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From Financial Education to Savings - Foundation for the Sustainable Development of Small Traders in the Nyawera Market in the City of Bukavu, DRC

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Abstract

The aim of this research is to analyze the influence of the determinants of financial education related to savings on the business performance of small traders at Nyawera Market in Bukavu, the capital of South Kivu Province in the DRC. It revealed that factors such as cognitive ability, information processing, and financial literacy improve financial education, which, in turn, has a positive effect on business performance, thus establishing a strong indirect link between these determinants and the success of small traders. Consequently, according to our qualitative survey of 50 traders, strengthening financial education is essential for local and sustainable development, as it encourages prosperity and the adoption of environmentally friendly practices. This creates a balance between the economic and environmental pillars of sustainable development.

Keywords: *financial education, savings, sustainable development, small traders, Nyawera market.*

JEL Classification: O12, D14, G53

Introduction

Education is a pillar of sustainable development, and financial education, supported by the OECD and others, is an emerging approach that aims to empower entrepreneurs through microfinance to increase their income and financial independence. Financial education is universally recognized as fundamental to economic and human progress, contributing to the reduction of poverty and inequality. It is gaining ground because it aims to equip individuals with the knowledge necessary to make informed financial decisions. It plays a crucial role in economic and human progress and is attracting significant interest from governments worldwide. Furthermore, financial education is now beginning to emerge worldwide following initiatives undertaken by the Organisation for Economic Co-operation and Development (OECD) since 2005, the work of Lusardi & Mitchell (2011), Beckmann (2013), Mialet & Moulévrier (2016), Lazarus (2016), Arrondel (2017), and the efforts of institutes, associations, and foundations created for this purpose.

Thus, business performance has been the subject of numerous studies and remains a key concern for management science authors [Touissate & Azdimousa, 2021; Yen, 2022; Abousaïd & Hilali, 2023]. It is all the more of a hindrance when it affects businesses. Microfinance is therefore increasingly seen as a tool for empowering and increasing the autonomy of entrepreneurs. According to Sen (1993), the objectives are multiple: to increase their income and facilitate their financial independence, and to stabilize and professionalize their entrepreneurial activity. This is why the majority of entrepreneurs, particularly women, seek financing from microfinance institutions. According to Marchesnay & Fourcade (1997), business performance is based on the achievement of the objectives set by the company and is measured using quantitative indicators such as revenue, number of sales, and customer satisfaction and loyalty. Kibet et al. (2015) acknowledge that there is therefore a cause-and-effect relationship between access to financial and non-financial services and business performance. The underlying argument is that access to credit facilitates the procurement of raw materials at lower cost, the resale at reduced prices, the attraction of more customers, and thus increased revenue [Bwisa & Wanambisi, 2013].

Financial education empowers small-scale traders in the informal sector to better manage their finances, save effectively by creating budgets, reducing unnecessary expenses, and automating savings, which is crucial for their stability and growth in the face of precarious working conditions. This approach helps them make informed decisions, understand financial products, and improve their management practices, even without the formal framework of state institutions.

1.1. General context

The small traders of the Nyawera market in the DRC are pillars of the local economy as job creators, drivers of growth, and facilitators of market exchange. Their sustainable development is intrinsically linked to financial literacy and the ability to save, which enables them to invest, innovate, and withstand economic shocks, thus contributing to the stability and prosperity of their community. In the context of job creation and economic growth, small businesses represent a significant portion of employment in Bukavu/Nyawera, thus stimulating local economic growth. They are key players in the circulation of goods and services, meeting the needs of the population and boosting economic activity. They offer opportunities for locals.

People, including women, to generate income and improve their standard of living. It has been observed that there is a link between small traders and financial education, savings and sustainable development, in particular:

- Learning the basics of financial management (budgeting, cost management, etc.) allows traders to make informed decisions, which improves their profitability and sustainability;
- Once they have mastered their finances, they can put money aside, giving them access to capital to grow their business, invest in new products or expand their offering;
- Savings provide a safety margin to get through difficult periods (downturn in activity, economic crises), ensuring the stability of their businesses and the sustainability of their jobs;
- Finally, financial education and savings are essential foundations for the sustainable development of these businesses, enabling them to plan for the future, innovate

and contribute to long-term economic prosperity for the Nyawera market and its surroundings.

Given the importance of sustainable development for communities, it is vital because it integrates economic, social, and environmental factors to ensure a fair and prosperous future for all. Financial literacy for small traders, such as those in the Nyawera market, supports sustainable development by strengthening their economic autonomy. This contributes to economic growth, poverty reduction, and the sustainability of their businesses for future generations, while respecting the three interdependent pillars of development: the economy, society, and the environment. Therefore, for a community to develop sustainably, these three aspects must be considered simultaneously.

In short, financial education for small traders' savings is a fundamental pillar for sustainable development because it strengthens the economic pillar, which in turn positively influences the social and environmental aspects of communities.

1.2. Specific context

The Nyawera market in Bukavu, DRC, is a vibrant economic environment, but one often characterized by the informal sector. Small traders, while vital, frequently lack the financial tools necessary for their long-term viability and to contribute to sustainable development. The absence of adequate financial education limits their ability to effectively manage their income, save, and invest, making them vulnerable to unforeseen events and hindering their own growth and that of the community. The objective is therefore to bridge this gap by strengthening their financial skills to build a solid foundation for the sustainable development of their businesses.

1.2.1. Brief presentation of the Nyawera market

The city of Bukavu, initially a military outpost, grew rapidly under Belgian administration. The area now known as Nyawera Market has a long history linked to the pre-colonial trade of the Kivu region, a crossroads of commerce connecting northern Tanganyika, West Kivu, and Rwanda. First, this place was called "Place Baudouin I," an administrative and social center in honor of the King of Belgium, a reminder of the Belgian colonial period. After Congo's independence in 1960, the name "Place Baudouin I" was changed to "Place de l'Étoile," a name symbolizing the unification and renewal of the country—a common practice to erase the traces of the colonial period and create a new Congolese identity. Place de l'Étoile served as the administrative and social center of Bukavu for many years. Today, it is a public gathering place, a symbol of the city's history, and a source of pride for its inhabitants. Leaving the name of the star square to the name of the Nyawera market, a current function.

The Nyawera market in Bukavu is an urban market located in the Ibanda commune of Bukavu, the capital of South Kivu province in eastern DRC. It is situated within the city of Bukavu, which lies on the southwest shore of Lake Kivu and is bordered to the north by the lake and to the east by the Ruzizi River, which separates it from Rwanda. This is a general overview of Bukavu's geography. More specifically, its exact boundaries, based on its precise location within the city, are as follows:

North: The Lamane hotel, the Nyofu main promenade and Itaga Avenue in Ndendere;

South: Mukukwe Avenue in Ndendere;

East: The entrance to Hippodrome Avenue and Irambo Avenue in Nyalukemba;

West: The administrative office of the International Electricity Company of the Great Lakes Countries, (SINELAC).

Continuing with the presentation of the aforementioned market, here is its location in the image below.

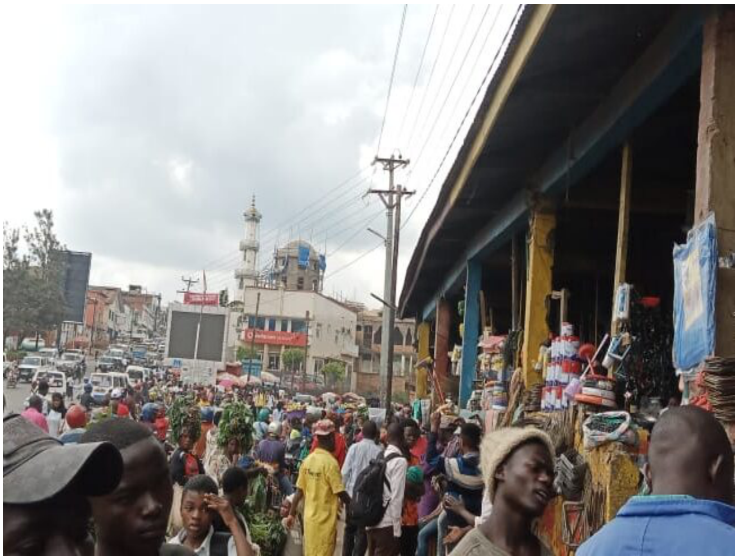

Figure 1. Nyawera market
Source: https://laprunellerdc.cd

1.2.2. Challenges faced by its traders

The specific context of financial education and savings for the sustainable development of small traders in the Nyawera market in Bukavu (DRC). Small traders in the Nyawera market face challenges related to economic insecurity, limited access to formal financial services, and a lack of knowledge in budgeting and saving. They also face economic instability, limited access to financial services, and a lack of understanding of financial products and associated risks. This prevents them from building solid capital and coping with unforeseen events. We have categorized these challenges into two main points:

Specific challenges in financial education:

- Poor budget management: A lack of a clear budget to track expenses and the recipes;
- Difficulty saving: Tendency to spend all income rather than putting it into savings, money set aside for the future;
- Lack of understanding: Ignorance of basic financial concepts, risks, and opportunities related to savings and credit;
- Lack of planning: Inability to distinguish between essential needs and wants, this which is detrimental to sound financial management.

Structural and environmental challenges:

- Limited access to financial services: Lack of accessible credit institutions in the region;
- Economic and political instability: An unstable economic environment that make difficult financial planning;

- Lack of adequate regulation: Gaps in the regulation of financing of the economy which affects market stability;
- Vulnerability to scams: Lack of knowledge about products and risks exposes traders to fraud.

This market, like so many others, comprises artisans and small informal traders who are often excluded from the traditional banking system yet can benefit from financial inclusion. This initiative is part of a broader effort to strengthen their ability to manage their income, accumulate capital for investment, and protect themselves against economic shocks, thereby ensuring their sustainability and long-term growth.

1.3. Review of empirical and theoretical literature

An empirical and theoretical literature review is a critical evaluation of existing work on a given topic to situate research. It goes beyond simply summarizing the work; it analyzes it as a whole to identify key ideas, debates, and gaps. This analysis helps justify the research's relevance, position it in relation to previous work, and formulate a more precise research question. The empirical review examines previous studies or work, while the theoretical review establishes the conceptual framework.

1.3.1. A review of the empirical literature

Financial education and saving are the subjects of study by several authors, and several documents, especially official ones, discuss the financial principles that should be applied by all citizens, regardless of their age, gender, or economic situation, to enable them to better understand and control their personal, family, or professional financial situation. According to Georges Boulanger (1970, p. 22), the analysis of the literature of previous works makes it possible to understand the thoughts of researchers, to evaluate their difficulties and their solutions, to identify the originality of their contributions and to identify the gaps to be filled by new research. Furthermore, it allows us to use the results already obtained so that the research to be undertaken is better done and more useful.

Influence of Financial Education on Business Performance in Small Businesses in Togo. In this article, the author presents the key ideas, namely: the influence of financial education and performance improvement. Regarding the influence of financial education, he demonstrates that financial literacy among small business owners in Togo has a positive impact on their business performance. Regarding performance improvement, he states that better financial management leads to improved business performance.

The debates revolve around the causal link by verifying exactly whether financial education improves performance, the measurement of this influence, the most effective financial education methods in Togo and their real impact in the face of other factors such as access to financing or tax constraints. Possible shortcomings include the methodology, sample size, the absence of comparative analysis between companies that have received training and those that have not, and an underestimation of the importance of macroeconomic and structural factors specific to Togo.

The main difference is that this article analyzes the influence of financial education on the overall performance of small businesses in Togo, whereas ours focuses specifically on the impact of this education on the savings capacity of small traders in the Nyawera market, with respect to sustainable development. The study of business performance is broader and can include profitability and sales, whereas the study of savings is more targeted and linked to long-term sustainability. Finally, each article has its own objective, scope of analysis, and field of application.

Household Financial Education: Development and Validation of a Measurement Scale.

The key ideas in this article revolve around household budget management (households need to know how to budget, save, and manage their debt), understanding financial products (mastering or understanding banking and insurance tools, such as accounts, loans, savings, and insurance), financial planning (it is important to be able to plan one's financial future, which involves setting realistic goals), and risk management (considering the importance of protecting assets by understanding and managing risks to improve household well-being). The discussions in this article likely focus on how to effectively measure this knowledge and these skills through the development and validation of a measurement scale, as well as the actual impact of financial education on behavior and financial health. The gaps in this discussion concern aspects such as the diversity of existing scales, the difficulty of finding objective measures of financial behavior, and the long-term impact of these programs.

The main difference between our work and theirs lies in their scope and objective. Ours focuses on developing a tool to measure financial literacy for households, while ours is interested in the practical application of financial literacy to improve savings and the sustainable development of small traders in Nyawera. Ours is a methodological study, while ours is an applied case study. Finally, each article has its own main objective, methodology, target audience, and expected outcome.

Impact of underfunding education on savings and poverty in Kongo-Central. In this article, the key ideas the author discusses are as follows: the link between education and economic development (underfunding education reduces the chances of accessing quality education, thus limiting individuals' earning potential and hindering the province's economic growth); the impact on savings and poverty (the lack of income resulting from a low level of education hinders households' ability to save. This perpetuates the cycle of poverty, as families cannot invest in their children's education or in income-generating activities); and the specific challenges in Kongo-Central (the lack of funding directly affects the quality of educational infrastructure, the availability of teaching materials, and teacher training—essential factors for improving the level of education).

The debates surrounding this article revolve around the effectiveness of current educational reforms, the causes of this underfunding (governance, budgetary priorities), and the role of the private sector. Potential shortcomings of this article include: a lack of precise data, a limited focus on concrete solutions, and an insufficient analysis of the causal links between underfunding and cycles of poverty.

In relation to our article, the main difference is that he analyzed the impact of underfunding education on savings and poverty in a specific region (Kongo-Central), while we focus on the effect of financial education (a specific component of education) on savings and the sustainable development of small traders in a particular market in Nyawera. In short, he addressed education as a general system, and we as a specific skill.

Financial and Economic Education, still within the framework of critical evaluation, is the focus of this article. The researcher has highlighted key ideas, namely: Personal and Budgetary Management (learning to manage one's budget effectively, automating savings, differentiating needs from wants, and reducing unnecessary expenses), Financial Skills (understanding accounts, credit, and savings in order to use them effectively), and Societal Benefits (a better understanding of economic processes by citizens can generate significant external savings for society as a whole). The article's arguments aimed to distinguish between financial and economic education (for all citizens) and in-depth training in the latter (for specialists), even providing definitions of the concepts of financial and economic education. Furthermore, it advocates integrating this concept into school curricula and training teachers on the implementation of concrete strategies. The gaps include socio-economic barriers to education in general (cost, poverty, inequality) and the need for a holistic approach that goes beyond mere technical skills, focusing on developing autonomy and the ability to make informed decisions.

Compared to our research, the difference is that its subject is broader (financial and economic education), dealing with general concepts (budget management, credit, etc.), while ours focuses on a specific case study (savings as the basis for sustainable development for small traders in the Nyawera market), aiming to apply the concepts to solve a particular problem, to ensure the sustainability of small businesses.

Debt and Ties: Two Drivers of Popular Savings in South Kivu (DR Congo), the key ideas we encounter in this article are: debt, solidarity ties, and popular savings are the main drivers of savings in South Kivu. To be clearer, or in other words, we say that: Debt as a driver of savings (debt, although negative in itself, pushes people to save informally to meet their obligations), solidarity ties as a driver of savings (the role of social and family networks is presented as a pillar of savings, with social ties encouraging the creation of collective savings), and popular savings (which is an informal mechanism, hence popular savings are not the exclusive domain of banks or microfinance institutions, but are mainly manifested through informal practices and solidarity systems). The debates revolve around the effectiveness of informal savings in addressing poverty and economic underdevelopment, and whether these informal mechanisms can replace or complement formal financial services, or serve as a complement to or substitute for microfinance. Shortcomings may lie in the lack of a thorough analysis of the role of microfinance, the broader economic context, and the limitations of these informal solutions in challenging environments.

Therefore, the article may lack an in-depth analysis of the impact of formal and informal microfinance, as well as the obstacles to its development in South Kivu.

Regarding the concept of savings which is the point of convergence of these two research projects, a notable difference emerges from a scientific point of view, because the first researcher was focused on social and relational factors (debts and links) as drivers of popular savings or the determinants of savings in South Kivu, while we are exploring a lever for improving savings with an emphasis on the impact of financial education as a tool for the sustainable development of small traders.

1.3.2. A review of the theoretical literature

As for the review of the theoretical literature, it consists of defining the key concepts or terminology of our theme: financial education, savings, sustainable development, small traders, Nyawera market. Financial education, a concept dating back to the 17th century, gained importance in the 20th century with the rise of consumer protection and is now an essential component of curricula in many countries. It involves acquiring the knowledge and skills to manage financial resources effectively, although there is no single, universally accepted definition.

For the OECD, financial education is a process by which consumers and investors develop their understanding of financial concepts and risks and acquire the skills and confidence necessary to make informed financial decisions. In 2012, the OECD broadened this definition to encompass a combination of awareness, knowledge, skills, attitudes, and behaviors to achieve individual financial well-being.

According to Lusardi and Mitchell, financial education is a key determinant of long-term financial security and is necessary to help people make wise financial decisions. According to them, financial education is the knowledge needed to effectively manage daily financial transactions and make informed financial decisions. It is essential for ensuring long-term financial security and is defined by the ability to understand fundamental financial concepts, such as compound interest, inflation, and diversification. They also stated that financial education is necessary to help individuals make informed decisions regarding financial planning, saving, investing, and risk management. They further emphasized that cognitive abilities refer to individuals' capacity to understand financial concepts and make informed financial decisions.

From the perspective of research by several authors in financial education, the skills of entrepreneurs are recognized as being diverse and are grouped into three main categories: entrepreneurial skills (problem solving, creativity, adaptability), managerial skills (leadership, vision), and technical-functional skills (financial management, HR, marketing, sales).

Savings are the portion of income not immediately consumed, used to finance the economy, but behaviors vary considerably from country to country. They allow people to cover unforeseen events (precautionary savings) and can be accumulated in various ways, such as bank savings, mobile money, rotating savings and credit associations (ROSCAs), or cooperatives. These disparities are explained by differences in savings rates, amounts, and the composition of household assets.

According to the classical and neoclassical approach: Saving is deferred consumption, a present renunciation for greater future enjoyment thanks to increased purchasing power. It is often seen as the source of investment and economic growth.

According to Keynesian theory, savings are defined as the portion of income that is not consumed. It is considered a residual that depends primarily on the level of income and not on the interest rate, contrary to the classical view. More precisely, consumption follows income (a fundamental psychological law), and savings are what remains after consumption needs have been met.

According to Wikipedia, savings are the portion of income that is not spent during a given period. This sum of money is not immediately destroyed by a consumption expenditure and can be kept in liquid form (building up cash or reserves motivated by a desire for precaution or the due date of a large future expense), or be reinvested in the economic circuit in the form of a deposit or investment. Mohamed Saadi's (2006) definition states that savings are the portion of disposable income not immediately consumed, i.e., consumption deferred over time. This perspective highlights savings as a postponement of consumption, a portion of income that is not used to meet current needs.

According to the 1987 Brundtland Report, sustainable development is defined as a process that reconciles social and economic progress with environmental protection, aiming to meet the needs of the present without compromising the ability of future generations to meet their own needs. It is based on three pillars of sustainable development: the economy, society, and the environment. For Klorane Botanical

Foundation: Environment, economy, and society are the three components of sustainable development.

Sustainable development is "development that meets the needs of the present without compromising the ability of future generations to meet their own needs," quote from Mrs. Gro Harlem Brundtland, Norwegian Prime Minister (1987).

According to François Perroux, sustainable development is the "combination of mental and social changes within a population that enable it to cumulatively and sustainably increase its overall real output." This implies a qualitative improvement in individuals' lives, where development is an improvement of the individual within their environment, and not merely economic growth.

According to Mannheim's classic distinction (1936), ideology seeks to reinforce the established social order by looking to the past, whilst utopia looks to the future in order to transform the existing situation. In this context, sustainable development is a political ideology, or a utopia, initially developed by the United Nations to encourage Third World countries to adhere to the environmental program of the so-called Northern countries. According to the IUCN, sustainable development is people-centered in that it aims to improve the quality of human life, and nature-centered in that it is contingent on respecting nature's capacity to provide biological resources and services. From this perspective, sustainable development means improving the quality of human life while respecting the limits of related ecosystems." This is a recent operational definition of sustainable development based on the framework proposed by the IUCN and summarized and presented by the World Wide Fund for Nature (WWF). According to the report "Our Common Future": Sustainable development, at the economic level, consists of ensuring growth that meets the needs of the present without compromising the ability of future generations to meet their own needs. This implies reconciling economic efficiency, social equity, and environmental protection through responsible resource management to sustain long-term prosperity.

Before giving a definition or meaning to our keyword small traders, we show that traders are classified in different ways: by legal form (capital companies, partnerships or mixed companies), by company size (micro-enterprise, SME, mid-sized company, large company), by type of trade (isolated independent, integrated, organized), or by status of the intermediary (commercial agent, broker, commission agent).

The small traders in the Nyawera market are classified as micro-enterprises or independent traders, as they generally sell in small quantities and have low turnover.

Small business owners: a more general term for physical shops of modest size or independent retailers with only one or a few people responsible for the business. They are individuals or businesses that sell products or services, often independently, and target a local clientele.

The term "small shopkeepers" is also sometimes used in a regulatory context, particularly at the local level, to designate businesses whose activity does not exceed a certain financial threshold or a number of employees defined by law.

According to INSEE (the French National Institute of Statistics and Economic Studies), there is no official definition of a "small business." Local businesses include "everyday shops" that consumers frequent, such as bakeries, butchers, convenience stores, and pharmacies, as well as shops on certain city streets or in neighborhoods that are considered community hubs. Supermarkets (with a surface area greater than 400 m²) and even hypermarkets (greater than 2500 m²) fall under this definition.

Therefore, using INSEE data, we derived our own definition: small traders are people who run small businesses. (PhD student René Muselemu Baruani)

According to the online Le Robert dictionary, the market:

1. A place where a periodic meeting of merchants, especially of foodstuffs, is held.
2. Commercial and financial transactions concerning a category of goods in an area;

By definition, a market is a means or place through which the exchange of goods and services takes place via contact between buyers and sellers, either directly or through agents or institutions. In the most literal and immediate sense, markets are places where goods are bought and sold.

* According to Wikipedia, a market is the abstract social institution where the supply and demand for goods or services meet. The market is thus the place, physical or virtual, where commercial exchanges take place.

*The Nyawera market: this is the name of one of the markets located in Bukavu where the exchange of goods and services takes place through contacts between buyers and sellers, either directly, or through agents or institutions.

We also take the opportunity to highlight the link between financial education, saving, and sustainable development: they are closely intertwined. Financial education enables better management of personal finances, which encourages saving. This saving can then be invested responsibly, contributing to economic growth and supporting sustainable development by funding "green" or socially responsible projects. This virtuous cycle leads to financial independence, reduced inequality, and overall social and economic progress.

Therefore, the empirical and theoretical parts of the literature review reveal that, while the general literature highlights financial education as a driver of development through capital accumulation, this article focuses on specific actors (small traders in Nyawera) to examine the direct impact of financial education on savings and sustainable development. In doing so, it applies a general theory to a local context, offering an empirical and contextual perspective.

1.4. Problem statement

Every scientific project requires a research question because it clearly defines the problem to be solved, identifies a knowledge gap, and structures the project by setting precise objectives, formulating hypotheses, and guiding data collection and analysis. Without a research question, the research would lack coherence and direction, resulting in disorganized work and an unclear final objective. A research question can concern a practical problem (a difficult social situation), an empirical problem (a lack of knowledge about the facts), a conceptual problem (the definition of a term), or a theoretical problem (the explanation of a phenomenon), hence ours falls within the framework of a theoretical problem.

For Madeleine Grawitz, the problem statement is the framework built around a central question, research hypotheses, and lines of analysis that allow for addressing the chosen topic. The Nyawera market, like many other markets in the city of Bukavu, is the scene of intense informal economic activity, but the instability of small traders' incomes, often confronted with unforeseen events, hinders their development and their ability to invest in sustainable projects. These traders lack basic financial tools to effectively manage their income and save sustainably, thus compromising the long-term viability of their businesses and their resilience to shocks. Our research reveals that the Nyawera market is driven by small traders who face significant income instability. They often struggle to manage their budgets, which limits their ability to save and invest in the sustainability of their businesses. This situation raises a central issue or main question which the rest of the work will attempt to answer: how can access to basic financial education enable small traders in the Nyawera market to acquire the skills necessary to save, thereby investing in solid foundations for the sustainable development of their businesses?

1.5. Hypothesis

The scientific hypothesis of an article is part of the reasoning that presents the research developed throughout the article. It proposes one or more possible answers to the research question.

According to Adrien Mulumbati Ngasha, Doctor of State in Political Science from the University of Bordeaux I, Doctor of 3rd cycle in Sociology from the University of Bordeaux II and Professor Emeritus of the University of Lubumbashi in the DRC, a hypothesis is defined as: a proposed answer to the questions posed about the object of the research, designed so that observation and analysis can answer them.

The hypothesis of our problem is that access to financial education (budgeting, handling unforeseen events, saving) could enable small traders in the Nyawera market to acquire the necessary skills and solid foundations for more informed, sustainable development of their activities.

1.6. Objectives of the article

It is customary for the objectives of research to follow a funnel structure, to guide the reader to understand the rationale for the research, while also showing the links between financial education, savings and sustainable development among these traders.

This article aims to demonstrate that financial education, particularly savings management, is an essential foundation for the sustainable development of small traders in the Nyawera market. It is based on the premise that financial education (budgeting, understanding savings and credit) is a pillar of their economic stability. Furthermore, it explores how acquiring financial knowledge and skills can enable these traders to better manage their budgets, adopt regular savings habits, and ultimately sustain their businesses, ensuring their long-term growth and well-being.

1.6.1. General objective:

Establish a direct link between financial education and savings, and their role in building a solid foundation for the sustainable development of traders in the Nyawera market.

1.6.2. Specific objectives:

- Analyze the financial education needs of merchants.
- Highlighting the importance of savings for the stability and growth of small companies;
- Demonstrate how better financial management can lead to development sustainable;
- Demonstrate knowledge about budget management, savings and products
- Financial tools allow traders to improve their financial well-being and long-term viability.

- Examine how acquiring financial knowledge, such as maintaining a clear budget and distinguishing between needs and wants, can help traders optimize their daily financial management.
- To highlight the role of savings as a tool for sustainable development, enabling traders to create funds for future investments and to cope with unforeseen events;

It directly links financial skills to sustainable development by showing how sound money management contributes to business sustainability and improves traders' economic situation in the long term.

In short, financial education is a crucial foundation for the sustainable development of small traders in the Nyawera market, as it empowers them with the skills to manage their budgets, save securely, and make informed decisions for their future projects. This demonstrates that, through improved financial literacy, these traders can transform savings into a driver of sustainable economic growth, thereby enhancing their financial well-being and contributing to their long-term development.

2. Methodological approach to research

As Grawitz (1986) pointed out, methodology is a concerted set of operations implemented to achieve one or more objectives, a body of principles that governs

All organized research involves a set of standards for selecting and coordinating techniques. This is based on methods and techniques for data collection on the one hand, and methods for analyzing and verifying results on the other. For data collection, we used individual interviews, focus groups, and observation. Since it was impossible to visit all the small traders in the Nyawera market, we randomly selected 100 traders for individual and group interviews. Our research interviews focused on three main areas or groups: agricultural and food products (vegetables, fruits, meats, fish, etc.), manufactured or handcrafted products (clothing, beauty products, tools such as machetes and shovels, etc.), and everyday consumer goods (electrical equipment, paints, etc.). The interview guide was used with 100 small business owners to better understand their perceptions of the link between financial education and personal finance. 68% of the business owners interviewed were women, compared to 32% men. The following table presents the interviewees' educational levels.

Table 1.

Academic qualifications of respondents

N^{O}	Educational level	Valid percentage	Cumulative percentage
01	Primary studies	36	36
02	Humanitarian degrees	23	23
03	Bachelor 1	17	17
04	Bachelor 2	10	10
05	Bachelor 3	8	8
06	Master 1	4	4
07	Master 2	2	2

N^{O}	Educational level	Valid percentage	Cumulative percentage
08	PhD student	0	0
		100%	100%

Source: Survey data, August 2025, authors' contribution

Through the descriptive analysis of qualitative data, this table shows a distribution of educational levels with a concentration of primary education, which constitutes the most frequent category (36%), followed by humanities degrees (23%). The distribution of the number of participants decreases significantly with increasing educational levels, with higher levels such as Master's and Doctorate degrees representing a very small proportion of the total, or even being absent in the case of Doctorate degrees (0%).

The collected data were analyzed using the work of Luardi and Mitchell (2014), who identified four dimensions of financial education: cognitive abilities, financial literacy, information processing, and knowledge application. Interviews were conducted with a sample group to measure these dimensions. This research suggests that these elements are essential for sound financial management. These dimensions were measured in turn through interviews across our sample, summarized in the table below:

Table 2.

Measurement of financial knowledge

N^{O}	Understanding capacities
01	I am not familiar with the advantages and disadvantages (or risks) of financial education.
02	I know the importance of saving
03	I know the difference between commercial banks and microfinance institutions
04	I know how to set aside a portion of my income before spending, in order to build up savings in a consistent way.
05	I am now better able to understand and anticipate the financial risks associated with my activities.
06	I control my spending to stay within my budget
07	I save my money in a recognized co-op rather than keeping it at home.
08	When it comes to money, I always maintain a stable attitude to avoid any losses.
09	I save in a bank or cooperative to benefit from financial advantages
10	I can't take out a loan and then bury myself to avoid paying it back.
11	I am repaying my loan as agreed so that I can access another loan if needed.
12	I manage my deposit and withdrawal transactions well at a cooperative or bank.
13	I involve my children in all investment projects and important financial decisions.
14	The money I earn contributes to the well-being of my family members.
15	Financial education encourages taking proactive steps, such as setting aside funds, to avoid cash flow problems.

N^{O}	**Understanding capacities**
16	Financial education teaches me how to create a clear budget to anticipate periods when cash flow may be insufficient.
17	It helps me to better manage my finances, allowing me to be more independent and resilient in the face of unforeseen events.
18	I lack knowledge about financial products, interest rates, and investment strategies.
19	I don't understand or know the options available for saving and investing, which prevents me from optimizing my financial activities.
20	Once I have mastered financial education, it helps me to seize investment opportunities, optimize savings, and understand the financial mechanisms that are necessary for the growth of my business and our sustainable development.
21	This maintenance helps me build stable savings to cope with unforeseen events, thus strengthening the resilience of my businesses in the face of economic uncertainties.
22	When I save and manage my finances in a healthy way, it allows me to create capital for local investments that promote more sustainable and long-term development in line with my goals.
23	Financial education concepts about saving help me to adopt good practices, manage my money effectively, and invest in sustainable projects that are beneficial to both my business and the environment.

Source: Results of our surveys, August 2025

Table 2 reveals, in general, a varying level of financial understanding among small traders in the Nyawera market, depending on their academic qualifications. There are strengths in day-to-day management, but also significant gaps in savings and risk management. Furthermore, the lack of solid financial knowledge can hinder wealth accumulation, limit investment opportunities, and impede business growth. Therefore, it is crucial to implement targeted financial education programs tailored to the needs of small traders, grouping them by educational level.

Table 3.

Effectiveness of a commercial strategy

01	Always be in the market.
02	Customer loyalty, a powerful lever for commercial efficiency.
03	Succeeding in satisfying customers regarding the quality and availability of sales products.
04	The effectiveness of sales arguments.
05	Business development or customer expansion
06	Compare costs to revenues to determine if the activity is profitable
07	Benefit from sales growth
08	listen to customer feedback (directly or through observation) to understand their needs and adapt to them.
09	Define buyers and their obstacles through an innovation strategy, or be able to innovate.
10	Observe what your competitors are doing (prices, products, promotions) and identify the strengths and weaknesses of your own business compared to theirs. This allows you to differentiate yourself and identify opportunities.

Source: Results of our surveys, August 2025

This framework assesses business effectiveness by combining strategic and operational aspects, emphasizing that success hinges on understanding customer needs to build loyalty and maintain a strong market presence. It measures overall performance through profitability, sales growth, and innovation, while leveraging competitor analysis to differentiate oneself. This analysis is directly linked to financial literacy, as the concepts of profitability and cost/revenue management are similar to managing an individual's budget and savings.

3. Study Results and Discussion

3.1. Qualitative Analysis

3.1.1. Presentation of descriptive data

Table 4 presents the descriptive results, calculated using the following formula, for each variable in this study.

$$\frac{\text{nombre de mentions du thème}}{\text{nombre total de répondant}} \text{ X } 100$$

Table 4.

Descriptive statistics of the sample

Nº	Comprehension Capacities	%
01	I am not familiar with the advantages and disadvantages (or risks) of financial education.	36%
02	I know the importance of saving	64%
03	I know the difference between commercial banks and microfinance institutions	39%
04	I know how to set aside a portion of my income before spending, in order to build up savings in a consistent way.	100%
05	I am now better able to understand and anticipate the financial risks associated with my activities.	39%
06	I control my spending to stay within my budget	50%
07	I save my money in a recognized co-op rather than keeping it at home.	40%
08	When it comes to money, I always maintain a stable attitude to avoid any losses.	50%
09	I save in a bank or cooperative to benefit from financial advantages	39%
10	I can’t take out a loan and then bury myself to avoid paying it back.	89%
11	I am repaying my loan as agreed so that I can access another loan if needed.	79%
12	I manage my deposit and withdrawal transactions well at a cooperative or bank.	60%
13	I involve my children in all investment projects and important financial decisions.	100%
14	The money I earn contributes to the well-being of my family members.	60%
15	Financial education encourages taking proactive steps, such as setting aside funds, to avoid cash flow problems.	40%
16	Financial education teaches me how to create a clear budget to anticipate periods when cash flow may be insufficient.	50%
17	It helps me to better manage my finances, allowing me to be more independent and resilient in the face of unforeseen events.	50%

Nº	Comprehension Capacities	%
18	I lack knowledge about financial products, interest rates, and investment strategies.	36%
19	I don't understand or know the options available for saving and investing, which prevents me from optimizing my financial activities.	36%
20	Once I have mastered financial education, it helps me to seize investment opportunities, optimize savings, and understand the financial mechanisms that are necessary for the growth of my business and our sustainable development.	80%
21	This maintenance helps me build stable savings to cope with unforeseen events, thus strengthening the resilience of my businesses in the face of economic uncertainties.	95%
22	When I save and manage my finances in a healthy way, it allows me to create capital for local investments that promote more sustainable and long-term development in line with my goals.	64%
23	Financial education concepts about saving help me to adopt good practices, manage my money effectively, and invest in sustainable projects that are beneficial to both my business and the environment.	64%

Source: Results of our surveys, August 2025

The picture reveals contrasting financial capabilities: a strong grasp of saving and short-term loans, but a marked weakness in financial risk, long-term debt management, and knowledge of financial products. While a majority understand saving, knowledge of budgeting, financial risks, and investment products and strategies remains limited among a significant portion of the study population. Most appreciated our interview for introducing them to other financial tools that would be useful in their daily lives.

3.2. Discussion of the results

In summary, the study shows that financial education for small traders in the Nyawera market is essential for their sustainable development, as it helps them identify financial literacy and savings-related problems, enabling them to better manage their money, save effectively, and invest. Financial education is therefore the foundation of savings, which, in turn, finances their growth and resilience in the face of economic challenges. To improve savings and budget management among traders in the Nyawera market, it is necessary to implement practical financial education training to address knowledge gaps, encourage saving, and help them create effective budgets. These actions, complemented by monitoring mechanisms, will strengthen their financial resilience and their capacity to finance their development, as a low level of financial literacy hinders access to credit and financial well-being. Compared to other online resources, this one is particularly relevant because it combines financial education, savings, and sustainable development in a practical way, tailored to the specific needs of local small traders. This sets it apart from more general themes that may not be entirely relevant to their daily lives. By focusing on these three pillars in contexts such as the Nyawera market, this topic offers an innovative and realistic approach that prioritizes the long-term viability of businesses and commercial activities, rather than merely their rapid growth.

4. Conclusion

This research aims to improve the sustainable development of small traders in the Nyawera market in Bukavu, Democratic Republic of Congo, by demonstrating that financial education promotes better savings management. It examines how increased financial knowledge improves savings capacity, contributing to the stability and growth of businesses and commercial activities. The research focuses on the factors linking financial education, savings management, and sustainable development within the context of urban entrepreneurship. To conduct this research, we adopted a qualitative analytical approach. We began with an interview and observation guide to collect qualitative data. The interview guide was used with several small traders in the Nyawera market in Bukavu. Interviews were conducted with 100 Congolese small traders operating in the market. The data from these interviews were then analyzed using descriptive analysis. The results show a notable improvement in financial management, with an understanding of the importance of saving, budgeting, and loan repayment, which are essential foundations for stability and development. However, a lack of knowledge remains regarding more advanced financial products such as investment strategies, a crucial area for improvement to optimize finances and foster long-term growth. Our findings make significant contributions to stakeholders and the scientific community. From a managerial perspective, this research helps to understand how to improve the management of small traders by linking financial education to sustainable savings and leads to concrete strategies for the development of their businesses or activities.

This research sheds light on training needs in financial management and on obstacles to development, while paving the way for targeted managerial and policy interventions to strengthen this sector. From a theoretical perspective, this research establishes the link between financial education, saving capacity, and the sustainable development of small traders. It is based on the theory that financial education (knowing how to manage one's budget and optimize one's savings) leads to increased savings, which in turn provides the foundation for investment and local economic development, thus contributing to the Sustainable Development Goals. Despite the efforts and contributions of our research, it is not without limitations. Indeed, the sample size constitutes one of these limitations, in that it did not include all the small traders in the Nyawera market. In order to shed light on the links between financial education and savings in conjunction with sustainable development, we recommend providing small traders in the Nyawera market with in-depth knowledge of financial products and investment strategies, as well as training in banking and insurance tools, including savings and credit, to enable them to optimize their financial activities and achieve sustainable development.

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