MARKET & COMPETITIVE RESEARCH REPORT

Koppoh Finance
Market & Competitive Research

A deep-dive into the Nigerian MSME financing market -- who competes, how trust is won, and where Koppoh's uncontested window really sits.

August 2026 | Nigeria-First, Pan-African Lens

Executive Summary: The 5 Core Findings

01 THERE IS A $32.2B MARKET GAP AND IT IS REAL

Nigeria alone has a $32.2B unmet MSME financing gap (according to IFC). The fintech SME lending platform segment is growing at ~19% CAGR, projected to reach $1.2B by 2031. This is not a niche. It is the foundational market opportunity.

02 DIRECT LENDING IS CROWDED, CONSOLIDATING, AND COMING FOR KOPPOH'S SEGMENT

Moniepoint, FairMoney, OPay, Carbon, and Branch are all pushing into SME working capital. They are better-funded, faster, and already distributing. The origination lane is full.

03 THE FACILITATOR LANE IS ALMOST COMPLETELY EMPTY

Nobody at scale owns the role of helping MSMEs become loan-ready, then matching them to fair capital. This is Koppoh's uncontested strategic slot and it maps directly onto what customers say they actually want.

04 TRUST IS THE ACTUAL COMPETITIVE AXIS -- NOT INTEREST RATES

51% of informal businesses have stopped borrowing entirely (up from 30%). FCCPC enforcement resumed July 2026. Branch is rebranding around dignity. The market is now competing on trustworthiness, not just APR.

05 THE WINDOW IS REAL -- BUT NARROWING FAST

Better-funded lenders are already moving upstream toward the 'structured but blocked' SME segment that Koppoh targets. The Academy gives Koppoh a head start. Speed is the strategic variable.

What Market Is Koppoh Actually Entering?

WHAT THE COMPANY SAYS

"A digital financing hub connecting African MSMEs to financing options"

WHAT THE ANALYSTS CALL IT

Nigeria FinTech SME Lending Platforms Market (Ken Research, 2026)

WHAT CUSTOMERS CALL IT

"I need money for my business. I don't have collateral. I need help getting funding."

FOUR POSSIBLE CATEGORY FRAMES

(A) SME Digital Lending Marketplace

Match borrowers to lenders. Plausible if Koppoh is marketplace-only.

(B) Business Finance Readiness Hub

Education-led intermediary, building on the Academy. The highest-fit frame.

(C) Fundraising / Alternative Capital Platform

Equity, RBF, grants but overlaps Koppoh Fundraise pillar. Adjacent.

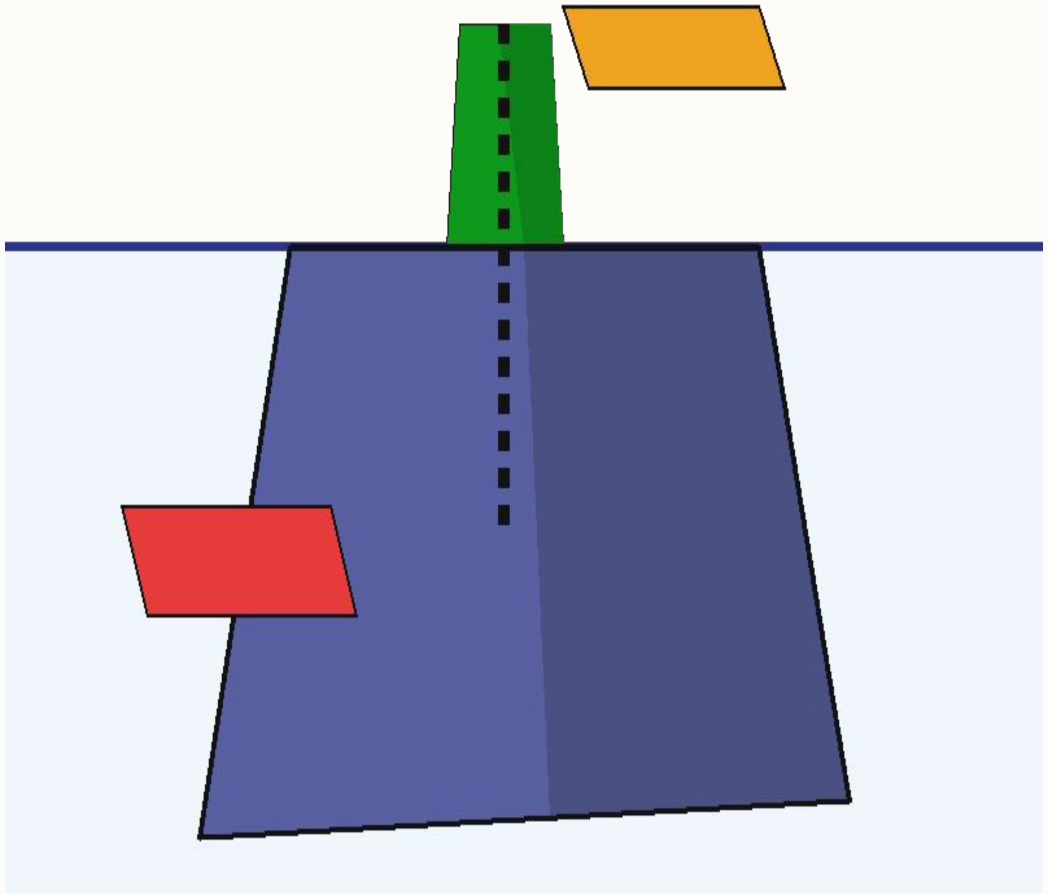
(D) Alternative SME Banking [NOT RECOMMENDED]

Accounts + credit. That is what Moniepoint and FairMoney are. Koppoh does not appear to be this and should not try to compete on this axis.

THE STRATEGIC FRAMING I RECOMMEND

Not 'lending.' Not 'banking.' But 'Financing Access + Loan Readiness' That is, Helping credit-worthy but unbankable MSMEs get fair, fit-for-purpose capital.

The Market Opportunity: A $32.2 Billion Unmet Gap



ABOVE THE WATERLINE: WHAT IS BEING SERVED

Only ~4 to 5.3% of Nigeria's ~39.7M MSMEs access formal bank credit. That is the tiny visible tip.

BELOW THE WATERLINE: THE UNMET DEMAND

Nigeria MSME Finance Gap: $32.2B (IFC, 2025)

Sub-Saharan Africa Total Gap: $331B

Platform Segment 2025: $426M – growing to $1.2B by 2031

Historical CAGR: ~25%; Forward CAGR: ~19% (Ken Research)

HOW FAST IS IT MOVING?

OPay: $938M in new loans in 2025 alone (+285% YoY)

Moniepoint: $700M+ in MSME loans disbursed in 2025

BCG: Africa fintech revenue will grow ~13x to $65B by 2030. Credit is the second wave – after payments.

Market Structure: Four Models, One Open Lane

MODEL 1

Payments + Embedded Credit

Moniepoint, OPay, PalmPay

These platforms underwrite loans directly from transaction data. No collateral. No paper. Credit is just built into your wallet. They own the customer.

MODEL 2

Standalone Digital Lender

FairMoney, Carbon, Branch

Consumer-lending heritage, now pivoting hard into SME working capital. Well-funded, fast-disbursing, and moving upstream toward Koppoh's target segment.

MODEL 3

Credit Infrastructure / API

Pezesha, Vendorcredit

These players lend through partner platforms, not directly to customers. They power the credit rails of other fintech products. High-leverage, low-brand.

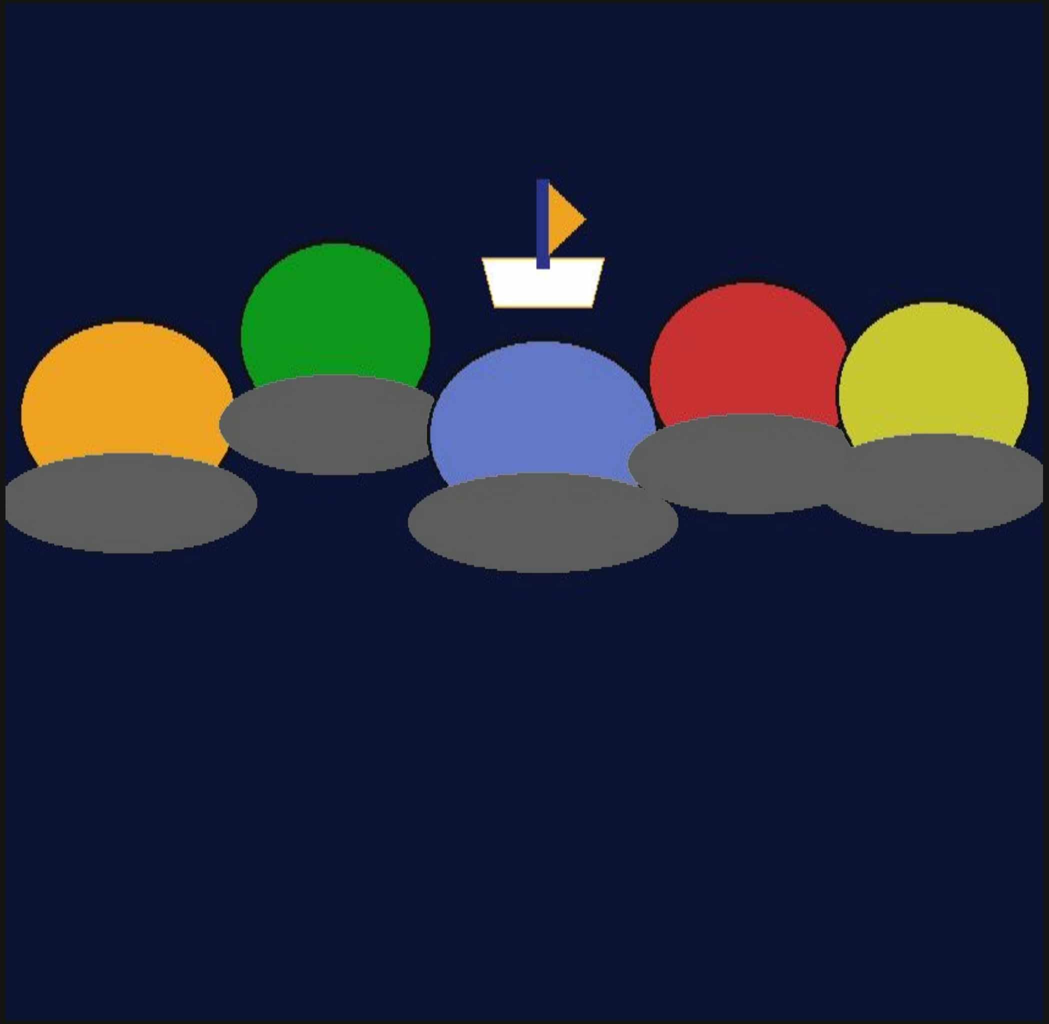
MODEL 4 -- KOPPOH'S LANE

Facilitator / Readiness Marketplace

Nearly empty at scale

Help MSMEs become loan-ready, then match them to a panel of vetted capital partners. Nobody credible owns this position. This is the open lane.

Market Forces That are Reshaping MSME Financing



>> FCCPC DIGITAL LENDING REGULATION

Enforcement resumed July 20 2026 after Federal High Court upheld validity. Compliant, fair lenders benefit. Predatory apps are being squeezed out.

>> EMBEDDED FINANCE GROWING FASTEST

Credit baked into POS and payments platforms is the market's fastest-growing segment. Transaction data is replacing collateral paperwork everywhere.

>> ALL MAJOR LENDERS ARE PIVOTING TO SME

FairMoney, OPay, Carbon, Branch are all racing into SME working capital. This is no longer a niche, it is the main event.

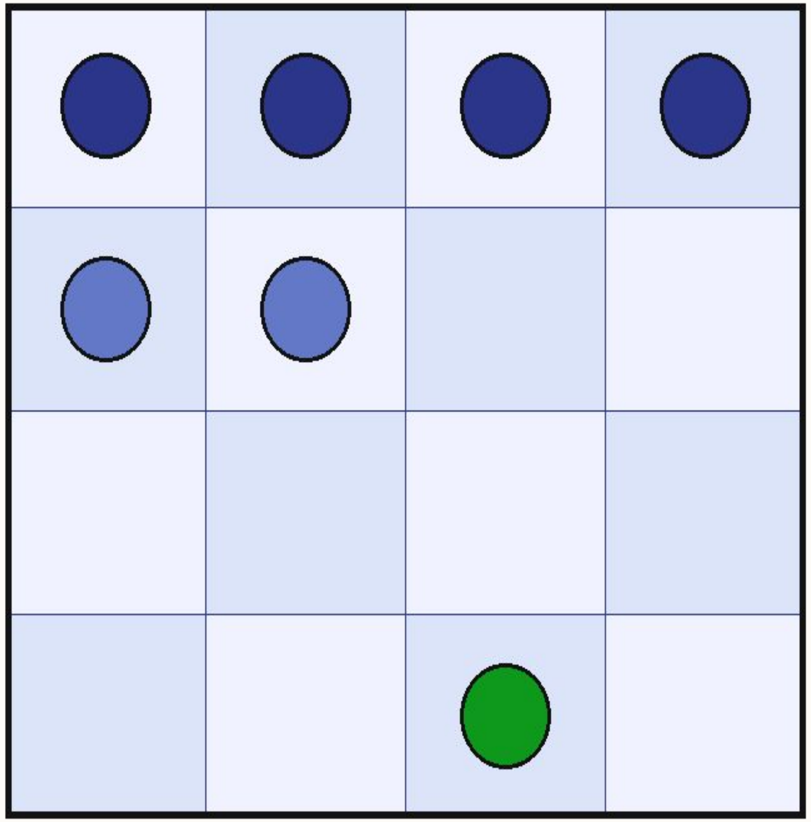
>> TRUST CRISIS IS CONTRACTING DEMAND

51% of informal businesses have stopped asking for loans up from 30%. The biggest competitor is not a lender. It is learned helplessness.

>> DEPOSIT-FUNDED LENDING CHANGES THE PRICING GAME

FairMoney now funds 90–95% of its book from deposits, not equity. Cost of funds is the new pricing weapon -- marketplaces must attract lenders with competitive money.

The Competitive Universe: Who Plays and Where



DIRECT COMPETITORS

Moniepoint, FairMoney, OPay, Carbon, Branch, Nomba
Same problem, similar approach. These are the queens and rooks on the board.

INDIRECT COMPETITORS

Pezesha, Vendorcredit, PalmPay
Same problem, different approach, infrastructure or partner-channel credit.

SUBSTITUTES

Govt funds (BOI, NIRSAL), MFBs, Invoice Finance (Veira, Kuda Business)
Different solutions to the same job. Often slower, cheaper, or more bureaucratic.

THE TRUE INCUMBENT: THE HARDEST TO BEAT

"Doing nothing." 51% of informal MSMEs choose self-funding, family loans, esusu, or simply deferring growth. Koppoh must sell outcomes, not loan access.

What Customers Are Already Doing Instead

Self-Funding from Profits

51% of MSMEs never borrow. They grow slowly, miss orders, miss seasons. They switch when Koppoh proves it is trustworthy AND delivers fast results.

Family & Friends (38% primary)

Interest-free, no humiliation. The limit is how much your network can give. They switch when the amount they need outgrows what family can provide.

Esusu / Ajo / Cooperatives

Trust-based rotating savings – genuinely beloved by the community. They switch when the cycle amount is too small or the timing too slow.

Loan Sharks (10-30%/month)

Instant money, zero questions asked. Destroys profit margins. Any fair, equally fast alternative pulls them away immediately.

Predatory Digital Lenders (30-260% APR)

Fast but ruinous. Harassment on default is well-documented. Switch trigger: same speed, better terms, zero shame on repayment.

Doing Nothing / Delaying

Avoids the problem entirely and loses the growth moment. They move when someone offers trust + education + a real chance of qualifying.

Deep Dive: Moniepoint: The Platform Gravity Threat

MONIEPOINT IN NUMBERS

$700M+

MSME loans disbursed in 2025 alone

2M+ business customers across Nigeria

$250B annualised transaction volume

3 of 4 borrowers were first-time formal credit users

WHY THIS IS THE #1 THREAT TO KOPPOH

>> Unmatched POS distribution: 80%+ of in-person informal payments run on Moniepoint

>> Underwrites from live transaction data, no collateral, no audited accounts needed

>> Already owns the 'trusted SME financial OS' brand position Koppoh aspires to

>> The 2025 Informal Economy Report means it now defines the industry narrative

KOPPOH'S DEFENSIBLE RESPONSE

Moniepoint doesn't guide founders to become creditworthy. It underwrites businesses that are already transacting on its platform. Koppoh owns the readiness layer that happens upstream of that transaction relationship.

Deep Dive: FairMoney: The Fastest-Moving SME Pivot

FAIRMONEY TODAY

N150B+

in loans disbursed in 2025 (~$109M)

15,000 loans processed per day
~100,000 POS terminals deployed
National MFB license (underway)

90-95% of its loan book funded by customer deposits, not investor equity

WHAT THIS MEANS FOR KOPPOH

>> Direct future competitor: FairMoney is well-funded, POS-distributed, and targeting the same 'structured SME' segment Koppoh plans to serve.

>> Potential lender partner: FairMoney's SME book could sit inside a Koppoh marketplace panel if a partnership is negotiated.

>> Legacy trust damage: Consumer-borrower reviews describe harassment, stress, and opaque fees. Koppoh has no such history -- yet.

THE KEY WEAKNESS TO EXPLOIT

FairMoney is pivoting FROM consumer to SME. Its reputation was built in a segment notorious for aggressive recovery. Koppoh has a clean slate. That is a positioning asset, use it before FairMoney completes its rebrand.

Deep Dive: OPay & Carbon: Scale vs. Structured Credit

OPAY

$938M in new loans disbursed in 2025 - a 285% year-on-year jump

39M monthly active users | IPO trajectory at ~$4B valuation

Merchant loans up to N5M via Blue Ridge MFB

KOPPOH IMPLICATION

Super-app scale + data + real profit. A serious potential marketplace lender AND a formidable distribution competitor. OPay does not guide founders. It gives money to those who already transact on its platform.

CARBON

Up to N20M in SME business loans at ~2%+ per month

5M+ registered customers | Carbon Nexus lending API for other fintechs

Free credit reports -- a partial readiness signal

KOPPOH IMPLICATION

Carbon's free credit-report angle is the closest overlap with Koppoh's readiness mission. It is also a strong potential marketplace partner. However, Carbon does NOT actively coach founders through the loan-structuring process -- that remains Koppoh's open lane.

Deep Dive: Branch: The Dignity Signal and What It Means

BRANCH IN NUMBERS

100M+

app downloads | 13M+ customers | $1.8B+ disbursed

$274M raised | ~$30M global profit in 2025

Now rebranded: "FUNded with Branch"
An explicit pivot to dignity and transparent lending.

WHY THIS IS A STRATEGIC SIGNAL FOR KOPPOH

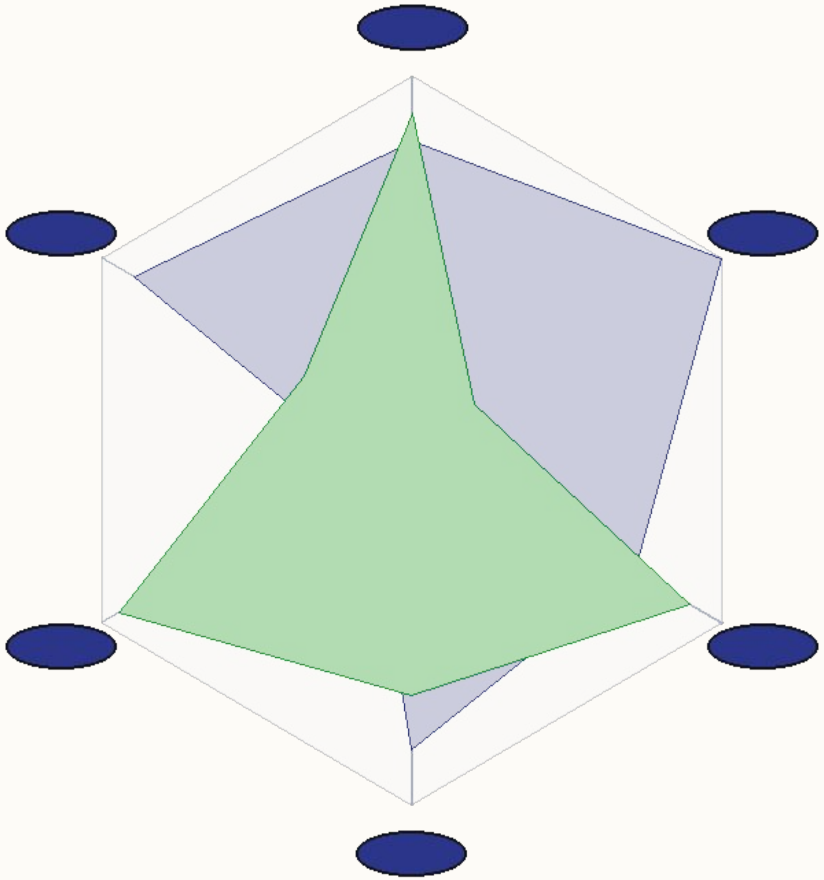
Branch is a profitable, globally-scaled lender rebranding specifically around 'dignity' the exact emotional pain point that Koppoh's own customer research identified as the core wound.

>> 'Dignity in lending' is no longer Koppoh's unique insight. A well-funded player is claiming it.

>> Koppoh must go further than messaging. Dignity must be a mechanism built into how readiness is delivered, how rejections are explained, how disbursements are communicated.

>> 2026 layoffs in Nigeria and Kenya suggest Branch is contracting. There is a market void opening in the 'dignified credit' space.

Competitive Comparison: Where Koppoh Stands



The radar maps Koppoh's planned positioning (green) vs. Moniepoint (navy). Koppoh plans for maximum Trust, Education, and Fairness scores. The honest trade-off is lower current Speed and Scale.

DIMENSION	KOPPOH	MONIEPOINT
Model	Intermediary (planned)	Payments + embedded credit
Education / Readiness	Academy (unique asset)	None
Eligibility Basis	Readiness + partner criteria	Live transaction data
Trust Signal	Core proposition	Strong brand + loan complaints
Speed	TBD – readiness takes time	Near real-time disbursement
Scale	Academy community (live)	2M+ businesses, nationwide POS
Cost to Borrower	TBD – facilitator fee?	Market rates on embedded loans

Trust Is the Competitive Battleground

THE GAUGE IS... BROKEN

51%

of informal businesses say they will NOT borrow , up from 30% in prior years

HOW TRUST GOT DESTROYED

>> Documented APRs of 30 to 260% on consumer digital loans

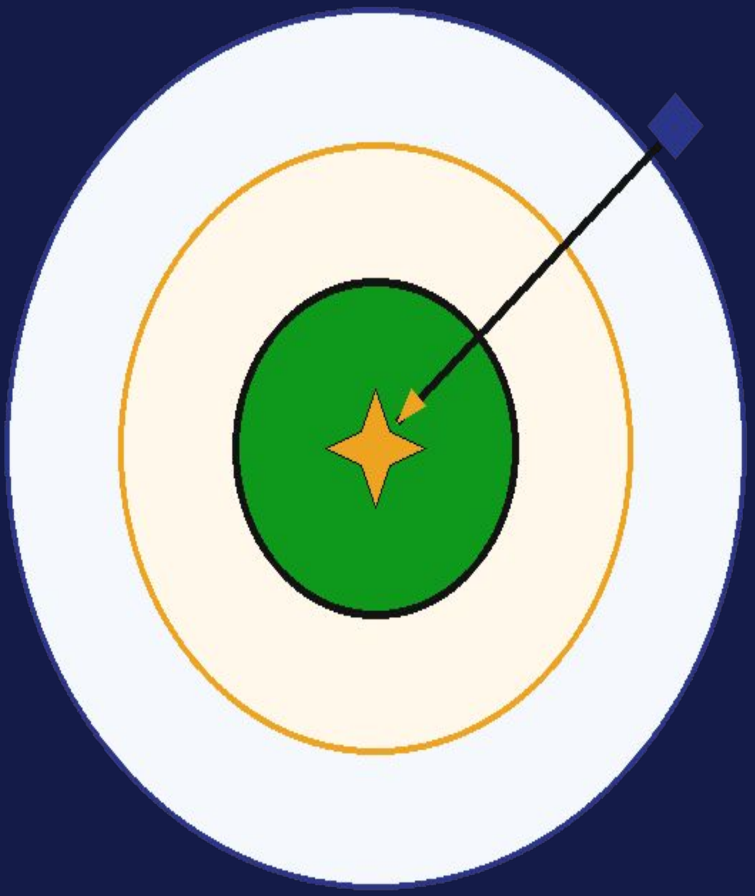
>> Harassment on default: SMS blasts to full contact lists, public shaming, threats

>> Bank rejections with zero explanation or guidance -- the 'application black hole'

WHERE THE OPPORTUNITY IS

FCCPC enforcement resumed July 2026, pushing predatory players out. The trust vacuum is opening. The player that credibly fills it first will capture a market that has been starved of fairness.

Koppoh's Defensible Competitive Position



THE SWEET SPOT: THE ROLE NOBODY OWNS AT SCALE

The Trusted Readiness + Matching Intermediary. Help credit-worthy but unbankable MSMEs become loan-ready, then match them to fair, fit-for-purpose capital. No harassment. No hidden fees. No generic rejection letters.

WHY IT IS DEFENSIBLE

>> Academy-to-Finance trust bridge: Koppoh already has an education relationship with growth-motivated founders something no direct lender has.

>> The position is uncontested: nobody at scale does readiness + matching.

>> 67% of bank rejections are documentation-related (EFInA). Koppoh's readiness engine attacks the actual root cause -- not the symptom.

>> FCCPC-aligned: being compliant and fair is now a growing competitive advantage.

The Academy Is the Distribution Moat

THE ASSET NO COMPETITOR HAS

Koppoh Academy

Live since October 2025.

What this gives Koppoh that no direct lender can replicate quickly:

>> An existing relationship with growth-motivated founders

>> Trust earned through education before the financing ask

>> A natural funnel from loan-readiness training into Finance

>> Content and community that positions Koppoh as an advisor, not just a lender

WHAT COMPETITORS ACTUALLY OFFER

Carbon: Free credit reports, partial readiness, no guidance

Moniepoint: Business management tools (Moniebook), but zero financing education

FairMoney / OPay / Branch: No readiness or education offering at all

THE CRITICAL HYPOTHESIS TO TEST

Academy members will convert to Finance at a meaningfully higher rate than cold demand, because trust is already established. This is my most important assumption. It is not yet validated. Testing it should be the first thing Koppoh does before launch.

Market Opportunities: Ranked by Evidence Confidence

[HIGH CONFIDENCE]

Loan Readiness + Matching Intermediary

~67% of bank rejections are documentation-related (EFInA). Nobody owns this at scale. The position is desired, underserved, and buildable directly on the Academy relationship.

[HIGH CONFIDENCE]

Academy-to-Finance Trust Bridge

Koppoh already owns the top-of-funnel education relationship. It is a distribution asset no direct competitor can quickly replicate.

[HIGH CONFIDENCE]

The 'Ready but Blocked' SME Segment

Semi-formal SMEs with records, rejected by banks, needing N1M to N20M. Digital lenders now serve this range, but none of them guide founders through the process.

[MODERATE CONFIDENCE]

Partner-Led Marketplace with Data-Capable Lenders

Pezesha's model (lending via banks, 300M+ data points) proves the structure works. Koppoh could match 'structured' MSMEs to a vetted lender panel -- but must build lender supply.

[LOW -- HYPOTHESIS ONLY]

Readiness as a Paid Lead Product

There is no direct evidence yet that customers will pay for 'getting loan-ready.' If this validates, it monetises the Academy before Finance even launches.

Market & Competitive Threats

[HIGH]

Moniepoint's Platform Gravity

Scale, data, and trust could let Moniepoint absorb the SME-credit gap entirely, leaving no room for an intermediary operating inside its ecosystem.

[HIGH]

The Category Trust Crisis

51% of potential customers won't borrow. Koppoh may be painted with the same 'loan app' brush even if its model is different. Being new is a liability if market perception has already collapsed.

[HIGH]

Regulatory and Compliance Burden

FCCPC enforcement resumed July 2026. Even as a non-lender, any finance-adjacent platform must comply with data-protection and consumer-credit rules.

[HIGH]

Better-Funded SME Pivots

FairMoney, OPay, Carbon, and Branch are all moving into 'educated SME' territory with capital, distribution, and brand that Koppoh cannot match on lending.

[MODERATE]

Marketplace Chicken-and-Egg

A two-sided facilitator needs both borrower supply and lender supply simultaneously. The platform stalls if either side is thin at launch.

[MODERATE]

Commoditisation of Data-Driven SME Credit

If every major lender underwrites from transactions, the 'connect MSMEs to data lenders' pitch loses its edge. Koppoh's differentiation must rest on readiness, not data access.

Six Insights That Should Shape Launch Strategy

01 **The market is crowded at the top and empty in the middle.**
All major players originate loans; nobody guides MSMEs to become fundable. Capital supply is commoditising. Financing capability is wide open.

02 **Trust is the scarce asset and it is being repriced by regulation.**
51% won't borrow. FCCPC enforcement is live. Branch is rebranding around dignity. The industry is converging on trustworthiness as the main competitive axis.

03 **Speed is table stakes. Guidance is the differentiator.**
Every lender optimises for faster disbursement. Koppoh wins by making the borrower actually ready the fastest path to 'qualifying' is not a faster loan app, it is a shorter readiness journey.

04 **Data now replaces paper. Koppoh must partner with it, not fight it.**
Moniepoint and OPay underwrite from live transactions. Pezesha uses 300M+ data points. Secure 1-2 data-capable lender partners before launch so readiness feeds their underwriting.

05 **The Academy is the distribution moat competitors cannot copy quickly.**
Readiness content is the entry point to the financing journey. Measure Academy member intent-to-borrow as the primary launch funnel metric.

06 **The real competitor is non-consumption. Sell outcomes, not access.**
51% choose self-funding. Target growth-motivated MSMEs -- the 47% who borrow to expand -- and message progress ('capital at the moment it matters'), not 'we have loans available'.

What We Know, What We Believe, What We Still Don't Know

WE KNOW (HIGH CONFIDENCE)

- The $32.2B Nigeria MSME financing gap is real
- Direct SME lending is crowded and consolidating
- Nobody at scale owns the readiness + matching position
- 51% of informal businesses have stopped borrowing
- Data-led underwriting is the new standard for every major player
- Non-consumption is Koppoh's biggest actual competitor
- The Academy is a top-of-funnel asset no lender has

WE BELIEVE (MODERATE / HYPOTHESIS)

- Marketplace / facilitator is Koppoh's defensible model
- Koppoh can monetise readiness before Finance launches
- A 'fair lender' badge / certification could be powerful post-FCCPC
- Academy members will convert at higher rates than cold demand

WE DO NOT KNOW (CRITICAL GAPS)

- Koppoh's actual financing model (marketplace / partner-originated / own MFB)
- Which geographies at launch and in what order
- Whether the target will pay for readiness assistance
- Lender-supply strategy and the partner pipeline
- Koppoh's brand awareness among the target segment
- Whether Academy members match the 'Ready but Blocked' ICP at all

What Needs to Happen Before Launch

[CRITICAL] Decide on the Financing Model

Marketplace vs. partner-origination vs. hybrid. Everything downstream product definition, positioning, which lender partnerships to build -- depends on this one decision first.

[CRITICAL] Pull Academy Member Data + Run Interviews

Establish the Academy member base size, segments, revenue ranges, and intent-to-borrow. Then run 10-15 discovery interviews. Convert 'ready but blocked' from hypothesis into validated ICP.

[CRITICAL] Run a Short Member Intent Survey

Ask directly about current financing behaviour, trust concerns, willingness to pay for readiness support, and comfort with sharing financial data.

[IMPORTANT] Competitive Pricing Audit

Verify current APRs with dates for Moniepoint, FairMoney, OPay, Carbon, and Branch SME products. Needed before any 'fair terms' positioning claim can be made publicly.

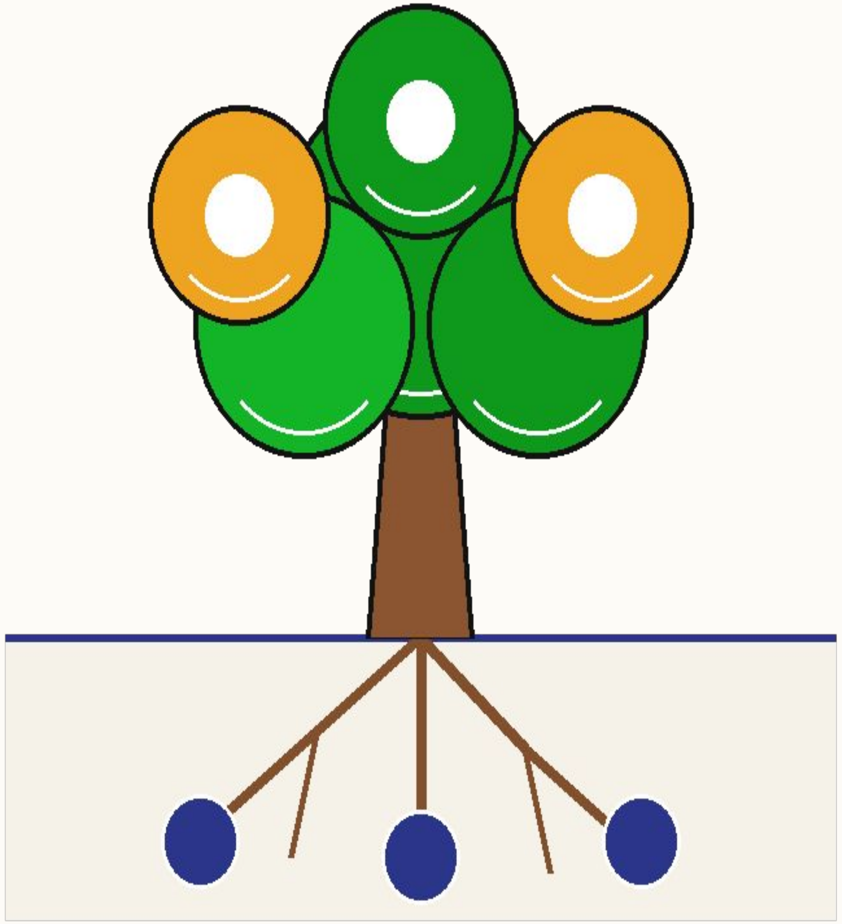
[IMPORTANT] Kenya / South Africa Competitive Context

If a Pan-African launch is planned: map Pezesha (Kenya), M-KOPA (East Africa), and Yoco Capital (SA) -- different regulatory structures and market maturity levels.

[USEFUL] Identify the Lender Panel

Once the model is confirmed: find which MFBs and banks would participate in a Koppoh capital panel and map their actual underwriting criteria against Koppoh's readiness output.

Conclusion: The Window Is Real And It Is Narrowing



THE CANOPY: SUSTAINABLE MSME GROWTH

Fair, structured capital reaching African MSMEs who build businesses, hire employees, and drive the informal economy forward.

THE TRUNK: KOPPOH FINANCE

The trusted readiness + matching intermediary. The role the market evidence shows is desired, structurally underserved, and directly buildable on Koppoh's existing assets.

THE ROOTS: KOPPOH ACADEMY

Business literacy, bookkeeping discipline, structured governance. The foundation that makes MSMEs fundable before they ever walk into a lender's door.

The window is real but narrowing. Better-funded direct lenders are already moving upstream. The Academy gives Koppoh a head start. Speed is the variable.