



## **The Hidden Struggle: How Credit Systems Are Leaving Black Consumers and SMMEs Behind: By Khosi Mkhize**

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For many black South Africans, credit reports and credit scores can be very intimidating. Yet, these very systems quietly shape whether one gets a loan, buys a car, rents a home, or grows a business. They determine access and opportunity — but for millions, the rules of the game were never explained.

### **Credit Reports: A Mystery for Many**

Most consumers don't know where to access their credit reports, how to read them, or how to rebuild responsibly. Even fewer understand that there are actually different credit bureaus who all have unique scoring models. This means your credit score with one bureau may not match another, which then just adds to the confusion. The language barrier also leaves them feeling very lost, disheartened and embarrassed. It's like being judged on an exam you didn't know existed — with questions you were never taught to answer.

### **The Cost of Ignorance**

A poor credit score isn't just a number. It's a silent barrier. It can affect whether a small business owner qualifies for funding, whether a parent gets approved for a school loan, or whether a young professional can move into their first apartment. For small businesses, especially black-owned SMMEs, this misunderstanding becomes a roadblock to growth. Many are declined not because their businesses lack potential — but because their personal credit histories disqualify them from financial support.

### **The System Is Complex — and Not Built for Inclusion**

Let's be honest: the credit bureau ecosystem in South Africa was not designed with rural and township consumers in mind.

- Reports are mostly in English.
- Technical ability is limited.
- Customer service is centralised in urban call centres.

This creates a cycle of exclusion — where people are labelled “high risk” simply because they were never given the tools to participate fully and fairly.

## Dignity Through Knowledge

Understanding credit is not just about finance — it's about empowerment. When consumers and SMMEs understand how credit works, they can make better choices and take steps toward rehabilitation. When we teach someone to read their report, we are not just improving their score — we are restoring their confidence.

## Building Bridges

As we continue our mission to “Bridge the Gap,” we must challenge the idea that financial literacy is a luxury. It's a necessity. Every household, every entrepreneur, every community leader deserves to understand how the credit system impacts their life and livelihood.

Credit education is not just about access to finance — it's about inclusion and opportunity.

## Conclusion

Until we meet our people at the level where they are — in their languages, in their realities, and in their struggles — we will not see the growth, inclusion, and transformation that South Africa urgently needs.

***This article is part of our new weekly series on all things credit. Look out for a new piece every Monday. For more insights visit [www.riquezaholdings.co.za](http://www.riquezaholdings.co.za)***

