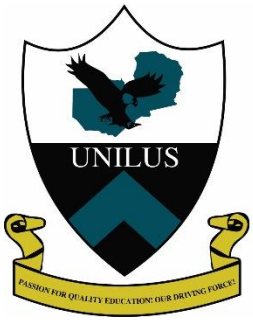


UNIVERSITY OF LUSAKA

School of Postgraduate Studies

AN ANALYSIS OF CONSUMER PREFERENCE BETWEEN MOBILE MONEY AND TRADITIONAL BANKING IN KABWATA RESIDENTIAL AREA, LUSAKA, ZAMBIA

MWATULA CHITI

MBF5632003

A Dissertation being submitted to the School of Postgraduate Studies, University of Lusaka in partial fulfillment of the requirements for Master of Business Administration in Banking and Finance

2024

Declaration

I hereby declare that this dissertation is my own work towards the Master of Business Administration Degree that I' am attaining and that, to the best of my knowledge contains no material previously published by another person or material which has been accepted for the award of any other degree by the university or any other university, except where due acknowledgment has been made in the context.

Name: Mwatula Chiti Sign:  Date: 10/01/2025

Name of Supervisor: Kwezi Jere Sign:  Date: 11/01/2025

Dedication

I dedicate this work to my family, mentors and friends. I’m filled with immense gratitude for the nonstop of encouragement and relentless support rendered to me in the pursuit of this academic qualification.

Thank you for the motivation and support.

Acknowledgements

I wish to express my sincere gratitude and thanks to my exceptional supervisor that patiently dedicated his time to ensure that this work was produced with utmost integrity, professionalism and credibility.

I also wish to express my heartfelt thanks to everyone that has contributed in various ways to make this work a success including my family and friends as well as the benevolent respondents for their cooperation.

Contents

List of Figures

Abbreviations

ATM - Automated Teller Machines

BIS - Bank for International Settlements

BOZ - Bank of Zambia

CIC - Cheque Image Clearing

COMESA - Common Market for Eastern and Southern Africa

CSD - Central Securities Depository

CSD - Central Securities Depository

DDAC - Direct Debit and Credit Clearing

DFID – Department for International Development

EFT - Electronic Funds Transfer

IOSCO - International Organization of Securities Commission

LuSE - Lusaka Securities Exchange

NFS – National Financial Switch

NPSA - National Payment Systems Act

PFMI - Principles for Financial Market Infrastructures

POS - Point of Sale Systems

REPSS - Regional Payment and Settlement System

RTGS - Real Time Gross Settlement System

SADC - Southern African Development Community

SIPS – Systematically Important Payment Systems

SIRESS - SADC Integrated Regional Electronic Settlement System

ZANACO – Zambia National Commercial Bank

ZECHL - Zambia Electronic Clearing House Limited

ZIPSS - Zambia Interbank Payment and Settlement System

Abstract

Transaction costs have been a significant barrier to the up-take and use of formal financial services in Africa (Dupas and Robinson 2013). In an attempt to improve financial inclusion and enhance the availability of alternative methods of financial services, a number of innovations such as mobile money have surfaced that are meant to reduce lower operational costs and enable the provision of affordable financial services (World Bank Group, 2013). However, this is not the case, particularly in Zambia. Instead, bank charges are seen to be lower than those of mobile money. For instance, sending money from one mobile money account to another within the same MNO has a cost of approximately 0.05%. Similarly withdraw charges on mobile money are 200% more than those of banks and cross network changes equally higher than interbank charges. Hence the purpose of this research was to analyze consumer preference between mobile money and traditional banking services. This study adopted a qualitative approach, and respondents were selected using non-probability sampling and data was collected from 60 respondents in Kabwata, Lusaka, Zambia. Primary data was collected using semi structured interviews, whereas secondary data was collected through an extensive literature review in the field of financial inclusion. The study indicated that all participants had a mobile money account, whereas only 30% had a bank account. The majority (97%) utilized their mobile money accounts and the most popular use was money transfers. It was concluded that individuals prefer to use mobile money despite the higher transaction charges compared to bank services because of the convenience that mobile money services offer. To the individuals transacting, the benefits that come with mobile money outweigh the costs. Furthermore, the findings reveal that although mobile money has been effective at increasing financial inclusion, it has not effectively reduced the cost of transacting; therefore, the major selling point of mobile money is convenience rather than affordability.

Keywords: Financial Inclusion, Mobile Money, Banking

Chapter One - Introduction

1.0 Introduction

According to Faure (2013), the financial system is a set of arrangements embracing the lending and borrowing of funds by non-financial economic units and the intermediation of this function by financial intermediaries. The aim is to facilitate the transfer of funds, to create additional money when required, and to create markets in debt and equity instruments (and their derivatives) so that the price and allocation of funds are determined efficiently. Therefore, in order to achieve economic development, it is important to have a financial system that functions well (Levine, 1997).

A financial systems main aims are to reduce the risk of transacting, provide liquidity in the market, as well as reduce the cost of transacting. According to Mangal (2019), an efficient financial system leads to lower search and transactions costs in the economy by providing a large and diverse collection of financial products, with varying risk and pricing structures as well as maturity time. Transaction costs are not only financial but may include costs in time, as well as opportunity costs.

An example of a transaction cost would be the cost a customer bares when sending money from one account to another, in this case, as is the case for Zambia, the financial system sets up a National Financial Switch which allows users to make transactions across banks and mobile accounts, with the aim of reducing costs. In Zambia until recently, mobile money users could only move money to, or receive money from, other subscribers who had mobile money accounts with the same mobile network operator, and interbank transfers had relatively high fees. However, the National financial switch was introduced that enables inter network and interbank transfers (Zambia Electronic Clearing House, 2023).

According to Zambia Electronic Clearing House (2023), the National Financial Switch is a shared payment systems infrastructure that interconnects various payment streams ranging from “Automated Teller Machines (ATMs) to Point of Sale Systems (PoS) to mobile money payments and banks”. The national switch is based on agreements and technical solutions that connect all the payment providers together.

Reducing the probability of losses for participants is cardinal in order to maintain the integrity of the financial system, hence one of the aims of a financial system being the reduction of risk. According to Tarantino (2010), Risk refers to the possibility of a loss or injury that arises as a result of an activity or person. Efforts to reduce risk involve risk management and this process seeks to identify assess and measure the level of risk and then develop countermeasures to handle the risk, not to eliminate risk (Tarantino, 2010). The outcome of business decisions is never guaranteed because businesses operate in an uncertain environment; therefore, regulators in the financial system require companies to be transparent by disclosing data on their financial standing. It also requires deposit taking institutions to have capital reserves that are used in the event of a major loss that the company suffers which may affect the customers deposits (Basel Committee on Banking Supervision, 2017). According to Sinha (2012) financial regulation ensures that financial transactions are safe and that participants can trust the system.

Ensuring that there is liquidity in the market is one of the most important objectives that the financial systems seek to attain. According to the Reserve bank of New Zealand (2009), the financial system is said to be liquid when financial institutions can easily raise cash, either by selling 'liquid assets' or by borrowing in the wholesale money market. Liquidity refers to the ease with which an item can be turned to cash; making cash the most liquid asset in the financial system. Liquidity is achieved through the financial system by bringing together, through financial institutions, those with surplus funds and those with deficits (Reserve bank of New Zealand, 2009).

According to Bank of Zambia (n.d), to effectively contribute and foster sustainable economic development, it is essential to have a stable and efficient financial system. In this regard, the Bank of Zambia has the mandate of maintaining financial system stability. The bank aims to enhance micro and macro supervision in order to manage risks and ensure that the financial sector remains resilient to shocks and supports the country's economic goals.

One of the main objectives of the government of Zambia over the years has been to enhance financial sector development. According to the Bank of Zambia (n.d), financial sector development broadly refers to improved efficiency and

competitiveness of the sector; enhanced choices of financial products and services; increased financial inclusion; diversified institutions operating in the sector; increased financial intermediation; and expansion in the regulation and stability of the sector. In an attempt to deepen the financial sector, the Financial Sector Development Policy was launched in 2017, with the objective of ensuring that there is a wider reach of financial services in Zambia that were both affordable and efficient (Bank of Zambia, n.d). The policy gave guidance on the direction to be taken in terms of financial sector development, in order to have a system that includes within its ambit, those that have previously been financially excluded and efficiently allocates resources from those with surplus to those in deficit (Bank of Zambia, n.d).

According to the Bank of Zambia (n.d), the policy intended to deal with the weaknesses that had been identified in the financial system by focusing on "legal reforms and corporate governance; payment systems; market efficiency and contractual savings; financial education; and access to finance and financial markets". This policy was not the first of its kind, rather, it was an extension of previous financial sector plans that ran from 2004 to 2009 and 2010 to 2015. As such the country experienced an uptake of initiatives such as mobile money, digital payments and branchless banking (Bank of Zambia, n.d).

Having realized the increasingly growing uptake of mobile money in Africa, the discussion around using mobile money to enhance financial inclusion has become increasingly popular (Pénicaud & Katakam, 2013). According to Donner & Tellez (2008) "The common functions of mobile money are inclusive of depositing and withdrawing, bill payments, transferring of funds, checking balances, credit, insurance, and savings". The concept of mobile money is not a new one, it's origin can be traced back to 2002, when the Department for International Development (DFID), United Kingdom, introduced a pilot study of mobile banking involving around 20 small villages (Ngugi et al., 2010).

Numerous studies show that financial inclusion has been positively affected by the introduction of mobile money and therefore that this is a great tool to use (Porteous, 2007; Stuart & Cohen, 2011; Aker et al., 2011; Lochan et al., 2010). The idea of financial inclusion has to do with ensuring that financial services are made affordable

and accessible so that members of the community that were previously such as the poor and those in rural areas are included (Ozili, 2018).

In theory, transaction costs incurred in carrying out financial transactions can be reduced significantly by using mobile money (Jack & Suri, 2014). The reasoning behind this is that it is more expensive for banks and other financial institutions to provide services to the financially excluded because of the costs of setting up and regulation they must comply with (Beck et al., 2009), therefore mobile money that is not as regulated as banks and has lower set up costs should ideally provide more affordable services and hence improve financial inclusion. However, this is far from what is actually taking place, for instance, in Zambia mobile money fees tend to be higher than bank fees (International Centre for Tax and Development, Institute of Development Studies (IDS) Brighton, 2023).

Although there are a number of studies done on financial inclusion, the studies mainly focus on the effect on financial inclusion as a result of the introduction of mobile money. (Lawack, 2012; Thulani et al., 2014; Ahmad et al,. 2020; Kim, 2022). This study, therefore, focuses on what motivations individuals experience in using mobile money compared to traditional banks in spite of the high mobile money charges.

1.1 Statement of the Problem

Transaction costs are a significant barrier to the up-take and use of formal financial services. Account opening fees and minimum balance requirements prevent the poor from opening bank accounts (Dupas and Robinson 2013). In an attempt to improve financial inclusion and enhance the availability of alternative methods of financial services, a number of innovations such as mobile money have surfaced (World Bank Group, 2013). These innovations are intended to reduce transaction costs and therefore allow financially excluded individuals to become included. In theory, this can be achieved because technology reduces the need for brick-and-mortar offices and employees, lowers physical and interpersonal constraints, resulting in lower operational costs, but also improved and more affordable financial services (Donovan, 2012). However, this is not the case, particularly in Zambia. Instead, bank charges are seen to be lower than those of mobile money, for instance,

sending money within the same bank is free, whereas, with reference to Appendix 1 (Airtel money tariff guide, airtel.co.zm, 2024) sending money from one mobile money account to another within the same MNO has a cost of approximately 0.05%. Similarly withdraw charges on mobile money are more than 200% more than those of banks and cross network changes equally higher than interbank charges, reference is made to Appendix 2 (ZANACO tariff guide, Zanaco.co.zm, 2024). Nonetheless, financial inclusion has continued to improve regardless of the high transaction costs. The problem herein lies with individuals paying high costs on transactions consequentially have less finances to invest and save, and this may therefore lead to reduced standards of living and hence quality of life. The fact that they may have less money to invest also means that the GDP of the country may be affected. Furthermore, if costs are still high but financial inclusion is improving this may mean that the cost of transacting was not as huge a factor of financial exclusion, and therefore important to analyze consumer preference between mobile money and traditional bank services.

1.2 Research Objectives

1.2.1 General Objective

The main objective of the study is to investigate consumer preference between Mobile Money and Traditional Banking in urban areas in Kabwata residential area, Lusaka, Zambia.

1.2.2 Specific Objectives

1. To investigate the current usage patterns of mobile money in Kabwata residential area.
2. To compare and contrast mobile money and traditional bank services in Kabwata residential area.
3. To evaluate the effectiveness of mobile money in reducing transaction costs

1.3 Research Questions

1. What are the current usage patterns of mobile money in Kabwata residential area?

2. How does mobile money compare to traditional bank services in Kabwata residential area?
3. How effective has mobile money been in reducing transaction costs?

1.4 Scope of Study

Although banks and mobile money providers similarly offer a wide range of services to their consumers, for purposes of this study, the services that were focused on were cash withdrawals, deposits and mobile money. Additionally, it is important to note that transactions in urban areas may vary from those in peri-urban or rural areas; therefore, this study is focused on banking / mobile money transactions in urban areas. Territorially, the scope of the study is Kabwata Residential Ara in Lusaka, Zambia. This area has a median sample size and population (228,022 people) when compared to 11 of Lusaka's 12 constituencies. (Zambia Statistics Agency, 2022)

1.5 Significance of the Study

The present study was significant because it addressed a socio-economic issue. Given the widespread use of mobile money across the country among individuals belonging to different ages and socioeconomic status, understanding the motivations for using mobile money in spite of its higher fees compared to bank charges enabled contribution to the existing literature as well as informing service providers' decisions in the provision of these services. The limitations of this study include the use of self-reported measures and the cross-sectional design, which precludes causal inference.

The present study was significant because it addressed a socio-economic issue. Given the widespread use of mobile money across the country among individuals belonging to different ages and socioeconomic status, understanding the motivations for using mobile money in spite of its higher fees compared to bank charges was important as the findings of the study when adopted could be of immense benefit because the findings and recommendations from this study serve as an empirical guide to policy makers, bankers, employees of MNO's, and other citizens of this

country that rely on functional, easily accessible and affordable payment systems in Zambia.

As Zambia has strived for higher levels of financial inclusion, there is a need for easy accessibility of affordable payment systems which will positively fast-track the improvement of Zambia's payments system sector as well as financial sector, and not just a system that increases financial inclusion but does not address the cost factor. Therefore, the study will also create awareness of the actual costs of mobile money in Zambia compared to banking services which will in turn enlighten the citizens.

The study will further assist policymakers in assessing the issue of costs concerning mobile money and hence help them make decisions and choose a course of action, search out objectives and alternatives, and compare them in the light of their success and failure while regulating other payment systems and using an appropriate framework to bring expert judgment and intuition based on the outcome.

Finally, this study will be of interest to scholars and researchers as it will serve as a useful adjunct to the issue of mobile money in Zambia. The limitations of this study include the use of self-reported measures and the cross-sectional design, which precludes causal inference.

1.6 Definition of Key Terms

Money Laundering: According to the prohibition and prevention of money laundering bill (2001) "money laundering" means-

(a) Engaging, directly or indirectly, in a business trans- action that involves property acquired with proceeds of crime.

(b) Receiving, possessing, concealing, disguising, disposing of or bringing into Zambia, any property derived or realized directly or indirectly from illegal activity; or

(c) The retention or acquisition of property knowing that the property is, derived or realized, directly or indirectly, from illegal activity.

Risk Management: According to ISO 31000, risk management is coordinated activities to direct and control an organization with regard to *risk.*

Risk: According to ISO 31000 Risk is the effect of uncertainty on objectives. This can include the organization's purpose, vision, and values as well as the goals and targets articulated at different levels in the organization

Account Holder: A person or entity with a balance amount in an account, held singly or jointly with another person or persons with a financial service provider (including mobile money service providers) (Alliance for Financial Inclusion, 2022).

Affordability: A term used to determine whether the cost of using goods and services, including both interest rates and fees, is minimized. The term is used as a broad concept to apply to products and services in demand by the public. It is primarily applied to credit in the financial sector, but it can also be adapted to apply to savings, insurance, and payments (Alliance for Financial Inclusion, 2022).

Agent: Any third party acting on behalf of a bank, a financial institution, or a non-bank institution (including an E-Money issuer or other payment services provider) to deal directly with customers, under a contractual agreement (Alliance for Financial Inclusion, 2022).

Agent Banking: The agent banking model is one in which banks provide financial services through non-bank agents, such as grocery stores, retail outlets, post offices, pharmacies, or lottery outlet owners (Alliance for Financial Inclusion, 2022).

Automated Teller Machine (ATM) "An electromechanical device that permits authorized users, typically using machine readable plastic cards, to withdraw cash from their accounts and/or access other services, such as balance enquiries, transfer of funds or acceptance of deposits. ATMs may be operated either online with real-time access to an authorization database or offline." (Zambia Electronic Clearing House Limited, 2022)

Electronic Banking (E-Banking): The provision of banking products and services, including electronic payments, through electronic channels. The electronic banking (E-Banking) concept includes mobile banking, internet banking, ATMs, and POS banking transactions, among others.

Electronic Funds Transfer (EFT): According to the Bank of Zambia (n.d) any transfer of funds initiated through an electronic terminal, telephone, mobile phone, tablet, computer system, or magnetic tape for the purpose of ordering, instructing, or authorizing a payment services provider to debit or credit a customer's bank or E-Money account.

Electronic Money (E-Money): A type of monetary value electronically stored and generally understood to have the following attributes: (i) issued upon receipt of funds in an amount no lesser in value than the value of the E-Money issued and in the same currency, (ii) stored on an electronic device, whether or not it is SIM enabled (e.g. a chip, pre-paid card, mobile phone, tablet, or any other computer system), (iii) accepted as a means of payment by parties other than the issuer, and (iv) convertible into cash (Alliance for Financial Inclusion, 2022).

Financial Literacy: According to Alliance for Financial Inclusion (2022) this is the awareness and knowledge of financial concepts and products required for managing personal finances, considering one's economic and social circumstances, knowledge and understanding of risks and the ability, motivation, and confidence to apply that knowledge to make decisions in different financial contexts.

Financial Exclusion: Individuals or businesses not having access to traditional and formal financial services and products such as savings; credit; insurance, and payment services. Instead, they may use informal products and services or a mix of formal and informal services depending on their needs and the services available and accessible to them (Dupas et al., 2018).

Financial Inclusion: Financial inclusion, as defined by Sarma (2008), is the ease of access, availability and usage of the formal financial system by all members of the economy.

Chapter Two – Literature Review

2.0 Introduction

Various literatures on financial systems and the use of mobile money to reduce financial exclusion is presented in this chapter. This chapter lays out the foundation on which the research is based on, by citing literature that supports as well as refutes the notion under discussion.

2.1 Financial Systems in Africa

Generally, Africa's financial systems are seen as shallow and tend to experience a financial development gap relative to other developing economies (Abor & Adjasi, 2022). The financial systems confronted with various challenges such as financial volatility and economic shocks, weak regulations, undeveloped capital markets, weak governments and institutions, international trade barriers, limited integration with the international financial system (Abor & Adjasi, 2022).

According to Allen et al., (2009) going by the indicators of financial development, most financial systems in the Sub-Saharan Africa are by far way less developed even when compared to systems in other developing regions. Apart from South Africa, there is a dominance of informal finance and traditional banking over the decades. However, there is seen to be an improvement in the development of the financial sector, including banks and non-bank financial institutions as Institutions have broadened their product offerings and widened their reach and this has come as a result of enhanced of regulatory reforms and he overall improvements in economic environments in the region (Allen et al., 2009).

2.1.1 Banking systems

Deposit taking institutions and central banks largely makes up the banking systems in Africa. Deposit taking institutions consist of both local and foreign banks., with foreign banks having more presence and having played an important role in the development of the African banking system. The banking systems in Africa consist of the Central Banks and deposit taking institutions. Deposit taking institutions report to the Central banks that have the supervisory authority over financial institutions and payment systems (Allen, 2011). According to Mutarindwa et al., (2021) African countries' banking systems differ remarkably from those of developing countries

outside the continent. African banking systems have lower levels of development as shown by lower financial depths and access (Mutarindwa et al., 2021).

2.2 Payment Systems in Zambia

According to McKinsey (2022) there is an emergence of new payments ecosystem driven by a number of factors arising from both the supply and demand side. These factors include the dynamic regulatory landscape, changing corporate and customer expectations for value-added products and services and increase in payments-enabling technologies (Fintechs) as some of the forces responsible for the noted changes.

Electronic payments have become increasingly popular as years have gone by and societies move from cash based transactions to a cashless society. This requires a system that facilitates the clearing and settlement of these transactions, hence the need for a well-functioning payment system (World Bank, 2019). Regulation allows regulators to keep record of financial transactions therefore tracing the source of funds and preventing money laundering and detecting cases of fraud. This also guarantees participants a safe and secure environment to perform transactions by reducing the risk of theft. According to Ivatury & Mas (2008) “the risk that is inherent in using cash to make transactions is being mitigated by the use of digital payments, transparency has been improved through the flow of funds as payments are now regulated “

BOZ (2020) has different classifications of payment systems, one of them being “systematically important payment systems (SIPS)”. These are systems that process transactions that are high in value and are usually between banks or countries. One of the main objectives of regulating payment systems is to ensure that the environment in which these systems operate in an efficient environment with risks mitigated to promote safety and soundness. It is important to ensure that “Systematically Important Payment Systems” do not fail because the impact would most likely be catastrophic as important transactions would not be processed, thereby hampering economic activity (Bank of Zambia, n.d).

According to the Bank of Zambia (2020) the SIPS include “the Zambia Interbank Payment and Settlement System (ZIPSS) commonly referred to as the Real Time Gross Settlement System (RTGS), the Central Securities Depository (CSD) for

Government Securities, the Direct Debit and Credit Clearing (DDACC), the Cheque Image Clearing (CIC) systems operated by the Zambia Electronic Clearing House Ltd (ZECHL) and the Central Securities Depository at the Lusaka Securities Exchange (LuSE)" (Bank of Zambia, 2020).

The second classification of systems are those that facilitate the processing of low value transaction such as payment orders, demand drafts, checks, cash etc. The systems are "non-systematically important" otherwise known as "retail payments systems". Some of these systems include; mobile payment systems, Electronic Funds Transfer (EFTs), Cheques, Automated Teller Machines (ATMs), Point of Sale (PoS), Remittance systems (both for domestic and international) (Bank of Zambia, 2020).

The organization that is responsible for the oversight and regulation of payment systems in Zambia with the objective of ensuring efficiency and safety is the central bank (Bank of Zambia). The mandate is derived from the "National Payment Systems Act (NPSA) No. 1 of 2007".

According to Bank of Zambia (2020) In order to ensure a resilient and robust financial market infrastructure that has the capacity to withstand shocks, the central bank undertakes oversight activities that are guided by the "Principles for Financial Market Infrastructures (PFMIs)" that were adopted by the Bank of Zambia in 2015. The "Bank for International Settlements (BIS)" and "Organization of Securities Commission (IOSCO)" issue the PMFIs to establish a standard risk management framework that facilitates the management of risks inherent in "Systemically Important Payment Systems (SIPS)" globally (Bank of Zambia, 2020).

The Bank of Zambia carries out a continuous monitoring process of the returns submitted by supervised financial services entities which contain supply side information. This information includes information on volumes and values of transactions that have been made on various payment platforms and their distribution channels etc. The information is used by the Bank to inform its decision-making processes to institute policy changes (Bank of Zambia, 2020).

According to Bank of Zambia (2020) in order to ensure the safety and efficiency of the National Payment System, the Bank of Zambia issues regulations and directives

from time to time and monitors compliance by individual payment systems and businesses by conducting compliance checks.

In addition to the local payment system, there are regional payments systems that Zambia makes use of. According to Bank of Zambia (n.d) an attempt to reduce settlement times, enhance efficiency and reduce the costs of making cross border financial transactions between countries within the “Southern African Development Community (SADC)” region brought about a system known as the “SADC Integrated Regional Electronic Settlement System (SIRESS)”. The system reduces settlement times by eliminating the need to use corresponding banking and making use of a “real-time gross settlement (RTGS) system”. This is one of the payment systems Zambia uses to process transactions made within the SADC region (BOZ, n.d).

Another regional payment system that Zambia makes use of is the “Common Market for Eastern and Southern Africa (COMESA) Regional Payment And Settlement System (REPSS)”, whose clearing house is the COMESA clearing house located in Zimbabwe and the settlement bank being the central bank of Mauritius. It is a payment system used to process cross border financial transactions made between countries within the COMESA region.

2.3 Financial Inclusion

According to the World Bank (2012) financial inclusion is necessary to ensure that economic growth performance is inclusive and sustained. Financial inclusion refers to all initiatives that make available affordable financial services to all segments of society, for this to be achieved, it requires that specific attention is paid to the population that is excluded due to several socio-economic factors. Financial inclusion is not only about access to credit facilities but includes access to saving facilities, products that mitigate risk such as insurance. “A financial system that functions as it should, encourages stakeholders to participate in income-generating activities, and manage risks associated with their livelihoods (World Bank, 2012).

According to Rani (2006) financial inclusion is the provision of financial products at low rates to low-income earners and people that are largely disadvantaged, this includes services such as insurance, savings, credit facilities, as well as payments and remittances.

There is evidence that people that are financially included are more productive and invest more due to the ability to obtain credit from financial institutions that comes at lower interest rates as compared to obtaining funds informally, by reducing the cost of business, therefore improving earnings and standards of living (Ashraf et al., 2006). According to a study carried out by Saeed (2009) on small to medium sized businesses (SME) an increase in the use of formal financing has been seen to lead to better economic growth. However, Elston et al., (2016) and Beck et al., (2015) suggest that there exists a growth in sales when it comes to Chinese businesses that use informal finance such as borrowing from family and friends. This is because of the flexibility that comes with these transactions, there is often room to negotiate terms hence allowing the business to match their business activity to their repayment of loans. On the other hand, businesses having a balance between formal and informal financing is profitable to business, because heavily relying on informal finance may be injurious for SME's Wu et al., (2016).

According to Laeven et al., (2015) striving for higher levels of financial inclusion has led to financial innovation. This comprises a variety of new products; new processes and new organizational forms that can help reduce transaction costs and provide better risk management tools and overcome information frictions. Financial innovation has a critical role in the process of financial deepening (Beck et al., 2013).

By the year 2017, the number of adults that had an account with a formal financial institution accounted for 69%. In addition to this, the number of adults that access to formal accounts grew to 1,2 billion between the years 2011 and 2017, this was as a result of the efforts poured into the financial inclusion agenda globally. Furthermore, according to the World Bank (2020) more than 80 countries worldwide had introduced the use of electronic financial services such as carrying out transactions over the phone, internet and cards. This has led to individuals that were financially excluded moving to a cashless based society of performing transactions as well as using formal financing options to obtain credit facilities (World Bank, 2020).

According to the World Bank (2020), since 2010, more than 55 countries have made commitments to financial inclusion, and more than 60 have either launched or are developing a national strategy. According to the Bank of Zambia (n.d) priority has been placed on financial inclusion in developing countries, for instance Zambia that

launched the Financial Sector Development Plan (FSDP) meant to provide guidance on strategies to improve the financial sector, hence improving financial inclusion.

The government has also put in place other measures in order to support the financial inclusion agenda, measures such as the FinScope survey. The survey was implemented by the central bank of Zambia in order to obtain information about the financial sector that was credible and could be used to inform policy formulation and implementation. According to FinMark Trust (2020) the main objective to improve the reach of financial services, as well as increase the range of financial products and services offered would be attained by providing strategic financial information on the strengths, weaknesses, opportunities and threats the financial sector offers. Hence the need for the survey. The survey aimed to determine how financial products are used in the country and to what extent, thereby providing information to stakeholders that would be used to develop the financial sector (FinMark Trust, 2020).

According to the FinMark Trust (2020) findings, growth in the Zambian economy was subdued since the last FinScope Survey in 2015; the real GDP growth was projected at negative 4.2 percent in 2020. This situation had a direct impact on households as it spoke to fewer opportunities for income generating activities for households. However, this finding was contradicted by the findings that indicated that despite the economic challenges the country was experiencing at the time, financial inclusion continued to make significant improvements. The 2020 survey findings further indicated an increase from a 2015 figure of 59.3% to 69.4% in the number of individuals that were financially included. This was consistent with the findings that showed an increase in formal financial inclusion of 38.2% in 2015 to 61.3% in 2020. This growth was mainly attributed to increased uptake of mobile money services to 58.5% from 14.0% in 2015. On the other hand, informal financial inclusion declined to 32.3% from 37.9% in 2015 as more adults were using formal financial services (FinMark Trust, 2020). According to the FinScope (2020) survey, there was the need for stakeholders to intervene by providing financial education, appropriate infrastructure in areas that are remote, as well as increased economic activity. This was because it had been discovered that the main factors that affected improving financial inclusion were high unemployment levels, lack of financial knowledge, as well as low-income levels.

Contradicting findings in the real GDP growth and the levels of financial inclusion could perhaps be attributed to the Covid-19 pandemic that hit the country and world at large, rather than the levels of financial inclusion. Increased financial inclusion has been driven by the Covid-19 pandemic which has led to an up rise in the use of electronic payments in order to avoid the use of cash that inherently had the risk of spreading the virus Global Findex (2022). As of 2021, in developing economies, 71% have an account at a bank, other financial institution, or with a mobile money provider, up from 63% in 2017 and 42% in 2011. Mobile money accounts drove a huge increase in financial inclusion in Sub-Saharan Africa (Global Findex, 2022).

According to Global Findex (2022) of all the low to middle income individuals that made electronic payments by either making transfers or using a card in store for purchases during the pandemic, over 40% of them were doing it for the first time. This means that before the pandemic, these individuals had never made electronic payments using either credit or debit cards, phone, or any other electronic devices. In addition to this, low and middle income individuals that paid for utility bills such as electricity from a formal account for the first time accounted for one third of all individuals that transacted.

2.4 Mobile Money

According to Nan et al., (2021) mobile money is a convergent digital innovation that orchestrates telecommunications infrastructure and microfinance. Since the success of M-Pesa, a mobile money platform in Kenya, several individuals across Sub-Saharan Africa (SSA) have accepted mobile money as a means of making transactions on a day to day basis, these include remittances, bill payments, savings and microloans (Nan et al., 2021). The superiority and fundamental novelty of mobile money is concerned with the digitalization of cash and the associated financial transactions (Markus & Nan, 2020). Due to its electronic nature, mobile money has been perceived more convenient, affordable and secure than traditional banking services (Aron, 2018; Mbiti & Weil, 2016).

According to Demirgüç-Kunt et al., (2018) mobile money has had a major influence on the improvement of financial inclusion in Africa, particularly Sub-Saharan Africa where it has grown rapidly. According to the International Monetary Fund (IMF)

(2019) mobile money has rapidly surpassed traditional banking in sub-Saharan Africa. Apart from improving financial inclusion, mobile money has promoted the emergence of economic activity such as infrastructure development and agriculture, which in turn encourages economic development (Sy et al,. 2019).

According to Suri (2017) in comparison to bank brick and motor branches, mobile money branches are more widespread. MNO's use agents to facilitate mobile money transactions, including cash withdraws and deposits, and these are commonly referred to as booths. The assumed convenience that mobile money booths have over bank branches is what Mbiti & Weil (2015) say attracts consumers. While mobile money booths may possess the advantage of location, this may very easily be countered when agents face challenges such as not having enough float or cash to enable a transaction. This means that if the consumer decides to go ahead and transact based on the agent's capacity, they may need to carry out multiple transactions with different booths in order to meet their need. This is rarely ever the case when it comes to transacting with the bank, as there is usually enough capacity to meet the clients' needs. In order to compete with mobile money, banks have recently introduced bank agents so as to broaden their reach.

"Proponents of financial inclusion through mobile money have suggested that transaction costs can be reduced by using mobile money, and the money saved could possibly be used for investment purposes" (Jack & Suri, 2014). However this has largely been theoretical, there is little evidence that suggests that transaction costs are indeed lower. Additionally, there is no evidence to support the theory that the money saved from incurring lower transaction costs would be invested. "On the other hand, some literature suggests that it is unlikely for transaction costs to be reduced by using mobile money and this is due to the fact that banks have an advantage in providing some financial products" (Khan & Roberds, 2009). This notion holds true as banks are mostly larger organizations with higher capital and hence using economic theory, it would be safe to assume that banks will have economies of scale and higher bargaining power.

In Zambia bank transaction fees compared to mobile money fees reveal that low value transactions are cheaper when mobile money used rather than banks (McKay

& Pickens, 2010). Whereas high value transactions are cheaper when carried out using the bank (Donovan, 2015; Ghunaim, 2020; Pelletier et al., 2020).

The Covid-19 pandemic spurred changes in consumer behavior as well as government regulations that enhanced to use of mobile money. According to GSMA (2021), “Zambia reported its first cases of COVID-19 on 18 March 2020. Subsequently, the Bank of Zambia announced several intervention measures and reliefs, such as encouraging the use of digital financial services, increasing transaction and wallet limits for individuals, small scale farmers and enterprise as well as removing limits for agents and corporates; waiving charges for transaction values of up to K150 (USD 8.5) by all electronic money issuers” (GSMA, 2021). In Zambia, mobile money transactions indicated a significant growth in the first quarter of 2021 due to an increase in transactions and an increase in transaction value limits due to the Covid-19 Pandemic (Bank of Zambia, n.d).

Chironga et al., (2017) suggest that the success of the mobile money industry that has been observed has been due to a superior client experience, the local agent distribution networks of MNO’s compared to for instance ATM’s, a large customer base owing to the fact that almost all individuals own a mobile phone, therefore belonging to a MNO (Juma & Wasunna, 2018).

2.5 Theoretical Framework

Demand is an economic concept that relates to a consumer's desire to purchase goods and services and willingness to pay a specific price for them. An increase in the price of a good or service tends to decrease the quantity demanded. Likewise, a decrease in the price of a good or service will increase the quantity demanded. It refers to the quantity of a good or service that buyers are willing and able to purchase at various prices during a given period of time. (investoperia.com, 2024) According to Case & Fair (1994) demand, in economics, is more than the desire to purchase, though desire is one element of it, the desire may be limited constrained by the price of the product and the ability to pay due to the income of the consumer. Therefore, an items effective demand is dependent on several factors including the means to purchase which is the capacity, the desire to purchase the item, as well as the willingness to use the money/capacity to pay for the desired item. In addition to

the aforementioned factors, the theory of consumer behavior stipulates how cardinal consumers behavior impacts demand for a particular service. The emphasis of demand is placed on the actual ability to purchase an item, if the consumer does not have the means to pay but merely has the desire that is not considered demand for a product.

According to Koutsoyiannis (1975), “demand is a multivariate relationship; it is determined by many factors simultaneously”. Some of the factors that determine the market demand for a product at a given time include; consumers’ preferences; the income of the consumer; both the price of the product as well as the price of other related products including substitutes and complimentary goods government policy of the product and related products; availability of credit facilities; total population; the distribution of income in the country; overall wealth of consumers; past income levels; and past demand levels for the product (Koutsoyiannis, 1975).

Products own price: The actual price a product is sold at is an important factor in determining the demand of the product. Other things held constant (Ceteris paribus) the price of a product and its demand are inversely related, this means that the quantity of the product that is purchased or demanded will fall if the price of that specific product rises, and the opposite is true should the price fall. According to Hildenbrand (1994) this is due to the substitution and income effects. An expression of the demand and price relationship is presented graphically below.

Price of related commodities: According to Surbhi (2021) related commodities are of two types, complementary goods, and substitutes. Complementary goods and services are those that are bought or consumed together or simultaneously. Examples are tea and sugar, automobile and Petrol, pen and ink. In the case of complementary good, a fall in the price of one product will cause a corresponding rise in the demand of the other, this is because the two are used together hence buying one product will automatically mean the need for the other product rises, hence an increase in demand (Surbhi, 2021). For instance, there would be an increase in the demand of petrol if the price of petrol driven case reduced because people would purchase more of the petrol driven cars and hence demand more petrol. The opposite is true if the price of the petrol driven cars rises, thereby

reducing the demand for petrol. “Thus, we find that, there is an inverse relationship between the demand for a good and the price of its complement” (Surbhi, 2021).

However, the case is different for substitutes, Surbhi (2021) suggests that goods are considered substitutes if they can be used to meet the same needs in place of each other. For instance, different brands of toothpaste do the same job and it only comes down to the preference of the consumer when deciding which one to purchase, coffee and tea, etc. For substitute goods, buyers tend to switch to cheaper products that meet the same need if the price of the initial good they intended to purchase rises. “Therefore, there is a direct or positive relationship between the demand for a product and the price of its substitutes” (Surbhi, 2021). In this study the two products being considered can be used in place of each other because they have the same uses, these products are banking services and mobile money services, this makes them substitutes. Therefore, if the price of say mobile money increases, there will be a corresponding increase in demand for banking services, this is because the price increase of mobile money price makes banking services relatively cheaper.

Consumer’s Disposable Income: According to Krugman (2007) All other things being held constant, the level of a consumer’s disposable income is a key determinant of the purchasing power of the consumer and hence the demand. Krugman (2007) further states that generally, at a given price, the demand of a particular product increases if the disposable income of the consumer increases. On the other hand, a decrease in the quantity demanded may be as a result of the disposable income decreasing.

It is important to note, however, that the nature of a good largely determines the relationship between the quantity demanded for the good and the disposable income of the consumer. It is even more important to classify goods by their nature in order to determine consumer income effect on the demand of the product (Krugman, 2007). Those goods whose quantity demanded increased as the income of the consumer increases are known as normal goods. The majority of goods and services in a market belong to this category, these goods include “household furniture, clothing, automobiles, consumables” etc. On the other hand, according to Krugman (2007) inferior goods are those products that will have a rising quantity only until a

particular level of income and starts to decrease as the income increases above a certain level.

Tastes and preferences of buyers: the demand for a commodity also depends upon the tastes and preferences of buyers and changes in them over a period of time. According to Karni & Schmeidler (1990), there will be a higher demand for products that are currently fashionable than those that are no longer fashionable. Those goods that are perceived out of date or no longer fashionable may be gotten rid of by the consumer before they have been fully utilized just because there is a product that is deemed more fashionable. For instance, digital devices that have been recently released and trendy clothes will attract more customers and hence have an increased demand and therefore consumers getting rid of the items they are currently using to be replaced by the new ones, even if they may still be in good shape (Karni & Schmeidler, 1990).

Some external factors that determine demand of a product, include snob effect, demonstration effect, veblen effect and bandwagon effect, these are known as “external effects of utility”. According to Duesenberry (1949) demonstration effect is when consumers buy a product to copy the conception behavior of a group pf consumers. They notice that other people are able to buy the product hence they also purchase it to demonstrate a point. According to Henshel & Johnston (1987) Bandwagon effect “is the extent to which the demand for a commodity is increased due to the fact that others are also consuming the same commodity”. It occurs when consumers emulate other consumers buying behavior, perhaps because they look up to the consumers they choose to emulate or have a perception of those consumers that they intend to be associated with, or to be seen as fashionable. For instance, a consumer may buy an iPhone because a celebrity they look up to has the same phone.

On the other hand snob effect occurs when the demand of a product is influenced negatively because other consumers are purchasing the same product (Uzgoren & Guney, 2012). This happens when individuals prefer to be exclusive and to therefore not associate themselves with the common man (Ocampo & Habetinova, 2017). On the other hand, highly priced goods are consumed by status, seeking rich people to satisfy their need for conspicuous consumption, this is called Veblen effect (Veblen,

2005). The difference between the Veblen and Snob effects is that the snob effect is influenced by the perception of others, whereas, the Veblen effect is influenced by the price of the product. “We conclude that people have different tastes and preferences, and these do change sometimes, due to external, and sometimes due to internal causes and influence demand” (Ocampo & Habetinova, 2017).

Age distribution of population; in the case of technology for instance, there will be an increased demand for electronic devices and innovative financial products if the majority of the population belongs to a younger generation, rather than an older one This is usually because the older age groups are less prone to accept change and learn how to use the technology whereas, the younger age groups are eager to try out new innovations Koutsoyiannis (1975).

Government, policies and regulations; According to The Institute of Chartered Accountants India (n.d), policy makers in governments use subsidies, purchases expenditure, taxes and general regulations passed on the product to influence the demand of a product. Adding taxes to products will ultimately increase the price of the product and therefore reduce its demand, whereas using subsidies increases the demand of the product by reducing its price. Governments can therefore use these strategies to achieve their desired outcomes, depending on whether they would like a more or less of a product to be purchased (Hutchinson, 2017). For example, taxes on luxurious goods and subsidies for solar panels. Furthermore, governments may apply a ban to a product in order to constrain the “the demand for socially undesirable goods and services”. According to Koutsoyiannis (1975) Governments policy on international trade, also will affect the domestic demand for goods and services. In the case of payment systems, as seen during the Covid-19 pandemic, increased transaction limits was an attempt for government to attract more users to electronic modes of payment instead of cash, so as to help reduce the spread of the virus.

Some other factors that heavily influence the demand of a product include; “advertisements and salesmanship, consumer habits, stages in a business cycle, size of the population, national level of income, business conditions, weather conditions, consumer expectations, social customs and conventions, marital status of the customer, levels of education, wealth, socioeconomic class, group

membership, and consumer credit facilities" (The Institute of Chartered Accountants India, n.d).

Under the assumption that consumers are participating in a market with perfect information and therefore have the necessary knowledge about all the alternative products, how much they cost in comparison to each other and the consumers own income. It is further assumed that these consumers will make rational decisions based on logic and therefore choose the product that makes the most financial sense while meeting their needs (Pachauri, 2001). This means that the consumer will purchase the product that maximizes their satisfaction, otherwise known as utility maximization (Taxxman, 2022).

However, in order to achieve utility maximization, there should be comparability between different products' utility (satisfaction) that he has effective demand for, meaning that the consumer is willing and able to purchase the products (Koutsoyiannis, 1975). Economists use two different strategies to compare satisfaction of products; "cardinalist and ordinalist approach". The first school of thought proposes that it is possible to measure satisfaction and that there are two possible ways of measuring satisfaction; According to Koutsoyiannis (1975) the first method being measuring utility in conditions of certainty, meaning that the consumer has perfect knowledge of what the possible market condition could be and what their income level would be should a particular market condition occur. In this case, the suggestion has been to measure satisfaction by how much money a consumer is willing to part with to acquire an extra unit of the product. The second method of measuring satisfaction has been to measure it in units known as utils.

The second school of thought postulates that it is not possible for utility to be measured. They state that it is not necessary for the consumer to know the specific units satisfaction derived from various products in order to make a choice. It is enough for the consumer to be able to rank products according to the level of satisfaction derived from each in order to determine which one is preferred (Koutsoyiannis, 1975).

According to Krugman et al., 2007, "the demand function is an equation that illustrates the relationship between a products demand (dependent variable) and its

determinants (explanatory variables)". All other determinants of demand that are not included in the function are assumed to be held constant and therefore remain unchanged. An expression of the demand function is as follows (The Institute of Chartered Accountants India, n.d).

$$Qx = f(Px, Y, Pr)$$

Where Qx is the quantity demanded of a product X

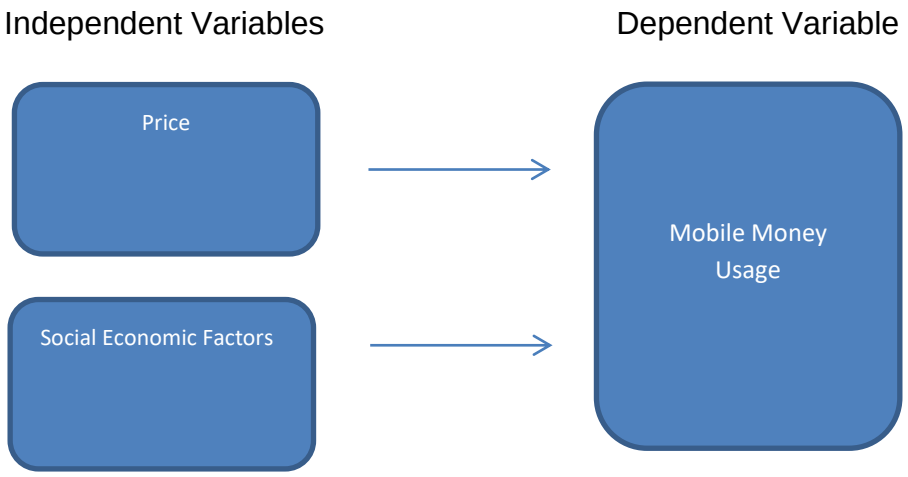
Pz is the price of the commodity

Y is the money income of the consumer and

Pr is the price of related goods

2.6 Conceptual Framework

Figure 2.0: Conceptual model



Source: Author (2023)

In the conceptual framework above, the price and social cultural trends are the independent variables whereas the use of mobile money (demand) is the dependent variable. This means that the demand of the product, in the case of mobile money, is dependent on the price of the product and other factors such as social cultural trends. In this case the price of the product would be represented by the transaction fees. Based on the assumption that the consumer behavior theory makes, that consumers are rational, it is conceptualized that if the consumer is given the option

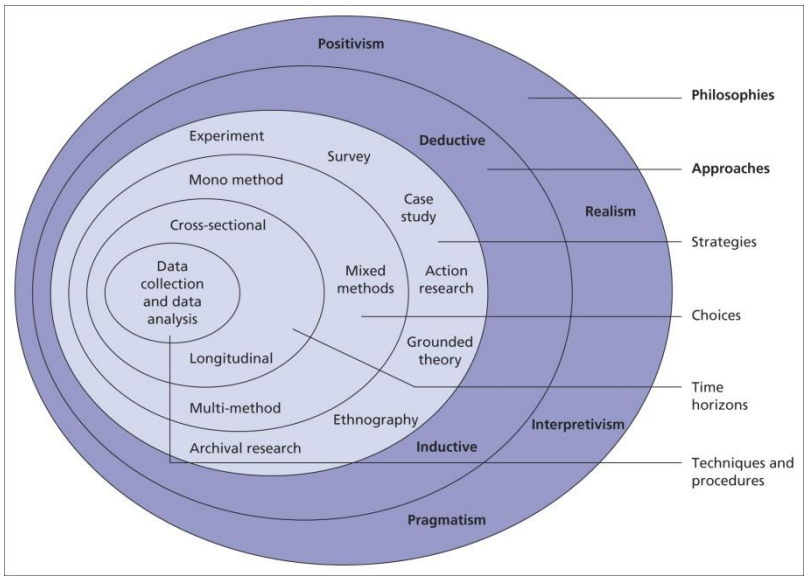
to purchase one of two similar products, the consumer will choose the product that is relatively cheaper. This is owing to the fact that money is a resource that is scarce, it is therefore important that it is allocated appropriately in order to attain the maximum level of utility. Furthermore, the study conceptualizes that social cultural trends have an effect on the use of mobile money.

Chapter Three – Research Methodology

3.0 Introduction

Using Saunders et al., (2009) research onion, the research methodology adopted is outlined in this chapter, including philosophies, approaches, strategies, choices, time horizon, as well as techniques and procedure. The research onion suggests that research is like an onion with many layers that need to be peeled off in order for the researcher to arrive at answers to the research questions and hence achieving research objectives.

Figure 3.0: Research Onion



Source: © Mark Saunders, Philip Lewis and Adrian Thornhill 2009

3.1 Research Design

While categorizing broadly, three methodological choices are known as quantitative, qualitative, and mixed-method research designs (Easterby-Smith et al., 2021). The basis of differentiation among these research designs is the category of data; whether it is numeric (numbers) or non-numeric (images, words, audio or/and video recordings) data or a sort of data that contain both numeric and non-numeric characteristics (Saunders et al., 2019).

This study primarily adopted a qualitative approach with some supporting descriptive statistics and therefore is a mono-method study. Qualitative research seeks to find out what meanings participants give to their experiences and perceptions, instead of the researcher giving the findings meanings from their own perspective. It relies heavily on the participants' own spoken or written words. The findings from qualitative data collection are used to frame context and understand motivations for people's behavior, and this is the main objective of this study.

3.2 Population

The research was carried out in Kabwata residential area, Lusaka, Zambia. Specifically, respondents were selected from kabwata residential area. Kabwata, is a residential area in Lusaka, Zambia, it is home to a mix of socio-economic groups. Originally developed as a low-cost housing area during the colonial period, Kabwata has evolved into a middle-income residential neighborhood. It is characterized by a population with a range of income levels, but predominantly middle-income earners. This area has a median sample size and population (228,022 people) when compared to 11 of Lusaka's 12 constituencies. (Zambia Statistics Agency, 2022) The population is therefore all adults (18 years and older) within the area of Kabwata.

3.3 Sampling

This research used Nonprobability Sampling to select 60 participants. For all non-probability sampling techniques, your sample size is dependent on your research question(s) and objectives – in particular, what you need to find out, what will be useful, what will have credibility and what can be done within your available resources (Patton 2002).

Specifically, this research made use of convenience sampling. Convenience sampling is a specific type of non-probability sampling method that relies on data collection from population members who are conveniently available to participate in study Saunders et al., (2012). In this case, the first available primary data source was used for the research without additional requirements. In other words, this sampling method involves getting participants wherever you can find them and typically wherever is convenient. In convenience sampling no inclusion criteria identified prior to the selection of subjects. All subjects are invited to participate

(Saunders et al., 2012). The sample selection process was continued until your required sample size has been reached.

Before participants were chosen, a consent form was presented to them. Within the consent form, data collection, field notes, and the final report were noted as the property of the researcher (Denzin, & Lincoln, 2005). Anonymity and confidentiality was ensured and preserved for participants, their opinions, and point of views under this study (Rubin & Rubin, 2011). Participants had a right to withdraw participation in the study at any time (Gall et al. 2003).

Once a participant agreed to participate in the study, the informed consent form was signed and interview set up or questionnaire sent.

Furthermore, this research makes use of sample data from two institutions, one of the institutions being a bank, Zambia National Commercial Bank (ZANACO) and the other a mobile network operator (Airtel). The two institutions were chosen because they were the largest by market share in terms of deposits in 2022 in their respective sectors.

3.4 Data Collection

Burns and Grove (2005) describe data collection as the precise and methodical manner in which relevant information pertaining to the objectives of a study are collected. For this research, primary data was collected through semi-structured interviews using an audio recorder, in order to deeply understand the research phenomenon under consideration and answer the research questions, as well as a survey, coupled with already established literature and theories for reaching concrete results.

On the other hand, secondary data was collected through literature review of books and academic journals available on financial inclusion, Mobile Money and the banking system.

3.5 Data Analysis and Interpretation

For analysis of closed-ended questions, a computer program called Statistical Package for Social Sciences (SPSS) was used. Data was analyzed by using

descriptive statistics. Frequency tables were drawn and from these the data was presented in pie diagrams and bar graphs. The open-ended questions were analyzed through content analysis by the researcher with the aim of quantifying emerging characteristics and concepts. According to Patton (2002) content analysis is any act of reducing qualitative data to a level that makes sense by identifying meanings and consistencies in the data. Furthermore, content analysis can be used to analyze any kind of communication including survey answers, answers from focus groups, interviews, observations, narrative responses, and print media (Hsieh, 2005)

3.6 Ethical Considerations

The conducting of research requires not only expertise and diligence, but also honesty and integrity. This is done to recognize and protect the rights of human subjects. To render the study ethical, the rights to self-determination, anonymity, confidentiality and informed consent was observed. Written permission to conduct the research study was obtained from the respondents. Burns and Grove (2005) define informed consent as the potential respondent's agreement to participate voluntarily in a study; after all relevant information has been given to them.

Anonymity and confidentiality were maintained throughout the study. Burns and Grove (2005) define anonymity as when subjects cannot be linked, even by the researcher, to responses, therefore, respondents' names will not be disclosed, and the written consent were detached from the questionnaire. On the other hand, confidentiality means that the information they provide will not be publicly reported in a way which identifies them (Polit & Hungler, 1997).

In order to maintain the ethical principle of self-determination, subjects were treated as autonomous agents by informing them about the study and allowing them to voluntarily choose to participate or not. Lastly, scientific honesty involves non manipulation of design and methods, and retention or manipulation of data (Brink, 1996). The researcher will avoid any form of dishonesty by recording truthfully the answers of those subjects who are unable to read or write, as well as answers from the questionnaires.

Chapter Four – Presentation of Findings

4.0 Introduction

Mobile money is a recent innovation that provides financial transaction services via mobile phone, including to the unbanked global poor. The technology has spread rapidly in the developing world, “leapfrogging” the provision of formal banking services by solving the problems of weak institutional infrastructure and the cost structure of conventional banking (Aron, 2018)

Mobile technologies are changing economic life in developing countries, where many people are using cell phones for a range of financial transactions, such as receiving and sending money transfers. Indeed, mobile money is already being used by banks and mobile network operators to provide millions of unbanked consumers a way to store and access money digitally. The limited information available suggests that for millions of consumers in developing countries, mobile money is transforming lives by providing access to financial services and the ability to pay and be paid electronically—sometimes for the first time in their lives. Mobile financial services, known as “mobile money”, allow unbanked people to use their phones as a bank account: to deposit, withdraw and transfer money with their handset. People can also use mobile systems to pay utility bills and pay for goods in merchant shops (ACP, 2014).

This research aimed to answer three specific questions;

1. What are the current usage patterns and trends of mobile money in Kabwata residential area?
2. How does mobile money compare to traditional bank services in Kabwata residential area?
3. How effective has mobile money been in reducing transaction costs?

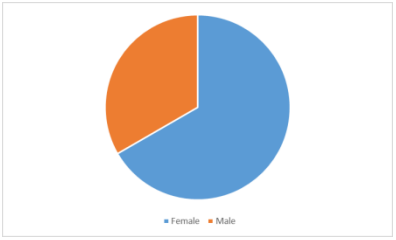
This chapter presents the research findings concerning the utilization of mobile money in Zambia. The findings are based on the responses of 60 respondents in Kabwata, Lusaka that were picked based on convenience of the researcher and availability of the respondent. The first part of the presentation of findings will give an overview of the profile in terms of the respondents. The second part will present the

findings from the 60 respondents, and lastly the third part will present findings from literature-based research.

4.1 Demographic Characteristics of Respondents

One of the demographic data collected was that of gender. In this research, 40 respondents were female and 20 were male.

Fig 4.1: Respondents Gender

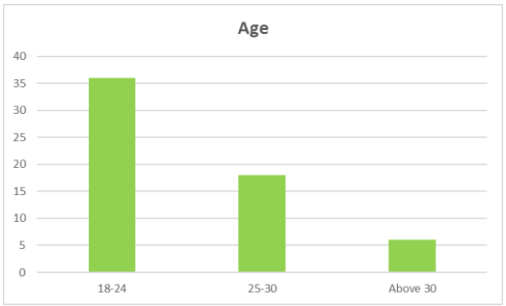


Source: Primary Data (2022)

In collecting demographic data, age is one of the most important data to collect in understanding respondents' views about a specific subject because individual's age may be a factor in how respondents perceive things and hence becomes important in examining their responses. The majority of all respondents were aged between 18 and 24 (60%).

Respondents aged between 25 and 30 accounted for 30% of respondents whereas the remaining and 10% were all above the age of 30.

Fig 4.2: Respondents Age

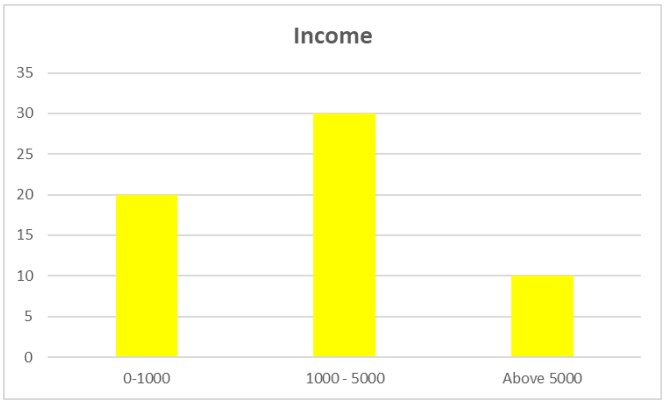


Y- Number of respondents X- Age ; Source: Primary Data (2023)

It was important for the researcher to gather data on the employment status of the respondents so as to help analyze the class of people that were actually using

mobile money. It was determined that 13% of the respondents to this research accounted for the unemployed, this included both students and individuals that had completed school but were not employed, as well as those that had not attained a higher-level education. On the other hand, the employed and self-employed accounted for 87%. Respondents were therefore asked to provide their income levels and the data revealed that the majority of respondents had an income level between 1000 and 5000 ZMW (50%) while 17% of them earned above 5000 ZMW and the remaining 33% earned less than 1000 ZMW.

Fig 4.3: Respondents Level of Income



Y- Number of respondents X- Age ,Source: Primary Data (2023)

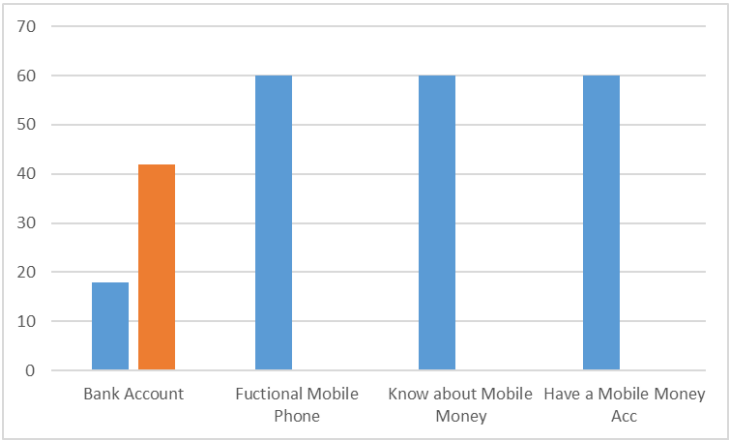
The question on the level of education each respondent had attained revealed that 46% ended at high school level (Grade 12) and 29% attained a Diploma and 23% of the respondents had attained a degree, and the remaining 2% went as far as masters' level.

4.2 Classification of Individuals

It was important for the researcher to place individuals in categories based on the use of technology and the knowledge on it or lack thereof. Additionally, mobile money has been seen as a solution to financial exclusion, meaning that it has helped increase the number of people using formal financial services that were previously unbanked. It was therefore important for the researcher to get information on how many individuals using mobile money at the time of data collection were previously unbanked.

When asked about mobile money, it was revealed that all respondents (100%) were well informed about mobile money and had a mobile money accounts. However, only 30% of respondents had an account with a bank in Zambia, and the remaining 70% not holding any bank account. It was further noted that for this particular sample, there were no participants that were financially excluded at the point of data collection, meaning that all participants either had a mobile money account or a bank account.

Fig 4.4: Account Ownership

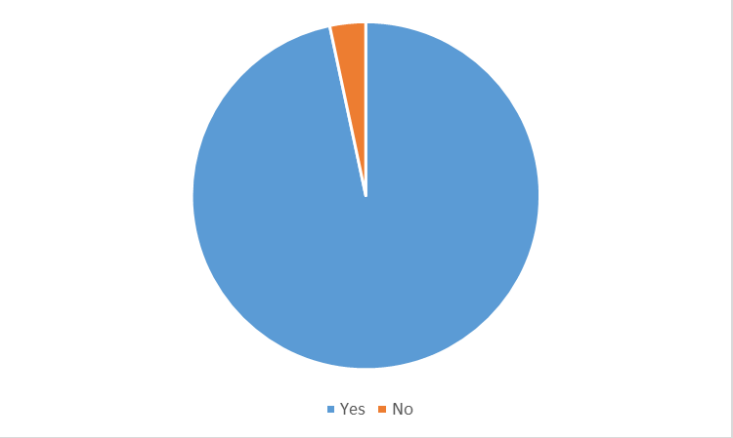


Y- Number of respondents X- Age ,Source: Primary Data (2023)

4.3 Utilization of Mobile Money

In order to get accurate information, it is important for the researcher to not make assumptions about the responses they might get. In this case, the fact that all the respondents had mobile money accounts does not necessarily mean that they have utilized it. Respondents were therefore asked if they have used their mobile money accounts at least once. It was determined that all but two respondents had made use of their mobile money accounts and continue to use them.

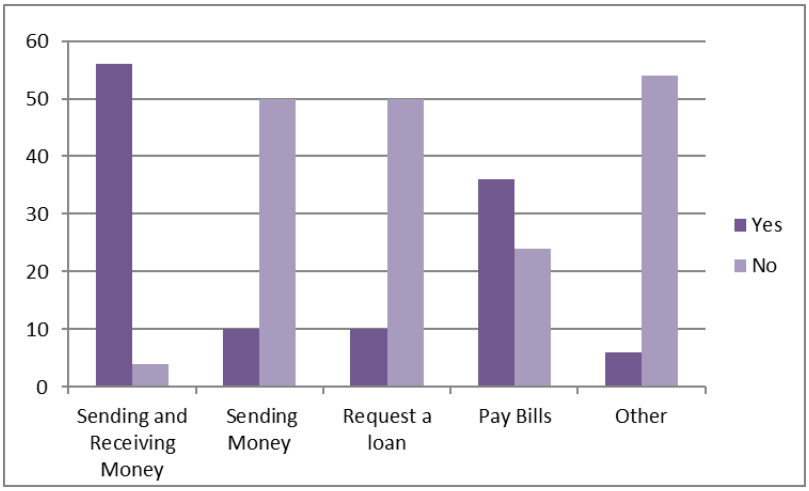
Fig 4.5: Respondents that have used Mobile Money



Source: Primary Data (2023)

Respondents in this study indicated that mobile money use was specific to each person as different individuals had different needs and hence uses of the platform. Some of the uses included money transfers, credit facilities, paying bills, saving money, as well as betting.

Fig 4.6: Utilization of Mobile Money



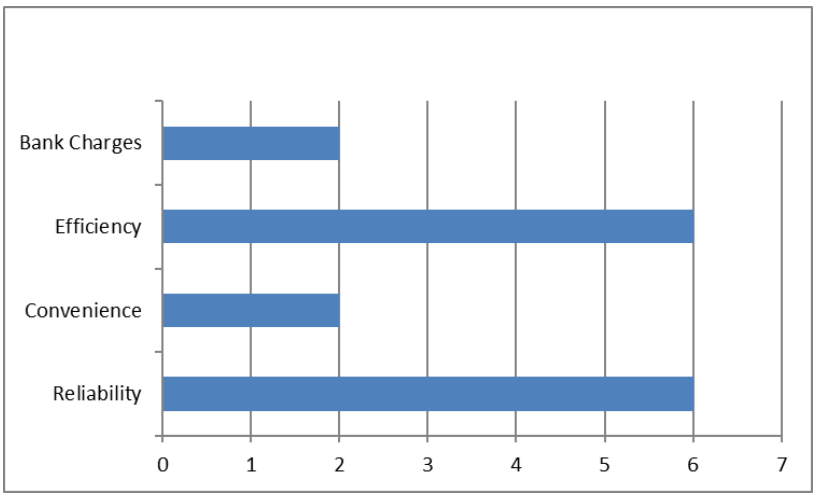
Y- Number of respondents , X – Service used, Source: Primary Data (2023)

Respondents that said they had used mobile money for other purposes further indicated that they used it to fund their betting accounts or withdraw money from their betting account I the event of a win.

Furthermore, respondents were asked what sort of financial services they were using before mobile money, to which 10 respondents (17%) indicated they were already using formal financial services. When these respondents were asked why they switched to mobile money, some of the reasons they gave were that mobile money seemed easier and more convenient, and that the interest the bank paid on savings was too low.

Respondents with both bank accounts and mobile money were asked which accounts they use more. 16 of the respondents said they use mobile money more than their bank accounts, and only one (2) respondents said they use their bank more than their mobile money account. They further indicated various reasons for this, including efficiency, reliability, convenience, and users avoiding bank charges and minimum balance requirements.

Fig 4.7: Service Preference



Y - Reason for preferring MNO/Bank, X – preference on scale of 1 to 7 (ascending prefence)

Source: Primary Data (2023)

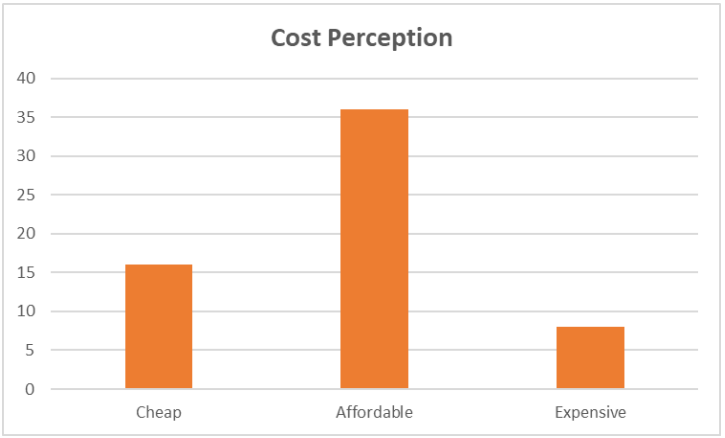
On the other hand, 50 respondents (83%) said they were using informal financial services before they started using mobile money. These respondents further indicated that the informal services included piggy banks, saving money under the pillow, carrying cash around and would meet the person intended to receive money in order to give them the money, or send it with someone traveling to a different town if this person was in a different town. When asked if they would still be using informal

services, had mobile money not been innovated, 58 indicated they would, whereas 2 respondents said they wouldn't and their reason was that it would be risky to keep their money in the house now that they earn more than they did in the past.

4.4 Perception towards cost of transacting

Cost has been mentioned several times as a barrier to financial inclusion because banks levy clients with a variety of charges that include transaction fees on cash withdrawals, statement and balance enquiry and monthly ledger fees. When asked what the general perception respondents had towards mobile money was with respect to the cost of transacting and maintaining the account, 16 (27%) respondents indicated that they perceived the cost of mobile money to be cheap. 36 (60%) respondents indicated it was affordable and 8 (13%) indicated it was expensive. Furthermore, it was revealed that social cultural trends indeed had an effect on the use of mobile money. The fact that more people talk about using mobile money has influenced individuals to also use mobile money, this was indicated by a 70% response in affirmation.

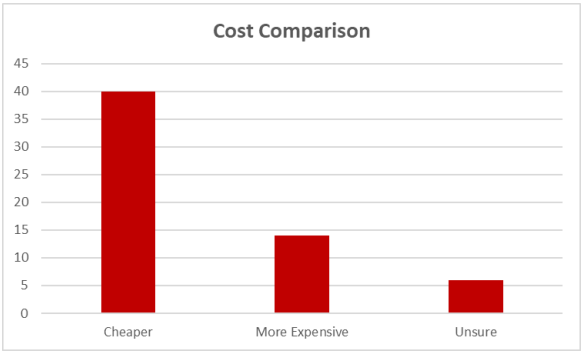
Fig 4.8: Cost Perception



Y- Number of respondents , X – Cost perception, Source: Primary Data (2023)

Respondents were also asked about the cost of transacting using mobile money compared to traditional banking costs, the question posed was whether they thought mobile money was cheaper than bank services. The data collected showed that 40 respondents said it was cheaper, 14 respondents said it was more expensive and 6 were unsure about the costs in comparison to each other.

Fig 4.9: Respondents that have used Mobile Money



Y- Number of respondents, X – Cost Comparison , Source: Primary Data (2023)

4.5 Actual costs of transacting

In order to carry out an informed analysis of the data collected from the respondent, it was important for the researcher to collect data on the actual figures relating to transaction costs on mobile money, as well as banks. In this case Airtel money was the data used and Zanaco bank was used to collect data to represent the banking sector. One organization from both sectors was enough because their pricing does not differ much from bank to bank and from MNO to MNO. The data on mobile money pricing is presented below whereas the data on bank pricing is presented in Appendix 1.

Fig 4.10: Cross Network Pricing

Airtel Money Transfer to Numbers not registered on Airtel Money (including MTN & Zamtel numbers)	Charge
Between K5 to K150	K2.50
Above K150 to K300	K5
Above K300 to K500	K10
Above K500 to K1,000	K20
Above K1,000 to K3,000	K30
Above K3,000 to K5,000	K50
Above K5,000 to K10,000	K100

Source: https://www.airtel.co.zm/assets/pdf/AIRTEL-Tariff-Guide-Poster-A1.pdf (2023)

The data below is the pricing for transactions what are made within the same network

Fig 4.11: Same Network Pricing

Airtel Money Transfer (i.e. AM Registered No.)	Charge
Between K1 to K150	K0.17
Above K150 to K300	K0.50
Above K300 to K500	K0.80
Above K500 to K1,000	K1
Above K1,000 to K3,000	K2
Above K3,000 to K5,000	K3
Above K5,000 to K10,000	K4
Above K10,000 to K20,000	K5

Source: https://www.airtel.co.zm/assets/pdf/AIRTEL-Tariff-Guide-Poster-A1.pdf (2024)

The data below is the pricing for transactions what are made using the National Financial switch from a mobile money account to a bank account.

Fig 4.11: Mobile Money to Bank Pricing

Airtel Money Wallet-to-Bank Transfer	Charge
Between K1 to K150	K2.50
Above K150 to K300	K3.50
Above K300 to K500	K7.00
Above K500 to K1,000	K15.00
Above K1,000 to K3,000	K20.00
Above K3,000 to K5,000	K37.50
Above K5,000 to K10,000	K75.00

Source: https://www.airtel.co.zm/assets/pdf/AIRTEL-Tariff-Guide-Poster-A1.pdf (2024)

Chapter Five – Discussion of Findings

5.0 Introduction

The findings of this study on the use of mobile money in Zambia compared to bank services are laid out in this chapter. The researcher first analyses and discusses the findings on its usage and then further discusses cost comparisons between the two services as well as the perception users have towards them in order to make recommendations.

5.1 Account Ownership

The findings of the research show that 30% of respondents have an account with a bank in Zambia. This figure represents less than half the sample size of this study. It also corresponds with the findings of the last FinScope study that indicated that 20.7% of the adult population had an account with a bank. Taking into account that this research was carried out about two years later, this may explain the increase in the figure, as financial inclusion has continued to rise over the years. Upon further instigations into individuals with no bank accounts, there seemed to be rigidness when it comes to the use of a bank, as respondents indicated numerous times how they did not feel they had enough money to keep on their bank accounts, as well as aiming to avoid bank fees and not trusting the bank. Respondents however could not pinpoint exactly why they did not trust banks, but merely cited that they have heard several stories about banks. However, it is noted that these opinions are formed based off what respondents have heard from other people, rather than their own experiences with the banks.

The study shows that respondents with bank accounts all had a higher level of education and were employed. The majority of respondents revealed that the bank accounts were mainly opened because it was a requirement by their employer for purposes of salary payments, whereas others insisted that they opened the accounts at their own will. However, the number of women that had accounts was more than men.

It was also noted that individuals that had bank accounts all had a monthly income of at least K3000. It appeared that none of the individuals that earned less than k2000 had an account. This finding concurs with the literature that suggests that low-

income earners are largely the unbanked and often times subjected to risky informal financial services.

100% of the respondents confirmed having a functional mobile phone. While it is true that the ownership of mobile phones across the country is not represented by a 100% figure because of for instance people in rural areas who sometimes share phones as well as extremely poor individual for whom a mobile phone may be considered a necessity. This figure is considered within the bounds of this research that focuses on individuals living in an area in Kabwata residential area that has a high chance of finding an individual with a functional mobile phone. It is also taken into consideration that the focus of this research was not to ascertain the level of technology diffusion. Having all respondents have a functional mobile phone made respondents more relevant to the study as mobile money accounts need a mobile phone in order to be utilized.

The same remains true for the number of people that know about mobile money. The findings show that 100% of the respondents know about mobile money either through their mobile network operator, through a friend, as well as the presence of numerous mobile money booths located across the city. However, it was noted that the main reason the majority knew about mobile money was through the advertisement of their mobile money operators and the mention of it by customer service personnel at the point of purchasing a SIM card or replacing it.

This was also the case when it came to having a mobile money account. All individuals that had a functional mobile phone noted that mobile money accounts are activated at the time of purchasing a SIM card or replacing one, and this may explain why all mobile phone owners in this study had a mobile money account. This is why it was also important for the researcher to find out about the utilization of mobile money.

5.2 Utilization of mobile money in Zambia

Financial services offered by banks and MNO's mainly include credit facilities, savings, remittances as well as bill payments. The research revealed 97% of individuals interviewed utilized the platform; only 3% had never used their mobile money account. It was made clear that the 3% that did not make use of their mobile

money account was above the age of 50. Their reasons for not using it were that they did not know how to use it and did not find it user friendly. In an attempt to find out why they had the account in the first place, it was revealed that the account was activated upon registering their SIM card, but they have never come around to using it. The respondent further revealed that they make their transactions through their children.

This percentage was also part of the percentage that did not have a bank account. This could perhaps be attributed to the age of the respondent. Research has shown that older people are less likely to adopt new technology than younger people. This also shows that while individuals may have a mobile money account by mere virtue of owning a SIM card in Zambia, the intention to make use of it varies. Additionally, proponents of mobile money have brought up the ease of having a mobile money account, compared to setting up a bank account, and this revelation speaks to that notion. It is easier to get a mobile money account than to get a bank account.

On the other hand, the percentage that had used their mobile money accounts reported using it mainly to send and receive money, save money, borrow money, pay bills, as well as fund their betting accounts. Funding betting accounts was seen to be the least used service, followed by obtaining a credit facility and saving money. Low rates of obtained credit facilities could be attributed to the fact that loans are only offered to certain people using the platform. This means that just like banks, not everyone qualifies for a loan and the amount an individual qualifies for is dependent on the activity on their account, as well as their credit history. In comparison to the bank, the ease of obtaining a credit facility using mobile money is more significant as processes, documentation requirements, as well as waiting times are lower, however it is important to note that while this may be the case, the amounts offered by mobile money are significantly lower than an amount that could be obtained by the bank. This could be attributed to the amount of risk that the bank takes on by lending higher amounts, and therefore requires more stringent KYC processes.

Respondents affirmed using mobile money to save their money, however because mobile money accounts are transactional accounts, more like a current account in the banking sense they do not offer interest on any money held on the account. The question then becomes that if a consumer is rational, would it not be more

reasonable to save money on a savings account in a bank that offers interests rates on depositors' savings, rather than get no interest at all.

Bill payments was the second most used service and then sending and receiving money being the most used, with a 100% usage rate from respondents that said they use mobile money. This means that while respondents may not have found the need to use the other services offered, sending and receiving money is the one service that all respondents found necessary to use.

It was determined that demographic characteristics such as age, gender, employment status and income, as well as level of education attained was not an influencing factor in the ownership of mobile money accounts, as well as the utilization of mobile money.

In trying to find out if mobile money actually solves the problem of financial exclusion the researcher sought to find out how many respondents using mobile money at the time of data collection had already previously been using formal financial services and how many weren't. The discovery that only 5 respondents (17%) were already using formal financial services proved that mobile money was indeed a solution to financial exclusion to some extent.

One of the reasons cited by respondents for switching or using mobile money despite having a bank account was ease of use convenience. This agrees with past studies and literature that purports that mobile money has been seen to be easily accessible with booth placed around towns and cities, compared to banks with limited number of branches around major cities. However, this notion is debatable because booths particularly in Zambia have faced challenges of not having enough float for a customer to transact. This means that if a customer would like to make a large transaction, they would have to use a number of booths because one booth usually doesn't have the capacity to meet the clients need. However, with the bank, you would only have to visit one branch to be able to make your transaction successfully. In addition to this, banks have expanded their branch services by making use of agents that are now found at points where mobile money booths are found. This means that instead of the client having to visit the branch which usually has long queues, may be intimidating and located in inconvenient places, the client can use its nearest bank agent to transact.

Another reason cited for the move was that the interest rates banks pay on savings were low, this however goes back to our earlier statement. Even though bank rates may be low, mobile money gives no interest at all.

Juxtaposition of the aforementioned findings with those at a regional (Southern African Level) reveal that this research's findings are in line with those of similar researcher analyzing similar factors surrounding mobile money and banking services. One such finds by Linda Du of Yale university states; 'The mobile money sector in Southern Africa is, in general, less mature than in Eastern Africa, particularly when compared to Kenya, the pioneer of mobile money. In Zambia, Malawi, and Mozambique, an average of 23% of the population holds a mobile money account, compared to 73% of the population in Kenya. In total, there are around 19 times as many mobile customers in East Africa compared to Southern Africa. However, the growth rate in Southern Africa, measured by number of new mobile money accounts, is twice as fast, with 29% year-on-year growth in 2015-2016. Opportunities for the development of mobile money in Southern Africa abound as the market starts to mature.' (Can Mobile Money Boost Financial Inclusion in Southern Africa? (Linda Du, 2019)

5.3 Perception of Mobile Money Users

Having recognized that having acquired a mobile money account, despite having a bank account does not necessarily mean that the respondent was no longer using their bank account, the respondents with both bank accounts and mobile money were asked which accounts they use more. 89% of the respondents said they use mobile money more than their bank accounts and reasons for this, included efficiency, reliability, convenience, and users avoiding bank charges and minimum balance requirements. Respondents further noted that while same bank transfers are instant, interbank transfers took more time than a transaction using mobile money would, hence it was a better option for them to use mobile money.

The respondents discovered to have previously been using informal services had it not been for the invention of mobile money, gave their responses and it was found that 96% of those respondents indicated that if mobile money had not been invented, they would still be using informal services because they have no business using the bank. They noted that the only other option aside from mobile money would be to

use the bank to keep and send money, however, their relatives in certain parts of the country also did not have bank accounts and therefore they didn't know if it would be possible to send money to them if they wanted to.

A further probe brought to light the issue of e-wallets and cash out transactions. These are transactions an individual would typically make from their bank account to a phone number, and the receiver would withdraw the funds that are on their wallet using the phone number and pin. The researcher therefore indicated to the respondents that banks now had options that did not require the receiver to have an account with the sender's bank. All that the receiver needed to do was find their way to the bank agent and make the transaction. Most respondents admitted being aware of this but were adamant about how hard it would be to find the bank agents that offer these services in some areas, seeing as even the ones in Kabwata residential area were not as many as mobile many agents.

This is a significant recognition because it speaks to the issue of convenience and accessibility of mobile money that several proponents have written on. Indeed, the coverage of mobile money is more widespread than that of banking agents, and therefore makes it a more rational option to get money to friends and family in areas that do not have the availability of bank agents. It is easily accessible across the country, owing to the fact that almost every individual residing in the country has a SIM card registered with one of the three mobile network operators, namely, Airtel, MTN and Zamtel. In addition to this, the numerous booths placed around the country better its accessibility.

Furthermore, transactions made on mobile money are instant, and this is irrespective of whether it is within the network or across networks. The receiver will receive the money as soon as the sender sends it. The exception, however, is when the system is down, and individuals cannot transact successfully. Although, banks have real time gross settlement (RTGS) which allows customers to send funds from one bank to another in real time, this system has cut off times which means that after a specified time, transactions are not instant.

In 2018 the National Financial Switch (NFS) went live, and this is a local nationwide shared platform, which facilitates for interoperability of digital payments throughout the Country. It interconnects with banks, non-bank financial institutions and other

payment system service providers, and therefore allows customers to transact from a mobile money wallet to any other mobile money wallet, as well as from a mobile money wallet to a bank account and vice versa. This entails that, instead of a sender making an e-wallet transaction and the receiver looking for a bank agent to withdraw their money, the sender would directly transact onto the receiver's mobile money account. Unbanked respondents barely had any knowledge of this and therefore did not have much to say regarding the issue.

On the other hand the banked individuals noted that this system had high down times and was somewhat inconveniencing. This means that a lot of the time, the system is down hence the user cannot transact successfully.

While this may be a viable solution for sending money to people that have no access to banks, it makes less sense when it comes to the issue of saving money and cost saving in general. Respondents were asked what their perception towards the cost of mobile money was, the majority (60%) alluded that it was affordable and only 13% said it was expensive. In addition to this, the majority (67%) of respondents were of the view that using mobile money was cheaper than using a bank account. Despite the perception of individuals, the findings from literature review ascertain that mobile money is significantly more expensive than banks. It is more expensive to withdraw money as well as send money. The aspect of sending money is expensive in that, whereas banks do not charge for transactions made from one account to another with the same bank, mobile network providers (MNO) charge for transactions made within the same network. At the same time, the receiver is expected to pay a fee for withdrawing money dependent on how much they are withdrawing, this is different from banks that give a fixed fee for withdrawals regardless of how much one is drawing.

In order to elude these withdraw charges, receivers mostly now require the sender to include the withdraw charge when sending money. This means that if a sender needs to send k1500 to a receiver, they will have to send K1530, which is inclusive of the withdraw charge, so that the receiver is not inconvenienced and hence receives the full amount they are supposed to receive. In addition to this, the MNO would have charged the sender K2 for this transaction. This means that the cost of making this transaction would be K32, whereas if this were a same bank transfer,

there would be no cost of transaction. The only cost would be on the receiver to withdraw that money, which would cost an average of K12.

These figures in isolation don't look bad, however, when looked at as a whole and cumulatively, we see that individuals are spending hundreds of kwachas on transaction fees because they would rather use mobile money rather than the bank for transactions to individuals that have access to bank services.

Individuals also cited avoiding the cost of monthly bank charges and minimum balance requirements, even when it is evident that banks have made efforts to introduce accounts that have very minimal balances and charges, as low as k20 on average.

In addition to this, individuals have a more personal experience with mobile money than with banks, perhaps this could be associated with the way in which MNO's interact with their customers and the way in which advertisements are put across. This is why individuals continue to label banks as intimidating even when their services are pretty much the same.

Chapter Six – Conclusion

6.0 Introduction

The recommendations for further research, recommendations to stakeholders and the overall conclusion of this study are laid out in this chapter.

6.1 Conclusion

Mobile money services have greatly transformed the financial inclusion landscapes in developing countries where majority have high inaccessibility to formal financial services. This study focused on the examination of the use of mobile money in Zambia, the findings indicate that the service provided by MNO.s that was most common among users was sending and receiving money.

Having examined the perception of individuals towards mobile money, individuals are of the opinion that mobile money is more convenient and cheaper than using bank services, even if most of the respondents did not know what the actual cost of using a bank was. However, this notion may be disputed by the evidence of bank charges compared to mobile money charges. When presented with this information, respondents were rigid and seemed to find every other excuse as to why mobile money is more convenient. It was further determined that social trends have an effect on the use of mobile money. Social trends being referred to are the evolving patterns and changes in the values, beliefs, behaviors, and lifestyles of a society over time. These trends can be influenced by various factors, including technology, culture, economics, and politics.

It is the conclusion of this research that individuals prefer to use mobile money despite the higher transaction charges because of the convenience that mobile money services offer over bank services. To the individuals transacting, the benefits that come with mobile money outweigh the costs. Furthermore, from the findings the major hindrance to financial inclusion has not necessarily just the cost of transacting, but rather that individuals are not willing to pay the cost compared to the convenience that banks offer.

Most individuals that are unbanked and only using mobile money, resist the bank due to lack of information. However, the case of individuals that do not have bank accounts is different from that of those that have bank account. Simply because,

whereas those without bank accounts have not experienced firsthand what the costs and services are like, individuals with accounts have and it is undeniable that mobile money is more expensive than the banks. It should therefore be more rational for those individuals to choose to use the bank instead of mobile money. However, it seems that users are willing to bear the cost of transacting with mobile money rather than deal with the “delay of bank transactions”, even in the presence of instant transaction facilities such as RTGS. Therefore, the reason consumers remain rigid and continue to use mobile money despite its high transaction costs is due to the lack of information, banks therefore need to do more. In addition to this, banks need to make an effort in changing the culture of individuals.

Despite the presence of RTGS, the system has cut off times and therefore means that if transactions are made after certain hours depending on the bank, the transaction may not be instant. This justifies the motivation of users to use Airtel money despite the higher cost, and it is therefore the efficiency of mobile money that remains appealing to users.

Individuals mostly use mobile money for purposes of money transfers and paying bills such as electricity, DSTV etc. The use of mobile money services compared to the bank differs in that the bank is mainly used to save money as individuals cited how much harder it is to access money on a bank account than a mobile money account. Although some individuals use mobile money accounts to save, it is not a common practice.

Following the earlier conceptual framework the two products are in Ceteris Paribus considering the numerous attempts banks have made to introduce products to serve their customers better by being more convenient. However consumers still choose to use mobile money over banking services despite its high costs. This goes for both low and middle income earners; therefore although price is a determinant of demand, it is important to note that the theory of demand assumes that consumers have perfect information. In this case the theory still stands, and it is concluded that it is the lack of perfect information that causes consumers to choose mobile money over banks

6.2 Recommendations

- Banks should consider investing more in financial literacy in order to educate users about their services and enlighten them about how they can make instant transfers, as well as convince them that banks are a cheaper and more secure way of transacting.
- Banks should develop a system that allows users to send money instantly regardless of what time the transaction is made.
- Banks should consider expanding the network of their banking agents in order to compete better with the MNO's
- Mobile Network Operators should consider offering savers interest in order to encourage the culture of saving.
- MNO's must perhaps consider revising the high transaction cost experienced on withdrawing cash and making transfers in order to reduce the cost of transacting and hence low income earners diverting some of that money saved to business ventures that help them earn an income.

6.3 Recommendations for Further Research

In 2023 the government of the republic of Zambia presented the 2024 national budget and proposed introducing a levy of between eight ngwee and K1.8 on the transaction value for mobile money transfers. This policy will have implications on the cost of transacting using mobile money. The way that mobile network operators react to this by adjusting prices will equally have an impact, it is therefore important to carry out a research in order to find out how this policy will have an effect on the use of mobile money. It may also be necessary to find out what the price elastic of demand is, so as to know at what price increase an effect can be triggered.

Studies on how this policy will affect financial inclusion are also recommended.

Bibliography

1. African, Caribbean and Pacific (ACP) Observatory on Migration, (2014) mobile money services: “A bank in your pocket” Overview and opportunities. https://publications.iom.int/system/files/pdf/mobile_money.pdf

2. Ahmad, A. H., Green, C., & Jiang, F. (2020). Mobile money, financial inclusion and development: A review with reference to African experience. Journal of economic surveys, 34(4), 753-792.

3. Aker, Jenny, Rachid Boumnijel, Amanda McClelland, and Niall Tierney. (2011). “Zap It to Me: The Short-Term Impacts of a Mobile Cash Transfer Program.” Working paper 268, Center for Global Development, Washington, DC.

4. Allen, F., Carletti, E., Cull, R., Qian, J., Senbet, L., (2009). The African Financial Development Gap, University of Maryland/University of Pennsylvania working paper, September 2009.

5. Aron, J. (2018). Mobile money and the economy: A review of the evidence. The World Bank Research Observer, 33(2), 135–188. https://doi.org/10.1093/wbro/lky001

6. Ashraf N, Karlan D, Yin W (2006). Tying Odysseus to the mast: evidence from a commitment savings product in the Philippines. Q. J. Econ. 121:635-672.

7. Bank of Zambia. (2004). Financial Sector Development Plan for Zambia Executive Summary 2004-2009.

8. Bank of Zambia. (2020). Annual report: National Payment Systems in Zambia. https://www.boz.zm/NationalPaymentsSystems2020AnnualReportBOZ.pdf

9. Basel Committee on Banking Supervision. 2017. “Consultative Document. Sound Practices: Implications of Fintech Developments for Banks and Bank Supervisors.” Bank for International Settlements, Basel, Switzerland, August.

10. Beck, T., Demirgüç-Kunt, A., & Levine, R. (2009). Financial institutions and markets across countries and over time-data and analysis. World Bank policy research working paper, (4943).

11. Beck, T., Demirgüç-Kunt, A., & Merrouche, O. (2013). Islamic vs. conventional banking: Business model, efficiency and stability. Journal of Banking & finance, 37(2), 433-447.

12. Beck, T., Lu, L., & Yang, R. (2015). Finance and growth for microenterprises: evidence from rural China. World Development, 67, 38-56.

13. Beck, Thorsten, and Robert Cull. 2014. “Banking in Africa.” In The Oxford Handbook of Banking, Second Edition. Oxford, United Kingdom: Oxford University Press.

14. Beins, B. (2009). Research methods: A tool for life (2nd ed.).Boston, MA: Pearson

15. Bell, E., Bryman, A., & Harley, B. (2018). Business Research Methods. Oxford, England: Oxford University Press.

16. Boru, Tesfaye. (2018). Chapter Five Research Design and Methodology 5.1. Introduction Citation: Lelissa TB (2018); Research Methodology; University of South Africa, PHD Thesis. 10.13140/RG.2.2.21467.62242.

17. Brink, HIL. (1996). Fundamentals of research methodology for health care professionals. Kenwyn: Juta.

18. Bryman, A. and Bell, E. (2015) Business Research Methods. Oxford University Press, Oxford.

19. Burns, N. and Grove, S.K. (2005) The Practice of Nursing Research: Conduct, Critique and Utilization. 5th Edition, Elsevier Saunders, Missouri.

20. Case, K. E.; Fair, R. C. (1994). "Demand, Supply, and Market Equilibrium". Principles of Economics (3rd ed.). Englewood Cliffs, New Jersey: Prentice Hall. ISBN 0-13-039950-7.

21. Chironga, M., De Grandis, H., & Zouaoui, Y. (2017). Mobile Financial Services in Africa: Winning the Battle for the Customer. New York: McKinsey & Company.

22. Creswell, J.W. and Tashakkori, A., (2007). Differing perspectives on mixed methods research. Journal of mixed methods research, 1(4), pp.303-308.

23. Crowe, S., Cresswell, K., Robertson, A. et al. The case study approach. BMC Med Res Methodol 11, 100 (2011). https://doi.org/10.1186/1471-2288-11-100

24. Demirgüç-Kunt, Asli, Leora Klapper, Dorothe Singer, Saniya Ansar. (2022). The Global Findex Database 2021: Financial Inclusion, Digital Payments, and Resilience in the Age of COVID-19. Washington, DC: World Bank.

25. Denzin, N. K., & Lincoln, Y. S. (Eds.). (2005). The Sage handbook of qualitative research (3rd ed.). Sage Publications Ltd.

26. Donner, J. and Tellez, C.A., (2008). Mobile banking and economic development: Linking adoption, impact, and use. Asian journal of communication, 18(4), pp.318-332.

27. Donovan, C., (2015). Introduction to renewable energy finance. In Renewable Energy Finance: Powering The Future (pp. 3-15).

28. Donovan, K. (2012). “Mobile Money for Financial Inclusion Information and Communications for Development.” World Bank Publications, 61-73. Available at https://doi.org/10.1596/9780821389911_ch04. Accessed 8 November 2018.

29. Duesenberry, J.S. (1949) Income, Saving, and the Theory of Consumer Behavior. Harvard University Press, Cambridge

30. Dupas, Pascaline, and Jonathan Robinson. (2013). "Savings Constraints and Microenterprise Development: Evidence from a Field Experiment in Kenya." American Economic Journal: Applied Economics, 5 (1): 163-92.

31. Easterby-Smith, Mark & Jaspersen, Lena & Thorpe, Richard & Valizade, Danat. (2021). Management and business research (7th edition).

32. Elston, J. A., Chen, S., & Weidinger, A. (2016). The role of informal capital on new venture formation and growth in China. Small Business Economics, 46, 79-91.

33. Eriksson, Päivi & Kovalainen, Anne. (2016). Qualitative Methods in Business Research. 10.4135/9780857028044.

34. Faure, Alexander Pierre (2013). Financial system; an introduction.

35. FinMark Trust (2009). FinScope Consumer Survey Zambia. https://www.boz.zm/FinScope-Zambia-2009-Top-Line-Findings.pdf

36. FinMark Trust (2015). FinScope Consumer Survey Zambia. https://www.boz.zm/FinScope-Zambia-2015-Top-Line-Findings.pdf

37. FinMark Trust (2020). FinScope Consumer Survey Zambia. https://www.boz.zm/finscope_2020_survey_topline_findings.pdf

38. Franklin Allen, Isaac Otchere, Lemma W. (2011) Senbet, African financial systems: A review, Review of Development Finance, Volume 1, Issue 2, Pages 79-113, ISSN 1879-9337, https://doi.org/10.1016/j.rdf.2011.03.003.

39. Gall, M. D., Gall, J. P., & Borg, W. R. (2003). Educational research: An introduction (7th ed.). Boston: Allyn & Bacon.

40. George, T. & Merkus, J. (2023). Structured Interview | Definition, Guide & Examples. Scribbr. Retrieved October 16, 2023, from https://www.scribbr.com/methodology/structured-interview/

41. Ghunaim, N, (2020). "Enabling financial inclusion in developing economies," Journal of Payments Strategy & Systems, Henry Stewart Publications, vol. 14(2), pages 186-194, June.

42. Gilboa, I., Postlewaite, A., Samuelson, L., & Schmeidler, D. (2022). Economic theory: Economics, methods and methodology. Revue économique, 73(6), 897-919.

43. Gray D. E. (2014). Doing research in the real world (Third). SAGE.

44. GSMA, (2018),. State of the Industry Report on Mobile Money. https://www.gsma.com/mobilefordevelopment/resources/2018-state-of-the-industry-report-on-mobile-money/

45. GSMA, (2021),. State of the Industry Report on Mobile Money. https://www.gsma.com/mobilefordevelopment/wp-content/uploads/2021/03/GSMA_State-of-the-Industry-Report-on-Mobile-Money-2021_Full-report.pdf

46. Guba, E. G., & Lincoln, Y. S. (1994). Competing paradigms in qualitative research. In N. K. Denzin & Y. S. Lincoln (Eds.), Handbook of qualitative research (pp. 105–117). Sage Publications, Inc.

47. Hammer, Carol. (2011). The Importance of Participant Demographics. American journal of speech-language pathology / American Speech-Language-Hearing Association. 20. 261. 10.1044/1058-0360(2011/ed-04).

48. Henshel, R. L., & Johnston, W. (1987). The Emergence of Bandwagon Effects: A Theory. The Sociological Quarterly, 28(4), 493–511. http://www.jstor.org/stable/4120670

49. Hildenbrand, W. (1994). Market demand: Theory and empirical evidence. Princeton University Press.

50. Hsieh, H.-F., (2005). Three approaches to qualitative content analysis, s.l.: Sage Publications.

51. Hutchinson, E (2017). "4.7 Taxes and Subsidies". Pressbooks.bccampus.ca. Retrieved 1 May 2023

52. International Monetary Fund. 2019. World Economic Outlook: Global Manufacturing Downturn, Rising Trade Barriers. Washington, DC, October

53. Ivatury, G. Ignacia M (2008). The Early Experience with Branchless Banking. CGAP Focus Note No 46 Washington; DC CGAP P.

54. Jack, W., & Suri, T. (2014). Risk Sharing and Transactions Costs: Evidence from Kenya’s Mobile Money Revolution. The American Economic Review, 104, 183-223.

https://doi.org/10.1257/aer.104.1.183

55. Jack, W, and Suri T. (2014). "Risk Sharing and Transactions Costs: Evidence from Kenya's Mobile Money Revolution." American Economic Review, 104 (1): 183-223.

56. Abor J & Charles Adjasi K, (2022). "Introduction: An Overview of Africa's Financial Systems," Palgrave Macmillan Studies in Banking and Financial Institutions, in: Joshua Yindenaba Abor & Charles Komla Delali Adjasi (ed.), The Economics of Banking and Finance in Africa, chapter 0, pages 3-19, Palgrave Macmillan.

57. Juma, J., & Wasunna, N. (2018). The Future of Mobile Money Agent Distribution Networks. London: GMSA. https://www.gsma.com/mobilefordevelopment/wp content/uploads/2018/07/Distribution-2.0-The-future-of-mobile-money-agent-distribution-networks.pdf

58. Kahn, C. M., & Roberds, W. (2009). Why pay? An introduction to payments economics. Journal of Financial Intermediation, 18(1), 1-23.

59. Kamangar F, Islami F. (2013) Sample size calculation for epidemiologic studies: principles and methods. Archives of Iranian medicine. 2013 May 1;16(5):0-

60. Karni, E. and Schmeidler, D., (1990). Fixed preferences and changing tastes. The American Economic Review, 80(2), pp.262-267.

61. Kim, K. (2022). Assessing the impact of mobile money on improving the financial inclusion of Nairobi women. Journal of Gender Studies, 31(3), 306-322.

62. Kothari, C.R. (2004) Research Methodology: Methods and Techniques. 2nd Edition, New Age International Publishers, New Delhi.

63. Koutsoyiannis, A. (1975). "Modern Microeconomics," Palgrave Macmillan Books, Palgrave Macmillan, number 978-1-349-15603-0, June.

64. Krugman, P; Wells, R; Graddy, K (2007). Economics: European Edition. Palgrave Macmillan. ISBN 978-0-7167-9956-6.

65. Laeven, L,. Ross L, and Stelios M. (2015). Financial innovation and endogenous growth. Journal of Financial Intermediation 24: 1–24. [Google Scholar] [CrossRef][Green Version]

66. Lawack, Vivienne. (2012). The legal and regulatory framework of mobile banking and mobile payments in South Africa. 7. 318-327.

67. Levine, R. (1997). Financial development and economic growth: views and agenda. Journal of economic literature, 35(2), 688-726.

68. Lochan, R,. Ignacio M, Daniel Ra, Supriyo S, and Naveen T (2010). “The Benefits to Government of Connecting Low-Income Households to an E-Payment System: An Analysis in India. “Lydian Payments Journal no. 2 (December). http://ssrn.com/abstract=1725103.

69. Markus, M. L., & Nan, W. (2020). theorizing the connections between digital innovations and societal transformation: learning from the case of M-Pesa in Kenya". In Handbook of Digital Innovation. Cheltenham, UK: Edward Elgar Publishing. Retrieved Oct 19, 2023, from https://doi.org/10.4337/9781788119986.00013

70. Mbiti, I., & Weil ,D. (2015). "Mobile Banking: The Impact of M-Pesa in Kenya," NBER Chapters, in: African Successes, Volume III: Modernization and Development, pages 247-293, National Bureau of Economic Research, Inc.

71. Mbiti, I., & Weil, D. N. (2016). Mobile banking: The impact of M-Pesa in Kenya. In African successes, Volume III: Modernization and development (pp. 247–293). University of Chicago Press.

72. McKay, C. and Pickens, M., (2010). Branchless Banking 2010: Who’s Served? At What Price? What’s Next?. Focus Note, 66, pp.1-18.

73. McKinsey and Company, (2022) The Global Payments Report, https://www.mckinsey.com/~/media/mckinsey/industries/financial%20services/our%20insights/the%202022%20mckinsey%20global%20payments%20report/the-2022-mckinsey-global-payments-report.pdf

74. McKinsey and Company, The 2022 McKinsey Global Payments Report, https://www.mckinsey.com/~/media/mckinsey/industries/financial%20services/our%20insights/the%202022%20mckinsey%20global%20payments%20report/the-2022-mckinsey-global-payments-report.pdf

75. Muhammad Hassan, (2023). Abductive Reasoning – Definition, Types and Examples. https://researchmethod.net/abductive-reasoning/

76. Mutarindwa, S., Schäfer, D., & Stephan, A. (2021). Differences in African banking systems: causes and consequences. Journal of Institutional Economics, 17(4), 561-581.

77. Nan, W. V., Zhu, X. L., & Markus, M. L. (2021). What we know and don't know about the socioeconomic impacts of mobile money in Sub-Saharan Africa: A systematic literature review. The Electronic Journal of Information Systems in Developing Countries, 87(2),

78. Ngugi, B., Pelowski, M., & Ogembo, J. G. (2010). M-pesa: A case study of the critical early adopters’ role in the rapid adoption of mobile money banking in Kenya. The Electronic Journal of Information Systems in Developing Countries, 43(1), 1-16.

79. Ocampo, A. J., & Habetinova, L. (2017). Bandwagon and Snob effects: A Model of observable consumer behavior (Doctoral dissertation, Thesis).

80. Ozili, P.K., 2018. Impact of digital finance on financial inclusion and stability. Borsa Istanbul Review, 18(4), pp.329-340.

81. Pachauri, M. (2001). Consumer behaviour: a literature review. The Marketing Review, 2(3), 319-355.

82. Patton, M.Q., (2002). Two decades of developments in qualitative inquiry: A personal, experiential perspective. Qualitative social work, 1(3), pp.261-283.

83. Payment Systems. (n.d). Bank of Zambia. https://www.boz.zm/payment-systems.htm

84. Pelletier, M,. Krallman, A,. Adams, F,. Hancock, T. (2020). One size doesn't fit all: a uses and gratifications analysis of social media platforms. Journal of Research in Interactive Marketing. ahead-of-print. 10.1108/JRIM-10-2019-0159.

85. Pénicaud, C., & Katakam, A. (2019). State of the industry 2013: Mobile financial services for the unbanked. Gates Open Res, 3(1429), 1429.

86. Polit, DF & Hungler, BP. (1997). Essentials of nursing research: Methods, appraisals and utilisation. 4th edition. Philadelphia: Lippincott-Raven Publishers.

87. Porteous, D. (2007). Just How Transformational Is m-Banking?

https://www.findevgateway.org/sites/default/files/publications/files/mfg-en-paper-just-how-transformational-is-m-banking-feb-2007.pdf

88. Rani, M. (2006). Indian Mobile Banking: A Tool of Financial Inclusion. Accessed: Regulatory Lessons. The World Bank Policy Research Working Paper 5664; Reinvestment in the UK, New Economic Foundation, London.

89. Reserve Bank of New Zealand; Explaining Financial system liquidity, July 2009, https://www.rbnz.govt.nz/-/media/project/sites/rbnz/files/publications/factsheets-and-guides/factsheet-explaining-financial-system-liquidity.pdf

90. Rubin, H.J. and Rubin, I.S. (2011) Qualitative Interviewing: The art of hearing data. SAGE.

91. Saeed, A. (2009). Formality of financial sources and firm growth: empirical evidence from Brazilian SMEs 1990-2005. Journal of Academic Research in Economics, 1(2 (October)), 129-140.

92. Salkind N. J. (2010). Encyclopedia of research design. SAGE Publications.

93. Saunders, M., Lewis, P. and Thornhill, A. (2009) Research Methods for Business Students. Pearson, New York.

94. Saunders, M., Lewis, P. and Thornhill, A. (2012) Research Methods for Business Students. Pearson Education Ltd., Harlow.

95. Saunders, M.N.K., Lewis, P. and Thornhill, A. (2019) Research Methods for Business Students. 8th Edition, Pearson, New York.

96. Sheikh A, Smeeth L, Ashcroft R: (2002) Randomised controlled trials in primary care: scope and application. Br J Gen Pract. 2002, 52 (482): 746-51.

97. Sinha, A. (2012). Financial sector regulation and implications for growth. BIS paper, (62G).

98. Stuart, G, and Monique C. (2011). Cash-In, Cash-Out: The Role of M-PESA in the Lives of Low-Income People. Financial Services Assessment

99. Surbhi, S (2021). "Difference Between Substitute Goods and Complementary Goods". Key Differences. Retrieved 1 May 2023.

100. Suri, T. (2017). Mobile money. Annual Review of Economics, 9, 497-520.

101. Sy, A. N., Maino, R., Massara, A., Perez Saiz, H., & Sharma, P. (2019). FinTech in Sub-Saharan Africa. Departmental Paper No. 19/04. Washington, DC: International Monetary Fund (IMF)

102. Tarantino, A. (2010). Essentials of risk management in finance (Vol. 53). John Wiley & Sons.

103. Taylor, P. C., & Medina, M. (2011). Educational research paradigms: From positivism to pluralism. College Research Journal, 1(1), 1-16. (http://researchrepository.murdoch.edu.au/id/eprint/36978)

104. The Global Findex Database (2021). Financial Inclusion, Digital Payments, and Resilience in the Age of COVID-19. https://www.worldbank.org/en/publication/globalfindex

105. The World Bank (2013) World Development Indicators.

http://databank.worldbank.org/data/reports.aspx?source=world-development-indicators

106. Thulani, A., P. Chitakunye and B.Z. Chummun. (2014). “Mobile Money as a Strategy for Financial Inclusion in Rural Communities.” Mediterranean Journal of Social Sciences 5, 25, 216-224.

107. Uzgoren, E., & Guney, T. (2012). The snop effect in the consumption of luxury goods. Procedia-Social and Behavioral Sciences, 62, 628-637.

108. Veblen, T. (2005). The theory of the leisure class: An economic study of institutions. Aakar Books.

109. World Bank (2012), Information and communications for development: Maximizing Mobile, Washington, DC: World Bank. DOI: 10.1596/978-0-8213-8991-1; viewed 6th June 2016, http://www.worldbank.org/ict/IC4D2012.

110. World Bank Group. (2019). Zambia Economic Brief, No. 12, July 2019 : Wealth Beyond Mining - Leveraging Renewable Natural Capital. World Bank, Lusaka. World Bank. https://openknowledge.worldbank.org/handle/10986/32117

111. World Bank. World development indicators: population dynamics (table 2.1). Washington, DC: World Bank Group; (2020). http://wdi.worldbank.org/table/2.1#external icon

112. Wu, J., Si, S., & Wu, X. (2016). Entrepreneurial finance and innovation: Informal debt as an empirical case. Strategic Entrepreneurship Journal, 10(3), 257-273.

Appendices

Appendix 1

Airtel Money Tariff guide

airtel money

CUSTOMER TRANSACTION CHARGES

Dial *115#

Deposit
All Deposits are FREE

Withdrawal	Charge
Between K1 to K150	K2.50
Above K100 to K300	K5.00
Above K300 to K500	K10.00
Above K500 to K1,000	K20.00
Above K1,000 to K3,000	K30.00
Above K3,000 to K5,000	K50.00
Above K5,000 to K10,000	K100.00

Bill Payments	Charge
Between K1 to K150	K1.00
Above K150 to K300	K1.50
Above K300 to K600	K2.50
Above K600 to K1,200	K3.50
Above K1,200 to K5,000	K3.50
Above K5,000 to K15,000	K5.00

Betting Payments	Charge	Levy	Total
Between K1 to K150	K1.00	K0.08	K1.08
Above K150 to K300	K1.50	K0.10	K1.60
Above K300 to K500	K2.50	K0.20	K2.70
Above K500 to K1,000	K3.50	K0.50	K4.00
Above K1,000 to K3,000	K3.50	K0.80	K4.30
Above K3,000 to K5,000	K3.50	K1.00	K4.50
Above K5000 to K10,000	K5.00	K1.50	K6.50

Restrictions	Charge
Max Transaction Amount (Per Day) Tier 1	K20,000.00
Max Transaction Amount (Per Day) Tier 2	K100,000.00
Max Transaction Amount (Per Session)	K10,000.00

Other Airtel Money Services	Charge
Call Customer Care	K0.00
Monthly Fee	K0.00
Registration Fee	K0.00
Balance Enquiry And Reports	K0.00
Change Password	K0.00
Airtime Top Up	K0.00
Airtel Money Reversals	K0.00

INSTANT. SECURE. BORDERLESS.

Airtel Money Transfer to Other Registered AM No.	Charge	Levy	Total
Between K1 to K150	K0.17	K0.08	K0.25
Above K150 to K300	K0.50	K0.10	K0.60
Above K300 to K500	K0.80	K0.20	K1.00
Above K500 to K1,000	K1.00	K0.50	K1.50
Above K1,000 to K3,000	K2.00	K0.80	K2.80
Above K3,000 to K5,000	K3.00	K1.00	K4.00
Above K5,000 to K10,000	K4.00	K1.50	K5.50

Airtel Money Transfer to Other Networks & Wallets	Charge	Levy	Total
Between K1 to K150	K2.50	K0.08	K2.58
Above K150 to K300	K5.00	K0.10	K5.10
Above K300 to K500	K10.00	K0.20	K10.20
Above K500 to K1,000	K20.00	K0.50	K20.50
Above K1,000 to K3,000	K30.00	K0.80	K30.80
Above K3,000 to K5,000	K50.00	K1.00	K51.00
Above K5,000 to K10,000	K100.00	K1.50	K101.50

International Money Transfer (i.e. Transfer to other countries)	Charge
Between K1 to K100	K3.00
Above K100 to K200	K6.00
Above K200 to K400	K10.00
Above K400 to K800	K15.00
Above K800 to K1,500	K25.00
Above K1,500 to K3,000	K40.00
Above K3,000 to K6,000	K65.00
Above K6,000 to K10,000	K80.00

Airtel Money Wallet-to-Bank Transfer	Charge
Between K1 to K150	K2.50
Above K150 to K300	K3.50
Above K300 to K500	K5.00
Above K500 to K1,000	K10.00
Above K1,000 to K3,000	K20.00
Above K3,000 to K5,000	K37.50
Above K5,000 to K10,000	K75.00

Use the My Airtel App

Terms & Conditions apply - accessible on **https://www.airtel.co.zm
Rates are effective 1st January, 2024 and supersede any other rates.

Appendix 2

ZANACO Tariff guide

MONTHLY MAINTENANCE FEES	
Current Account (ZMW)	K80.00
Foreign Currency Accounts (US$)	US$8.00
Foreign Currency Accounts (GBP)	GBP6.00
Foreign Currency Accounts (EUR)	EUR7.00
Foreign Currency Accounts (ZAR)	ZAR100.00
Zanaco Aspire Account	K80.00
Savings Account	Free
SureSave Account	Free
	No charge on dormant accounts
MINIMUM BALANCE	
Salary Account	Nil
Savings Account	K350.00
SureSave Account	K300.00
Pensioners Savings Account	K10.00
FX Current Account (US$)	Nil
FX Current Account (GBP)	Nil
FX Current Account (EUR)	Nil
FX Current Account (ZAR)	Nil
Term Deposits Account	K10,000.00
Account below minimum balance (Flat fee per month)	
Savings and SureSave Account	K20.00
WITHDRAWALS	
ATM withdrawal	
ATM withdrawal at Zanaco ATM (per successful withdrawal)	K11.00
ATM withdrawal other banks	K20.00
ATM withdrawal International	K25.00 + 1.5%, Maximum K65.00
Cardless Withdrawals	Free
Point of Sale (POS) cash withdrawal	
POS cash withdrawal at Zanaco Xpress Agent	
0 to K150	K6.50
K151 to K250	K7.50
K251 to K500	K8.00
K501 to K1000	K8.50
K1001 to K2000	K9.00
K2001 to K4000	K10.50
K4001 to K10000	K11.00
Over the Counter (OTC) withdrawal at any Zanaco Branch	
OTC cash/cheque cash withdrawal where the amount and or denominations being withdrawn can be dispensed by the ATM	K150.00
Excessive encashment	Free
Savings Accounts Withdrawals	
Withdrawals in excess of 1 per month	K50 for each excess debit entry
DEPOSITS	
Point of Sale (POS) cash deposit	
Cash Deposit at Zanaco Xpress Agent	Free
Over the Counter (OTC) cash deposit at any Zanaco branch	
OTC cash deposit	Free
OTC Bulk cash deposits of coins	Free
OTC Bulk cash deposits in excess of K100,000.00	Free
OTC Bill Muster cash deposit	Free
Cheque Deposits	
OTC Cheque deposits for Zanaco cheques (charged to the drawer's account)	Free
Deposit Books	
Deposit book numbered unpersonalised - 50 duplicate leaves	K50.00
FUNDS TRANSFERS	
Over the Counter (OTC) Funds Transfer	
OTC funds transfer within Zanaco	Free
OTC funds transfer to other banks - DDACC (Manual)	K25.00*
OTC funds transfer to other banks - RTGS (Manual)	K55.00*
Telegraphic Transfers	
Telegraphic Transfer (Inward)	Free
Telegraphic transfer (Outward)	1% of the amount, minimum US$20, maximum US$60 or Kwacha equivalent
Investigating fees on Telegraphic Transfers	K184.80 plus US$30.00 correspondent charges
Mobile Banking (XAPIT) Transfers	
Funds Transfer Internal to Zanaco Account	Free
Funds Transfer to other banks - DDACC (Electronic)	K10.00
Funds Transfer to other banks - RTGS (Electronic)	K40.00
Cash Out to Mobile Number for both Zanaco and Non Zanaco Customers	K11.00

Appendix 3

Survey Questionnaires

APPENDICES

Appendix I

Questionnaire used to interview the participants.

My name is Mwatula Chiti, a student from the University of Lusaka. I am carrying out a research on mobile money in your area and your participation will be highly appreciated.

SECTION A

Place of survey: _____ Date: 10.10.24

Name: Naomi Banda Age: 27

Gender: Male ☐ Female ☑

Level of income: Below 1000 ☐ 1000 – 2000 ☑ 2000 - 3000 ☐

*Tick where applicable

SECTION B

1.	Do you have an account with any bank?	Yes	☐	No ☑
2.	Do you own a functional mobile phone?	Yes	☑	No ☐
3.	Do you know about mobile money?	Yes	☑	No ☐
4.	Do you have a mobile money account?	Yes	☑	No ☐

*Tick box if applicable

5. If no, what are your reasons for not having one?

Already have an account with a bank ☐

It is costly ☐

It isn't easily accessible ☐

It seems complicated to use ☐

I don't have enough money ☐

I have never considered it ☐

Other .....

6. Have you ever utilized your mobile money account? Yes ☑ No ☐
7. If yes. What have you used your mobile money account for?

Sending and receiving money?	Yes ☑	No ☐
For saving money?	Yes ☐	No ☑
To request a loan?	Yes ☐	No ☑
To pay bills?	Yes ☑	No ☐
Other?	Yes ☐	No ☑

8. Before mobile money what sort of financial services did you utilize? Formal: ☐ Informal: ☑
9. *If answer to 8 is formal, ask 9, otherwise skip to 10.

   Why did you switch from other formal financial services to mobile money?
10. *If answer to 8 is informal, ask 10, otherwise skip to 11.

    Without mobile money, would you still be using informal financial services? Yes ☑ No ☐
11. Would you say you use mobile money more than your bank account? Yes ☑ No ☐
12. If Yes, what is your reason for using your mobile money more

    It complicated to use

    .....

    .....
13. What is the cost of mobile money like? Cheap ☐ Affordable ☑ Expensive ☐
14. Do you think mobile money is cheaper than using a bank account?.. share

APPENDICES

Appendix I

Questionnaire used to interview the participants.

My name is Mwatula Chiti, a student from the University of Lusaka. I am carrying out a research on mobile money in your area and your participation will be highly appreciated.

SECTION A

Place of survey: _____ Date: 10.10.24

Name: Lungu brian Age: 40

Gender: Male ☑ Female ☐

Level of income: Below 1000 ☑ 1000 – 2000 ☐ 2000 – 3000 ☐

*Tick where applicable

SECTION B

1. Do you have an account with any bank? Yes ☐ No ☑
2. Do you own a functional mobile phone? Yes ☑ No ☐
3. Do you know about mobile money? Yes ☑ No ☐
4. Do you have a mobile money account? Yes ☑ No ☐

*Tick box if applicable

5. If no. what are your reasons for not having one?
   - Already have an account with a bank ☐
   - It is costly ☐
   - It isn't easily accessible ☐

It seems complicated to use ☐

I don't have enough money ☐

I have never considered it ☐

Other .....

6. Have you ever utilized your mobile money account? Yes ☑ No ☐
7. If yes. What have you used your mobile money account for?

Sending and receiving money?	Yes ☑	No ☐
For saving money?	Yes ☑	No ☐
To request a loan?	Yes ☐	No ☑
To pay bills?	Yes ☐	No ☑
Other?	Yes ☐	No ☑

8. Before mobile money what sort of financial services did you utilize? Formal: ☐ Informal: ☑
9. *If answer to 8 is formal, ask 9, otherwise skip to 10.

   Why did you switch from other formal financial services to mobile money?
10. *If answer to 8 is informal, ask 10, otherwise skip to 11.

    Without mobile money, would you still be using informal financial services? Yes ☑ No ☐
11. Would you say you use mobile money more than your bank account? Yes ☑ No ☐
12. If Yes, what is your reason for using your mobile money more

    I can easily access money at any given time
13. What is the cost of mobile money like? Cheap ☑ Affordable ☐ Expensive ☐
14. Do you think mobile money is cheaper than using a bank account? yes

APPENDICES

Appendix I

Questionnaire used to interview the participants.

My name is Mwatula Chifi, a student from the University of Lusaka. I am carrying out a research on mobile money in your area and your participation will be highly appreciated.

SECTION A

Place of survey: _____ Date: 10-10-24

Name: Elisha Banda Age: 20

Gender: Male ☑ Female ☐

Level of income: Below 1000 ☐ 1000 – 2000 ☑ 2000 – 3000 ☐

*Tick where applicable

SECTION B

1. Do you have an account with any bank? Yes ☐ No ☑
2. Do you own a functional mobile phone? Yes ☑ No ☐
3. Do you know about mobile money? Yes ☑ No ☐
4. Do you have a mobile money account? Yes ☑ No ☐

*Tick box if applicable

5. If no, what are your reasons for not having one?
   - Already have an account with a bank ☐
   - It is costly ☐
   - It isn't easily accessible ☐

It seems complicated to use ☐

I don't have enough money ☐

I have never considered it ☐

Other .....

6. Have you ever utilized your mobile money account? Yes ☑ No ☐
7. If yes. What have you used your mobile money account for?

Sending and receiving money?	Yes ☑	No ☐
For saving money?	Yes ☑	No ☐
To request a loan?	Yes ☐	No ☑
To pay bills?	Yes ☑	No ☐
Other?	Yes ☐	No ☑

8. Before mobile money what sort of financial services did you utilize? Formal: ☐ Informal: ☑
9. *If answer to 8 is formal, ask 9, otherwise skip to 10.

   Why did you switch from other formal financial services to mobile money?
10. *If answer to 8 is informal, ask 10, otherwise skip to 11.

    Without mobile money, would you still be using informal financial services? Yes ☑ No ☐
11. Would you say you use mobile money more than your bank account? Yes ☑ No ☐
12. If Yes. what is your reason for using your mobile money more

    .....

    .....

    .....
13. What is the cost of mobile money like? Cheap ☐ Affordable ☑ Expensive ☐
14. Do you think mobile money is cheaper than using a bank account? Yes

APPENDICES

Appendix I

Questionnaire used to interview the participants.

My name is Mwatula Chiti, a student from the University of Lusaka. I am carrying out a research on mobile money in your area and your participation will be highly appreciated.

SECTION A

Place of survey: _____ Date: 10.10.24

Name: Esther Sashi Age: 27

Gender: Male ☐ Female ☑

Level of income: Below 1000 ☐ 1000 – 2000 ☑ 2000 – 3000 ☐

*Tick where applicable

SECTION B

1. Do you have an account with any bank? Yes ☑ No ☐
2. Do you own a functional mobile phone? Yes ☑ No ☐
3. Do you know about mobile money? Yes ☑ No ☐
4. Do you have a mobile money account? Yes ☑ No ☐

*Tick box if applicable

5. If no, what are your reasons for not having one?
   - Already have an account with a bank ☐
   - It is costly ☐
   - It isn't easily accessible ☐

It seems complicated to use ☐

I don't have enough money ☐

I have never considered it ☐

Other .....

6. Have you ever utilized your mobile money account? Yes ☑ No ☐
7. If yes. What have you used your mobile money account for?

Sending and receiving money?	Yes ☑	No ☐
For saving money?	Yes ☑	No ☐
To request a loan?	Yes ☐	No ☑
To pay bills?	Yes ☐	No ☑
Other?	Yes ☐	No ☑

8. Before mobile money what sort of financial services did you utilize? Formal: ☐ Informal: ☑
9. *If answer to 8 is formal, ask 9, otherwise skip to 10.

   Why did you switch from other formal financial services to mobile money?
10. *If answer to 8 is informal, ask 10, otherwise skip to 11.

    Without mobile money, would you still be using informal financial services? Yes ☑ No ☐
11. Would you say you use mobile money more than your bank account? Yes ☑ No ☐
12. If Yes, what is your reason for using your mobile money more

    ...It is very easy and it is faster.....

    .....

    .....
13. What is the cost of mobile money like? Cheap ☐ Affordable ☑ Expensive ☐
14. Do you think mobile money is cheaper than using a bank account?.....yes.....

APPENDICES

Appendix I

Questionnaire used to interview the participants.

My name is Mwatula Chiti, a student from the University of Lusaka. I am carrying out a research on mobile money in your area and your participation will be highly appreciated.

SECTION A

Place of survey: _____ Date: 10.10.24

Name: Hildah Musala Age: 28

Gender: Male ☐ Female ☑

Level of income: Below 1000 ☐ 1000 – 2000 ☑ 2000 – 3000 ☐

*Tick where applicable

SECTION B

1. Do you have an account with any bank? Yes ☐ No ☑
2. Do you own a functional mobile phone? Yes ☑ No ☐
3. Do you know about mobile money? Yes ☑ No ☐
4. Do you have a mobile money account? Yes ☑ No ☐

*Tick box if applicable

5. If no, what are your reasons for not having one?
   - Already have an account with a bank ☐
   - It is costly ☐
   - It isn't easily accessible ☐

It seems complicated to use ☐

I don't have enough money ☐

I have never considered it ☐

Other .....

6. Have you ever utilized your mobile money account? Yes ☑ No ☐
7. If yes. What have you used your mobile money account for?

Sending and receiving money?	Yes ☑	No ☐
For saving money?	Yes ☑	No ☐
To request a loan?	Yes ☑	No ☐
To pay bills?	Yes ☑	No ☐
Other?	Yes ☐	No ☑

8. Before mobile money what sort of financial services did you utilize? Formal: ☐ Informal: ☑
9. *If answer to 8 is formal, ask 9, otherwise skip to 10.

   Why did you switch from other formal financial services to mobile money?
10. *If answer to 8 is informal, ask 10, otherwise skip to 11.

    Without mobile money, would you still be using informal financial services? Yes ☑ No ☐
11. Would you say you use mobile money more than your bank account? Yes ☑ No ☐
12. If Yes, what is your reason for using your mobile money more

    It is cheaper to use mobile money.....

    .....

    .....
13. What is the cost of mobile money like? Cheap ☐ Affordable ☐ Expensive ☑
14. Do you think mobile money is cheaper than using a bank account?.....Yes.....

APPENDICES

Appendix I

Questionnaire used to interview the participants.

My name is Mwatula Chiti, a student from the University of Lusaka. I am carrying out a research on mobile money in your area and your participation will be highly appreciated.

SECTION A

Place of survey: Kabwata Date: 10th October 2024

Name: Prisca Chanda Age: 20

Gender: Male [ ] Female [✓]

Level of income: Below 1000 [ ] 1000 – 2000 [✓] 2000 – 3000 [ ]

*Tick where applicable

SECTION B

1. Do you have an account with any bank? Yes [ ] No [✓]
2. Do you own a functional mobile phone? Yes [✓] No [ ]
3. Do you know about mobile money? Yes [✓] No [ ]
4. Do you have a mobile money account? Yes [✓] No [ ]

*Tick box if applicable

5. If no. what are your reasons for not having one?
   - Already have an account with a bank [ ]
   - It is costly [ ]
   - It isn't easily accessible [ ]

It seems complicated to use ☐

I don't have enough money ☐

I have never considered it ☐

Other .....

6. Have you ever utilized your mobile money account? Yes ☑ No ☐
7. If yes. What have you used your mobile money account for?

Sending and receiving money?	Yes ☑	No ☐
For saving money?	Yes ☐	No ☑
To request a loan?	Yes ☑	No ☐
To pay bills?	Yes ☑	No ☐
Other?	Yes ☐	No ☑

8. Before mobile money what sort of financial services did you utilize? Formal: ☐ Informal: ☑

9. *If answer to 8 is formal, ask 9, otherwise skip to 10.

Why did you switch from other formal financial services to mobile money?

10. *If answer to 8 is informal, ask 10, otherwise skip to 11.

Without mobile money, would you still be using informal financial services? Yes ☑ No ☐

11. Would you say you use mobile money more than your bank account? Yes ☑ No ☐

12. If Yes, what is your reason for using your mobile money more

It is easy to use and access

13. What is the cost of mobile money like? Cheap ☐ Affordable ☑ Expensive ☐

14. Do you think mobile money is cheaper than using a bank account? Yes

APPENDICES

Appendix I

Questionnaire used to interview the participants.

My name is Mwatula Chiti, a student from the University of Lusaka. I am carrying out a research on mobile money in your area and your participation will be highly appreciated.

SECTION A

Place of survey: _____ Date: 10.10.24

Name: Samson Mwape Age: 42

Gender: Male ☑ Female ☐

Level of income: Below 1000 ☑ 1000 - 2000 ☐ 2000 - 3000 ☐

*Tick where applicable

SECTION B

1. Do you have an account with any bank? Yes ☐ No ☑
2. Do you own a functional mobile phone? Yes ☑ No ☐
3. Do you know about mobile money? Yes ☑ No ☐
4. Do you have a mobile money account? Yes ☑ No ☐

*Tick box if applicable

5. If no, what are your reasons for not having one?
   - Already have an account with a bank ☐
   - It is costly ☐
   - It isn't easily accessible ☐

It seems complicated to use ☐

I don't have enough money ☐

I have never considered it ☐

Other .....

6. Have you ever utilized your mobile money account? Yes ☑ No ☐
7. If yes. What have you used your mobile money account for?

Sending and receiving money?	Yes	☑	No	☐
For saving money?	Yes	☑	No	☐
To request a loan?	Yes	☑	No	☐
To pay bills?	Yes	☑	No	☐
Other?	Yes	☐	No	☑

8. Before mobile money what sort of financial services did you utilize? Formal: ☑ Informal: ☐
9. *If answer to 8 is formal, ask 9, otherwise skip to 10.

   Why did you switch from other formal financial services to mobile money?
   Intreg was too low (Standbic)
10. *If answer to 8 is informal, ask 10, otherwise skip to 11.

    Without mobile money, would you still be using informal financial services? Yes ☑ No ☐
11. Would you say you use mobile money more than your bank account? Yes ☑ No ☒
12. If Yes, what is your reason for using your mobile money more

    .....

    .....

    .....
13. What is the cost of mobile money like? Cheap ☐ Affordable ☑ Expensive ☐
14. Do you think mobile money is cheaper than using a bank account? Yes

APPENDICES

Appendix I

Questionnaire used to interview the participants.

My name is Mwatula Chiti, a student from the University of Lusaka. I am carrying out a research on mobile money in your area and your participation will be highly appreciated.

SECTION A

Place of survey: _____ Date: 10.10.24

Name: Katongo Chikamba Age: 18

Gender: Male ☐ Female ☑

Level of income: Below 1000 ☑ 1000 – 2000 ☐ 2000 – 3000 ☐

*Tick where applicable

SECTION B

1. Do you have an account with any bank? Yes ☐ No ☑
2. Do you own a functional mobile phone? Yes ☑ No ☐
3. Do you know about mobile money? Yes ☑ No ☐
4. Do you have a mobile money account? Yes ☑ No ☐

*Tick box if applicable

5. If no, what are your reasons for not having one?
   - Already have an account with a bank ☐
   - It is costly ☐
   - It isn't easily accessible ☐

It seems complicated to use ☐

I don't have enough money ☐

I have never considered it ☐

Other .....

6. Have you ever utilized your mobile money account? Yes ☑ No ☐
7. If yes. What have you used your mobile money account for?

Sending and receiving money?	Yes ☑	No ☐
For saving money?	Yes ☐	No ☑
To request a loan?	Yes ☑	No ☐
To pay bills?	Yes ☑	No ☐
Other?	Yes ☐	No ☑

8. Before mobile money what sort of financial services did you utilize? Formal: ☐ Informal: ☑
9. *If answer to 8 is formal, ask 9, otherwise skip to 10.

   Why did you switch from other formal financial services to mobile money?
10. *If answer to 8 is informal, ask 10, otherwise skip to 11.
    Without mobile money, would you still be using informal financial services? Yes ☑ No ☐
11. Would you say you use mobile money more than your bank account? Yes ☑ No ☐
12. If Yes, what is your reason for using your mobile money more

    .....

    .....

    .....
13. What is the cost of mobile money like? Cheap ☐ Affordable ☑ Expensive ☐
14. Do you think mobile money is cheaper than using a bank account?.....Yes.....

APPENDICES

Appendix I

Questionnaire used to interview the participants.

My name is Mwatula Chiti, a student from the University of Lusaka. I am carrying out a research on mobile money in your area and your participation will be highly appreciated.

SECTION A

Place of survey: _____ Date: 10.10.24

Name: Regina mbugi Age: 18

Gender: Male ☐ Female ☑

Level of income: Below 1000 ☑ 1000 – 2000 ☐ 2000 – 3000 ☐

*Tick where applicable

SECTION B

1. Do you have an account with any bank? Yes ☐ No ☑
2. Do you own a functional mobile phone? Yes ☑ No ☐
3. Do you know about mobile money? Yes ☑ No ☐
4. Do you have a mobile money account? Yes ☑ No ☐

*Tick box if applicable

5. If no, what are your reasons for not having one?
   - Already have an account with a bank ☐
   - It is costly ☐
   - It isn't easily accessible ☐

It seems complicated to use ☐

I don't have enough money ☐

I have never considered it ☐

Other .....

6. Have you ever utilized your mobile money account? Yes ☑ No ☐
7. If yes. What have you used your mobile money account for?

Sending and receiving money?	Yes ☑	No ☐
For saving money?	Yes ☑	No ☐
To request a loan?	Yes ☐	No ☑
To pay bills?	Yes ☑	No ☐
Other?	Yes ☐	No ☑

8. Before mobile money what sort of financial services did you utilize? Formal: ☐ Informal: ☑
9. *If answer to 8 is formal, ask 9, otherwise skip to 10.

   Why did you switch from other formal financial services to mobile money?
10. *If answer to 8 is informal, ask 10, otherwise skip to 11.

    Without mobile money, would you still be using informal financial services? Yes ☑ No ☐
11. Would you say you use mobile money more than your bank account? Yes ☑ No ☐
12. If Yes, what is your reason for using your mobile money more

    Because it is fast
13. What is the cost of mobile money like? Cheap ☐ Affordable ☑ Expensive ☐
14. Do you think mobile money is cheaper than using a bank account? yes

APPENDICES

Appendix I

Questionnaire used to interview the participants.

My name is Mwatula Chiti, a student from the University of Lusaka. I am carrying out a research on mobile money in your area and your participation will be highly appreciated.

SECTION A

Place of survey: _____ Date: 10.10.24

Name: Maureen Kapeya Age: 24

Gender: Male ☐ Female ☑

Level of income: Below 1000 ☐ 1000 – 2000 ☑ 2000 – 3000 ☐

*Tick where applicable

SECTION B

1. Do you have an account with any bank? Yes ☐ No ☑
2. Do you own a functional mobile phone? Yes ☑ No ☐
3. Do you know about mobile money? Yes ☑ No ☐
4. Do you have a mobile money account? Yes ☑ No ☐

*Tick box if applicable

5. If no, what are your reasons for not having one?
   - Already have an account with a bank ☐
   - It is costly ☐
   - It isn't easily accessible ☐

It seems complicated to use ☐

I don't have enough money ☐

I have never considered it ☐

Other .....

6. Have you ever utilized your mobile money account? Yes ☑ No ☐
7. If yes. What have you used your mobile money account for?

Sending and receiving money?	Yes ☑	No ☐
For saving money?	Yes ☑	No ☐
To request a loan?	Yes ☐	No ☑
To pay bills?	Yes ☐	No ☑
Other?	Yes ☐	No ☑

8. Before mobile money what sort of financial services did you utilize? Formal: ☐ Informal: ☑

9. *If answer to 8 is formal, ask 9, otherwise skip to 10.

   Why did you switch from other formal financial services to mobile money?

10. *If answer to 8 is informal, ask 10, otherwise skip to 11.
    Without mobile money, would you still be using informal financial services? Yes ☑ No ☐

11. Would you say you use mobile money more than your bank account? Yes ☑ No ☐

12. If Yes, what is your reason for using your mobile money more

    .....

    .....

    .....

13. What is the cost of mobile money like? Cheap ☐ Affordable ☑ Expensive ☐

14. Do you think mobile money is cheaper than using a bank account? YES

APPENDICES

Appendix I

Questionnaire used to interview the participants.

My name is Mwatula Chiti, a student from the University of Lusaka. I am carrying out a research on mobile money in your area and your participation will be highly appreciated.

SECTION A

Place of survey: _____ Date: 10.10.24

Name: Marren Mpanga Age: 23

Gender: Male ☐ Female ☑

Level of income: Below 1000 ☑ 1000 – 2000 ☐ 2000 – 3000 ☐

*Tick where applicable

SECTION B

1. Do you have an account with any bank? Yes ☐ No ☑
2. Do you own a functional mobile phone? Yes ☑ No ☐
3. Do you know about mobile money? Yes ☑ No ☐
4. Do you have a mobile money account? Yes ☑ No ☐

*Tick box if applicable

5. If no, what are your reasons for not having one?

   Already have an account with a bank ☐

   It is costly ☐

   It isn't easily accessible ☐

It seems complicated to use ☐

I don't have enough money ☐

I have never considered it ☐

Other .....

6. Have you ever utilized your mobile money account? Yes ☑ No ☐

7. If yes. What have you used your mobile money account for?

Sending and receiving money?	Yes ☑	No ☐
For saving money?	Yes ☐	No ☑
To request a loan?	Yes ☐	No ☑
To pay bills?	Yes ☐	No ☑
Other?	Yes ☐	No ☑

8. Before mobile money what sort of financial services did you utilize? Formal: ☐ Informal: ☑

9. *If answer to 8 is formal, ask 9, otherwise skip to 10.

Why did you switch from other formal financial services to mobile money?

10. *If answer to 8 is informal, ask 10, otherwise skip to 11.

Without mobile money, would you still be using informal financial services? Yes ☑ No ☐

11. Would you say you use mobile money more than your bank account? Yes ☑ No ☐

12. If Yes, what is your reason for using your mobile money more

.....

.....

.....

13. What is the cost of mobile money like? Cheap ☐ Affordable ☑ Expensive ☐

14. Do you think mobile money is cheaper than using a bank account? Yes

APPENDICES

Appendix I

Questionnaire used to interview the participants.

My name is Mwatula Chiti, a student from the University of Lusaka. I am carrying out a research on mobile money in your area and your participation will be highly appreciated.

SECTION A

Place of survey: Kabwata Date: 10th October 2014

Name: Benjamin Kalaba Age: 25

Gender: Male ☑ Female ☐

Level of income: Below 1000 ☐ 1000 – 2000 ☐ 2000 – 3000 ☑

*Tick where applicable

SECTION B

1. Do you have an account with any bank? Yes ☑ No ☐
2. Do you own a functional mobile phone? Yes ☑ No ☐
3. Do you know about mobile money? Yes ☑ No ☐
4. Do you have a mobile money account? Yes ☑ No ☐

*Tick box if applicable

5. If no. what are your reasons for not having one?

   Already have an account with a bank ☐

   It is costly ☐

   It isn't easily accessible ☐

It seems complicated to use ☐

I don't have enough money ☐

I have never considered it ☐

Other .....

6. Have you ever utilized your mobile money account? Yes ☑ No ☐
7. If yes. What have you used your mobile money account for?

Sending and receiving money?	Yes ☑	No ☐
For saving money?	Yes ☑	No ☐
To request a loan?	Yes ☐	No ☑
To pay bills?	Yes ☐	No ☑
Other?	Yes ☐	No ☑

8. Before mobile money what sort of financial services did you utilize? Formal: ☑ Informal: ☐
9. *If answer to 8 is formal, ask 9, otherwise skip to 10.

   Why did you switch from other formal financial services to mobile money?
10. *If answer to 8 is informal, ask 10, otherwise skip to 11.

    Without mobile money, would you still be using informal financial services? Yes ☑ No ☐
11. Would you say you use mobile money more than your bank account? Yes ☐ No ☑
12. If Yes, what is your reason for using your mobile money more

    .....

    .....

    .....
13. What is the cost of mobile money like? Cheap ☐ Affordable ☐ Expensive ☑
14. Do you think mobile money is cheaper than using a bank account? NO

APPENDICES

Appendix I

Questionnaire used to interview the participants.

My name is Mwatula Chiti, a student from the University of Lusaka. I am carrying out a research on mobile money in your area and your participation will be highly appreciated.

SECTION A

Place of survey: _____ Date: 10.10.24

Name: Janet Zulu Age: 32

Gender: Male ☐ Female ☑

Level of income: Below 1000 ☐ 1000 -- 2000 ☑ 2000 -- 3000 ☐

*Tick where applicable

SECTION B

1. Do you have an account with any bank? Yes ☑ No ☐
2. Do you own a functional mobile phone? Yes ☑ No ☐
3. Do you know about mobile money? Yes ☑ No ☐
4. Do you have a mobile money account? Yes ☑ No ☐

*Tick box if applicable

5. If no, what are your reasons for not having one?
   - Already have an account with a bank ☐
   - It is costly ☐
   - It isn't easily accessible ☐

It seems complicated to use ☐

I don't have enough money ☐

I have never considered it ☐

Other .....

6. Have you ever utilized your mobile money account? Yes ✓ No ☐

7. If yes, What have you used your mobile money account for?

Sending and receiving money?	Yes ✓	No ☐
For saving money?	Yes ☐	No ✓
To request a loan?	Yes ☐	No ✓
To pay bills?	Yes ✓	No ☐
Other?	Yes ☐	No ✓

8. Before mobile money what sort of financial services did you utilize? Formal: ☐ Informal: ✓

9. *If answer to 8 is formal, ask 9, otherwise skip to 10.

Why did you switch from other formal financial services to mobile money?

10. *If answer to 8 is informal, ask 10, otherwise skip to 11.

Without mobile money, would you still be using informal financial services? Yes ✓ No ☐

11. Would you say you use mobile money more than your bank account? Yes ✓ No ☐

12. If Yes, what is your reason for using your mobile money more

Easily accesible

13. What is the cost of mobile money like? Cheap ✓ Affordable ☐ Expensive ☐

14. Do you think mobile money is cheaper than using a bank account? YES

APPENDICES

Appendix I

Questionnaire used to interview the participants.

My name is Mwatula Chiti, a student from the University of Lusaka. I am carrying out a research on mobile money in your area and your participation will be highly appreciated.

SECTION A

Place of survey: _____ Date: 10-10-24

Name: Dorcas Njovu Age: 23

Gender: Male ☐ Female ☑

Level of income: Below 1000 ☐ 1000 – 2000 ☑ 2000 – 3000 ☐

*Tick where applicable

SECTION B

1. Do you have an account with any bank? Yes ☐ No ☑
2. Do you own a functional mobile phone? Yes ☑ No ☐
3. Do you know about mobile money? Yes ☑ No ☐
4. Do you have a mobile money account? Yes ☑ No ☐

*Tick box if applicable

5. If no, what are your reasons for not having one?
   - Already have an account with a bank ☐
   - It is costly ☐
   - It isn't easily accessible ☐

It seems complicated to use ☐

I don't have enough money ☐

I have never considered it ☐

Other .....

6. Have you ever utilized your mobile money account? Yes ☑ No ☐
7. If yes. What have you used your mobile money account for?

Sending and receiving money?	Yes ☑	No ☐
For saving money?	Yes ☐	No ☑
To request a loan?	Yes ☐	No ☑
To pay bills?	Yes ☑	No ☐
Other?	Yes ☐	No ☑

8. Before mobile money what sort of financial services did you utilize? Formal: ☐ Informal: ☑
9. *If answer to 8 is formal, ask 9, otherwise skip to 10.

   Why did you switch from other formal financial services to mobile money?
10. *If answer to 8 is informal, ask 10, otherwise skip to 11.
    Without mobile money, would you still be using informal financial services? Yes ☑ No ☐
11. Would you say you use mobile money more than your bank account? Yes ☑ No ☐
12. If Yes, what is your reason for using your mobile money more

    .....

    .....

    .....
13. What is the cost of mobile money like? Cheap ☑ Affordable ☐ Expensive ☐
14. Do you think mobile money is cheaper than using a bank account?.....YES.....

Appendix 4

Anti Plagiarism Report