Chapter 7
Assessment of Mobile Money Enablers in Nigeria

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ABSTRACT
This chapter describes how mobile money is an emerging and innovative financial service delivery mechanism. With huge success, recorded mostly in the developing economies, it is scholarly unclear the antecedents of its adoption. Using a survey of 151 respondents comprising both the banked and underbanked in the South-Western part of Nigeria, the authors used the PLS-SEM to test the research hypothesis. The results reveal the enablers of mobile money, which are social influence, performance expectancy, security and effort expectancy, and inhibitors such as system anxiety and cost. Privacy, trust, image and convenience were not found significant in this study. Social influence, performance expectancy and effort expectancy variables adapted from the UTAUT model have considerable influence on mobile money in Nigeria. Study implications and future directions are offered.

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INTRODUCTION

Mobile banking is thriving but the rural dwellers that account for more than half of the population of Nigeria are lagging in benefitting maximally in this technological advancement. Nigerian banking sector has shifted its attention from traditional banking to internet banking to add more values to the services it offers. Despite the complementary innovation in the banking sector, a vast range of customers has still left behind especially the rural areas due to the infrastructural deficit (Asongu, 2015). Mobile Money can be used to top up the phone, pay for groceries, transfer funds to other subscribers and helps to carry cash in a digital wallet instead of carrying a physical cash that is vulnerable to robbery (Greenacre, 2013). Despite the benefits of mobile money, it is not yet to practice all these functionalities in Nigeria.

The benefits and the challenges of mobile money are growing together. Regardless of its benefits, mobile money had failed to catch up quickly in the rural areas of Nigeria where relatively few people have bank access. It is also difficult to ascertain whether the success stories of mobile money in one part of Africa can be replicated in another part with the same result. As the users’ knowledge, adoption, use and continuous use is progressive in Nigeria, some existing scholars have considered the rise of mobile money in the context of Australia regulation (Greenacre, 2013). There has been a focus on mobile money market development with a study on migration from giant robots to mobile money platforms, integrating trust into the technology acceptance model with a focus on poor citizens of India. Mobile money has been studied in the context of the promises and pitfalls (Bhattacharya, 2015; Chauhan, 2015; Osei-Assibey, 2015; Kusimba, Yang and Chawla, 2015; Osazebaru and Yomere, 2015; Alao and Sorinola, 2015; Blumenstock, Callen, Ghani and Koepke, 2015), mobile money remittances and household welfare (Munyegera and Matsumoto, 2016), comparison of two countries on politics of mobile money (Suárez, 2016) and mobile money in non-profit sector (Yunus, Khan, Tasnuba, Husain and Misiti, 2016).

Mobile money is an emerging technology without a universal business model. It is a developing technology in Africa with an ecosystem of banking sectors, mobile network operators, merchants, retailers, and consumers. Though the goal of every business is to reduce running costs and improve business performance, mobile money emergence is not without its own challenges. Presently, there is a vacuum in interoperability of mobile money operators, lack of unified method of operations, lack of trust, insufficient user’s experience, limitation of smartphones users in the rural areas, low literacy level in the rural areas, erratic mobile network, limits on the amounts that mobile money user can transfer per day and regulatory issues (Greenacre, 2013; Ondiege, 2015). These are the standing challenges that are contending against the enabling factors of mobile money penetration and advancement. Though the
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