



Unlocking Market Potential: Insights into Rural Women's Financial Behaviours

Women in Business (WIN) Programme,
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Low-income rural women in Mozambique are active economic agents. They farm, save, borrow, and invest in their business. Yet the formal financial sector has largely failed to reach them. This brief summarises findings from 753 interviews with women smallholder farmers (SHFs) across Nampula, Niassa, and Zambezia provinces.

The findings point to specific, actionable opportunities for financial service providers and development programmes willing to design products and services that meet women where they are.

Both surveys were conducted in 2024. Study 1 (N=315) surveyed women VSLA members across three provinces; Study 2 (N=438) focused on SHFs in Nampula, exploring financing and credit behaviours.

Findings are supplemented with comparative case studies from sub-Saharan Africa.



753 Women smallholder farmers surveyed



85% Have considered taking a loan for their farm



93% Of VSLA borrowers invested in their business



1% Successfully accessed formal credit

Many women SHFs would like a loan but almost no-one thinks they can get one

- Only **1% of respondents** have successfully used or believe they could obtain a formal loan.
- Yet demand is high with 85% respondents having considered taking a loan to invest in their farm, with most targeting amounts above MZN 10,000.
- For loans above MZN 3,000, the majority need at least six months to repay the full amount.
- Informal credit currently fills the gap: the average VSLA loan is MZN 1,574 is small and 93% of borrowers invested it directly in their business (mostly inputs and goods).

Rural women are saving but not with formal FSPs

- VSLAs are the dominant savings mechanism for rural women and used at twice the rate of men.
- **93% of those who save, do so specifically to invest in their business**
- There is a notable correlation between savings behaviour and digital wallet uptake, which is 47% higher among women who save than those who do not.

Use of digital wallets is growing but mostly as a way to access cash

- 50% of respondents own or use a digital wallet.
- Uptake is higher among women who also run micro-enterprises
- The dominant transaction is withdrawal with agents, accounting for 93% of wallet users.
- Other transaction types such as deposits, transfers, airtime purchases etc. are used considerably less frequently, with mobile money being used primarily to access cash.
- There is also a relationship between agent proximity and frequency of use, pointing to the importance of accessible agent networks for sustaining engagement with digital financial services in rural areas.

Entrepreneurship in addition to farming has the capacity to improve women's financial management & control

- Men report significantly greater control over business earnings than women, with **57% of men report total control compared to 31% of women**.
- Women are less likely to keep written financial records (38% versus 61% for men), and 18% rarely or never separate personal and business finances.
- These figures reflect both financial literacy gaps and broader household dynamics around who controls income and assets.
- This has implications for how financial products are designed and who ultimately benefits from them.
- Amongst women, those who run a secondary enterprise alongside farming show considerably stronger financial management and are able to save more frequently and in larger amounts than women who farm only.

What the data is telling us

- ✳️ **These women should not be viewed as unbankable.** They are already active investors in a system that works. The informal system (VSLA) is not a failure of formal finance but in fact a rational response to it. Any formal product needs to offer something the VSLA cannot or work alongside it.
- ✳️ **The barriers to formal finance are structural rather than as a result of limited motivation to use them.** 85% want a farm loan but only 1% believe they can get one. As such, the gap is not around demand for services but rather it is distance, documentation, and collateral requirements from FSPs.
- ✳️ **We need to remember that 'Rural women SHFs' is not one market.** Women who also run a micro-enterprise save more frequently, earn supplementary income, and are more likely to use a digital wallet. They represent a meaningfully different and more accessible entry point for FSPs.
- ✳️ **To generate inclusive impact, we need to address control of income at the same time as increasing it.** Men hold total or near-total control over business earnings at more than double the rate of women. As such, a product designed to increase women's income but is used within a household and in a way she has no control over it will only deliver partial results.

Key recommendations for practice

Recommendations: For FSPs

1. Start with savings not credit Design products tailored to where women already are and not where you want them to be	➔ Work with existing VSLA groups as your customer acquisition and account-opening channel. ➔ Offer a VSLA-cycle aligned savings account based around monthly contribution, low or zero minimum balance, no documentation requirement beyond VSLA membership.
2. Design credit to reflect loan preferences Listen to what women say their preferences are for loan size and timing	➔ Use VSLA endorsement or group liability as a collateral substitute in place of asset documentation. * ➔ Be intentional around sequencing to build trust. Given only 1% of respondents believe they could successfully access a formal loan, there is a need to build trust through the savings product first. Then introduce credit to members with a savings history
3. Use the distribution network that already exists Reach women where they already meet	➔ Design products that an agent can bring to a VSLA meeting, not products that require women to travel to a branch. Agent banking and women Village Level Entrepreneurs (VLEs) are a viable last-mile model.
4. Use visual and audio communication and focus on costs not savings Communicate in formats women actually use	➔ Financial literacy materials must be visual and audio based in similar contexts, not text-dependent. ➔ Focus content on cost awareness and income-expense separation (not just savings encouragement). ➔ IVR and radio are appropriate channels (Mozambique context: Janete radionovela demonstrated behaviour change). Target the woman as decision-maker, not via household channels a male partner controls

Recommendations: For MSD programmes

1. Choose the right partner & sequence intentionally Embed gender-intentional design into partner selection, sequencing, and measurement	➔ Choose an FSP partner who demonstrates willingness to build products that work alongside or within the VSLA model. ➔ Focus on sequencing for feasible implementation. In similar contexts, start with savings products and then move to credit products. ➔ Facilitate community engagement, particularly with district government extension services and community leaders, as this needs to be completed as a priority prior to partnerships, including for digital platforms. Neglecting this sort of engagement will risk poor traction & likely failure of product. ➔ Start with the micro-entrepreneurs segment as they have supplementary income, higher digital literacy, and stronger financial management skills. They should be considered a more feasible 'bridge population' between informal and formal finance. Facilitate design for them first, then encourage scaling.
2. Address control barriers & build partner measurement capacity Measure empowerment as well as other indicators	➔ Work with partner to include spousal awareness (eg. through community or household-level financial dialogue) as part of onboarding for products and accounts targeted at women. ➔ To verify products are working, there is a need to build measurement into partner agreements from the start. Include a gender-disaggregated baseline on savings rates, loan repayment, and income control. A gender data tracker should be a programme deliverable. ➔ Track WEE indicators for business case and to support the narrative around the commercial rational (e.g. savings frequency by gender and livelihood type, VSLA participation rates, loan repayment by segment (needed for supporting business case for FIs), % of accounts in women's own names, women's self-reported control over business earnings).

This executive summary accompanies a full 36-page study. For the complete methodology, analysis, and comparative case studies, go to www.technoserve.org/mozambique/publications/