



Consumer Pulse Study

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

Botswana 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



Botswana consumers are showing resilience amid rising pressures: In Q2 2025, only 33% of respondents reported income growth in the last three months, while 49% said their finances were worse than planned. Job losses affected 25% of respondents and only 18% saw salary increases. Despite this, 77% remained optimistic about their future finances. Inflation, job security and housing costs were primary economic concerns, possibly leading to 53% who said they cut discretionary spending in the past three months, and 57% who planned further cuts in the next three months. Meanwhile, 43% aimed to increase retirement and investment contributions.



Opportunity for financial inclusion: In Q2 2025, 95% of respondents thought credit was important to achieve financial goals, but only 41% felt they had enough access, revealing a significant gap. Meanwhile, 39% of respondents planned to apply for new or refinanced credit in the next year, mainly for personal loans (42%) and home loans (30%). Half of the respondents who considered applying for credit or refinancing did not proceed, citing high borrowing costs (30%) and fear of rejection (27%), while 29% said they no longer needed the credit. Rising interest rates also play a major role in their decisions to seek credit; 56% of respondents said rising interest rates strongly influence whether or not they're going to apply for credit and 33% moderately influence.



Low credit awareness highlights a need for financial education in Botswana: In Q2 2025, most Botswana felt it important to monitor their credit, yet only 49% checked their credit reports at least monthly, while 27% don't monitor it at all. Among those who monitored their credit, the main reasons were ensuring report accuracy (45%), preventing fraud (38%) and improving credit scores (37%). Over half (51%) believed alternative data like rent or gym payments could improve scores. Digital engagement remained low as only 29% performed over 50% of their transactions online.



Fraud concerns in Botswana: In Q2 2025, cybersecurity concerns in Botswana, especially identity theft and fraud, slowed digital adoption. While 68% faced fraud attempts, 6% were targeted and fell victim. High-income earners were most affected, with smishing as the top scam. Additionally, 89% of respondents feared sharing personal data, and only 53% felt they had proper access to credit information used about themselves.

Household income (HHI), spending and bill payment impact

In Q2 2025, 33% of respondents reported an increase in household income, which is eight percentage points lower than last year, suggesting a potential slowdown in income growth. Financial outcomes varied: 36% said their finances in 2025 were better than expected, 15% reported being on track, and 49% reported being worse off than planned, indicating unexpected expenses and possible budgeting challenges. Despite these setbacks, consumer sentiment remained largely positive. A strong 77% expressed optimism about their financial futures, while only 12% felt pessimistic. Gen Z stood out as the most hopeful group with 83% feeling optimistic. Looking ahead, 79% of all respondents expected their incomes to rise over the next year, with Gen Z leading again at 87%, an increase of 10 percentage points over Q2 2024.

In the past three months, Botswana households faced some financial setbacks – with job losses emerging as the most significant challenge. Specifically, 25% of respondents reported job losses – which represents a 9-percentage-point increase from the previous year. Additionally, 16% said a household business had closed or lost orders, and 15% experienced wage or salary reductions. On the income side, only 18% reported a salary increase, marking a 10-percentage-point decline compared to Q2 2024. On the upside, 20% indicated someone in their households started a new business and 16% started a new job. In terms of financial behaviour, 29% saved more toward emergency funds and 27% of consumers paid down debt faster in the past three months.

The Botswana are concerned about the following macroeconomic dynamics: inflation, job security and housing prices. Overall, 78% of consumers put inflation as one of their top three financial concerns followed by job losses and housing prices (rent or mortgage) each at 55%. Possibly due to these concerns, 53% of consumers indicated they cut back on discretionary spending (dining out, travel, entertainment) in the past three months, 34% cancelled subscriptions or memberships and 30% cancelled or reduced digital services (e.g., wireless, cable TV, internet). Consumers showed resilience by prioritizing essential expenses and actively trimming non-essential costs to maintain financial stability.

In the next three months, 57% of surveyed consumers expected to reduce discretionary spending. This percentage is significantly higher than the proportion of respondents who expected discretionary spending to remain the same (17%) or increase (22%). At the same time, 43% of consumers expected their spending on retirement funds and investing to increase, and 42% anticipated reducing spending on large purchases. These trends suggest consumers are scaling back short-term spending to prioritise long-term financial goals, a clear sign of cautious optimism.

In Q2 2025, 34% of respondents expected to miss at least one bill or loan payment. Among them, 42% planned to take on gig work, 38% planned to make partial payments, 25% intended to use savings, and 22% said they would borrow from friends or family. While financial strain is evident, these responses reflect strong resilience and adaptability.

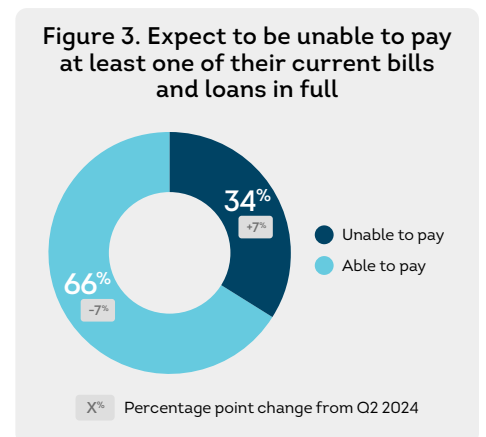
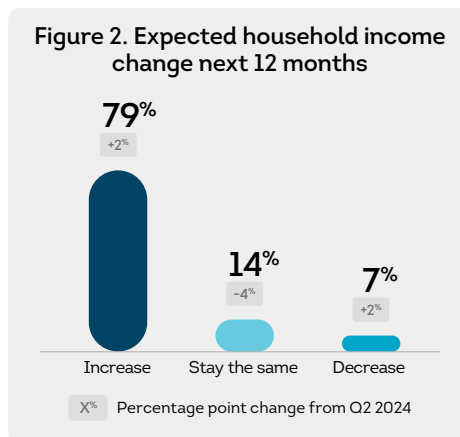
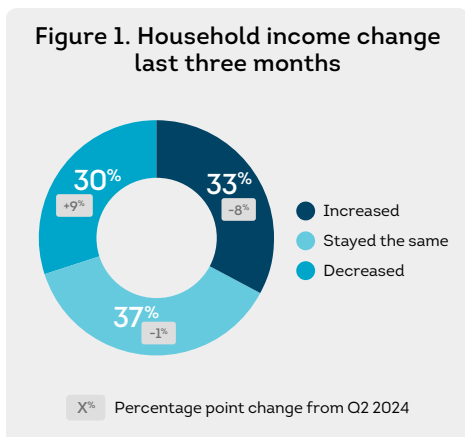


Figure 4. Plans to pay current bills or loans
(among those unable to pay bills/loans)

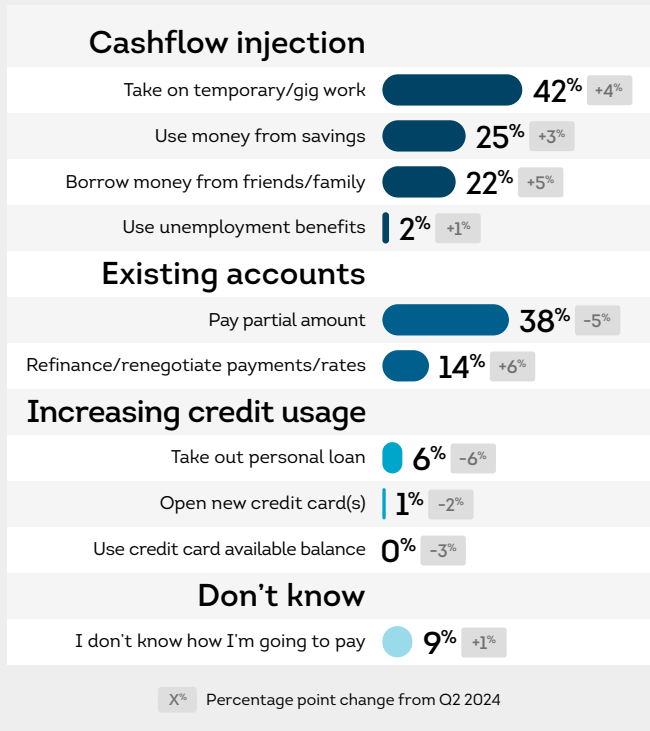
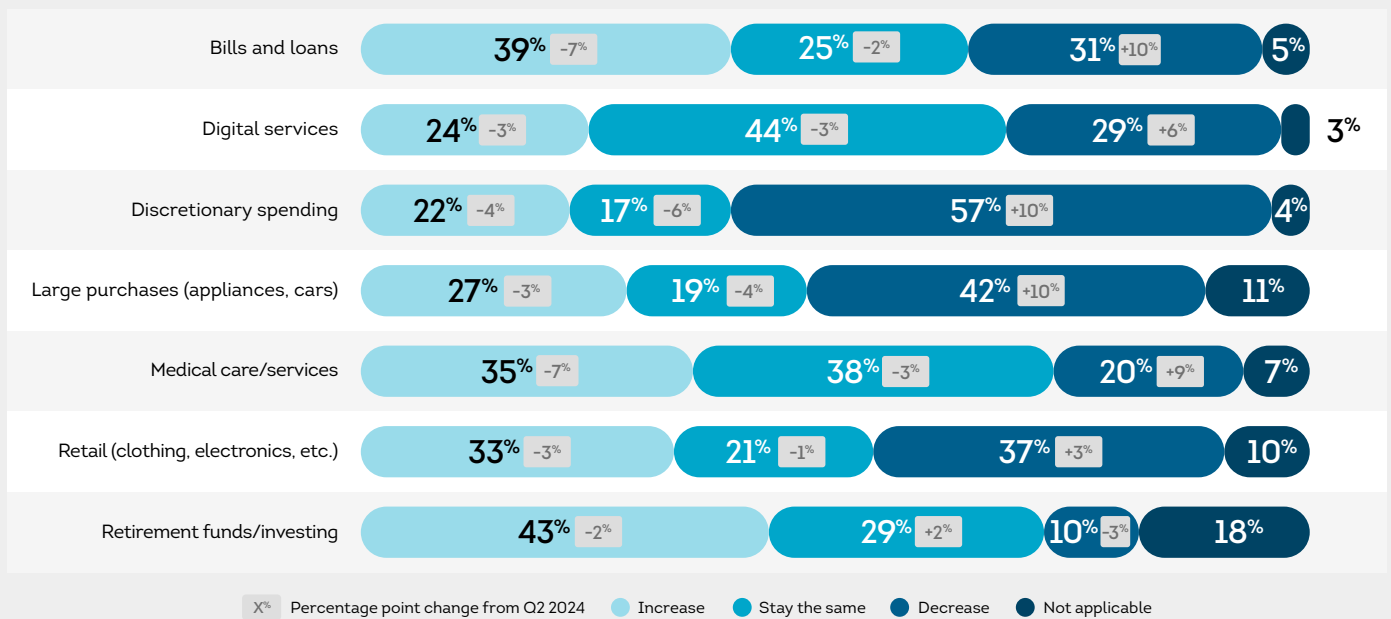


Figure 5. Changes to household budget
in the last three months



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



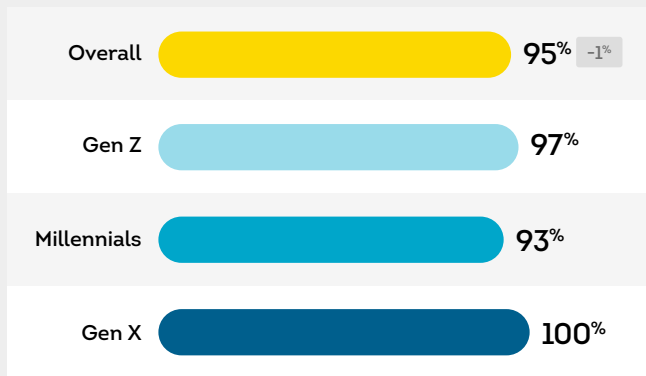
Attitudes and plans for economic participation

In Q2 2025, 95% of respondents considered access to credit important, yet only 41% felt they had sufficient access. This shows a gap between the importance of credit access and consumer confidence, pointing to a need for more inclusive lending. Looking ahead, 39% of respondents planned to apply for new or refinanced credit within the next year. Among these, 42% intended to apply for a new personal loan (six percentage points higher than Q2 2024), while 30% planned to seek a new home loan. Additionally, 17% expressed interest in applying for a new car loan or lease, or student loan.

Half (50%) of the respondents considered applying for credit or refinancing but ultimately chose not to proceed. The main reasons were high borrowing costs (30%) and concerns about being rejected due to income or employment status (27%). Interestingly, 29% abandoned their applications simply because they no longer needed the credit.

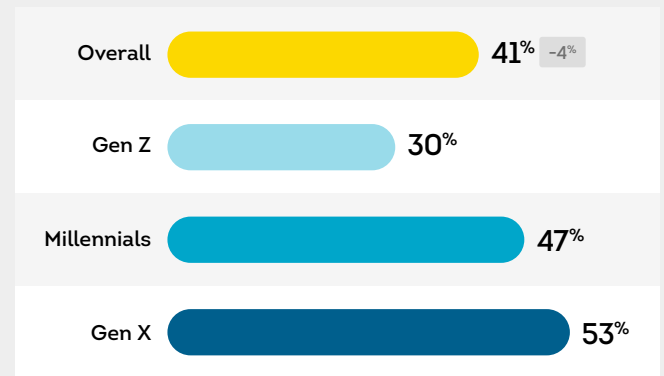
The possibility of rising interest rates are shaping consumer credit behaviour. A significant 56% of respondents said interest rate hikes have a strong influence on their decisions to apply for credit, while another 33% reported a moderate impact. These trends underscore a sensitivity to macroeconomic conditions.

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



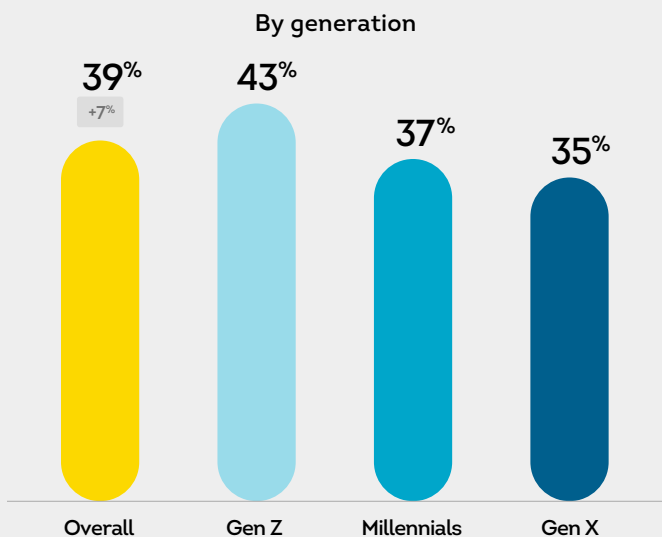
X* Percentage point change from Q2 2024

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



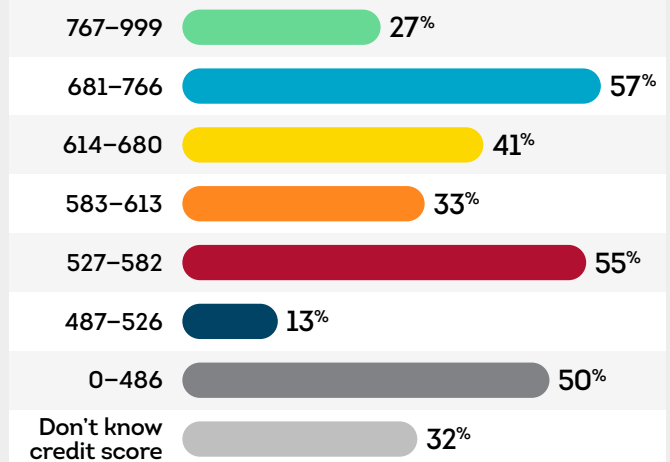
X* Percentage point change from Q2 2024

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



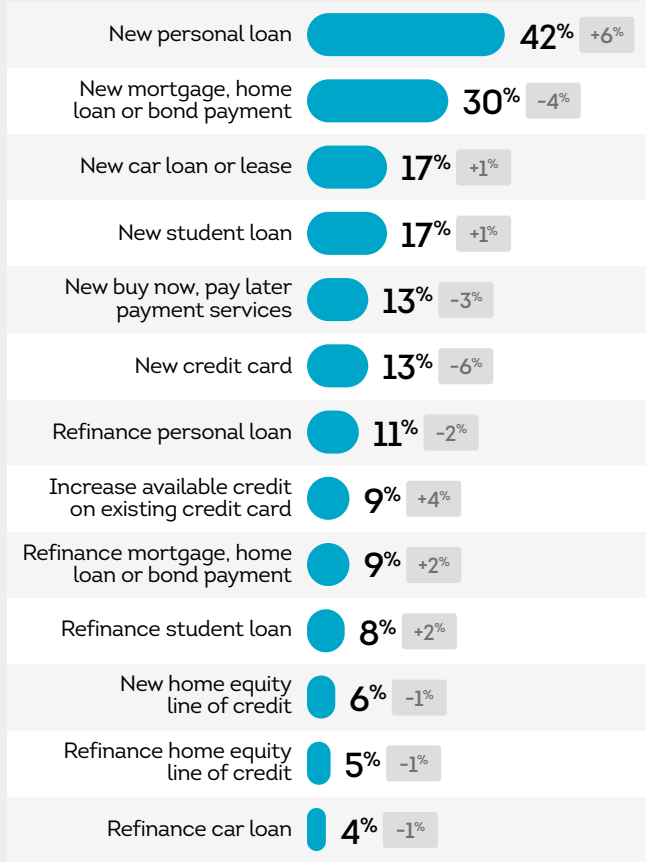
X* Percentage point change from Q2 2024

By credit score



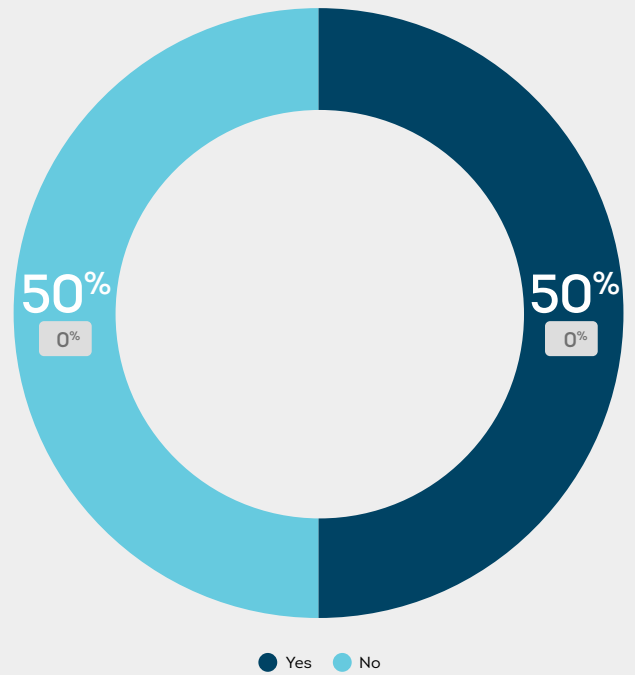
Self-reported credit score ranges

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)



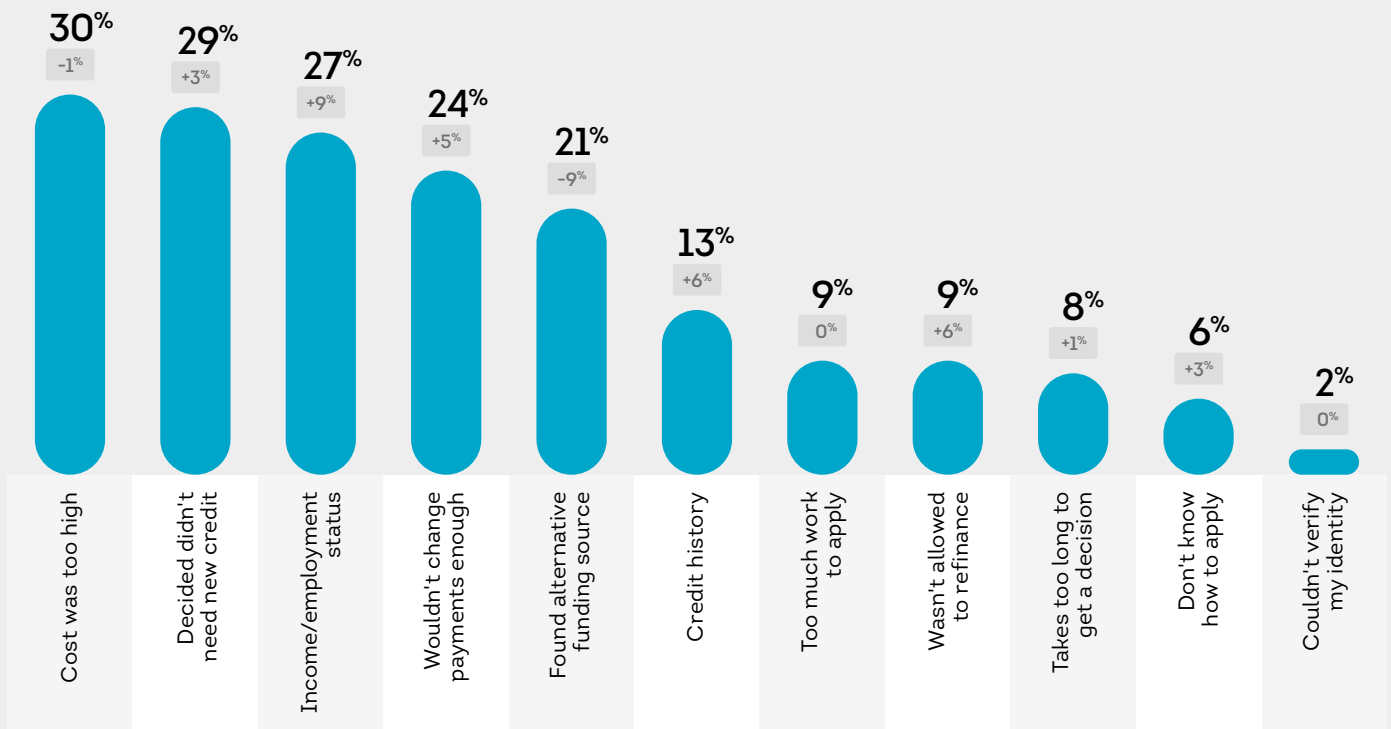
X* Percentage point change from Q2 2024

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



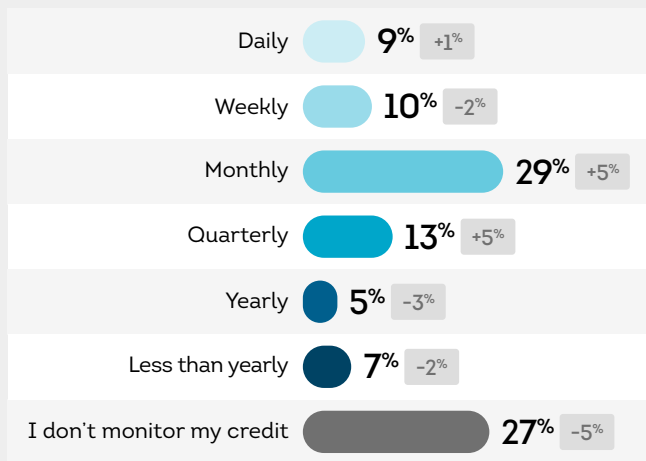
X* Percentage point change from Q2 2024

Attitudes and behaviour to manage financial choices

In Q2 2025, many surveyed consumers in Botswana recognised the importance of credit monitoring: 37% of respondents considered it extremely important and 38% rated it as very important. Despite this awareness, only 48% of respondents reported checking their credit at least monthly followed by 13% who did so quarterly. Alarming, 27% said they don't monitor their credit, though this is a five-percentage-point improvement from the previous year. This gap highlights the need for improved financial literacy and easier access to credit tools. Among those who did monitor their credit, 45% focused on report accuracy, 38% aimed to prevent fraud and 37% wanted to improve their credit scores.

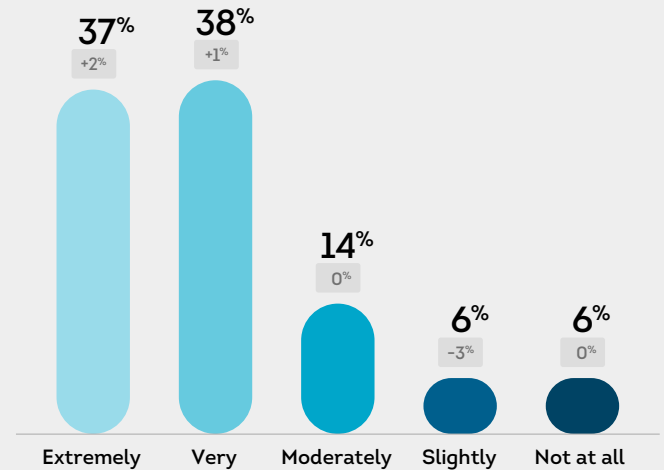
Over half of respondents (51%) believed their credit scores would increase if businesses used information not on the standard credit report, such as rental payments, gym membership payments and other alternative data. Medium-income consumers were the most optimistic as 55% believed their credit scores would improve if alternative data were considered beyond traditional credit reports. In Q2 2025, only 29% of consumers claimed they performed more than 50% of their transactions online, with 6% indicating none of their transactions were done online.

Figure 13. Credit monitoring frequency



X% Percentage point change from Q2 2024

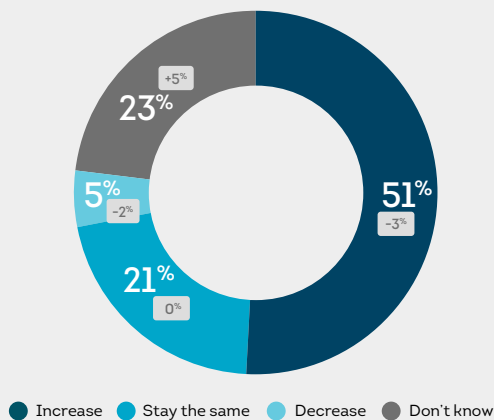
Figure 14. Believe monitoring credit is important



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

Batswana were affected by various fraud attempts. The survey revealed 47% of users cited cybersecurity threats as a major barrier to adopting new digital technologies, while 35% expressed concerns about identity theft.

Credit card/payment fraud (57%), stolen identity (51%) and data breaches (38%) were the cyber threats that most concerned surveyed consumers. In turn, the identity attack methods that concerned consumers the most included falling victim to fake social media profiles (69%), viruses or malware (50%), email phishing (50%) and personal information exposed in data breaches (49%).

In Q2 2025, 68% of consumers reported being targeted by fraud attempts through online platforms, emails, phone calls or text messages but did not fall victim; 6% of respondents said they were both targeted and scammed. High-income consumers were particularly affected; 70% reported fraud attempts. The most common types of scams included money/gift card scams (43%); smishing (fraudulent text messages meant to trick consumers into revealing data) at 39%; vishing (fraudulent phone calls meant to trick consumers into revealing data) at 39%; and phishing (fraudulent emails, websites, social posts, QR codes, etc. meant to steal data) at 38%. Among high-income consumers, smishing was the most frequently encountered scam (45%) – followed by money or gift card scams and phishing, both reported by 36% of respondents.

Sharing personal information was a concern for 89% of consumers due to fears of identity theft (80%) and privacy invasion (79%). Additionally, only 53% said they had proper access to the credit information used about themselves. These issues not only hinder consumer confidence but also limit individuals' abilities 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

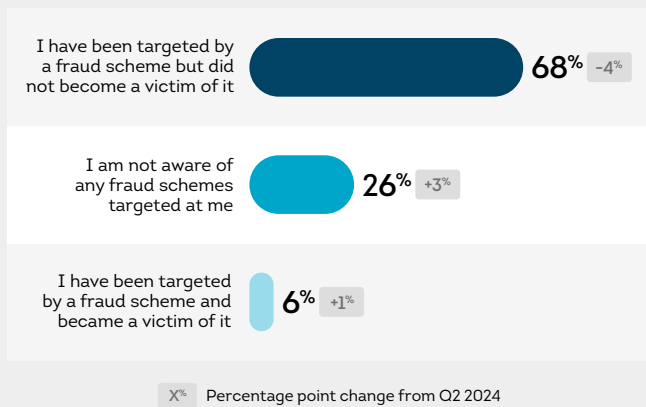


Figure 17. Most frequent fraud schemes targeting consumers
(among those targeted with online, email, phone call or text message fraud)

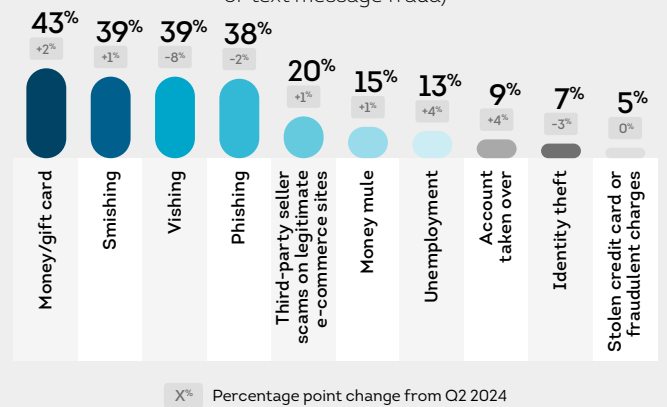
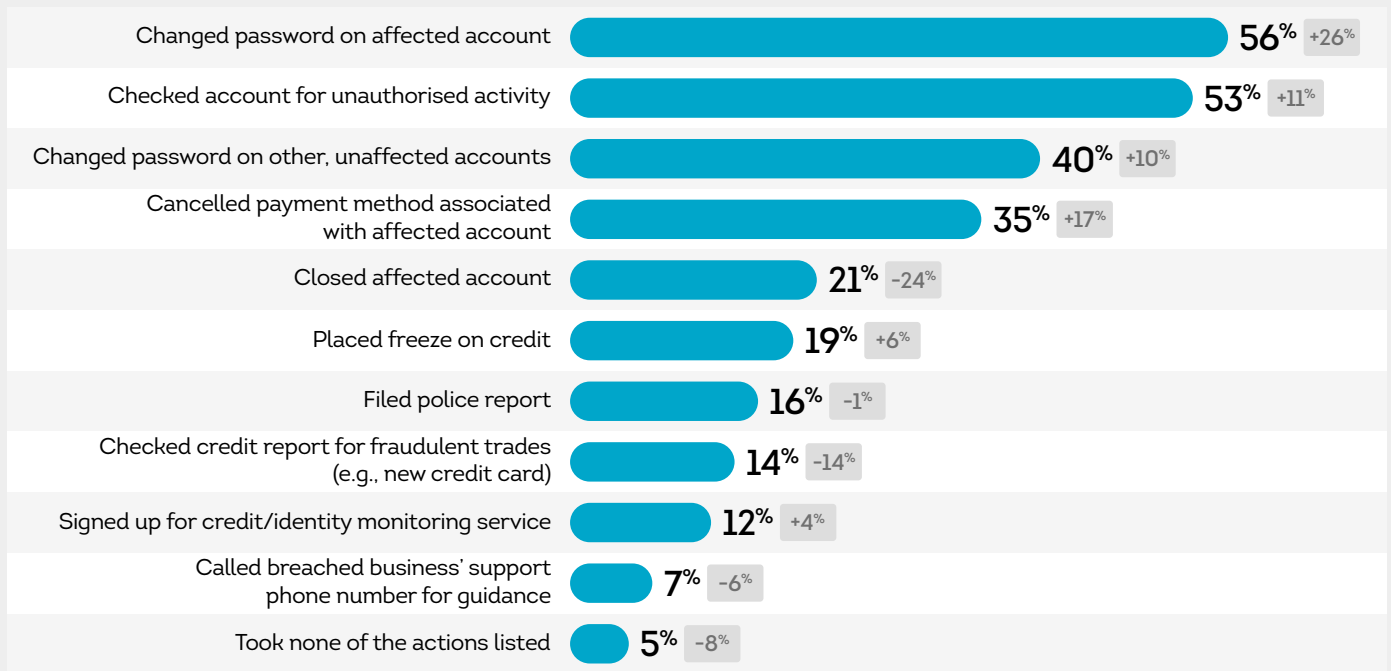


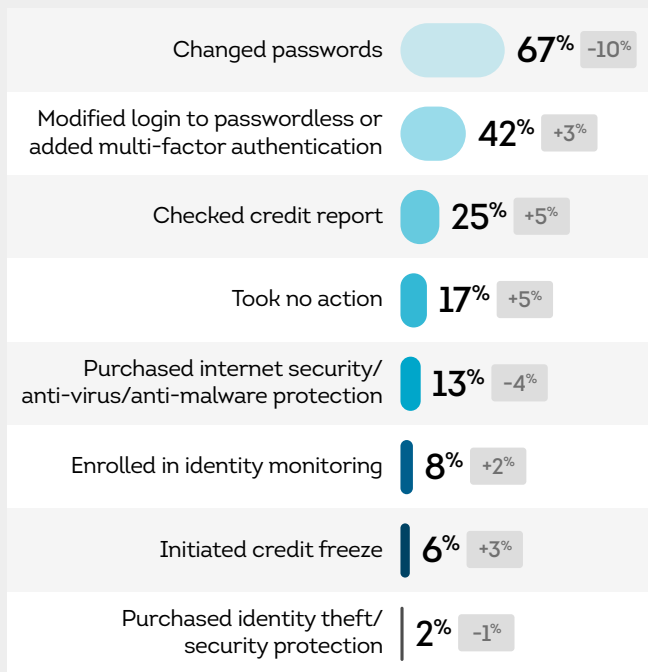
Figure 18. Most frequent actions data breach victims took

(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

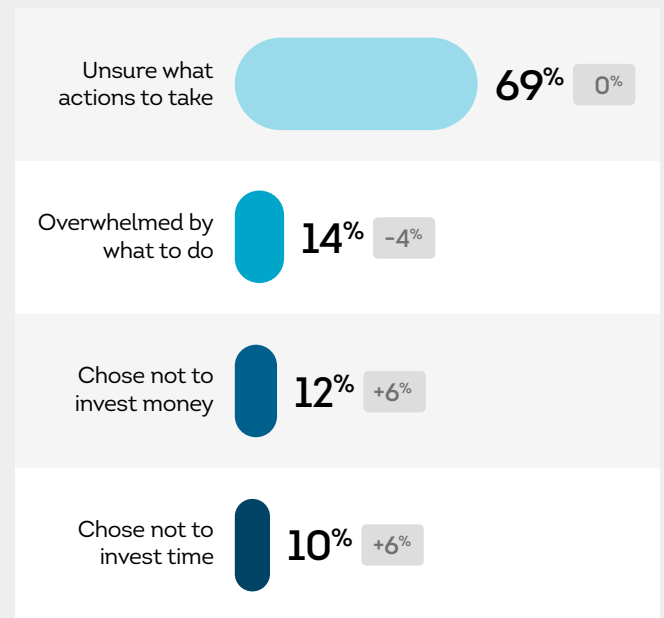
Figure 19. Actions taken in last 60 days due to cybersecurity concerns



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 251 adults was conducted 5–25 May 2025 by TransUnion in partnership with third-party research provider Dynata. Adults 18 years and older residing in Botswana 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 ±6.2 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 **BW_Queries@transunion.com**



About TransUnion (NYSE: TRU)

TransUnion is a global information and insights company with over 13,000 associates operating in more than 30 countries, including Botswana, Kenya, Malawi, Namibia, Rwanda, South Africa, eSwatini and Zambia. We make trust possible by ensuring each person is reliably represented in the marketplace. We do this by providing an actionable view of consumers, stewarded with care.

Through our acquisitions and technology investments we have developed innovative solutions that extend beyond our strong foundation in core credit into areas such as marketing, fraud, risk and advanced analytics. As a result, consumers and businesses can transact with confidence and achieve great things. We call this Information for Good® – and it leads to economic opportunity, great experiences and personal empowerment for millions of people around the world.

For more information, visit transunionafrica.com.