

**HOW HAS TRADITIONAL BANKING PRACTICES IN ZAMBIA BEEN  
INFLUENCED BY MOBILE BANKING:  
A CASE STUDY OF ATLAS MARA MONGU**

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**A RESEARCH REPORT SUBMITTED TO THE UNIVERSITY OF  
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MASTER OF BUSINESS ADMINISTRATION DEGREE**

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**YEAR 2020/2021**

## **DECLARATION**

I do hereby declare that this work is my own, and that all the findings and work of others used in this report has been duly acknowledged.

Signature: .....

Date: .....02-05-2021

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SIGNED: .....

DATE: May 2021

## **APPROVAL FORM**

The undersigned certify that they have read and recommended to the University of Zambia and Zimbabwe Open University for acceptance; a dissertation entitled “how has traditional banking practices in Zambia been influenced by mobile banking: a case study of Atlas Mara Mongu” submitted by Roy Mofya in partial fulfillment of the requirements for the Master of Business Administration (MBA) Degree.

.....

**THOKOZANI KAMANGA**

**SUPERVISOR**

## **DEDICATION**

This Research report is dedicated to my wife Chilufya Mumbi-Mofya, my children: \_\_\_\_Kasuba Mofya who are the source of my motivation, and to my friends for their confidence in me.

I thank my whole family for the encouragement and support. May God richly bless you!

## **ACKNOWLEDGEMENTS**

I would, first of all, thank my supervisor Mr Thokozani Kamanga for the guidance rendered to me throughout the report writing.

I further pass my gratitude to my friends and anyone who rendered help to me. I say thank you and God Bless you all.

## **Abstract**

The motivation behind this study was the rapid changes that were happening in the banking industry with the coming in of mobile banking, but a gap remained in addressing the implications of this innovation on traditional banking practices in Zambia. The objective of this study was to examine the influence of mobile banking on traditional banking practices in Mongu and Atlas Mara Mongu branch as a case study. A research design using qualitative and quantitative data collection methods was used for this study. A descriptive research design was adopted in this study. Purposive Sampling procedure was used to select the 50 questionnaire participants. Quantitative data resulting from the questionnaires was analyzed using excel, Likert scale analysis and explanatory method on the collected data. It was established that though customers have remained loyal to banks, the banks have not been able to grow their businesses as a result of the advent of mobile money services. Recent decades have experienced the advantages of the unconventional methods in contrast to orthodox means of banking. The mobile banking service is one such result of the unconventional methods. Because of its utility and ease of use, most of the financial institutions are offering their consumers with mobile banking technology as an alternative to conventional banking system. Accessibility of mobile money services is very high compared to bank services hence banks should be able to work with mobile service providers to be able to remain profitable in the industry. Mobile money services are also very reliability and they are attracting a lot of customer because of the flexibility they provide. Mobile money services are also convenient and Safety to use and they are found almost every in the city of Mongu. The study recommends that commercial banks should develop growth strategies along the mobile banking business model. Atlas Mara should increase its accessibility, reliability and become more convenient making sure they are found everywhere in the city.

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## **ABBREVIATIONS**

IFC: International Financial Cooperation

M-Money: Mobile Money

IT: information technology

SADC: Southern African Development Community

CCRED: Centre for Competition, Regulation and Economic Development

(ATU), Attitudes towards Usage

(PU) Perceived Usefulness

(PEOU) Perceived Ease of Use

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# **CHAPTER ONE**

## **1.0 Introduction**

This chapter provides the background, statement of the problem, purpose of the study, objectives, research questions, and significance of the study, theoretical framework, limitation of the study and definition of terms.

### **1.1 Background of the study**

The vast majority of people in the developing world are financially excluded (Alexandre & Almazán, 2012). Given the lack of access to banking facilities and the banking apathy in Zambia, it is estimated that \$7.4 billion is circulating outside the formal banking sector. This is due to high bank charges, meager interest on deposits, and complexity in one opening a bank account where one has to provide proof of residence, pay slips or financial statements (BOZ, 2011).

According to Reed et al. (2014), many people do not have a bank account, but it is increasingly likely that they will have a mobile phone. Considering that according to ZICTA (2012) 10.9 million out of 12 million Zambians own mobile phones, it will only be viable and meaningful for mobile financial services to target the 70% “unbanked” segment of the population. The Technology Acceptance Model (TAM) will be used as theoretical framework. This is a model which seeks to understand, predict and explain why people accept or reject information systems

### **1.2 Statement of the problem**

Zambian Banks are bound by know your customer(KYC) requirements typically contained in the money laundering/combating financing terrorism legislation and will be applicable to all accountable institutions as defined in legislation which has created a gap of unbanked people and led to the rise of digital mobile money transactions.

Mobile banking has influenced customers from banks to the various mobile money platforms. The key influencing reasons for customers to move from banks to mobile banking are according to Technology Acceptance Model are; The perception of ease of use-the degree to which a person believes that using a particular system would be free from effort.

The perception of usefulness-the degree to which a person believes that using a particular system would enhance his or her job performance. It means whether or not someone perceives that

technology to be useful for what they want to do. Attitudes of mobile money Users-Social influence such as age and gender.

### **1.3 Research Objectives**

The aim of this proposal is to examine the influence of mobile banking on traditional banking practices in Mongu and Atlas Mara Mongu branch as a case study

#### **1.3.1 Specific Research Objectives**

- To examine the influence of mobile banking practices on traditional banking practices at Atlas Mara Mongu branch
- To explore how preferences in terms of convenience have influenced mobile banking and traditional banking practices at Atlas Mara Mongu branch
- To examine the role of attitudes on current mobile banking customers at Atlas Mara Mongu branch

### **1.4 Research questions**

In light of the foregoing research objectives, the proposal raised the following research questions:

- How has mobile banking influenced traditional banking?
- Do perceptions of convenience affect current mobile money users?
- What is the effect of attitudes on current mobile money users?

### **1.5 Significance of the study**

This research was carried out in Mongu town. This research is very important as it will highlight the things which mobile banking services and banks may use to improve their services. It is also important because it will help mobile banking providers in Mongu be able to archive their goals because they will understand the very important issues the customers need.

#### **\* 1.6 Theoretical framework**

Many researchers studied to understand user's intention to use mobile banking services in different countries. DeLone and McLean proposed to measure the success of information system by using dimension of Information Quality, System Quality and Service Quality, User Satisfaction and Net Benefits.



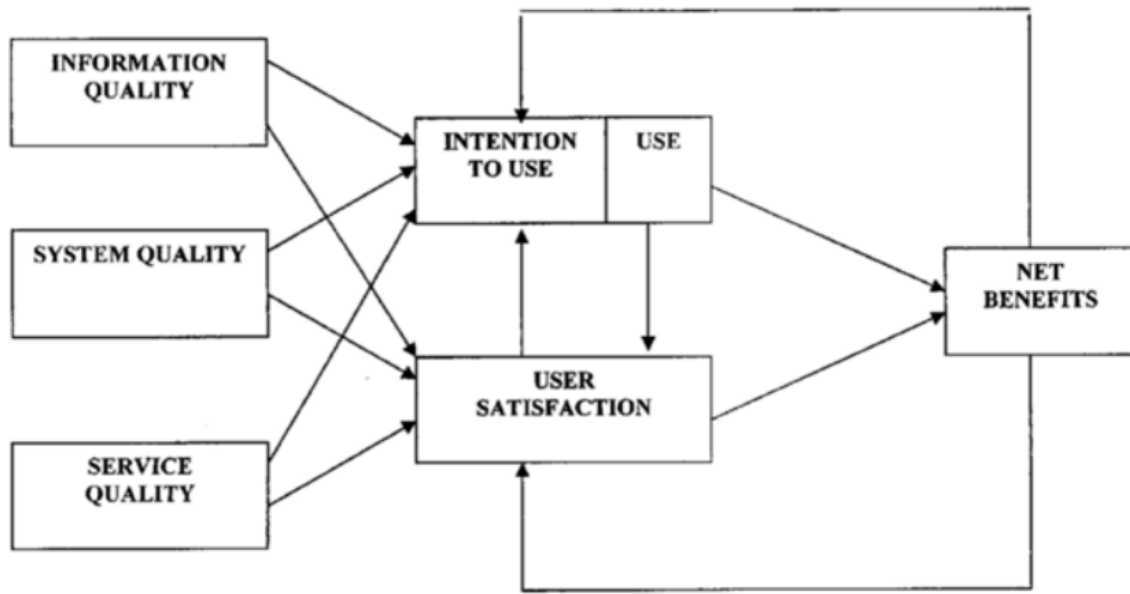


Figure 1: Updated D&M Information System Success Model (ISS), 2003

Source: (DeLone & McLean, 2003).

D&M model, measure three dimensions: “system quality”, “information quality” and extended dimension in 2003 “service quality”. The system quality can be measured in terms of frequency of system use, time of system use, number of accesses to system, system usage pattern and system dependency, (DeLone & McLean, 2003).

System quality is a key issue in mobile banking development for strengthening of its functionalities and features. Information quality reflects accuracy, timeliness, completeness, relevance and consistency. Accurate information is mandatory requirement for financial institutions and provide the valuable information in real-time through mobile banking services will enhance customer satisfaction.

D&M added service quality factor in extend information systems success model (2003) and many empirically studies examined the relationships between service quality and attitudes to measure the user’s intention to use system. Service quality can be considered as a gap between an expectation of customer and actual outcome. Assurance, Empathy and Responsiveness are variables to measure for service quality suggested by D&M. Dian (2008) explained that mobile

banking development process consist with different players such as providers, content partners, users and investors and it is complex process.

### **1.7 Limitation of the study**

This study is of course not without limitations which at the same time opened up opportunities for future research. Due to the relatively narrow scope the findings are not generalizable but should rather be used in an exploratory way to shed some light on the influence of mobile banking on traditional banking practices in Zambia.

### **1.8 Definition of terms**

**Mobile banking:** Mobile banking is an innovative system to facilitate convenient financial transactions for customer through mobile devices.

**Banking Sector:** This is the section of the economy devoted to the holding of financial assets for others, investing those financial assets as leverage to create more wealth and the regulation of those activities by government.

**Financial Inclusion:** This is defined as the availability and equality of opportunities to access financial services. It refers to processes by which individuals and business can access appropriate, affordable and timely financial products and services. These include banking, loan, equity and insurance products

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

This chapter presents a review of relevant literature. The literature surveyed is presented under the following headings: global literature review, African literature review and regional literature review.

#### **2. 1 Global Literature Review**

The improvement of mobile platform technologies enables m-banking users to carry out banking services anytime from anywhere. The new paradigms of banking services in the last decade have changed the face of retail banking, with new services and products according to Tam and Oliveira 2017 (International Journal of Bank Marketing).

The adoption rate in China of m-banking is very low and quite a few studies have focused on issues related to m banking. The purpose of this study is to examine factors that affect m banking adoption and usage intentions of Chinese bank customers. The proposed model has extended the technology acceptance model (TAM) According to Abdul Wahid Siyal 2019 (Predicting Mobile Banking Acceptance and Loyalty in Chinese Bank Customers).

According to the study by (Becirovic, Bajramovic, & Ahmatovic, 2014), on the role of mobile banking in enhancing economic development from the university of Navi Pazar Serbia, outlined that Mobile banking (also known as M-Banking, mbanking, SMS Banking) is a term used for performing account transactions, payments, credit applications and other banking transactions through a mobile device such as a mobile phone or Personal Digital Assistant (PDA). Mobile banking has experienced a fast growth globally. According to Telecom Trends International Inc., today there are 1.3 billion mobile phones around the world which have emerged in the past 20 years, compared to the more than the 2.5 billion landlines built over the last century. The numbers of mobile phones and PDA's is expected to be 4.1 billion by 2014, compared to 1.5 billion TV sets in worldwide use today. In line with this trend, mobile banking seems the next big trend after micro-finance that has gathered 90 million customers in 30 years.

## **2. 2 African Literature Review**

(Makanyeza, 2017), conducted a study on the determinants of consumers' intention to adopt mobile banking services in Zimbabwe. The findings were that PU, perceived self-efficacy, social influence, relative advantage and perceived compatibility all have a positive effect. Whilst perceived risk has a negative effect on behavioral intention to adopt mobile banking services in Zimbabwe: PEU, facilitating conditions, perceived complexity, perceived tri-ability, awareness-knowledge and demographic factors (gender, age, education and income) did not significantly influence behavioral intention to adopt mobile banking. PEU was found to positively influence PU, while perceived self-efficacy was found to have a positive effect on PEU. Behavioral intention was found to positively influence usage of mobile banking services in Zimbabwe.

A study was conducted by (Onyebuchi, 2016) on mobile banking adoption and challenges in Nigeria with an analytical focus on Enugu state. The study revealed that the level of adoption was still low among the middle aged correspondents compared to the aged even though m-banking is a growing trend in Enugu. Among the recommendations offered were: a cashless policy should be vigorously pursued that would encourage the use of m-banking, a massive awareness programme to publicise the purpose and benefits derivable from the use of mobile banking; and network failure should be checked regularly. According to the study, this would boost the level of adoption of mobile banking services because of the convenience and accessibility offered by this banking platform

## **2. 3 Zambian Literature Review**

(Mwiya, Chikumbi, Kabala, Kaulungombe, & Siachinji, 2017) conducted an empirical study examining factors influencing e-banking adoption in Zambia. The study examined the influence of e-banking technology's PU, PEU and trust (safety and credibility) on e-banking adoption. The findings indicated that modified TAM was applicable to the Zambian scenario for assessing, monitoring and increasing the adoption of e-banking services and that that PU, PEU and trust significantly and positively influences attitude to e-banking. In turn attitudes to e-banking influence intention and the actual adoption of e-banking services.

(Lusaya & Kalumba, 2018), conducted a research in Zambia, which was aimed at investigating the challenges of adopting the use of e-banking by customers. The results of the study found that e-banking usage dependent on the availability of e-banking information. This means that there is increased publicity on e-banking, it is expected that if many customers would use the service. The results also showed that education levels also have a statistically significant influence on e-banking usage. This means that the higher the level of education, the more the usage of e-banking services. This is in line with the technological acceptance model. The study found that at 5% level of significant, concern for personal security was not related to usage of e-banking services.

(Shaikh & Karjaluoto, 2015), conducted a literature review on mobile banking adoption involving several studies for the period January 2005-March 2014 that used both qualitative and quantitative methods. During the review process, few constructs were identified that have not been covered in prior research but merit consideration. The research findings were that there was some synergy between satisfaction and trust also emerged from a few studies that report that trust significantly affects the degree of satisfaction and is thus an important variable for m-banking environments. Furthermore, studies conducted in developing countries identify social and culture factors as strong influences on m-banking adoption. Similarly, combining these factors with a range of demographic factors indicates that the impact of social and cultural features is significant.

## **2.4 Research Gap**

Most of the studies conducted on mobile money literature has most of its focus on the adoption of mobile money services, however this study focus on the effect of mobile money services on Zambia's Banking Sector, A case Study of Atlas Mara. Therefore, this study seeks to explore this area.

## **CHAPTER THREE**

### **Methodology**

#### **3.0 Introduction**

This chapter explains the research methodology that was used in the data collection. It comprises of research design, study population, sampling techniques, instruments for data collection, validity and reliability of the instruments, study procedures and methods of analysis.

#### **3.1 Research Design**

A research design is an arrangement of conditions for collection analysis of data in a manner that aims to combine relevance with the research purpose (Bless and Achola, 1990). It is a conceptual structure within which research is conducted. It constitutes the blueprint for the collection, measurement and analysis of data. A research design is an action plan. The research used a both “here” (questions) to “there” (answers). qualitative and quantitative design, particularly a case study, which has emerged as the appropriate tool. This is because a Case study is a broad term used to identify research that includes quantitative, qualitative, and mixed-method studies. A Case study is an in-depth examination of people or groups of people and has its roots in sociology, used as a great deal in anthropology (Babbie, 2009).

#### **3.2 Study Area**

The study was done in Mongu. Mongu is the capital of Western Province in Zambia and was the capital of the formerly-named province and historic state, Barotseland. Its population is 44,310 (2000 census), and it is also headquarters of the Mongu District. The area has an annual rainfall of around 945 mm in the rainy season from late October to April. There is usually a flood which arrives January, peaks in April and is gone by June, leaving a floodplain with new grass on which a massive amount of people move onto in order for their cattle to graze. They can also

catch fish and raise crops in small gardens. Mongu is hot from September to December, with maximum for October of 35.4°C, and cool from May to August, with a maximum in June of 26.9°C.

### **3.3 Target Population**

Accordingly, Ngechu (2004), a study population is a well-defined or specified set of people, group of things, households, firms, services, elements or events which are being investigated. Target population is the specific population about which information is desired (Ngechu, 2004). The population of interest in this study comprised of the residents of Mongu who use mobile money services. This target population has been selected because it fits the best optimal climatic requirements for which the study would yield the best possible results.

### **3.4 Sample Size**

Ngechu (2004) underscores the importance of selecting a representative sample through making a sampling frame. A sample of 40 customers and 10 employees of Atlas Mara will each be given a questionnaire to answer in order to collect primary data

### **3.5 Sampling techniques**

Purposive Sampling procedure was used. As indicated above, a sample size composed of 50 participants from Mongu town who also have mobile money accounts.

### **3.5 Data Collection Methods**

In order to achieve the much needed results this study made use of the questionnaires for the primary data collection tools

### **3.6 Data analysis**

This research used both qualitative and quantitative techniques to analyze the data obtained. These types of data were purposely used to ensure accuracy and completeness. Data was analyzed using excel, Likert scale analysis and explanatory method on the collected data. Shamoo and Rensik (2003) define data analysis as a process of systematically applying statistical and or logical techniques to describe and illustrate, condense and recap, and evaluate data.

Various analytical procedures provide a way of drawing inductive inferences from data and distinguishing the signal (the phenomenon of interest) from the noise (statistical fluctuations) present in the data. Marshall and Rossman (2016) describe data analysis as the process of bringing order, structure and meaning to the mass of collected data. It is described as messy, ambiguous and time consuming, but also as a creative and fascinating process. One can therefore conclude that data analysis requires some sort or form of logic applied to research.

Verma and Mallick (2009) on the other hand state that the interpretive approach which involves deduction from the data obtained, relies more on what it feels like to be a participant in the action under study, which is part of the qualitative research. Very often, the researchers rely on their experience of a particular setting to be able to read the information provided by the subjects involved in the study

### **3.7 Ethical consideration**

According to Roshaidai and Arifin (2018), the protection of human subjects through the application of appropriate ethical principles is important in any given research study. In a qualitative study, ethical considerations have a particular resonance due to the in-depth nature of the study process. According to Schuman, (2002), confidentiality and secrecy is important in the method in which data is collected and how the participant is identified.

It must therefore be mentioned ethics were adhered to with a focus to ensuring that the credibility of the research is promoted at the highest degree.

- The researcher worked to ensure that everything done at each and every step was within the confines of the law. For example none of the Participants was bribed as a way of inducing them to be part of the sample or give information in a pre-determined manner.
- The researcher strove for honesty at each and every stage of this study. It reports data, results, methods and procedures, and publication status in an honest manner by avoiding fabrication, falsifying, or misrepresentation of data. The study also avoided bias in research design, data analysis and data interpretation.
- The researcher strove to maintain his integrity throughout this research process for example by keeping appointments with Participants.



- The works that do not belong to this author of the paper have been acknowledged using Harvard Referencing System in an appropriate format.
- The researcher avoided careless errors and negligence by keeping good records of research activities, such as data collected correspondences and journals. All data was backed up on both the computer and external drives

## **CHAPTER FOUR**

### **Research Findings**

#### **4.0 Introduction**

This research study was aimed at highlighting the influence of mobile banking on traditional banking practices in Mongu and Atlas Mara Mongu branch as a case study. Data was collected through the use of questionnaires from a sample size of 40 respondents which was represented from the staff at Atlas Mara and mobile money subscribers/agents.

#### **Section A**

Presentation of data from the mobile money subscribers/agents

#### **4.1 Demographic data**

The demographic characteristics of participants are important. The omission of even the basic or minimal of this information would have restricted the researchers' ability to draw valid conclusions. The demographic characteristics of the participants were gender and age. These were included in order to have a valid population group from which to derive the sample. Gender and age are important factors in assessing economic aspects of a population.

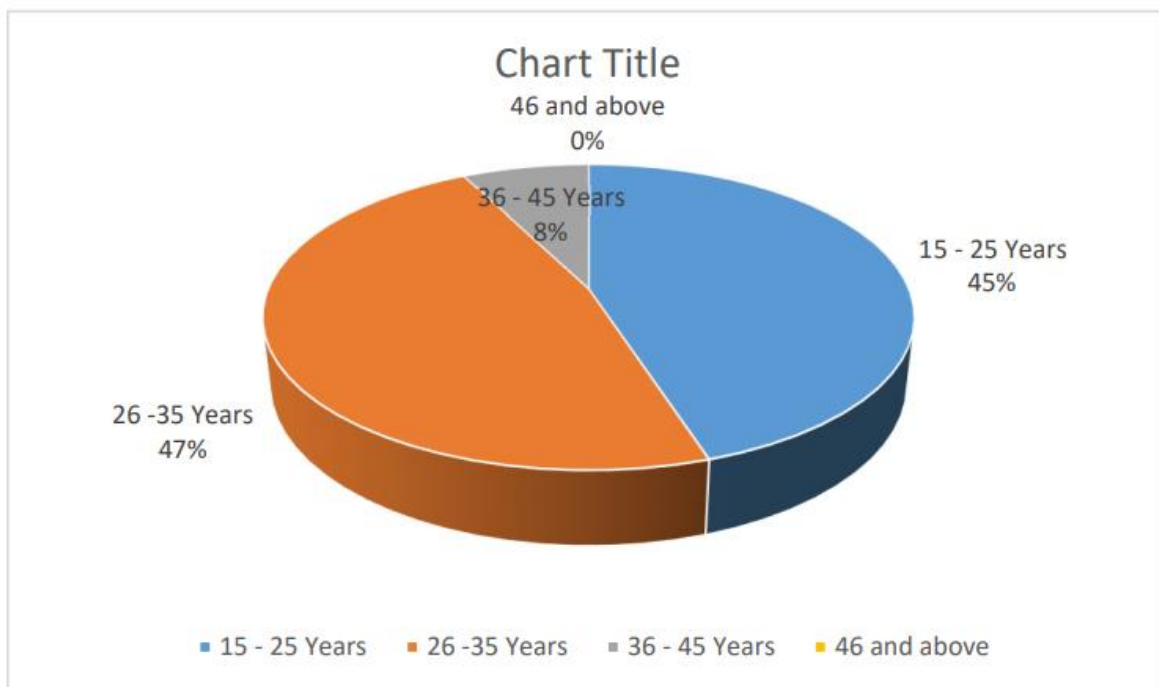
##### **4.1.1 Presentation of findings on Age**

##### **Table 4.1; Age distribution**

Years Old	Frequency	Percentage	Cummulative Percentage
15 - 25 Years	18	45	45
26 -35 Years	19	47	92
36 - 45 Years	3	8	100
46 and above	0		
Total	40	100	

Source: Field Work

**Figure 4.1**



Source: Field Work

In terms of age distribution of the Participants, Table 4. 1. and Figure 4. 1. Show that the majority were aged 26 to 35 years (47%) and 15 to 25 years representing 45%.

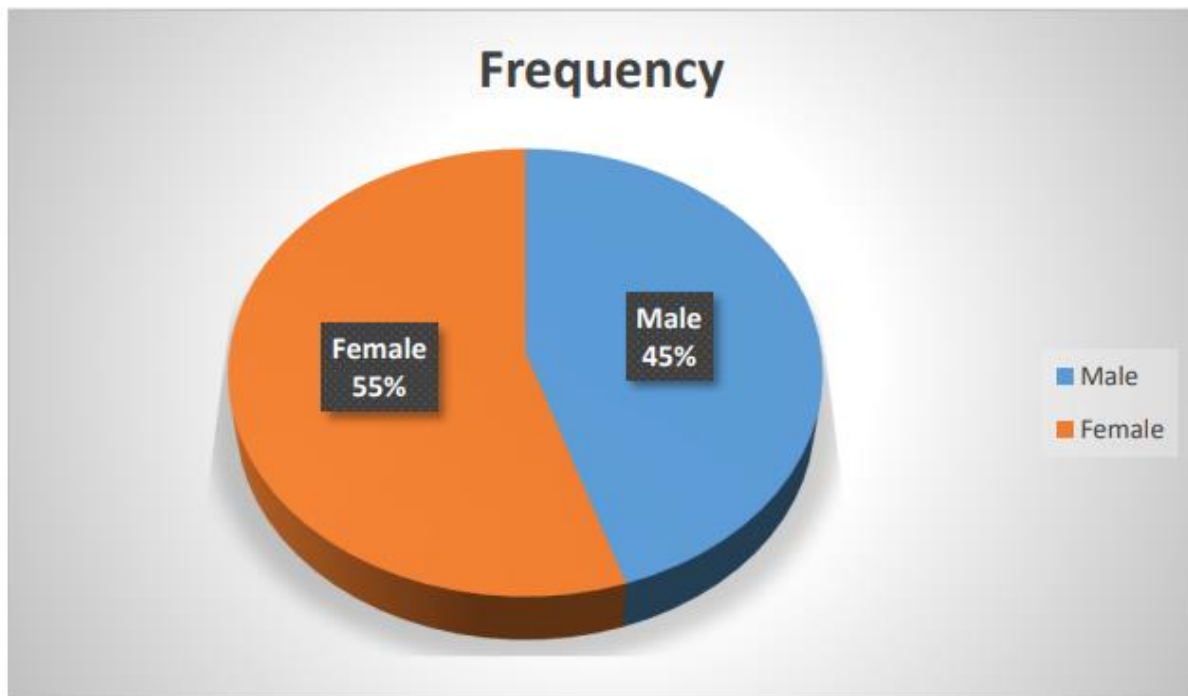
#### **4.1.2 Presentation of findings on Gender**

**Table 4.2; Gender**

Gender	Frequency	Percentage	Cumulative Percentage
<b>Male</b>	18	45	45
<b>Female</b>	22	55	100
<b>Total</b>	<b>40</b>	<b>100</b>	

Source: Field Work

Figure 4.2



**Table 4. 2. and Figure 4. 2.** Show that by gender, the majority of Participants, that is 55% were females while 45% were male.

### **4.3 Presentation of findings on Influence of Mobile Money Services**

In line with the objective of this study to ascertain the accessibility of mobile services. The rating scale was 5= strongly agree, 4= Agree, 3=Undecided, 2= Disagree, 1= Strongly Disagree.

The findings are presented in table 4.3 below.

	Statement	Strongly Agree 5	Agree 4	Undecided 3	Disagree 2	Strongly Disagree 1	Total	Mean
1	Has Mobile Money Services influenced the way traditional banking operate	25	15	0	0	0	40	4.625
2	Its faster and easier to open a Mobile Money Account than a Bank Account	32	7	1	0	0	40	4.775
3	Mobile Money Services enable customers to receive & send money as well as pay utilities anywhere at any time	31	8	1	0	0	40	4.75
4	Easy of usage	20	15	5	0	0	40	4.375
5	There are more mobile money customer touch points(Kiosks) as compared to Atlas Mara agents	28	11	1	0	0	40	4.675
6	Mobile Money Services are easily accessible than banking services	27	13	0	0	0	40	4.675

Source: field work 2021

The findings presented using Likert Scale Average in table 4.3. On Influence of Mobile Money Services, the majority (25) strongly agreed, on the statement that Mobile Money Services influenced the way traditional banking operate. (15) Respondents also agreed and none of the respondents were undecided, disagreed or strongly disagreed to the statement and the resulting average mean score of 4.6 which on the Likert scale is between strongly agreeing and agreeing to the statement.

On the statement that its faster and easier to open a mobile money account than a bank account, of, the majority (31) strongly agreed, on the statement, (8) respondents also agreed, (1) respondent was undecided and none of the respondents, disagreed or strongly disagreed to the statement and the resulting average mean score of 4.7 which on the Likert scale is between strongly agreeing and agreeing to the statement.

On the statement that mobile money services enable customers to receive and send money as well as pay utilities anywhere at any time, the majority (31) strongly agreed, on the statement, (8) respondents also agreed, (1) respondent was undecided and none of the respondents, disagreed or strongly disagreed to the statement and the resulting average mean score of 4.75 which on the Likert scale is between strongly agreeing and agreeing to the statement.

On the statement that mobile money services is easy to use, the majority (20) strongly agreed, on the statement, (15) Respondents also agreed, (5) respondent were undecided and none of the respondents, disagreed or strongly disagreed to the statement and the resulting average mean score of 4.3 which on the Likert scale is between strongly agreeing and agreeing to the statement.

On the statement that, there are more mobile money customer touch points (Kiosks) as compared to Atlas Mara agents, the majority (28) strongly agreed, on the statement, (11) Respondents also agreed, (1) respondent was undecided and none of the respondents, disagreed or strongly disagreed to the statement and the resulting average mean score of 4.6 which on the Likert scale is between strongly agreeing and agreeing to the statement.

On the statement that Mobile Money Services are easily accessible than banking services, the majority (27) strongly agreed, to the statement, (13) Respondents also agreed and none of the respondents were undecided, disagreed or strongly disagreed to the statement and the resulting average mean score of 4.6 which on the Likert scale is between strongly agreeing and agreeing to the statement.

#### **4.4 Convenience and safety of mobile money services**

In line with the objective of this study to ascertain the convenience and safety of mobile services. The rating scale was 5= strongly agree, 4= Agree, 3=Undecided, 2= Disagree, 1= Strongly Disagree

**The findings are presented in table 4.4 below.**

	Statement	Strongly Agree 5	Agree 4	Undecided 3	Disagree 2	Strongly Disagree 1	Total	Mean
11	Mobile money services are more simple to understand than traditional banking services	17	15	1	5	2	40	4
12	Mobile money services can take place almost everywhere, even where banks do not exist	33	6	1	0	0	40	4.8
13	Mobile money increases financial security and reduces inherent risks of cash handling such as loss and theft	20	15	4	1	0	40	4.35

Source: field work 2021

The findings presented using Likert Scale Average in table 4.5. On convenience and safety of mobile money services, the majority (17) strongly agreed and (15) agreed, on the statement that mobile money services are more simple to understand than traditional banking services, (5) Respondents disagreed, (2) strongly disagreed and (1) respondent was undecided on the statement and the resulting average mean score of 4.0 which on the Likert scale is between strongly agreeing and agree to the statement.

On the statement that mobile money services can take place almost everywhere, even where banks do not exist, the majority (33) strongly agreed, (6) agreed, (1) was undecided, and none of

the respondents disagreed, or strongly disagreed on the statement and the resulting average mean score of 4.84 which on the Likert scale is between strongly agreeing and agree to the statement.

On the statement that mobile money increases financial security and reduces inherent risks of cash handling such as loss and theft, the majority (20) strongly agreed, (15) agreed, (4) were undecided, (1) disagreed and none of the respondents strongly disagreed, on the statement and the resulting average mean score of 4.38 which on the Likert scale is between strongly agreeing and agree to the statement.

#### 4.5 Reliability of Mobile Money Services

In live with the objective of this study to ascertain the reliability of mobile services. The rating scale was 5= strongly agree, 4= Agree, 3=Undecided, 2= Disagree, 1= Strongly Disagree.

The findings are presented in table 4.5 below

	Statement	Strongly Agree 5	Agree 4	Undecided 3	Disagree 2	Strongly Disagree 1	Total	Mean
7	Most customers use mobile money services and banking services simultaneously	14	14	5	6	1	40	3.85
8	Mobile Money Service charges (transaction costs) are cheaper compared to Bank charges	21	11	4	5	1	42	4.09524
9	Commercial Banks have adopted mobile money services as a way of increasing and retaining customers	20	14	3	2	1	40	4.25
10	Mobile Money Agent penetration is higher than Atlas Mara	26	13	1	0	0	40	4.625

Source: field work 2021



The findings presented using Likert Scale Average in table 4.5. On reliability of Mobile Money Services, the majority (14) strongly agreed and (14) agreed, on the statement that most customers use mobile money services and banking services simultaneously. (6) Respondents disagreed, (1) strongly disagreed and (5) were undecided on the statement and the resulting average mean score of 3.85 which on the Likert scale is between agreeing and undecided to the statement.

On the statement that mobile money services charges (transaction costs) are cheaper compared to bank charges, the majority (21) strongly agreed, (11) agreed, (4) disagreed, (5) were undecided and (1) strongly disagreed on the statement and the resulting average mean score of 4.0 which on the Likert scale is agreeing to the statement.

On the statement that commercial Banks have adopted mobile money services as a way of increasing and retaining customers, the majority (20) strongly agreed, (14) agreed, (2) disagreed, (3) were undecided and (1) strongly disagreed on the statement and the resulting average mean score of 4.2 which on the Likert scale is between strongly agreeing and agree to the statement.

On the statement that mobile money agents penetration is higher than Atlas Mara agent, the majority (26) strongly agreed, (13) agreed, (1) was undecided and none of the respondents disagreed, or strongly disagreed on the statement and the resulting average mean score of 4.6 which on the Likert scale is between strongly agreeing and agree to the statement.

11. Some of the strengths and opportunities that are associated with mobile money include it is fast, and available. Some of the pull factors that have led respondents to prefer using mobile money than Traditional banks include mobile money is more convenient. Measures that mobile money service providers adopt in order to improve their service delivery to their customers include availability of float at all times. Why respondents prefer mobile money (MOMO) to the bank is that there are no queues, it's more convenient and faster than banks.

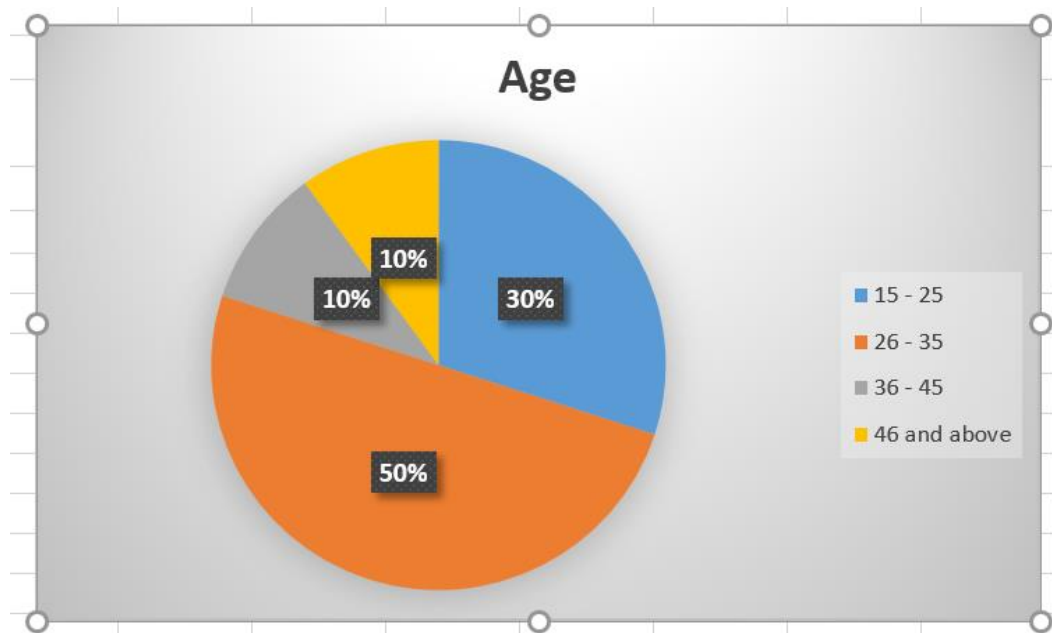
## **SECTION B**

## Part Two: For Atlas-Mara Employees

### Findings on respondents age

**Table 4.6**

	Frequency	Percentage
15 – 25	3	30
26 – 35	5	50
36 – 45	1	10
46 and above	1	10
Total	10	100



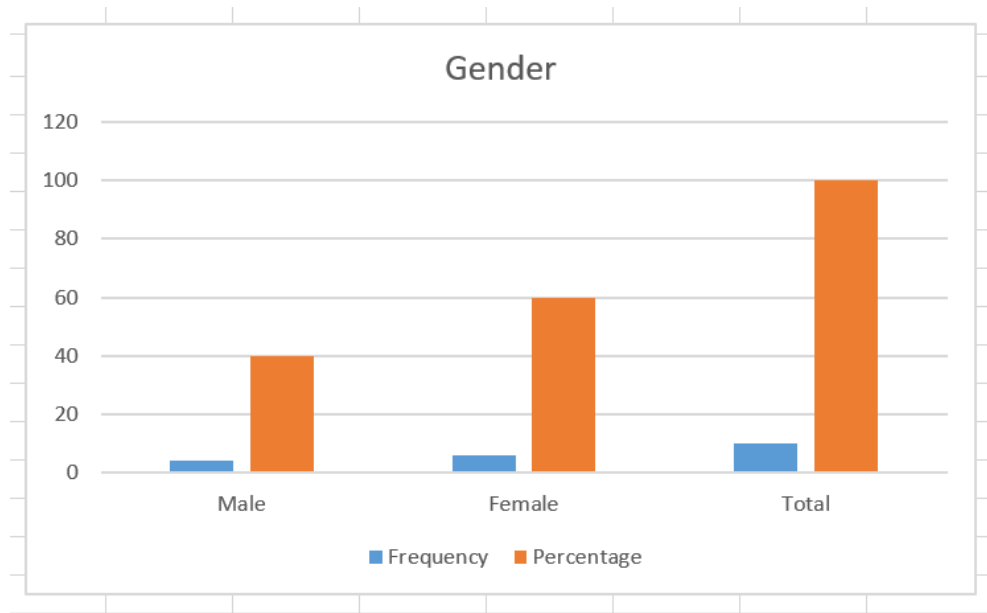
**Figure 3**

In terms of age distribution of the Participants from Atlas mara Staff, Table 4.6. And Figure 3. Show that most of the participants were aged 26 to 35 years (50%)

### Findings on gender

Table 4.7

	Frequency	Percentage
Male	4	40
Female	6	60
Total	10	100



**Figure 4**

Table 4. 7. and Figure 4. Show that by gender, the majority of Participants, that is

60% were females while 40% were males

## REVENUE AND PROFITABILITY

The level of agreement on the statements in the table to the effect of mobile money on Atlas Mara revenue, profitability, loans and market share. The rating scale was 5= strongly agree, 4= Agree, 3=Undecided, 2= Disagree, 1= Strongly Disagree

**The findings are presented in table 4.8 below.**

	Statement	Strongly Agree 5	Agree 4	Undecided 3	Disagree 2	Strongly Disagree 1	Total	Mean
1	Atlas Mara ventured into mobile money banking to grow its revenues and remain profitable	3	1	0	2	4	10	2.7
2	Atlas Mara introduced mobile money services as a way to remain competitive and grow market share in the wake of a large number of Kiosks that have been deployed across the city by mobile money service providers	4	6	0	0	0	10	4.4
3	Deposit accounts via mobile money have contributed to an increase in revenues for Atlas Mara	2	6	1	1	0	10	3.9

Source: field work 2021

The findings presented using Likert Scale Average in table 4.8. On revenue and profitability, the majority (4) strongly disagreed, and (2) disagree on the statement that Atlas Mara ventured into mobile money to grow its revenues and remain profitable. (3) Respondents strongly agreed, (1) agreed and none of the respondents were undecided, to the statement and the resulting average mean score of 2.7 which on the Likert scale is between disagreeing and undecided to the statement.

On the statement that Atlas Mara introduced mobile money services as a way to remain competitive and grow market share in the wake of a large number of Kiosks that have been

deployed across the city by mobile money service providers, the majority, (6) agree and (4) strongly agree and none of the respondents were undecided, disagreed or strongly disagreed to the statement, and the resulting average mean score of 4.4 which on the Likert scale is between strongly agreeing and agree to the statement.

On the statement that deposit accounts via mobile money have contributed to an increase in revenues for Atlas Mara, the majority, (6) agree and (2) strongly agree, (1) undecided, (1) disagree and none of the respondents strongly disagreed to the statement, and the resulting average mean score of 3.9 which on the Likert scale is between agreeing and undecided to the statement.

### **Customer Acquisitions & Service Delivery**

The level of agreement on the statements in the table to the effect of mobile money on Atlas Mara customer acquisitions and service delivery. The rating scale was 1= strongly agree, 2= Agree, 3=Undecided, 4= Disagree, 5= Strongly Disagree.

The findings are presented in table 4.9 below.

	Statement	Strongly Agree 5	Agree 4	Undecided 3	Disagree 2	Strongly Disagree 1	Total	Mean	Standard Deviation
4	Customers outside the reach of your branch are still able to easily access services from mobile money banking	10	0	0	0	0	10	5	4.47213595
5	The emergency of mobile money services has led to an increase in your clientele base	2	7	1	0	0	10	4.1	3.60555128
6	Customer satisfaction and service delivery has improved with the adoption of mobile money banking by Atlas Mara	5	5	0	0	0	10	4.5	4
7	Adoption of mobile money has changed the way your customers are carrying out bank transactions	7	3	0	0	0	10	4.7	4.19523539

Source: Field work 2021

The findings presented using Likert Scale Average in table 4.9. On Customer Acquisitions and Service Delivery, the majority (10) strongly agreed to the statement that customers outside the reach of your branch are still able to easily access services from mobile money services, and none of the respondents disagreed, strongly disagreed or were undecided, to the statement and the resulting average mean score of 5 which on the Likert scale is strongly agreeing to the statement.

On the statement that the emergency of mobile money services has led to an increase in Atlas Mara bank clientele base, the majority, (7) agree and (2) strongly agree, (1) undecided, and none of the respondents strongly disagreed or disagreed to the statement, and the resulting average mean score of 4.1 which on the Likert scale is between strongly agreeing and agree to the statement.

On the statement that customer satisfaction and service delivery has improved with the adoption of mobile money by Atlas Mara bank, the majority, (5) agree and (5) strongly agree, and none of the respondents were undecided, strongly disagreed or disagreed to the statement, and the resulting average mean score of 4.5 which on the Likert scale is between strongly agreeing and agree to the statement.

On the statement that adoption of mobile money has changed the way Atlas Mara customers are carrying out bank transactions, the majority, (7) strongly agreed and (3) agreed, and none of the respondents were undecided, strongly disagreed or disagreed to the statement, and the resulting average mean score of 4.7 which on the Likert scale is between strongly agreeing and agree to the statement.

## **CHAPTER FIVE**

### **SUMMARY, DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.0 Introduction**

The purpose of this study was to examine the influence of mobile banking on traditional banking practices in Mongu and Atlas Mara Mongu branch as a case study. The below were the objectives.

- To examine the influence of mobile banking practices on traditional banking practices at Atlas Mara Mongu branch
- To explore how preferences in terms of convenience have influenced mobile banking and traditional banking practices at Atlas Mara Mongu branch
- To examine the role of attitudes on current mobile banking customers at Atlas Mara Mongu branch

#### **5.1 Summary of Key Findings**

##### **5.1.2 Demography**

The findings on the demography for this study as outlined that most of the mobile money users and agents are in the age of 26 to 35 years old and more males are involved in the mobile money services. The demography is very important to this study because gender and age are important factors in assessing economic aspects of a population. The study has outlined that there is a youthful response to the mobile money services compared to the elderly population.

##### **5.1.3 Influence of Mobile Money Services**

The findings on the accessibility of mobile money services showed that there is high levels of accessibility as most of the respondents outlined that, that mobile money services are available at almost everywhere , that its faster and easier to open a mobile money account than a bank



account, that mobile money services enable customers to receive and send money as well as pay utilities anywhere at any time, that mobile money services is easy to use, that, there are more mobile money customer touch point

s (Kiosks) as compared to Atlas Mara agents, and that Mobile Money Services are easily accessible than banking services.

#### **5.1.4 Reliability of mobile money services**

The findings on the reliability of mobile money services showed that there is great reliability of mobile money services, On reliability of Mobile Money Services, the majority strongly agreed on the statement that most customers use mobile money services and banking services simultaneously, that mobile money services charges (transaction costs) are cheaper compared to bank charges, that commercial Banks have adopted mobile money services as a way of increasing and retaining customers, and that mobile money agents penetration is higher than Atlas Mara.

The above is in line with the literature review a study was conducted by (Onyebuchi, 2016) on mobile banking adoption and challenges in Nigeria with an analytical focus on Enugu state. The study revealed that the level of adoption was still low among the middle aged correspondents compared to the aged even though m-banking is a growing trend in Enugu

#### **5.1.5 Convenience and Safety of mobile money service**

The findings on the convenience and Safety of mobile money service showed that, majority agreed that purchases and payment for goods and services is much easier via mobile money, that mobile money services can take place almost everywhere, even where banks do not exist, and that mobile money increases financial security and reduces inherent risks of cash handling such as loss and theft.

#### **5.1.6 Revenue and Profitability**

The findings on Revenue and profitability showed that, majority disagreed that Atlas Mara ventured into mobile money to grow its revenues and remain profitable, but majority agreed that introduction of mobile banking is a way to remain competitive and grow market share in the

wake of a large number of kiosks that have been deployed across the city by mobile money service providers, and majority agreed that deposit accounts via mobile money have contributed to an increase in revenues for Atlas Mara

### **5.1.7 Customer Acquisitions and Service Delivery**

The findings on customer acquisitions and service delivery showed that, the majority strongly agreed that customers outside the reach of the bank branch are still able to easily access services from mobile money Agency outlets that have been set up, that the emergency of mobile money services has led to an increase in the bank clientele base, that customer satisfaction and service delivery has improved with the adoption of mobile money by Atlas Mara bank, and that adoption of mobile money has changed the way customers are carrying out bank transactions.

## **5.2 Conclusion**

Accessibility of mobile money services is very high compared to bank services hence banks should be able to work with mobile service providers to be able to remain profitable in the industry. Mobile money services are also very reliability and they are attracting a lot of customer because of the flexibility they provide. Mobile money services are also convenient and Safety to use and they are found almost every in the city.

Furthermore, Atlas Mara bank can benefit from the revenue and profitability by incorporating mobile money services. This is a way to remain competitive and grow market share in the wake of a large number of kiosks that have been deployed across the city by mobile money service providers, and majority agreed that deposit accounts via mobile money have contributed to an increase in revenues for Atlas Mara.

Recent decades have experienced the advantages of the unconventional methods in contrast to orthodox means of banking. The mobile banking service is one such result of the unconventional methods. Because of its utility and ease of use, most of the financial institutions are offering their consumers with mobile banking technology as an alternative to conventional banking system.

## **5.3 Recommendations**

- Atlas Mara bank to continue collaborating with mobile money service operators for continued revenue and profit realization.
- Atlas Mara to invest more on mobile banking.
- Atlas Mara should increase its accessibility, reliability and become more convenient making sure they are found everywhere in the city.
- Recommendation for a further study if education plays a key role in deciding the acceptability of any technology, in particular mobile technology in line with mobile money and banking.

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## **APPENDIX I**

### **QUESTIONNAIRE**

#### **PARTICIPANT INFORMATION LEAFLET**

Dear Respondent

RESEARCH TOPIC: How has traditional banking practices in Zambia been influenced by Mobile banking: A case study of Atlas Mara Mongu

Dear Sir/Madam

This questionnaire aims at seeking information for the purpose of research work on the topic” How has traditional banking practices in Zambia been influenced by Mobile banking: A case study of Atlas Mara Mongu. In this endeavour your kind cooperation is solicited. I shall be grateful if you could kindly fill in the questionnaire. You are requested to respond to each question. Please be fair and frank while responding to the statements. The information collected will be strictly for academic purpose and no information pertaining to individuals or office bearers will be revealed

Thanking you

## QUESTIONNAIRE 1: For Mobile Money Subscribers/Agents

### Section A

#### Demography

1. What is your age?

(a) 15-25 (b) 26-35 (c) 36-45 (d) 46 and above

2. What is your gender? a) Female b) Male

#### INFLUENCE OF MOBILE MONEY SERVICES

To what extent to do you agree with the below? Mark (X) where appropriate in the table below.

No	Statement	Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree
1	Has Mobile Money Services influenced the way traditional banking operate					
2	Its faster and easier to open a Mobile Money Account than a Bank Account					
3	Mobile Money Services enable customers to receive & send money as well as pay utilities anywhere at any time					
4	Mobile Money services are Easy to use					
5	There are more mobile money customer touch points(Kiosks) as compared to Atlas Mara Agents					
6	Mobile Money Services are easily accessible than banking services					

### CONVENIENCY OF MOBILE MONEY SERVICES

To what extent to do you agree with the below? Mark (X) where appropriate in the table below.

No	Statement	Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree
7	Mobile money services are more simple to understand than traditional banking services					
8	Mobile money services can take place almost everywhere, even where banks do not exist					
9	Mobile money increases financial security and reduces inherent risks of cash handling such as loss and theft					

### RELIABILITY OF MOBILE MONEY SERVICES

To what extent to do you agree with the? Mark (X) where appropriate in the table below.

No	Statement	Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree
10	Most customers use mobile money services more than traditional banks					
11	Mobile Money Service charges (transaction costs) are cheaper compared to Bank charges					
12	Traditional Banks have adopted mobile money services as a way of increasing and retaining customers					
13	Mobile Money Agent penetration is higher than Atlas Mara bank penetration to the city					

14. What are some of the strengths and opportunities that are associated with mobile money?



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15 What are some of the pull factors that have led you to prefer using mobile money than Traditional banks?

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16. What measure can mobile service providers adopt in order to improve their service delivery to their customers?

17. Why did you prefer mobile money (MOMO) to the bank?

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## QUESTIONNAIRE 2

### Part Two: For Atlas-Mara Employees

(1) What is your age?

(a) 15-25 (b) 26-35 (c) 36-45 (d) 46 and above

(2) What is your gender?

(a) Female (b) Male

(3) What is your job title.....

### REVENUE AND PROFITABILITY

What is your level of agreement on the following statement relating to the effect of mobile money on Atlas Mara revenue, profitability, loans and market share?

No	Statement	Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree
1	Atlas Mara ventured into mobile money banking to grow its revenues and remain profitable					
2	Atlas Mara introduced mobile money services as a way to remain competitive and grow market share in the wake of a large number of Kiosks that have been deployed across the city by mobile money service providers					
3	Deposit accounts via mobile money have contributed to an increase in revenues for Atlas Mara					

### CUSTOMER ACQUISITIONS & SERVICE DELIVERY

No	Statement	Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree
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4	Customers outside the reach of your branch are still able to easily access services from mobile money banking					
5	The emergency of mobile money services has led to an increase in your clientele base					
6	Customer satisfaction and service delivery has improved with the adoption of mobile money banking by Atlas Mara					
7	Adoption of mobile money has changed the way your customers are carrying out bank transactions					

What extent to do you agree with the? Mark (X) where appropriate in the table below