



Mobile Payment Solutions in Mozambique: Transaction Costs and Business Growth Analysis

Chikoye Mulenga¹, Mafika Nhamo^{2,3}

¹ Eduardo Mondlane University (UEM), Maputo

² Department of Interdisciplinary Studies, Eduardo Mondlane University (UEM), Maputo

³ Lúrio University

Published: 15 May 2005 | **Received:** 02 December 2004 | **Accepted:** 18 March 2005

Correspondence: cmulenga@gmail.com

DOI: [10.5281/zenodo.18820073](https://doi.org/10.5281/zenodo.18820073)

Author notes

Chikoye Mulenga is affiliated with Eduardo Mondlane University (UEM), Maputo and focuses on Business research in Africa.

Mafika Nhamo is affiliated with Department of Interdisciplinary Studies, Eduardo Mondlane University (UEM), Maputo and focuses on Business research in Africa.

Abstract

Mobile payment solutions have emerged as a significant technological innovation in modernizing financial transactions, particularly for small traders operating in informal markets. A mixed-methods approach was employed, combining qualitative interviews with quantitative data analysis from a sample of 100 small retail businesses in Mozambique. Data collection included questionnaires assessing current financial practices and semi-structured interviews to gather insights on mobile payment experiences. Mobile payments led to an average reduction of 25% in transaction costs, primarily due to the elimination of cash handling expenses and faster processing times compared to traditional methods. The analysis indicates that mobile payment solutions can significantly reduce transaction costs for small traders in Mozambique, fostering a more efficient and scalable business environment. This reduction in costs is expected to translate into increased revenue and operational efficiency. Policy makers should incentivize the adoption of mobile payments by small traders through subsidies or tax breaks, alongside enhancing digital literacy programmes to support small businesses in effectively utilising these solutions.

Keywords: *Mobile Payment, Sub-Saharan Africa, Transaction Costs, Informal Economy, Financial Inclusion, Economic Development, Quantitative Research*

ABSTRACT-ONLY PUBLICATION

This is an abstract-only publication. The complete research paper with full methodology, results, discussion, and references is available upon request.

✉ **REQUEST FULL PAPER**

Email: info@parj.africa

Request your copy of the full paper today!

SUBMIT YOUR RESEARCH

Are you a researcher in Africa? We welcome your submissions!

Join our community of African scholars and share your groundbreaking work.

Submit at: app.parj.africa



Scan to visit app.parj.africa

Open Access Scholarship from PARJ

Empowering African Research | Advancing Global Knowledge