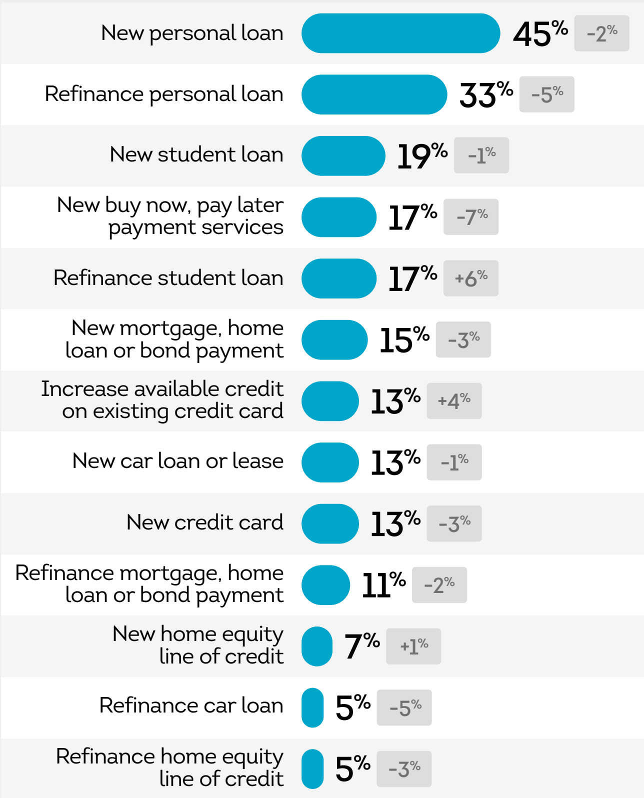
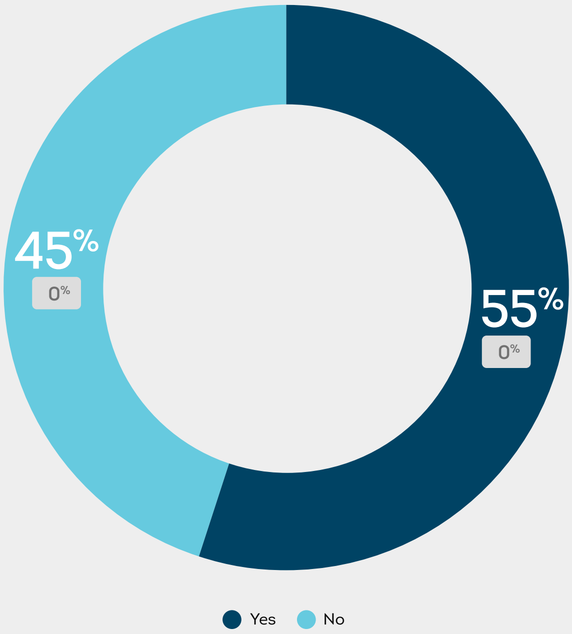


Figure 10. Type of new credit and loan activity planned in next 12 months
(among those who plan to apply for new or refinance existing credit)



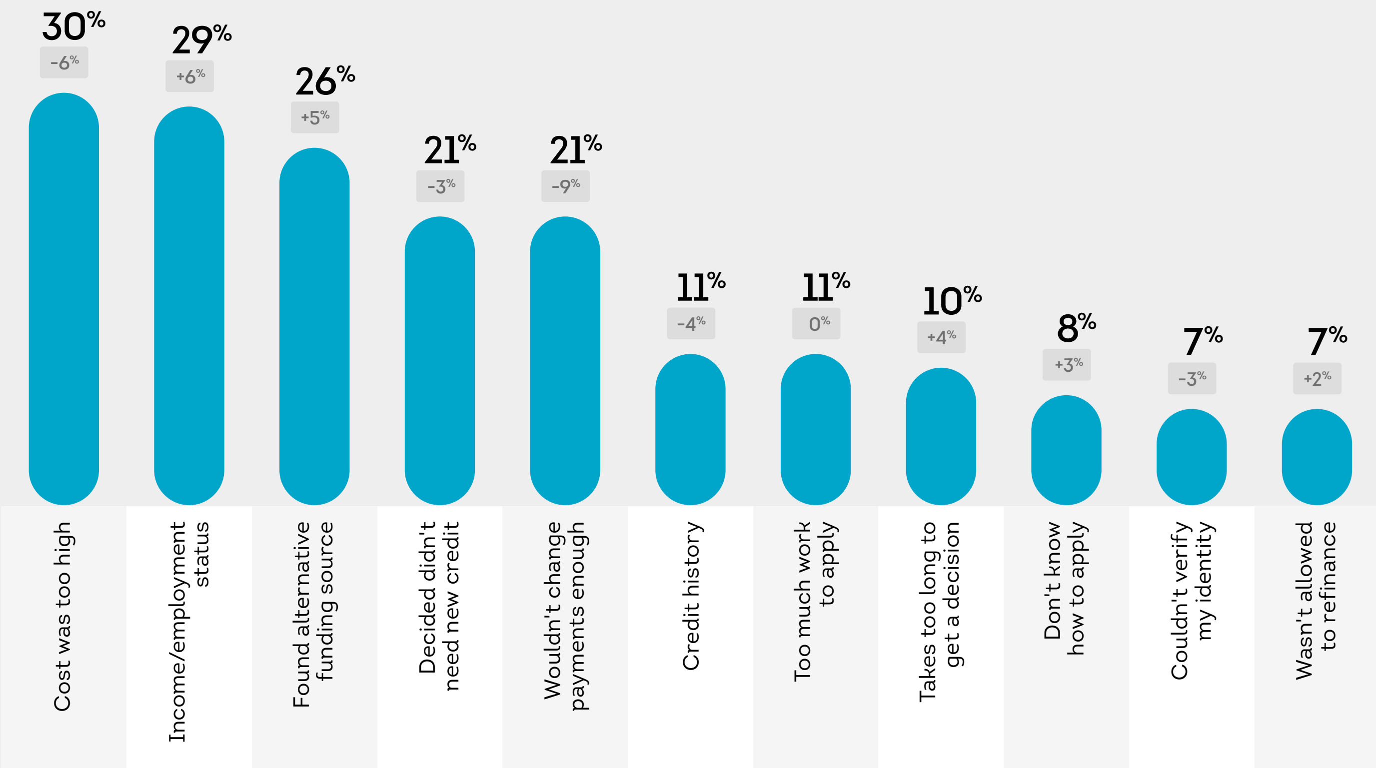
X% Percentage point change from Q2 2025

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



X% Percentage point change from Q2 2025

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



X% Percentage point change from Q2 2025

CONSUMER EMPOWERMENT

Attitudes and behaviour to manage financial choices

Credit monitoring habits continued to differ widely across consumers. In 2026, 46% reported checking their credit reports at least monthly, reflecting growing engagement among many households, while overall patterns remained broadly consistent with 2025. This shows some consumers remain proactive in keeping track of their credit status and understanding changes over time.

Recognition of the importance of monitoring is nearly universal. Overall, 93% of consumers said keeping track of their credit report is important, highlighting strong awareness of how credit insights support better financial decisions and longer-term planning. Even with differing levels of monitoring, consumers clearly understand the role of credit information in shaping future financial opportunities.

Consumers also expressed confidence in the potential value of a more expansive approach to credit assessment. In 2026, 56% believed their credit scores would improve if lenders considered alternative data when evaluating financial behaviour. This optimism reflects a growing belief that a more comprehensive view of their financial practices would more accurately capture their creditworthiness.

Figure 13. Credit report monitoring frequency

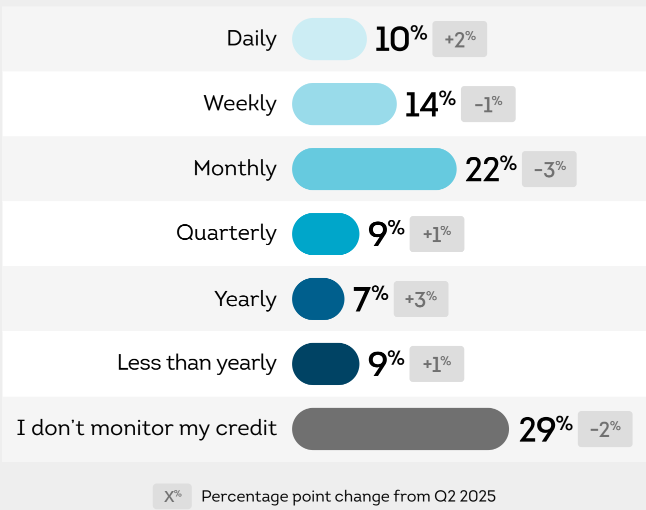


Figure 14. Believe monitoring credit report is important

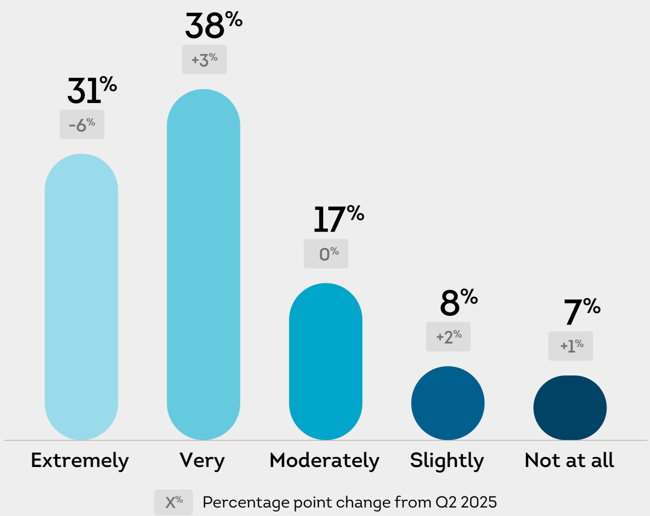
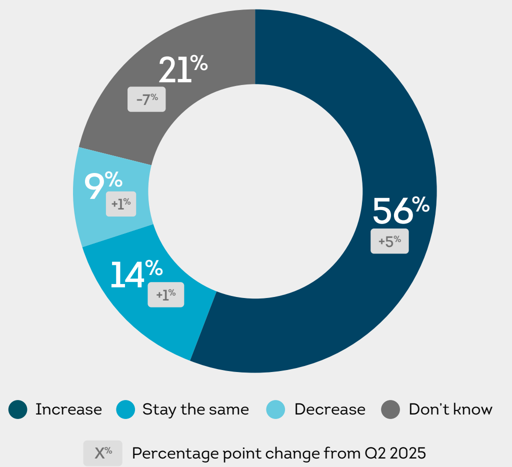


Figure 15. How believe credit score would change if businesses used information not on standard credit report

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



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Identity risks and usage

Digital fraud exposure remained widespread as 80% of consumers reported being targeted by at least one scheme in the past three months – similar to the level seen in 2025. The most common threats reported by those targeted or who fell victim included money and gift-card scams, smishing and phishing, with many consumers also encountering vishing attempts and fraudulent seller activity on online platforms. These patterns highlight the persistent vulnerability of consumers operating in an increasingly digital environment where fraud techniques continue to evolve and exploit everyday online interactions.

Among those notified their personal information or online accounts had been compromised in a data breach, many took immediate steps to protect themselves. Nearly half changed the passwords on the affected account and a similar proportion updated passwords on unaffected accounts. Others monitored their financial activities or cancelled payment methods to contain any further risk. These actions show when a breach is clearly identified, many consumers are willing and able to respond quickly. At the same time, the diversity of responses suggests consumers are still navigating which steps are most effective or appropriate, pointing to opportunities for clearer guidance and support.

Outside of breach events, consumers continued to respond proactively to broader cybersecurity concerns. In the past 60 days, 67% updated their passwords and 42% added enhanced login protections like multi-factor authentication. However, 17% took no action at all. Among this group, 71% said they were unsure what steps to take, while 21% felt overwhelmed by the sheer amount of cybersecurity information available. This mix of high engagement on one end and hesitation on the other reflects the ongoing need for simple, accessible tools and education. As threats become more sophisticated, helping consumers feel confident – and not just aware – remains essential to strengthening overall digital safety.

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

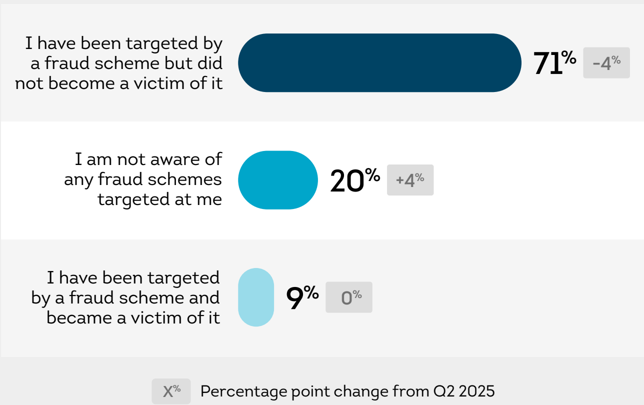


Figure 17. Most frequent fraud schemes targeting consumers
(among those targeted with online, email, phone call or text message fraud)

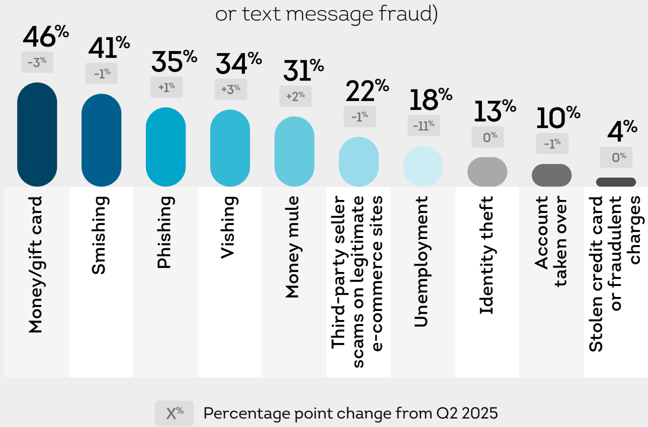


Figure 18. Most frequent actions data breach victims took
(among consumers notified in the last three months that details about their identities and/or online accounts were stolen)

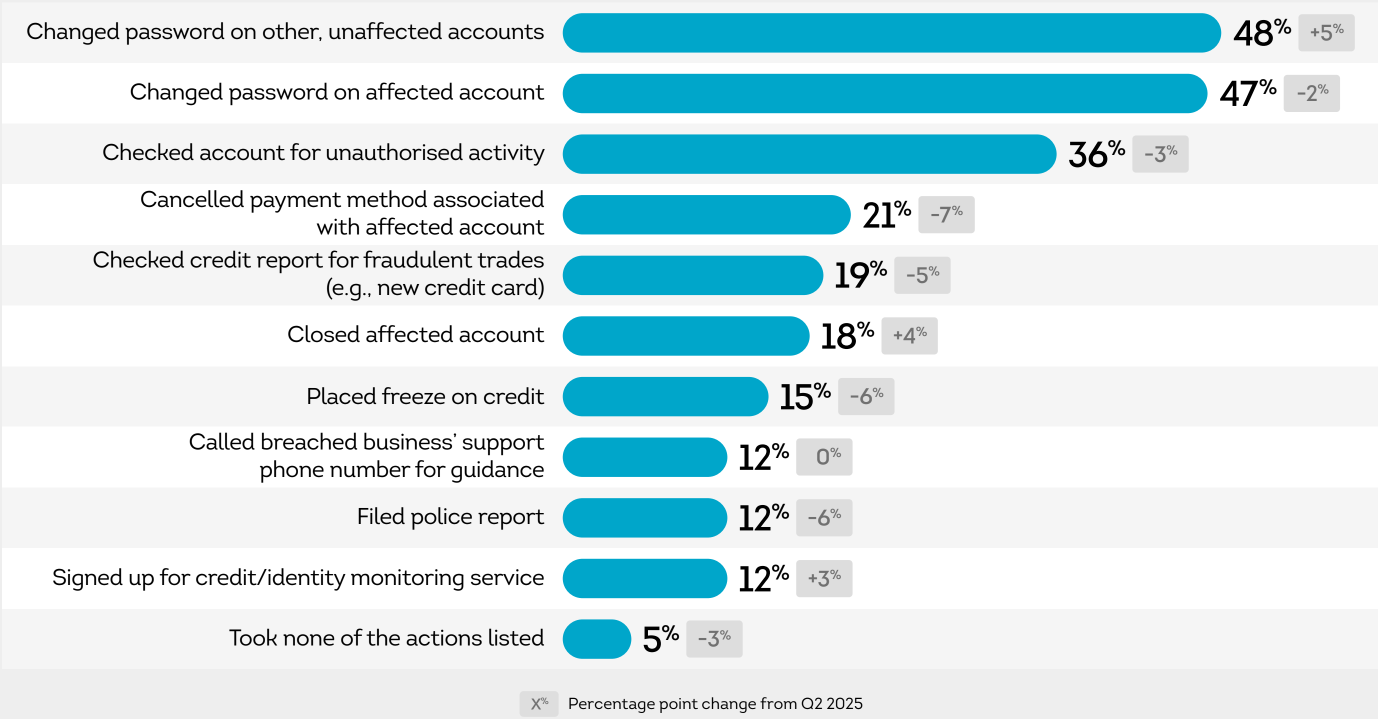


Figure 19. Actions taken in last 60 days due to cybersecurity concerns

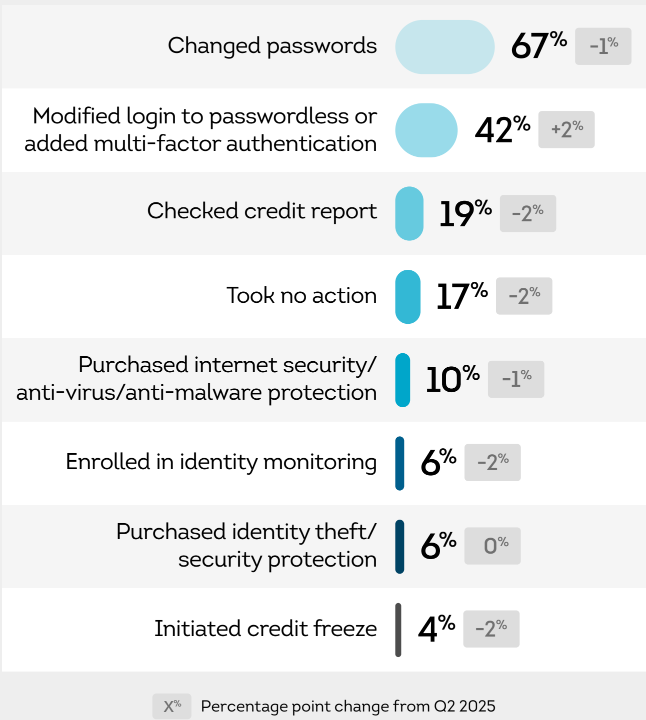
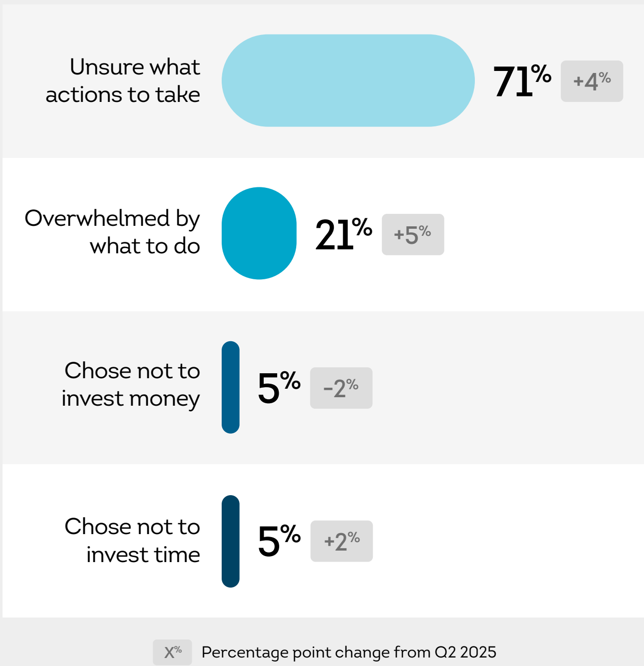


Figure 20. Reasons did nothing about cybersecurity concerns
(among those who took no action about cybersecurity concerns in the last 60 days)



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Research Methodology

TransUnion's Consumer Pulse Survey of 369 adults was conducted 10 Feb.–4 March 2026 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 ±5.1 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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