TomThePlug

FREE BUSINESS BLUEPRINT

POS Business in Nigeria (2026): Startup Cost, Charges and Risks

What it really costs to start a POS agent business in 2026: terminal, cash float, rent and security, what customers pay per withdrawal, and how to stay safe.

STARTUP COST	TYPE	SKILL LEVEL	FIRST SALE IN
₦150,000–₦500,000	Physical shop	Beginner-friendly	Days

The quick version

- Startup cost: about ₦150,000 to ₦500,000, and most of it is your cash float, not the machine
- You earn a small fee on each withdrawal, transfer and bill payment, so location and volume matter most
- Biggest risks: robbery, fraud and running out of cash
- First step: find a busy spot near a market, bus stop or estate gate with few POS agents around

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1 Before you start

Tick each one off before you spend serious money.

- [ ] Walk your area at busy times and count the POS agents already there
- [ ] Choose a spot with heavy foot traffic, good network and a safe place to sit
- [ ] Ask 2–3 agents nearby which provider fails least and settles fastest
- [ ] Compare at least two providers: terminal fee, weekly targets, settlement speed, support
- [ ] Prepare your ID and BVN for agent registration
- [ ] Decide how much cash float you can start with (₦50,000 minimum, more for busy spots)
- [ ] Know where you will restock cash quickly (a bank or bigger agent nearby)
- [ ] Get a small safe or lockable box before your first day

2 Startup cost sheet

Typical November 2026 prices. Write the quotes you get in the "Yours" column, so you know your real number before you buy.

ITEM	TYPICAL COST	NOTES	YOURS
POS terminal	₦40,000–₦150,000	Some providers charge only a refundable caution fee if you meet targets	
Cash float	₦50,000–₦200,000+	Busy spots may need ₦300,000–₦500,000	
Space or shop rent	₦30,000–₦150,000 a year	Varies a lot by city	
Signage	₦5,000–₦20,000	Show your charges clearly	
Security (safe, padlock, maybe a camera)	₦10,000–₦50,000		
CAC business name (optional)	₦20,000	Makes you look established	
Total	**₦150,000–₦500,000**		

3 Monthly running costs

What it costs to keep going each month, after you start.

COST	TYPICAL AMOUNT	YOURS
Data and backup data line	₦5,000–₦10,000	
Security and small running costs	Varies	
One 2026 example for a small agent, in total	About ₦23,000	

4 Pricing guide

What customers typically pay. Check what others near you charge and stay close to it.

WHAT YOU SELL	TYPICAL PRICE	YOUR PRICE
Withdrawal (per ₦10,000)	₦50–₦100	
Small withdrawal (flat fee)	₦20–₦50	
Deposit (per ₦10,000)	₦20–₦50	
Transfer	₦50–₦100	
Bill payment	₦10–₦50	

5 30-day launch plan

Follow it in order. Tick each task when it is done.

WHEN	TASK	DONE
Days 1–3	Scout locations at morning, afternoon and evening rush. Count agents and note what they charge.	☐
Days 4–5	Talk to 2–3 agents about their providers. Shortlist two providers and ask for current fees and weekly targets in writing.	☐
Days 6–8	Register with your chosen provider and collect your terminal. Do a few test transactions with friends.	☐
Days 9–10	Secure your spot: agree rent, set up an umbrella or kiosk, signage with your prices, and your safe.	☐

WHEN	TASK	DONE
Days 11–12	Prepare your float. Set up your daily record book: opening float, every transaction, closing balance.	☐
Week 3	Open. Arrive at the same time every day. Tell nearby shops, keke riders and traders you're there.	☐
Week 3	Never pay out until the alert shows on YOUR terminal or app. Close before it gets too late.	☐
Week 4	Review your record book: busiest hours, most common transaction, how often you ran out of cash. Adjust float and hours.	☐
Day 30	Check you are on track for your provider's weekly target. Decide if you need more float or a second line.	☐

6 Where to buy and what to use

- Providers to compare: Moniepoint, OPay, PalmPay or your bank's agent banking programme
- Cash restock: your nearest bank branch, or a bigger agent you trust
- Signage: any local printer. Keep it simple, with your prices and opening hours
- Record keeping: a simple notebook, or a free spreadsheet app on your phone

7 Risks and how to handle them

Every business has risks. Plan for these before they happen.

RISK	WHAT TO DO
Robbery	Choose a safe, well-lit spot. Keep most cash in the safe, don't count big money in public, close before it gets too late.
Fake alerts and fraud	Only pay out when the transaction shows as successful on your own terminal or app, never the customer's screen.
Running out of cash	Know your restock point, track your busiest hours, and grow your float as volume grows.
Network or terminal failure	Keep a backup data line and your provider's support number. Tell customers early if there's a delay.
Losing your terminal for missing targets	Know your provider's weekly target from day one and track it every week.

8 Profit worksheet

Fill this in with your real numbers. If the last line is too small, change your price, your costs or your plan before you start.

Average price per sale (₦)	
Cost per sale: materials, transport, data, fees (₦)	
Profit per sale (price minus cost) (₦)	
Sales you expect per week	
Weekly profit (profit per sale × sales) (₦)	
Monthly running costs (₦)	
Monthly profit (weekly profit × 4, minus running costs) (₦)	
Months to earn back your startup cost	

9 Weekly tracker

Keep it simple: write your numbers every week. It is how you spot what is working, and mistakes, early.

WEEK	TRANSACTIONS	FEES EARNED (₦)	COSTS (₦)	PROFIT
Week 1				
Week 2				
Week 3				
Week 4				
Week 5				
Week 6				
Week 7				
Week 8				

10 Tom's tips

- Location beats everything. A great spot with an average provider will beat a poor spot with the best provider.
- Be there at the same time every day. Regular customers come back to the agent they can rely on.
- Write everything down. Your record book is how you catch mistakes and fraud the same day.

KEEP GOING

Read the full guide and get new ideas every week

Full guide: tomtheplug.com.ng/pos-business-nigeria/

Got a question? Ask Mr. Tom: tomtheplug.com.ng/ask

Free weekly newsletter: askmrtom.substack.com

Sources

TrustAm: POS business in Nigeria 2026: startup costs, income and budgeting (March 2026)
Moniepoint: How to start a POS business in Nigeria (March 2025)

Prices checked November 2026. Prices in Nigeria change quickly, so always confirm before you buy or quote. This blueprint is general information, not financial advice, and no income is guaranteed. Free to share, but please don't sell it.