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The New Normal:

Side Hustles and Informal Loans Define Financial Survival

TrendER

infoQuest Fusing Collaborative Insights

A TrendER/infoQuest Report

SSouth Africans are grappling with persistent financial strain, a situation exacerbated by a slow-growing economy that has struggled to fully rebound from the impacts of the COVID-19 pandemic.

The initial post-pandemic period saw consumers attempting to regain their financial footing, but, two years later, the situation has not improved in any substantial way for much of the population.

Lingering economic challenges, including high unemployment, lower-than-inflation salary increases, and a weaker rand, mean that household incomes are often stagnant while the cost of living continues to climb. This creates a challenging environment where families are forced to make tough choices simply to cover essential expenses.

In August 2025, infoQuest, a leading South African online research company conducted a survey in conjunction with CX consultancy, Decapod Customer Experience, to assess South Africans' current financial situation, and what they are doing to cope with financial pressures. This article explores the findings of this survey, in which 300 consumers were interviewed across demographics.

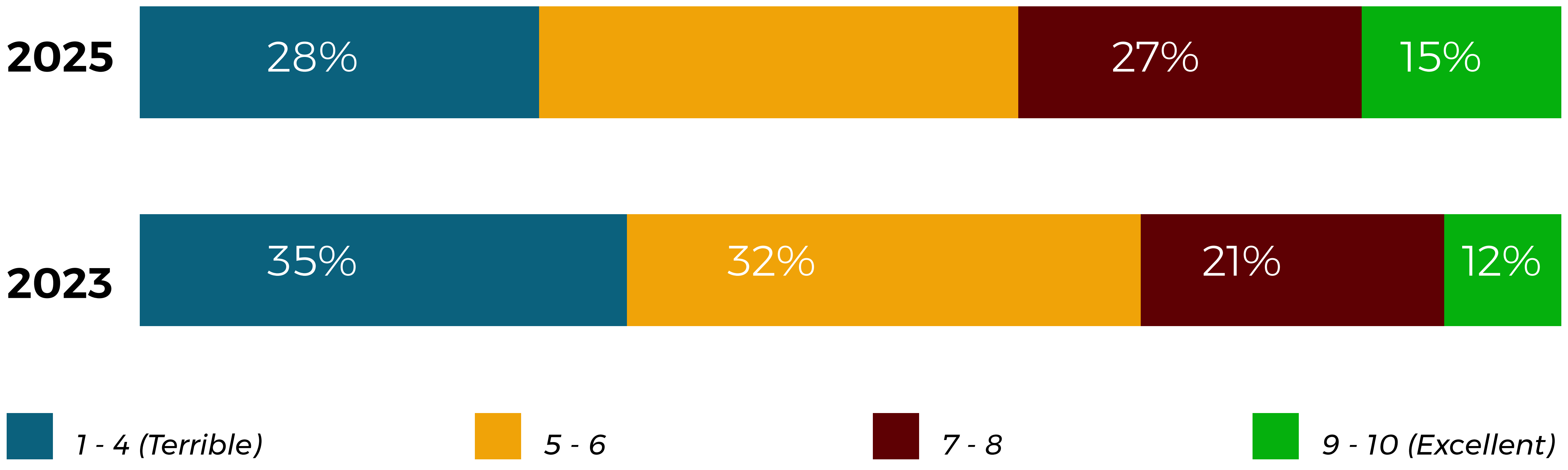
Low satisfaction levels with financial situation

Overall, South Africans are dissatisfied with their current financial situations, with only 15% being very satisfied.

The mean score out of 10 in 2025 was 5.8 compared with 5.4 in 2023, indicating a marginal improvement, although not significant. 2023 was the immediate post-Covid-19 period when consumers were trying to gain their financial footing again after disruptions to their lives and finances.

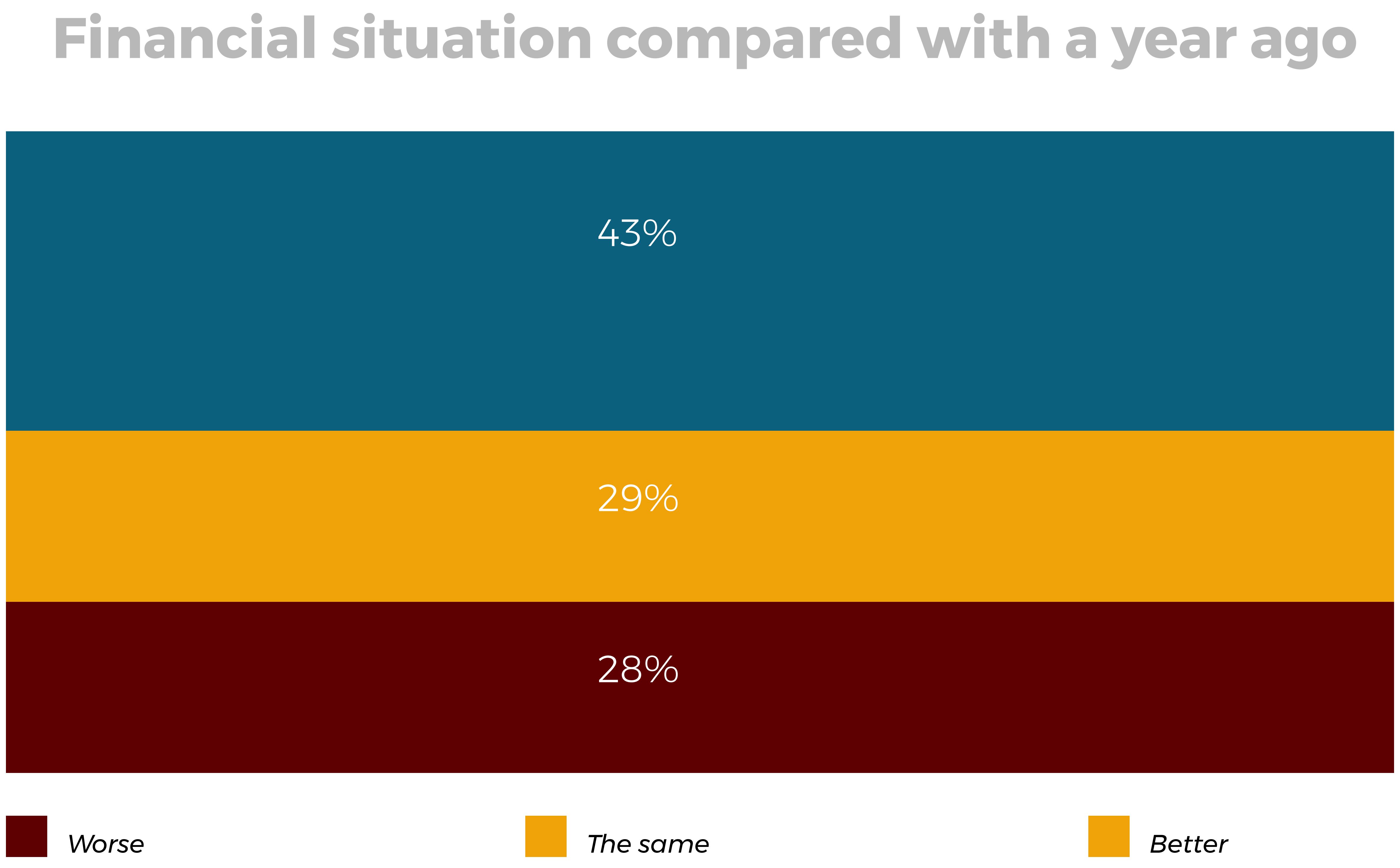
The 2025 results show that the current situation for most South Africans has not improved in any substantial way, even after a further two-year period.

Satisfaction with current financial situation



Some financial stress alleviation, due to concerted efforts by consumers

Despite low satisfaction with their financial situations, about two in five consumers claim that their current financial situation is better than it was a year ago (although this is significantly lower in the 50+ age category, where financial pressure seems to be more pronounced than in younger age categories).



Any improvements or better management of financial situations seem to be driven by deliberate, concerted efforts and actions taken by consumers to better manage their finances, rather than any real improvement in their overall financial status.

The graph below highlights the following:

1. A focus on immediate spending adjustments

The most popular actions relate to immediate and frequent spending habits. The top three actions: looking for more promotions and bargains (91%), spending less on luxuries and spontaneous shopping (85%), and spending less on going out/eating out/socialising (83%) – demonstrate a strong focus on cutting back on non-essential and day-to-day expenditures. Sticking to a monthly budget (83%) is also a widely adopted strategy, showing a commitment to disciplined financial planning.

2. Prioritising cost-cutting on goods and services

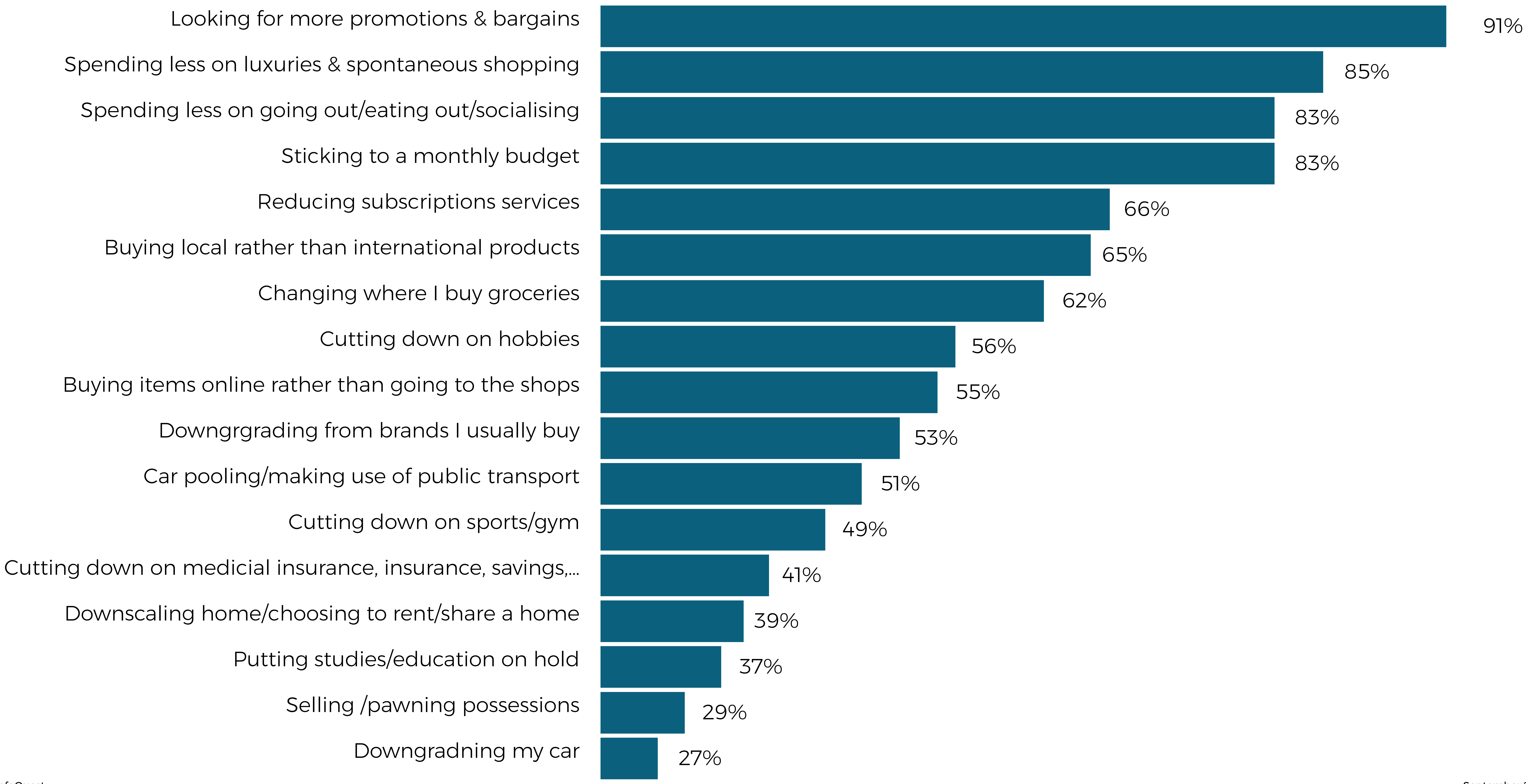
A significant number of consumers are making conscious choices about the products and services they use. Reducing subscription services (66%), buying local rather than international products (65%), and changing where they buy groceries (62%) are common actions. These behaviours show a move towards more cost-effective alternatives and supporting local economies, due to financial pressure.

3. Lifestyle and long-term sacrifices

While less common, a notable portion of the population is making more significant lifestyle sacrifices. Actions like cutting down on hobbies (56%), carpooling or using public transport (51%), cutting down on sports/gym (49%), and even downsizing homes (39%) reflect a willingness to make deeper, more impactful changes to their lives.

The less frequent, but still present, actions of putting studies/education on hold (37%) and selling/pawning possessions (29%) further highlight the extent of the financial strain on some individuals.

Actions taken to improve financial situation

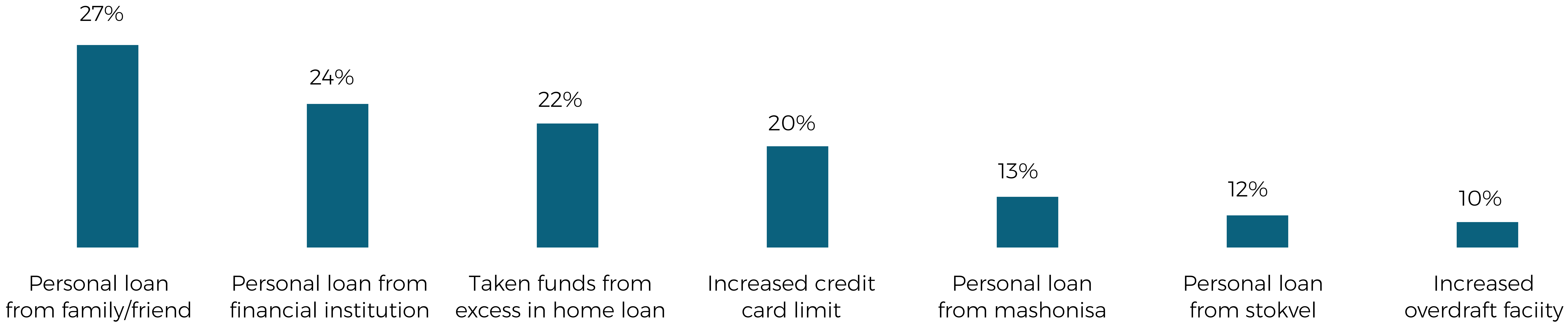


Informal debt outpaces traditional sources

Taking a personal loan from family/friends (27%) is the most common form of debt. This is more prevalent than a personal loan from a financial institution (24%), suggesting a significant reliance on informal borrowing networks. This could indicate several things, such as an inability to secure formal loans, a preference for avoiding bank interest rates, or a greater comfort with borrowing from trusted social circles.

A range of other debt types are also common, including using existing assets. There are notable percentages of consumers taking funds from the excess in their home loan (22%) and increasing their credit card limit (20%). This indicates that consumers are not only seeking new loans but also leveraging their existing credit and property to alleviate growing financial burdens.

Types of debt taken up in past 6 months



Debt and essential expenses drive financial strain

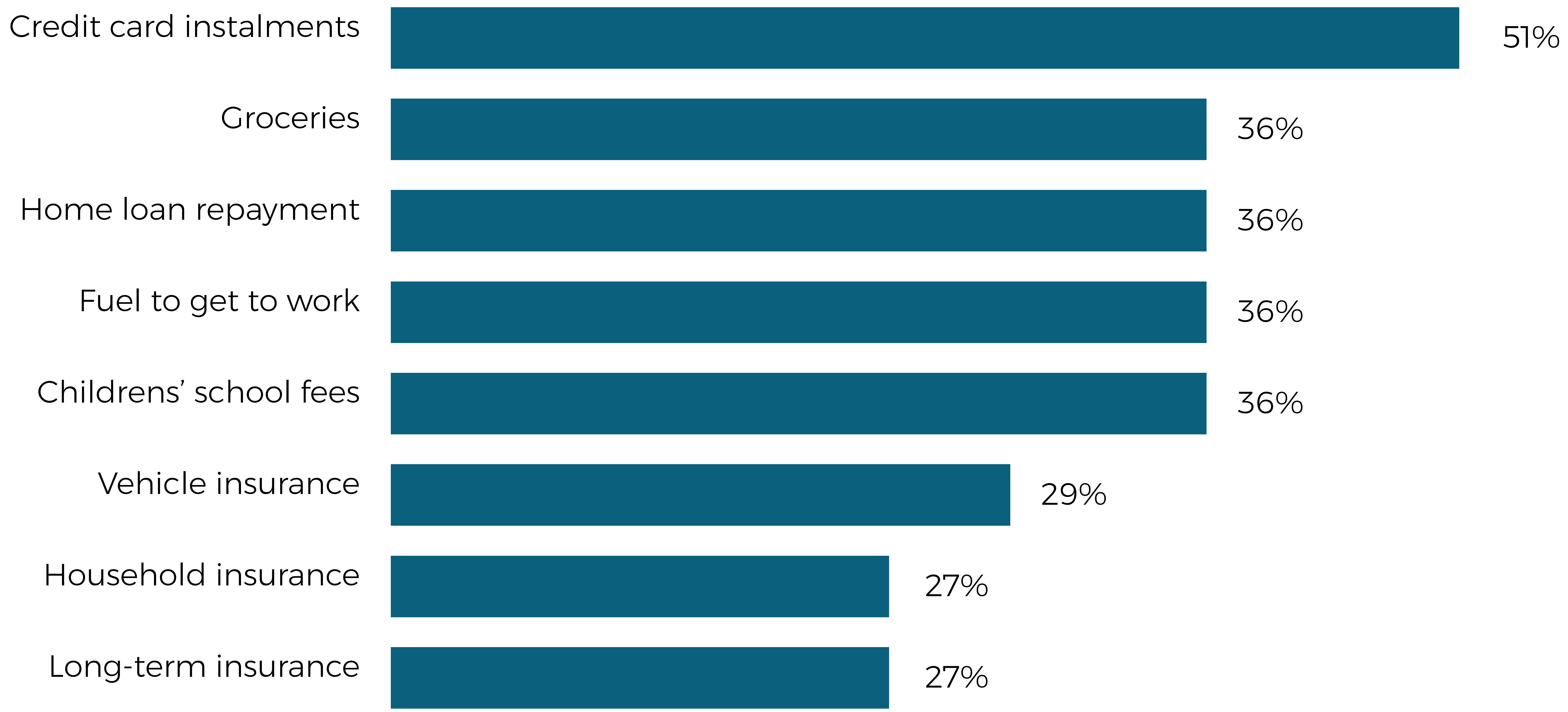
Credit Card payments are a major struggle with 51% reporting difficulty in making monthly payments on this debt.

Essential costs also pose a widespread problem with about one third of consumers struggling to pay for fundamental expenses, including groceries, home loan repayments, fuel to get to work, and children's school fees. This indicates a broad financial strain that affects the ability to cover basic living costs, not just luxury items.

Insurance payments, while still a struggle for a notable portion of consumers, are a less significant problem than other expenses. Difficulty paying for vehicle insurance, household insurance, and long-term insurance falls below the major categories.

This suggests that consumers may be prioritising other payments over insurance, or that insurance costs are a smaller portion of their overall budget.

Struggling to pay on a monthly basis...



The Hustle is Real: Consumers turn to side jobs to stay afloat

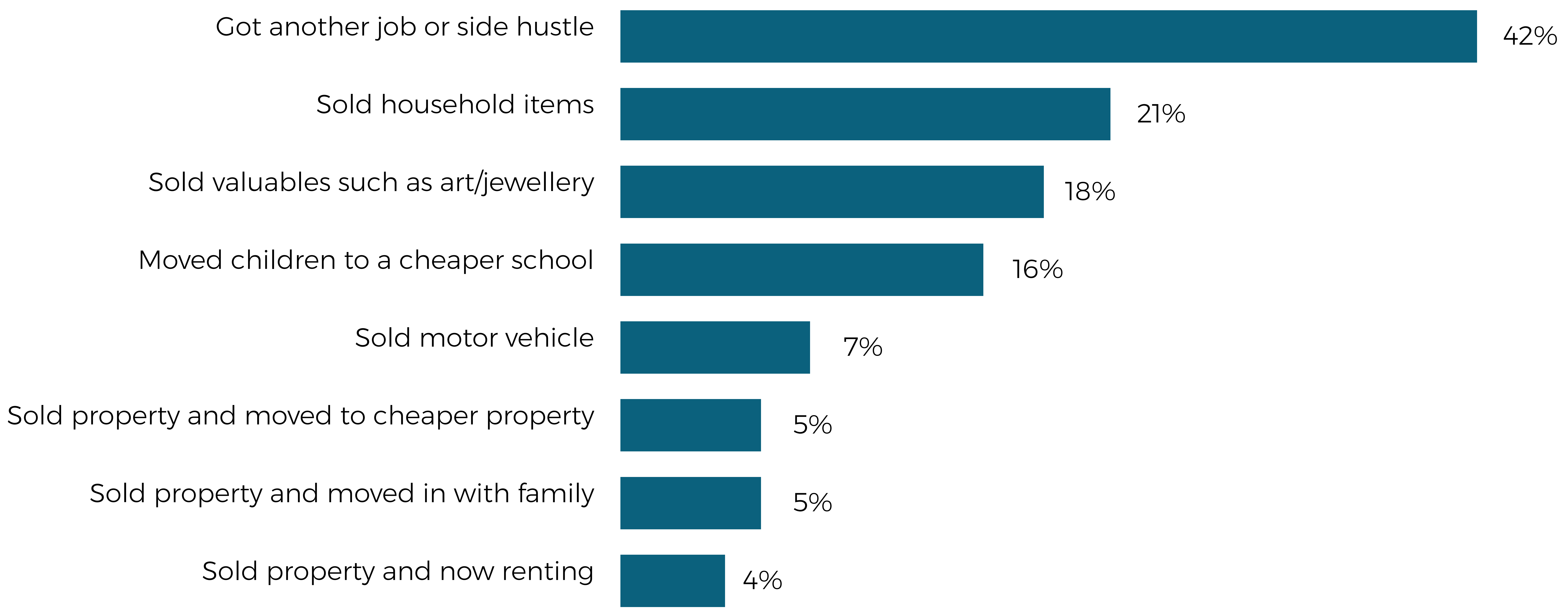
The most common action, by a significant margin, is getting another job or a side hustle, with 42% of respondents using this method to improve their cashflow. This highlights that consumers are primarily focused on increasing their income to manage their financial situation. Interestingly, there are no significant age skews indicating that hustling, or having more than one job, is no longer a younger generational phenomenon, but now covers all age categories.

A substantial number of consumers are selling off assets to get cash. Selling household items (21%) and valuables like art or jewellery (18%) are the next most common methods after finding additional work. This shows that many are liquidating personal belongings to meet their financial needs.

While less common than the other methods, some are resorting to more drastic measures to free up funds. This includes moving children to a cheaper school (16%), selling a motor vehicle (7%), and making changes to their living situation, such as selling property and moving to a cheaper property (5%), moving in with family (5%), or renting (4%).

These actions indicate the severity of the financial pressure faced by some individuals.

Consumers are accessing funds by...



According to Claire Heckrath, CEO of infoQuest, this data paints a picture of a resilient, but financially pressured, population. 'The slight uptick in financial satisfaction is a testament to the resourcefulness and hard work of consumers who are taking drastic and deliberate steps to cope with a difficult economic environment,' she adds.

However, this is not a sign of economic recovery. The continued struggle with essential bills and the preference for informal debt highlight a financial system under significant stress, where access to traditional credit may be limited or seen as too costly.

The findings underscore that while consumers are doing their part to stay afloat through side hustles and asset sales, they are still facing a deeply challenging situation where personal effort is the primary, and often only, driver of marginal financial stability.

'Ultimately, the report shows that the burden of managing financial hardship has fallen squarely on the individual, with little evidence of a broader economic environment that is substantially easing their burden,'

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