



## Entry & Capability Barriers

# High cost of using DFS (incl. transaction cost)

This barrier refers to the total cost of using digital financial services, including not only fees for transactions, accounts, and data, but also the time, effort, skills, and social constraints required to use them. **Women often face higher total costs due to lower incomes, time poverty, limited digital capability, and norms that restrict or shape how they can use mobile devices and financial services.** As a result, even when DFS are available, the full cost of use can limit women’s participation and engagement.

### Why is this barrier important?

High total costs reduce women’s ability to use digital financial services consistently and independently - [lack of money is the most cited](#) reason for not having an account. When services are expensive, time-consuming, or difficult to use, women are less likely to transact regularly, build financial histories, or benefit from digital tools. Left unaddressed, these barriers limit both access and usage, reducing the impact of financial inclusion efforts. Evidence shows that the cost of using DFS extends beyond fees to include time, skills, and access constraints; for example, lack of funds remains the most commonly cited barrier to account ownership, while affordability, [digital literacy](#), and safety concerns continue to limit women’s use of mobile-enabled services.

## Connected Barriers



### Digital & Physical Infrastructure

- High mobile internet cost
- Unreliable payment system & network
- Poor internet & mobile connectivity
- Distance from financial service point
- Lack of inclusive instant payment systems



### Consumer Protection

- Overcharging
- Non-transparent product information



### Institutional Norms & Practices

- Low digital capability within financial institutions



### Entry & Capability Barriers

- Lack of phone/SIM ownership
- Real or perceived lack of money



### Policy & Regulation

- Policies that discourage healthy financial sector competition

## Most Relevant Segments

**1**

Excluded, marginalized

**2**

Excluded, high potential

**3**

Included, underserved

**4**

Included, Not underserved

## Customer Journey Relevance



Phase 1:  
Account Ownership

Phase 2:  
Basic Account Usage

Phase 3:  
Active Account Usage

Phase 4:  
Economic Empowerment



### Key evidence relevant to this barrier

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**High costs are not simply a friction point — they actively drive low-income women away from DFS entirely, particularly from savings, which is one of the most impactful and reliable entry points for women's financial inclusion.**

- Two of the most commonly cited self-reported reasons for not having an account are lack of income and high costs associated with opening or using an account. High costs deter women from engaging with DFS, and these are compounded by socio-cultural and legal factors that prevent women from growing wealth. ([World Bank, 2024](#)).
- Owning a mobile phone is a key factor in women's digital financial inclusion, but the cost of maintaining a mobile phone (cellular and data packages) can be prohibitive. Women who have little to no income depend on family members and may face limited access to network provider services and data vouchers. ([World Bank, 2020](#)).
- High costs also prevent customers from saving. Women are more likely to save than men, but also experience disproportionate rates of low income. Banks, mobile money service providers, and other financial institutions could offer free or low-cost interest-bearing saving products requiring little or no minimum balance to increase women's creation and usage of a mobile savings account. ([Global Findex, 2025](#))

**With a supportive enabling environment and regulatory framework, market competition and interoperability reforms can meaningfully reduce transaction costs.**

- In Zambia in early 2018, cross-bank ATM and POS transactions were costly due to routing through a single card issuer. The Bank of Zambia responded by establishing the National Financial Switch (NFS), an interoperable real-time payment system that has deepened the reach of entry-level deposit accounts and reduced costs for end-users. ([AFI, 2020](#); [AfricaNenda 2023](#)).

**Fees are the most commonly cited barrier to account ownership across almost all regions, but the problem extends beyond cost itself: in low-income markets, women are rarely informed of applicable fees upfront, and when overcharging occurs, they have limited recourse, compounding both costs of DFS engagement.**

- Across almost all regions, adults without an account cite fees as the most common barrier to opening or maintaining one. In East Asia, Pacific, and South Asia, more than 40% name transaction costs and fees as the most pervasive barrier; this figure is 24% in the Middle East and North Africa. ([Global Findex, 2025](#))
- IPA research in Bangladesh found that agents informed customers about fees only 4% of the time. When pricing information is easily accessible, consumers can compare options and make cost-effective decisions. Increasing access to comparable pricing data and financial literacy tools can particularly empower women. ([IPA, 2025](#); [Global Findex, 2025](#)).
- In Bangladesh, 1.1 percent of transactions resulted in overcharging. Completing a successful transaction for consumers in Bangladesh takes so much time that when converted using local wage rates, the cost is 5 to 6 times higher than the monetary cost of completing a transaction. These monetary losses disproportionately impact women and limit their ability to complete transactions ([IPA, 2025](#)).
- Competition among mobile money agents can reduce costs. In Ghana, fees decrease after new mobile agents enter local markets. High transaction costs are also partly attributable to taxes on digital payment services. ([Global Findex, 2025](#)).



## Entry and Capability Barriers

### Key evidence relevant to this barrier

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**Government payment programs represent a proven pathway to reducing the effective cost of financial inclusion for women, by creating a digital income stream that justifies account ownership and demonstrates DFS value in a low-risk way.**

- Government payment programs have been pivotal in improving access to financial services, providing individuals with capital and a reason to open an account. 35% of adults in low-income countries who received government payments opened their first financial account for this reason. ([World Bank, 2025](#)).
- In India, COVID-19 relief payments were sent digitally and targeted only to women in the first round. As a result, 25 million new accounts were opened primarily by women in the first few weeks. ([WEForum, 2024](#)).