



## EcoCash Merchant Payments solves Zimbabwe's small change problem

After a decade of hyperinflation leading to currency-collapse, in 2009 Zimbabwe abandoned its national currency and switched to the US Dollar. The currency change mitigated Zimbabwe's economic crisis, but led to a sharp decrease of cash in circulation causing Zimbabwe's small change problem and increasing black marketing of dollars. **Due to the shortage of cash with the merchant the customer would have to make unwanted purchases in the form of toffees or stationaries to compensate for the lack of \$1 bills.**

**Econet Wireless, Zimbabwe's largest mobile operator launched EcoCash Merchant Payments with the aim of solving Zimbabwe's small change and cash crunch problem.** EcoCash and Mahindra Comviva already had introduced a mobile money service in 2011 which was used widely in the country for P2P payments and airtime recharge. EcoCash Merchant Payments extended EcoCash Mobile Money services beyond mobile money transfer and air time recharge allowing EcoCash users to pay at a variety of merchants ranging from supermarkets to small businesses and overcome the cash crunch and change problem prevalent in Zimbabwe.

**All these services have helped to digitize day-to-day payments in Zimbabwe and reduce the dependence on cash.**

*"The scale to which our merchant payments service has reached is testimony to the fact that technology can be effectively used to help uplift the life of the people."*

**Mr Eddie Chibi**  
Chief Executive Officer  
Cassava Smartech Zimbabwe

As a market leader in P2P payments and airtime recharge, Econet wanted to extend into the retail payments space.

Opportunity



Zimbabwe's cash crunch and small change problem provided it with an opportunity for digitizing retail payments at merchants and reduce the usage of cash.

EcoCash offers multiple options for merchant payments. Customers can pay to merchant by entering merchant code and payment amount in EcoCash app or USSD menu on their mobile phone. Customers can also use EcoCash Debit Card to pay at point of sale terminals. For online payments customers can use the virtual card. EcoCash has also launched 'tap and go' NFC payments with EcoCash ta service. EcoCash ta provides customers with a NFC sticker and merchants with a portable NFC POS device.

Solution

To make payment, merchant selects payment option and enters payment amount in NFC POS. Customer taps the NFC sticker on NFC POS and enters his secret PIN to make payments. Ecocash has also launched 'Scan & Pay' service which allows payments using QR Codes.



**70%**  
of Zimbabwe's  
national payments  
process by  
EcoCash



- 8 million Zimbabweans (80% of country's adult population) use EcoCash Merchant Payment Service. Majority of these are unbanked.
- EcoCash is processing a staggering 70% of Zimbabwe's national payments by volume
- EcoCash has disrupted cash payments and has become synonymous with national payments. EcoCash has replaced cash with digital payments and has significantly reduced the cash-crunch and change-problem, leading Zimbabwe towards becoming a cash-light economy.

