

# **Factors Influencing the Adoption of Mobile Money Transfer Strategy in Telecommunication Industry in Kenya: A Case of Safaricom–Kenya Ltd.**

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**Abstract:** *Recent innovations in the telecommunication have proven to be a boom for the banking sector and its customers: one of these is Mobile Banking, where customers interact with the bank via mobile phones and banks provide them the services like short message services, fund transfers. Mobile technology remains the most dominant aspect which continues to foster growth in the way humans do business and work. The spread of mobile phones across the developing world is one of the most remarkable technology stories of the past decade. This research study was carried out at Safaricom limited in Kenya. It was aimed at examining the factors influencing the adoption of mobile money transfer strategy in telecommunication industry in Kenya. The specific objectives of the study was to determine how consumer behavior, resource availability, technology and user attitudes influences the adoption of mobile money transfer strategy in telecommunication industry in Kenya. The researcher used descriptive research design with target population of 262 respondents and sample of 156 respondents which was arrived by use of stratified random sampling method. The researcher used primary and secondary data. Primary data was collected by use of a questionnaire. Thereafter the researcher analyzed data by use of qualitative and quantitative method. A total of 156 questionnaires were sent to various respondents within Safaricom, with 124 returned. Only 118 were usable giving a 75.6% response rate that was adequate. 80% agreed that consumer behavior influences adoption, while 89.8% agreed that resource availability did. A further 86.4% agreed that technology had an influence with 79.6% agreeing that user attitude had an influence. Multi-collinearity and normality test performed assured that the data was consistent and therefore reliable. Regression analysis performed indicated that the factors in study contributed 76.4% to adoption of mobile money adoption strategy. Further research is proposed to determine other factors that influence adoption of mobile money transfer strategy.*

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## **I. Introduction**

### **1.1 Background to the Study**

Telecommunication Industry has embraced Information and communication technologies (ICTs) which have abridged the globe in digital networks and none is as pervasive as the mobile phone, a technology with more than five billion subscriptions globally (Wireless Intelligence, 2012). The convergence of telecommunication and banking services has created opportunities for the emergence of mobile commerce, in particular mobile money transfer services which provide time independence, convenience and promptness to customers, along with cost savings (Lee & Kim, 2007) The combination of widespread cellular communication and the ability to transfer money instantly, securely, and cheaply are together leading to mammoth changes in the organization of financial activity, family unit relations and risk management and mitigation, among other things.

The mobile money market in Kenya is dominated by one major player, Safaricom's M-Pesa (Camner & Emil, 2009). The coming of the mobile money transfer services has revolutionized the way the financial services industry conducts business, empowering organizations with new business models and new ways to offer 24 hour ease of access to their customers. The ability to offer financial transactions over the mobile phone has also shaped new players in the financial services industry, such as mobile phone service providers who offer tailored services. There are today four providers of mobile telephony; Safaricom, Orange, Airtel and Yu and their corresponding mobile banking service are called M-Pesa, Airtel Money, Orange Money and yuCash. M-Pesa is the predominant service for sending and receiving money and had more than 12.6 million registered users (CCK, 2010). The 21<sup>st</sup> Century, the telecommunication industry has evolved to become the fastest growing, competitive and the most vibrant industry in Kenya. Since the liberalization of the telecom sector in 1999, the Kenyan mobile sector has been witnessing tremendous development on the back of increasing competition among operators and investments in telecom infrastructure and 3G services. The mobile telephone technology entered the Kenyan market in the year 2000 with the award of GSM license by the government to Safaricom and later to Airtel; former Kencell to Celtel to Zain Kenya. Two other operators namely Orange Kenya and Essar Telecom (trading as YU) have since joined the mobile telephone market. By the end of 2010, the number of

mobile subscribers in Kenya had reached almost 22.9 million representing a penetration rate of around 63 percent. This is mainly after the introduction of the Mobile phone services in the year 2000.

Mobile Banking services were first offered by Kenya and Philippines in the world. M-PESA – Kenya: M-PESA is the first mobile banking solution in the year 2007 by the telecom operators Safaricom & Vodafone. It has captured the majority of the market in Kenya and is very popular among the customers. SMART Money and G-Cash Philippines: Philippines launched SMART money, which is an electronic wallet and users do most of its banking transactions through mobile only (Sankar, 2012).

Despite many initiatives taken in the field of mobile banking there are only 12% (17 million) users out of 143.2 million mobile phone internet subscribers who are using banking services on their mobile phones (Alpesh Patel, 2013). So, the main issue of research is to understand the factors influencing the adoption of mobile money transfer strategy in telecommunication industry. Statistics from China indicate that there were approximately 352.1 million mobile banking customers at the top four Chinese banks (<http://mobithinking.com>). In Quarter four, 2013, Chinese mobile users made transactions worth 4.7851 trillion Yuan (US \$768.8 billion). Statistics show that Kenya is the world leader in mobile money services. Of the 31.31 million mobile subscribers in Kenya, 83 percent (26.02 million users) are subscribed to mobile money services.

## **1.2 Statement of the Problem**

The use of mobile money transfer is a rapidly growing industry that has significantly influenced financial transactions all over the world. According to Communications Commission of Kenya (CCK), the number of mobile money transfer subscribers grew by 9.4 percent in the last quarter of 2012. The total deposits grew by 10.3 percent to 226 billion up from 205 billion recorded during the third quarter (CCK, 2013).

Kenyan microfinance institutions (MFI) businesses, government and NGOs and insurance companies are increasingly using mobile money services for cash disbursement, repayment, and procurement and salary payments among others. With the growing trend of mobile money adoption by corporate, there is need for the same to be adopted by learning institutions to create efficiency and convenience in payment services within the institutions. This has become a convenient way of doing business (Njenga, 2009).

However, there are no existing studies that have been done to find out the factors that influence the adoption of mobile money transfer strategy. This has created a research gap that this study seeks to fill by investigating the factors influencing the adoption of mobile money transfer strategy in telecommunication industry in Kenya

## **1.3 Objectives of the Study**

### **1.3.1 General Objective**

To establish the factors influencing the adoption of mobile money transfer strategy in telecommunication industry in Kenya.

### **1.3.2 Specific Objectives-**

1. To assess how consumer behavior influences the adoption of mobile money transfer strategy in telecommunication industry in Kenya
2. To evaluate if resource availability influences the adoption of mobile money transfer strategy in telecommunication industry in Kenya
3. To examine how technology influences the adoption of mobile money transfer strategy in telecommunication industry in Kenya
4. To establish how user attitudes influences the adoption of mobile money transfer strategy in telecommunication industry in Kenya.

## **1.4 Significance of the study**

This study was important because it provided significant insight into the adoption of mobile money transfer strategy to the following:

1. Policy Makers and Government Agencies
2. Safaricom limited Kenya and other mobile money transfer service providers
3. Scholars and researchers
- 4.

## **1.5 Scope of the Study**

The study focused on four variables: resource availability, technology, consumer behavior and attitudes the study focused on employees of Safaricom Kenya because this is the place where decisions regarding system adoption, change and migration are made. Safaricom is the ideal candidate for the study in Kenya owing to the great success of its M-Pesa money transfer service.

### 1.6 Limitations

This study only concentrated with four variables while there could be other variables affecting the adoption of mobile money transfer strategy in telecommunication industry in Kenya. The study also to a big extent relied on secondary data which are prepared with some other objectives in mind apart from what the researcher is investigating.

## II. Literature Review

### 2.1 Introduction

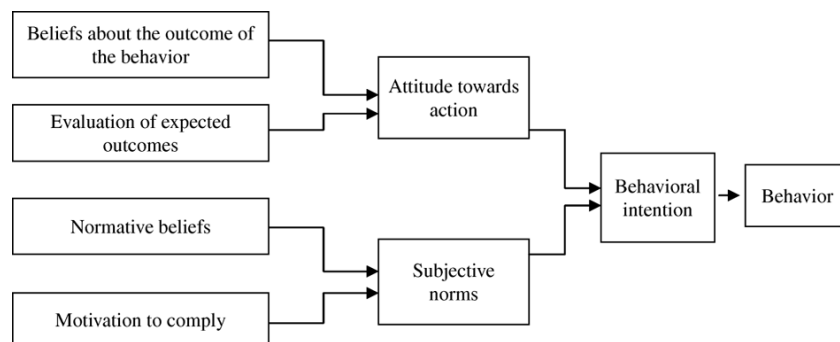
The chapter will cover what other researchers, scholar's analysts and authors have come up with as literature of related subject under study.

### 2.2 Theoretical Frame work

The theoretical framework is the structure that can hold or support a theory of a research study. It introduces and describes the theory which explains why the research problem under study exists. Torraco, (2007) asserts that theories are formulated to explain, predict, and understand phenomena and in many cases, to challenge and extend existing knowledge, within the limits of the critical bounding assumptions.

#### 2.2.1 Theory of Reasoned Action (TRA)

In the model proposed by Fishbein and Ajzen (1975) suggested that person's actual behavior can be determined by the behavioral intention along with the belief and subjective norms that the person has for the behavior. Subjective norms refer to "an individual's perception of other's opinion about his/her particular behavior, if he should perform a particular behavior or not" and attitude towards action is defined as a person's positive or negative attitude towards this performed behavior. Thus, TRA is a useful model that can explain the actual behavior of an individual. In 1985 Davis took the same model and extended it to the TAM and linked it to the user acceptance of an information system.



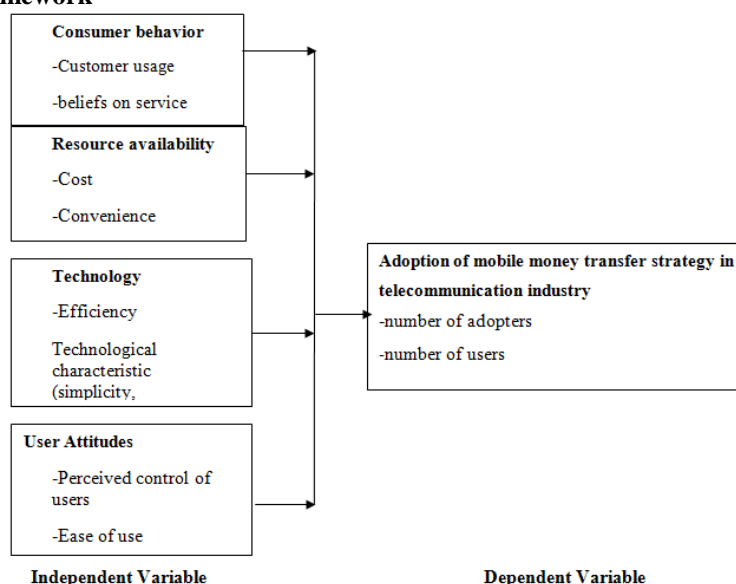
**Figure 2.1:** Theory of Reasoned Action

**Source:** Fishbein and Ajzen, (1975)

#### 2.2.2 Theory of Planned Behavior (TPB)

Theory of Planned Behavior is an extension to TRA, it has taken into account one additional construct i.e. Perceived Behavioral Control (PBC). Perceived behavioral control refers to the people's perceptions of their ability to perform a given behavior in a controlled manner. PBC is further influenced by control beliefs and perceived Power or perceived facilitation. Control beliefs refer to the perceived presence of those factors that may facilitate or impede the performance of behavior. Perceived power specifies the power to have the resources that are required to use a specific system.

## 2.3 Conceptual Framework



**Figure 2.1** Conceptual Framework

## 2.4 Empirical review

This section reviews studies previously done on factors influencing the adoption of mobile money transfer strategy in telecommunication industry in Kenya. According to Zikmund et al (2010), empirical literature review is a directed search of published work which includes books and periodicals. It is a comprehensive survey of previous enquiries related to the research questions.

### 2.4.1 Adoption of mobile money transfer

A PricewaterhouseCoopers (PWC) report produced in 2012 argues that, in order to increase mobile phone penetration in the country, operators in Africa should adopt business models that can result in profitability at low average revenue per user (ARPU) through cooperation with competitors as a way of sharing infrastructure costs and overheads.

In Pakistan, Kabeer and Adeel (2013) investigated the determinants likely to influence the adoption of mobile internet banking services, with a special focus on low-income population of Pakistan. Technology Acceptance Model (TAM) was used, with additional determinants of perceived risk and social influence. Data was collected by surveying 372 respondents from the two largest cities (Karachi and Hyderabad) of the province Sindh, in Pakistan using judgment sampling method. Their study empirically concluded that consumers' intention to adopt mobile internet banking services was significantly influenced by social influence, perceived risk, perceived usefulness, and perceived ease of use. The most significant positive impact was of social influence on consumers' intention to adopt mobile banking services.

Bhatti (2007), used all the three models TAM, TPB and IDT and found out that the perceived ease of use, perceived usefulness, subjective norm, personal innovativeness and perceived behavioral control are strong determinants of the intention to adopt M-commerce.

### 2.4.2 Consumer Behavior

The marketplace has become more dynamic, interest in innovation, its processes and management has escalated. Organizations need to innovate in response to the changing customer needs and other organizational needs (Anahita et al, 2009). However, if not communicated, the innovation will not have any impact on the market. Takeuchi and Nishio (2000) found that communications with positive cognition and/or effect achieved deeper penetration than those with negative effect. It is also stated that series advertising using the same spokesperson or the same tone to appeal achieved deeper penetration than non-series advertising and that penetration begin to reach saturation by non-series advertising earlier than by series advertising. Long-term exposure raise penetration levels if its frequency of contact increases. Short -term exposure makes penetration to reach saturation earlier than long-term exposure.

### 2.4.3 Resource availability

One of factor that has led to faster adoption of mobile phone technology adoption in Kenya is the relatively cheaper cost of rolling out mobile phone networks as compared to the cost of installing fixed networks. Whereas the telecommunications industry in the United States, Canada and Europe invested in

landlines before moving to mobile phone networks, the mobile phone technology has effectively leapfrogged the landline in Africa. Higher household income could also represent, simultaneously, greater time-saving motivations to use mobile phone services, as well as upturn opportunities for accessing updated devices, such as mobile ones (Meuter et al., 2005)

#### **2.4.4 Technology**

Technology usually has two components: a hardware aspect, consisting of the tool that embodies the technology as a material or physical object, and a software aspect, consisting of the information base for the tool (Rogers, 2003). Getting knowledge one new technological innovation creates thoughts of its consequences in minds of potential adopters; such as if the innovation will solve an adopter's current problem (Rogers, 2003). For the potential user of the phone, the problem to solve would be something in the lines of how to enable quicker access to Internet or how many applications are available. Technological characteristic can be considered as a factor that can affect the mobile services adoption. Technological improvement could lead to a better user experience in using the mobile services (Hyvonen& Repo, 2004).

#### **2.4.5 User attitudes**

Both their studies in Kenya, Meso, Musa and Mbarika (2005) and Mwasaa (2010) found that cultural influences significantly influenced perceived ease of use while perceived technology reliability significantly influenced socializing use and business use of mobile phone technology.

Rogers (2003) highlighted key attributes perceived of an innovation to include relative advantage, compatibility, complexity, and trialability. Bradford (2001) stated that the theory of perceived attributes is based on the notion that individuals will adopt an innovation if they perceive that the innovation to add value, easy to use and compatible with their existing infrastructures. According to Lemuria and Belanger (2005), perceived relative advantage, perceived image, and perceived compatibility are significant elements adoption. It is suggested that relative advantage, compatibility, and ease of use are the most relevant constructs to adoption decision. Basing on this Kent et al, (2004) argued that use of an innovation increases in so far as customers perceive it as useful. The perceived usefulness is central because it determines whether the perceived ease of use will lead to increased use of the product and level of market penetration.

### **III. Research Methodology**

#### **3.1 Introduction**

This chapter covers methodology that was used as an aid to carry out the research study.

#### **3.2 Research Design**

The study adopted descriptive research design. Descriptive research was used to obtain information concerning the current status of the phenomena and to describe "what exists" with respect to variables or conditions in a situation. Descriptive studies are good at giving a detailed investigation of the answers to a specific question (Kothari, 2009).

#### **3.3 Target Population**

According to Mugenda and Mugenda (2013), a population refers to an entire group of individuals, events or an object having a common observable characteristic.

The target population of the study composed of the staff member of Safaricom which was divided into 3 categories as shown in the table below:-

**Table 3.1** Target Population

<b>Category</b>	<b>Target Population</b>	<b>Percentage</b>
Top Level Management	16	6.1
Middle Level Management	28	10.7
Support Staff/Lower level management	218	83.2
<b>Total</b>	<b>262</b>	<b>100</b>

#### **3.4 Sampling Frame**

Sampling frame is a (Physical) representation of all the elements in the population from which the sample is drawn (Sekaran&Bougie, 2011). The definition also encompasses the purpose of sampling frame which is to provide a means of choosing the particular members of the target population that are to be interviewed in the survey. More than one set of materials may be necessary and this is generally the case in multiple surveys with multi-stage nature.

**3.5 Sample and Sampling Techniques**

Kombo and Tromp (2009) define a sample as a finite part of a statistical population whose properties are studied to gain information about the whole or universe. By studying the sample one is able to draw conclusions that are generalizable to the population of interest (Sekaran&Bougie, 2011)

According to Mugenda&Mugenda (2013), the social research formula below was one of the ways of determining sample size.

$$n_f = \frac{z^2 pq}{e^2}$$

The target population in Safaricom limited was less than 10,000 so the research was to have the sample of 384 and was adjusted as follows as suggested by Mugenda&Mugenda (2013).

$$n = \frac{n_f}{1 + \frac{n_f - 1}{N}} = \frac{384}{1 + \frac{383}{262}} = 156.1$$

**Table 3.2: Sample size**

Category	Target population	Sample size
Top level Managers	16	9
Middle level Managers	28	16
Lower level/support staff	218	130
<b>Total</b>	<b>262</b>	<b>156</b>

**3.6Data Collection Instruments**

The study used questionnaires to obtain qualitative data for analysis which was further validated from analysis results from secondary data quantitative analysis. Schwab (2005) defines questionnaires as measuring instruments that ask individuals to answer a set of questions or respondent to a set of statement. Kothari (2004) define a questionnaire as a document that consists of a number of questions printed or typed in a definite order on a form or set of forms.

Secondary data from the sampled employees was collected on; number of Safaricomsubscribers,Mpesa transactions, total value of money transacted, value of total income, value of total profit before tax, value of total deposits, number of mobile banking users.

**3.8 Data analysis and Presentation**

**3.8.1 Data analysis**

The data wascollected by use of various instruments wasfirst edited to get the relevant data for the study. The edited data was coded for easy classification in order to facilitate tabulation. The tabulated data was then analyzed by calculating various percentages where possible by use of SSPSS Version 21.The multivariate regression equation is:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$$

Whereby

Y = adoption of mobile money transfer strategy

X<sub>1</sub>= consumer behavior

X<sub>2</sub>= resource availability

X<sub>3</sub>= technology

X<sub>4</sub>= user attitudes

ε = Error term/Erroneous variables

β<sub>0</sub>= the minimum change in Y when the rest of the variables are held at a constant zero

β = measure of the rate of change i.e. β<sub>1</sub> measures the rate of change in Y as a result of a unit change in X<sub>1</sub>

**3.9.2 Data presentation**

A summary of findings from data collected and analyzed was presented in final project. It highlighted the findings of the study; conclusion from its recommendation was drawn. In the quantities analysis, the information obtained was presented numerically and percentage to work out frequencies. Tables were used to present data. The quantitative data was interpreted and an inference made was presented using graphs and tables.

## IV. Research Findings and Discussions

### 4.1 Response rate

**Table 4.1** Response rate

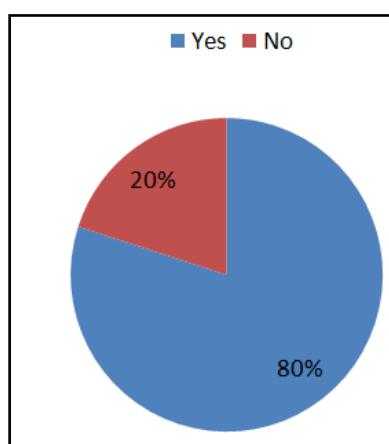
Description	Frequency	Percent
Usable Questionnaires	118	75.6
Unanswered and unusable questionnaires	38	24.4
<b>Total</b>	<b>156</b>	<b>100</b>

The response rate is considered adequate given the recommendations by: Saunders, Lewis and Thornhill (2009) who suggested a 30-40% response; Sekaran (2010) who documented 30% and According to Mugenda and Mugenda (2010), a response rate of 50%-60% is adequate and good respectively for a research, and above 70% is very good. Babbie (2004) also asserted that return rates of 50% are acceptable to analyze and publish, 60% is good and 70% is very good.

### 4.2 Analysis of study variable

#### 4.2.1 Consumer Behavior

Results indicate that majority(80%) agreed that customer behavior influences adoption of mobile money transfer strategy. Only 20% indicated that they did not agree that customer behavior influences adoption of mobile money transfer strategy.



**Figure 4.3** Consumer behavior influences adoption of mobile money transfer strategy

On the statement “Mobile Money transfer is a safe and secure method of money transfer” had mean of 3.214 standard deviation of 0.321, on the statement “Mobile Money transfer is a convenient money transfer service” had mean of 4.352 standard deviation 0.452. Finally on statement “mobile Money transfer has made money transfer easy for me” had mean of 3.421 and standard deviation of 0.189. The findings are in agreement with mobile financial development report, (2011), relatively few people today in developing markets use mobile financial services despite the heightened enthusiasm

#### 4.2.2 Resource Availability

Results indicate that majority (89.8%) agreed that resource availability influences adoption of mobile money transfer strategy. Only 10.2% indicated that they did not agreed that resource availability influences adoption of mobile money transfer strategy

The finding revealed that on statement, “ Mobile Money transfer offers customers additional value in terms of location-free access” had mean 4.352 and a standard deviation of 0.452. The statement, “Mobile money payments are faster and timely” had a mean of 4.363 and a standard deviation of 0.421. On the statement, “Mobile money payments systems are convenient” had a mean of 4.689 and a standard deviation of 0.320. Finally on statement that Mobile Money transfer is the most common delivery method had mean of 4.251 and a standard deviation of 0.652. This findings support those of Michael and Sarah (2013), who established that mobile banking offers customers additional value in terms of location-free access

#### 4.2.3 Technology

Results indicated that majority (86.4%) agreed that technology influences adoption of mobile money transfer strategy. Only 13.6% indicated that they did not agree that technology influences adoption of mobile money transfer strategy.

The finding revealed that on statement Mobile Money transfer is a convenient money transfer service had mean of 4.689 and a standard deviation 0.320. “Access to money transfer services, challenge especially in rural areas” had a mean of 3.421 and a standard deviation 0.189. On statement that “cost of mobile money transfer, considered expensive for small amounts for both local and international transfers” had mean of 3.145 and a standard deviation 0.009. On statement that “Introduction of other transactions across different networks has made use of Mobile Money transfer easy” had a mean of 3.986 and a standard deviation of 0.326. On the statement, “Mobile Money transfer instructions on use are understandable are easy” had mean of 4.563 and a standard deviation of 0.421. On statement “Mobile Money transfer services are easily accessible” had a mean of 4.125 and a standard deviation of 0.302. Finally on statement, “Mobile Money transfer has made money transfer easy for me” had mean of 4.251 and a standard deviation of 0.652

**4.2.4 User Attitudes**

Results indicated that majority (79.6%) agreed that user attitudes influences adoption of mobile money transfer strategy. Only 20.4% indicated that they did not agree that user attitude influences adoption of mobile money transfer strategy.

The finding revealed that on statement “Mobile Money transfer is a convenient money transfer service” had mean of 4.28 and a standard deviation 0.773. On statement “Mobile Money transfer has made money transfer easy for me” had a mean of 4.13 and a standard deviation of 0.785. On statement “mobile money transfer has made money transfer easy for me” had a mean of 3.91 and a standard deviation of 0.633. On statement “Mobile Money transfer agents/dealers are trustworthy” had a mean of 3.91 and a standard deviation 0.633. On statement “Mobile Money transfer agents/dealers are transparent and open” had a mean of 4.123 and a standard deviation of 0.001. On statement “Mobile Money transfer provides consumers with ubiquitous purchase possibilities” had a mean of 3.74 and a standard deviation of 0.633. On statement “Transfer of cash through banks is safer than mobile money transfer” had a mean of 4.023 and a standard deviation of 0.214. On statement “Learning to use Mobile Money transfer is easy for me” had mean of 3.21 and a standard deviation of 0.133. Finally on statement “I find Mobile Money transfer beneficial” had mean of 2.985 and a standard deviation of 0.521.

**4.3 Other factors that drive your company to adopt mobile money transfer strategy**

91.5% of the said quality service drive their company to adopt mobile money transfer strategy drive their company to adopt mobile money transfer strategy 88.1% said that affordability drive their company to adopt mobile money transfer strategy 85.5% said that Convenience drive their company to adopt mobile money transfer strategy 81.3% said that accessibility drive their company to adopt mobile money transfer strategy while 93.2% said that Security drive their company to adopt mobile money transfer strategy

**4.4 Drawbacks and restraining factors that affect mobile money transfer strategy adoption**

83.8% of respondent said that Manpower is the biggest drawbacks and restraining factors that company experiences in the carrying out of mobile money transfer strategy, 66.1% of respondent said illiteracy is biggest drawbacks and restraining factors that company experiences in the carrying out of mobile money transfer strategy, 85.5% of respondent said system failure is the biggest drawbacks and restraining factors that company experiences in the carrying out of mobile money transfer strategy while 81.3% of respondent said system failure is the biggest drawbacks and restraining factors that company experiences in the carrying out of mobile money transfer strategy.

**4.4.2 Regression Analysis**

The study applied the statistical package Version 21 to code, enter and compute the measurements of the multiple regressions for the study. Coefficient of determination explains the extent to which changes in the dependent variable can be explained by the change in the independent variables or the percentage of variation in the dependent variable (adoption of mobile money services) that is explained by all the 4 independent variables (consumer behavior, resource availability, technology and user attitudes )

**Table 4.14: Regression Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Constant	1.717	0.297	-	5.781	0.000
Consumer behavior	0.801	0.087	0.288	9.207	0.023
Resource availability	0.129	-0.04	4.922	-0.103	0.012



Technology	0.009	0.027	0.023	0.333	0.739
User attitudes	0.022	0.015	0.103	1.467	0.144
a.	Predictors: (Constant), consumer behavior, resource availability ,technology and user attitudes				
b.	Dependent Variable: adoption of mobile money transfer strategy				

From the regression findings, the substitution of the equation:

$(Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon)$  becomes:

$$Y = 1.717 + 0.801X_1 + 0.129X_2 + 0.009X_3 + 0.022X_4 + \epsilon$$

Whereby

Y is the dependent variable; adoption of mobile money transfer strategy

X<sub>1</sub>= consumer behavior

X<sub>2</sub>= resource availability

X<sub>3</sub>= technology

X<sub>4</sub>= user attitudes

The regression equation above has established that taking all factors into account (consumer behavior, resource availability, technology and user attitudes) at the adoption of mobile money transfer strategy will be 1.717. The findings presented also show that taking all other independent variables at zero, a unit increase in consumer behavior would lead to a 0.801 increase in adoption of mobile money transfer strategy, unit increase in resource availability would lead to a 0.129 increase in adoption of mobile money transfer strategy, unit increase in technology would lead to a 0.09 increase in adoption of mobile money transfer strategy and unit increase in user attitudes would lead to a 0.022 increase in adoption of mobile money transfer strategy. At 5% level of significance and 95% level of confidence, consumer behavior, resource availability, and technology and user attitudes had a 0.023, 0.012, 0.739 and 0.144 level of significance respectively

**Table 4.14: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.876 <sup>a</sup>	0.767	0.764	0.234

a. Predictors: (Constant), consumer behavior, resource availability ,technology and user attitudes

b. Dependent Variable: adoption of mobile money transfer strategy

The four independent variables that were studied, explain 76.4% of variance in adoption of mobile money services as represented by the Adjusted R<sup>2</sup>. This therefore means that other factors not studied in this research contribute 23.3% of variance in the dependent variable. Therefore, further research should be conducted to investigate the factors influencing the adoption of mobile money transfer strategy in telecommunication industry in Kenya.

## V. Summary, Conclusion And Recommendations

### 5.1 Summary of the Findings

#### 5.1.1 Consumer behavior and adoption of mobile money transfer strategy

The finding revealed that on statement a mobile money transfer is a safe and secure method of money transfer is a convenient money transfer service. The results reveal that consumer behavior is statistically significant in explaining adoption of mobile money transfer strategy in telecommunication industry in Kenya.

#### 5.1.2 Resource availability and adoption of mobile money transfer strategy

Data obtained was analyzed and presented as shown and results indicate that majority agreed that resource availability influences adoption of mobile money transfer strategy. Only a few indicated that they are not in agreement that resource availability influences adoption of mobile money transfer strategy. The finding revealed that Mobile Money transfer offers customers additional value in terms of location-free access in addition to that the Mobile money payments are faster and timely. The results reveal that Resource availability is statistically significant in explaining adoption of mobile money transfer strategy in telecommunication industry in Kenya.

#### 5.1.2 Technology and the adoption of mobile money transfer strategy

Data obtained was analyzed and presented and results indicate that majority agreed that technology influences adoption of mobile money transfer strategy. The finding revealed that Mobile Money transfer is a convenient money transfer service. In addition to that the cost of mobile money transfer was considered expensive for small amounts for both local and international transfers. It was also found out that Introduction of other transactions across different networks has made use of Mobile Money transfer easy. In addition to that Mobile Money transfer services are easily accessible. The results reveal that Technology is statistically significant in explaining adoption of mobile money transfer strategy in telecommunication industry in Kenya

### **5.1.3 User attitudes and the adoption of mobile money transfer strategy**

Data obtained was analyzed and presented results indicate that majority agreed that user behavior and attitudes influences adoption of mobile money transfer strategy. Only a few indicated that they did not agree that technology influences adoption of mobile money transfer strategy. The finding revealed that Mobile Money transfer is a convenient money transfer service. It was also found out that Mobile Money transfer has made money transfer easy for customers. In addition to that Mobile Money transfer agents/dealers are honest and easy. The results reveal that a User attitude is statistically significant in explaining adoption of mobile money transfer strategy in telecommunication industry in Kenya.

Other factors that influence the adoption of mobile money transfer strategy in telecommunication industry in Kenya include quality service, affordability, Convenience, accessibility and Security respectively drive their company to adopt mobile money transfer strategy.

On the biggest drawbacks and restraining factors that affect mobile money transfer strategy adoption majority of the respondents said Manpower is biggest drawbacks and restraining factors that company experiences in the carrying out of mobile money transfer strategy, it was also found illiteracy is biggest drawbacks and restraining factors that company experiences in the carrying out of mobile money transfer strategy, a majority of respondent said system failure is biggest drawbacks and restraining factors that company experiences in the carrying out of mobile money transfer strategy.

## **5.2 Conclusion**

The study concluded that Consumer behavior were high. This high Consumer behavior may have led to adoption of mobile money transfer strategy in telecommunication industry. It can be concluded from this study that when holding other factors constant Consumer behavior was found to have a positive and significant relationship with adoption of mobile money transfer strategy. This implies that managing Consumer behavior in telecommunication firms was statistically significant in explaining adoption of mobile money transfer strategy in telecommunication industry. The study concludes that Mobile Money transfer offers customers additional value in terms of location-free access and Mobile money payments are faster and timely, this is because the telecommunication firms ensure that standards are maintained in order to help the company perform well because customer satisfaction is key to success of every firm. From the study findings, it can be deduced that Mobile Money transfer is a convenient money transfer service and Introduction of other transactions across different networks has made use of Mobile Money transfer easy. From the findings we can conclude that Mobile Money transfer has made money transfer easy for customers. It can also be concluded from this study that there exists a positive significant relationship between Technology and adoption of mobile money transfer strategy in telecommunication industry. The study concludes that Customer trust mobile money transfer services agents and Customer finds Mobile Money transfer beneficial. This is because the telecommunication firms ensure that the procedures are easy for customers in order to help the company perform well because customer satisfaction is key to success of every firm. It can be concluded from this study that there exists a positive and significant relationship between User attitudes and mobile money transfer strategy.

## **5.3 Recommendations**

### **5.3.1 Consumer behavior and adoption of mobile money transfer strategy**

The study recommends that the telecommunication firms should emphasize and enhance that the Mobile Money transfer is managed well. They should also ensure that they engage the consumers views whenever making changes in the systems so that there will be smooth operations of the activities.

### **5.3.2 Resource availability and adoption of mobile money transfer strategy**

This study recommends that the finance departments of these institutions embrace mobile money transfer systems as they will be faster, easier and more convenient. The study also recommends that organization strategic decisions should focus on critical areas of customer services operations and to provide justifiable, valid and deliverable customer value that are aimed at achieving customer satisfaction and loyalty, building long term mutually beneficial relationship with profitable customers

### **5.3.3 Technology and the adoption of mobile money transfer strategy**

The mobile money product developers and the providers such as Safaricom, Orange Kenya and Airtel Kenya, should intensify their technological development aspects and continually improve their product to suit the ever increasing needs of the consumers.

### **5.3.4 User attitudes and the adoption of mobile money transfer strategy**

The study recommend that a more scientific way of measuring, describing and evaluating the level of their customer perception and satisfaction for the services they deliver should be developed. Customer attitude are consider as important as one may switch other competitors networks.

### **5.4 Suggestion for Further Research**

The study also recommends that in the future a study be conducted on the effectiveness of the adoption of the mobile money services as a payment alternative. This will be important in assessing whether the country can adopt this mode of payment for goods and services since it is convenient and faster. A study should be carried out to find out how consumer behavior, resource availability, technology and user attitudes affect other aspects of businesses especially in making management easier and internal customer satisfaction. It is also necessary to investigate the effect of consumer behavior, resource availability, and technology and user attitudes on organization performance in specific telecommunication company institutions in Kenya.

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