



**Addis Ababa University**  
**School of Commerce**

**The Effect of Fin Tech Attitude of Consumers on Purchase Intent: The Case of Amole Digital Payment.**

**By: Ashenafi Shawol**

**ID: GSE/1476/10**

**Advisor: Saleamlak Mola (PhD)**

**A Research Project Work Submitted to Addis Ababa University School of Commerce in Partial Fulfillment of The Requirements for The Degree of Master of Art in Marketing Management.**

**July, 2021**

**APPROVAL**

**ADDIS ABABA UNIVERSITY  
SCHOOL OF COMMERCE GRADUATE STUDIES  
FACULTY OF BUSINESS AND ECONOMICS**

**“THE EFFECT OF FIN TECH ATTITUDE OF CONSUMERS ON PURCHASE  
INTENT: THE CASE OF AMOLE DIGITAL PAYMENT.”**

**By: ASHENAFI SHAWOL**

**BOARD OF EXAMINERS**

---

**Dean, Graduate studies**

---

**Signature**

**SALEAMLAK MOLLA (Dr.)**

**Advisor**

---

**Signature**

---

**External Examiner**

---

**Signature**

---

**Internal Examiner**

---

**Signature**

## **DECLARATION**

I, the undersigned, declare that this thesis entitled “The Effect of Fin Tech Attitude of Consumers on Purchase Intent: The Case of Amole Digital Payment.” Submitted by me to undertake a research in partial fulfillment of the requirements for the award of the Degree of Master of Marketing Management (MMM) to the School of Graduate Studies, Addis Ababa University School of Commerce, is my original work, has not been presented for degree in any other university and that all sources of materials used for the thesis have been duly acknowledged.

**Declared by:**

Name: ASHENAFI SHAWOL

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Confirmed by Advisor:**

Name: SALEAMLAK MOLLA\_(Dr.)

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## ENDORSEMENT

This is to certify that Ashenafi Shawol Desim has carried out his research work on the topic entitled “The Effect of Fin Tech Attitude of Consumers on Purchase Intent: The Case of Amole Digital Payment”. The work is original in nature and is suitable for the submission for the award of Masters of Marketing Management.

**Advisor:** SALEAMLAK MOLLA (Dr.)      **Signature:** \_\_\_\_\_

**Addis Ababa University school of Commerce**      **Date** \_\_\_\_\_

## **ABSTRACT**

Fin Tech has increasingly gained importance in developing countries over the last two decades, use of mobile phone for comprehensive finance is very vital for countries where most of the population is unbanked or underbanked. The study tried to find the major challenges and opportunities for Fin Tech development in Ethiopia. The main objective of the study was to assess the effect of Fin Tech attitude of consumers on purchase Intent: The case of Amole Digital Payment. This study learns and contributes the factors that affect customer purchase intention. The study was conducted among 8,000 recorded Merchants with a respondent sample of 200 clients. Purposive sampling technique was used to select the respondents who were requested to fill the questionnaires. The study used frequency distribution, descriptive multiple regression analysis and correlation. The findings of the research revealed that major challenges facing up the successful implementation of Fin Tech in Ethiopia were the infrastructural problem associated with ICT, lack of awareness, low level of trust among the merchants and the users in the country. The study recommends that Ethio telecom should have to support the Fin Tech industry by investing on ICT infrastructure developments, High level of awareness and high level of trust rate were found out to be the most important area for the development of Fin Tech in Ethiopia. This study attempts to create new insight pitched towards the intention to exploit Fin Tech products in Ethiopia.

*Key words: Purchase Intention, Quantitative study, Fin Tech, Independent Variable*

## **ACKNOWLEDGEMENTS**

First, I would like to thank God, the provider of everything. Next my special gratitude goes to my advisor Saleamlak Mola (Dr) for his countless suggestions, assistance and invaluable advice from the start to the end of the study. I would like also to thank the Amole merchants for their support in distributing and collecting the questionnaires. I am greatly indebted to my family and my brother Zekarias Gebre who supported and encouraged me to succeed in my academic endeavor. Last but not least, my warmest appreciation and thanks goes to all my friends for their support and encouragement while doing this research.

**Thank you, all**

## ACRONYMS

ATM	Automated Teller Machine
CBE	Commercial Bank of Ethiopia
GSMA	Global System for Mobile Communications
ICT	Information Communication Technology
MFI	Micro Finance Institutions
MoFED	Ministry of Finance and Economic Development
M-Pesa	Mobile Money in Swahili
NBE	National Bank of Ethiopia
PEST	Political Economical Social Technological
POS	Point of Sale Terminal
SMS	Single Message System
SPSS	Statistical Package for Social Studies
STK	SIM Tool Kit
USSD	Unstructured Supplementary Service Data
WAP	Wireless Access Protocol

## **TABLE OF CONTENTS**

<b>APPROVAL .....</b>	<b>i</b>
<b>DECLARATION.....</b>	<b>ii</b>
<b>ENDORSEMENT .....</b>	<b>iii</b>
<b>ABSTRACT.....</b>	<b>iv</b>
<b>ACKNOWLEDGEMENTS .....</b>	<b>v</b>
<b>ACRONYMS.....</b>	<b>vi</b>
<b>TABLE OF CONTENTS .....</b>	<b>vii</b>
<b>LIST OF FIGURES .....</b>	<b>x</b>
<b>LIST OF TABLES .....</b>	<b>x</b>
<b>CHAPTER ONE .....</b>	<b>1</b>
<b>INTRODUCTION.....</b>	<b>1</b>
<b>1.1 Background of the Study.....</b>	<b>1</b>
<b>1.2 Statement of the Problem.....</b>	<b>3</b>
<b>1.3 Research Questions.....</b>	<b>3</b>
<b>1.4 Research Objective .....</b>	<b>4</b>
<b>1.5 Significance of the Study .....</b>	<b>4</b>
<b>1.6 Scope of the Study.....</b>	<b>4</b>
<b>1.7 Limitation of the Study.....</b>	<b>5</b>
<b>1.8 Definition of Terms .....</b>	<b>5</b>
<b>1.9 Organization of the Study .....</b>	<b>7</b>
<b>CHAPTER TWO .....</b>	<b>8</b>
<b>RELATED LITERATURE REVIEW .....</b>	<b>8</b>
<b>2.1 Introduction.....</b>	<b>8</b>
<b>2.2 Theoretical Literature Review.....</b>	<b>8</b>

<b>2.2.1 Fin Tech Financial Development Methods</b> .....	8
<b>2.2.2 Theories of Attitude</b> .....	10
<b>2.2.3 Basic Characteristics of Attitudes</b> .....	10
<b>2.3 Structural Models of Attitude</b> .....	11
<b>2.3.1 Tri-component Attitude Model</b> .....	11
<b>2.3.2 Multi-Attribute Attitude Model</b> .....	12
<b>2.3.3 The Theory of Trying to Consume:</b> .....	15
<b>2.3.4 Attitude toward- the Ad Model:</b> .....	16
<b>2.3.5 Technology Acceptance Model (TAM)</b> .....	17
<b>2.4 Purchase Intention</b> .....	18
<b>2.4.1 Attitude and Purchase Intention</b> .....	19
<b>2.4.2 Trust and Purchase Intention</b> .....	19
<b>2.4.3 The Concepts of Mobile Banking</b> .....	19
<b>2.4.4 Benefits of Fin Tech</b> .....	20
<b>2.4.5 Fin Tech Challenges</b> .....	21
<b>2.5 Empirical Review</b> .....	22
<b>2.5.1 Kenya’s M-PESA Experience</b> .....	22
<b>2.5.2 India`s Paytm Experience</b> .....	24
<b>2.6 Core Context Empirical Review</b> .....	24
<b>2.6.1 Concept of Fin Tech Related Data</b> .....	24
<b>2.6.2. Nature of Amole</b> .....	27
<b>2.6.3. The Challenges of Amole</b> .....	28
<b>2.7 Summary of Literature Review</b> .....	29
<b>2.8 Theoretical Framework</b> .....	30
<b>2.9 Research Hypothesis</b> .....	31

<b>CHAPTER THREE</b> .....	32
<b>RESEARCH METHODOLOGY</b> .....	32
<b>3.1 Introduction</b> .....	32
<b>3.2 Description of the Study Area</b> .....	32
<b>3.3 Research Approach</b> .....	32
<b>3.4 Research Design</b> .....	32
<b>3.5 Target Population and Sample</b> .....	33
<b>3.6 Data Sources and Types</b> .....	34
<b>3.7 Data Collection Procedures</b> .....	35
<b>3.8 Ethical Considerations</b> .....	35
<b>3.9 Data Analysis</b> .....	35
<b>CHAPTER FOUR</b> .....	36
<b>RESULTS AND DISCUSSIONS</b> .....	36
<b>4.1 Introduction</b> .....	36
<b>4.2 Frequency Table</b> .....	36
<b>4.3 Trust</b> .....	38
<b>4.4 Awareness</b> .....	39
<b>4.5 Social Compliance</b> .....	41
<b>4.6 Utilitarian Value</b> .....	42
<b>4.7 Purchase Intention</b> .....	44
<b>4.8 Mean and SD</b> .....	45
<b>4.9 Correlations and Regressions</b> .....	49
<b>4.9.1 Correlations</b> .....	49
<b>4.9.2 Regression</b> .....	54
<b>CHAPTER FIVE</b> .....	57

<b>SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION</b> .....	57
<b>5.1 Summary of Findings</b> .....	57
<b>5.2 Conclusion</b> .....	57
<b>5.3 Recommendations</b> .....	58
<b>REFERENCES</b> .....	59

## **LIST OF FIGURES**

Figure 2.3. 1 A Simple Representation of the Tri-component Attitude Model .....	11
Figure 2.3. 2 Depiction of the theory of reasoned action.....	15
Figure 2.3. 3 Conception of the relationship among elements in an attitude-toward-the-ad model .....	17
Figure 2.3. 4 Technology Acceptance Model (TAM), source (Muk & Chung, 2015); (Tarhini, Hassouna, Abbasi, & Orozco, 2015) .....	18

## **LIST OF TABLES**

Table 4.2. 1 Gender of the respondents .....	36
Table 4.2. 2 Age of the respondents .....	37
Table 4.2. 3 Educational level of the respondent.....	37
Table 4.3. 1 My Personal information is kept confidential.....	38
Table 4.3. 2 Transaction conducted by mobile device is advantageous .....	38
Table 4.3. 3 The availability of ICT infrastructure may not affect my daily operation.....	39
Table 4.4. 1 Mobile banking provides many worthwhile opportunities .....	39
Table 4.4. 2 I am aware of the benefits of Fin Tech services .....	40
Table 4.4. 3 I am familiar with the technologies of Fin Tech.....	40
Table 4.4. 4 Only a small group of merchants are benefit from the Fin Tech companies.....	41
Table 4.5. 1 I was recommended to use Mobile banking through friends. ....	41
Table 4.5. 2 Most people who are important to me would appreciate me if I use Amole .....	42
Table 4.6. 1 Using of mobile to purchase good and service makes me economically secure .....	42
Table 4.6. 2 Using mobile to purchase good and service makes me a modern person.....	43

Table 4.6. 3 I liked the Amole payment options and its simplicity .....	43
Table 4.7. 1 I am willing to use the Amole digital payment model.....	44
Table 4.7. 2 I would use a digital payment model I wanted a risk protection .....	44
Table 4.7. 3 I would use mobile banking if I wanted saving .....	45
Table 4.8. 1 I would use a digital payment model I wanted a risk protection * vs Gender of the respondent.....	45
Table 4.8. 2 I would use a digital payment model if I wanted a risk protection * vs age of the respondent.....	46
Table 4.8. 3 I would use a digital payment model if I wanted a risk protection * vs personal information.....	46
Table 4.8. 4 I would use a digital payment model if I wanted a risk protection * vs personal information.....	47
Table 4.8. 5 I would use a digital payment model if I wanted a risk protection * vs the availability of ICT infrastructure may not affect my daily operation.....	47
Table 4.8. 6 I would use a digital payment model if I wanted a risk protection * vs I was recommended to use mobile banking through friends.....	48
Table 4.9.1. 1 Correlations of the dependent variable with the independent variable of trust .....	49
Table 4.9.1. 2 Correlations with Dependent variable with the independent variable of awareness .....	50
Table 4.9.1. 3 Correlations with Dependent variable with the independent variable of Social Compliance .....	51
Table 4.9.1. 4 Correlations with Dependent variable with the independent variable of Utilitarian Value .....	52
Table 4.9.1. 5 Correlations with the independent variable with purchase Intentions .....	53
Table 4.9.2. 1 ANOVA of independent variable trust .....	54
Table 4.9.2. 2 ANOVA with awareness .....	54
Table 4.9.2. 3 ANOVA the Social Compliance.....	55
Table 4.9.2. 4 ANOVA <sup>a</sup> Utilitarian Value.....	55
Table 4.9.2. 5 ANOVA Purchase Intentions.....	56

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background of the Study

An exchange feature of Ethiopian economy since the decline of the Axumite Empire was the absence of coined money, and the use of gold, salt and iron as the principal means of exchange.

During the Zemane Mesafent, as in the past, trade in Ethiopia`s market was usually carried on by barter. However, in the more important trading centers the Maria Teresa Thaler was accepted by merchants. For smaller change people used pieces of cloth, black peeper, blue silk cord, beads and above all salt Amole Salt, trade and politics in Ethiopia by (M. Abir 1, July 1966, pp.1).

Fin Tech was a term generally used today to describe an industry composed of companies that use new technology and innovation with available resources to compete in the marketplace previously dominated by traditional financial institutions and intermediaries such as banks, in the delivery of financial services. Financial technology companies consist of both startups and established financial and technology companies trying to replace or enhance the usage of financial services of incumbent companies, ECA Promoting Financial Technology Startups in Africa no. (ECA/18/001).

In Ethiopia use of technology and innovative financial service delivery channels such as mobile devices and merchants have significant contribution in deepening financial service accessibility to the wider section of the population a friendly user software`s; it has been found essential to encourage and enhance savings mobilization through the use of alternative and innovative financial services delivery channels; there was a need to set the minimum standards for risk management and customer protection on the delivery of mobile and agent banking services.

The National Bank of Ethiopia is responsible for ensuring that financial institutions are delivering mobile and agent banking services without compromising the safety and soundness of the financial system of the country, Regulation of Mobile and Agent Banking Services Directives No. (FIS /01/2012).

Therefore, the courtesy of this particular research was on the assessment of The Effect of Fin Tech Attitude of Consumers on purchase intent: The case of Amole digital payment.

One of the modern-day marketing practice issues in digital payment. Assessing the practices on organizational and company level efforts in more comprehensive, objective, and professional perspective has greater importance in identifying and examining: the possible attitudinal outcomes, the possible gaps and its causes; the best practices in the due course. In this regard, selective case study of project based financial technology company (Amole) which has implemented in Ethiopia was the focal of the study.

Technology delivering companies offer modern technology in the financial sector. Such companies have become a noticeable trend in Ethiopia since 2010. Namely: M-Birr, Hello cash, BelCash, Hi-birr, Mob-Birr, Kifiya, Hallow Cash, Abay Bedeje, and the recent CBE-Birr, Amole, and E-Birr are among the well-known introducing new and innovative system to improve the current traditional banking services. The emergences of these new technologies enabled Fin Tech's provide flexibility, ease of use, rapidity and lower cost products by implementing IT infrastructures. There were many initiatives for changing role of the traditional financial services and user attitudes in the sector. The next more innovative and bolder move to disrupt the financial services industry has begun now. At this time financial technology center called Fin Tech has become the central innovative disrupter to change the financial sector.

Financial technology has radically changed Ethiopia's financial services ecosystem by bringing major innovations in the areas of utility bills payment, merchant payments, money transfer, banking services, and insurance, international remittances, among others. Fin Tech is playing a demonstrable role in facilitating access to financial services and allowing banks to grant and monitor microloans easily and quickly while reducing operational costs, ECA Promoting Financial Technology Startups in Africa no. (ECA/18/001).

MONETA TECHNOLOGIES SC, has developed and implemented AMOLE digital payment to deliver digital payment services to Ethiopian financial institutions. The platform is offered as a Software as a Service (Amole Desktop Software). The system enables users to send money, store money, purchase, make payments on a mobile in electronics form, and deposit or withdraw money in the form of hard currency at any Amole agent locations. The service is empowered by Dashen bank and regulated by the National Bank of Ethiopia.

## **1.2 Statement of the Problem**

Digital financial technologies or so-called Fin Techs have reshaped the financial practices in Ethiopia since 2010. The crucial target of Fin Tech was to bring about quickly response to the changing technological advancement requirements and achieve the finance and user objective in minimizing risks through ensuring improved performance. Unless the digital payment approach was well customized, with the sector of the company trend and well implemented, it was hardly possible to bring about the intended outcomes. Whether the approach is accompanied by flexible and innovative Fin Tech team ensuring its sustainability to meet the success criteria of a purchase may lack the capacity to bring about the favorable Fin Tech outcome.

According to the theory of reasoned action (TORA), consumer behavior could be predicted from its corresponding intentions, (Ajzen & Fishbein, 1980). Other researcher, observed online purchase intention to be a more appropriate measure of attitude to use a web site via Mobile Phones when assessing online consumer behavior, (Pavlou, 2003), in (Thamizhvanan & Xavier, 2015). Therefore, the effect of Fin Tech Attitude of Consumers may affect customer intent to purchase online via Mobile terminals. Researchers can even use purchase intention as a very important indicator for estimating shopper behavior.

Despite the importance, the role of purchase in continuous intention to use mobile, Fin Tech services has not yet been investigated in depth. Thus, this study investigates the relationships between awareness, trust regarding the services, perceived usefulness, and social compliance.

## **1.3 Research Questions**

- How does awareness of Fin Tech affect the purchase intention of consumers on digital world?
- To what extent trust of Fin Tech influence customer`s purchase intention of digital purchase?
- How does the utilitarian value of consumers affect the purchase intention of using Fin Tech?
- What is the impact of social compliance towards purchase intention of using the digital purchase method?

## **1.4 Research Objective**

The general objective of the study is to explore the effect of consumer attitude on purchase intention of digital payment in Ethiopia.

### **Specific objectives:**

- To determine the effect of awareness on the purchase of consumers.
- To identify the extent to which trust influence customer`s intention to use a digital payment platform.
- To understand the impact of utilitarian value on purchase intention of consumers.
- To know the influence of social compliance towards purchase intention of using Fin Tech.

## **1.5 Significance of the Study**

Use of mobile phone for inclusive finance is very crucial for countries where most of the population is unbanked or underbanked, Henok Arega Asfaw, Financial inclusion of mobile banking, Voll.

In light of the above noble notion, the findings of the study were had practical importance through providing significant insight for decision makers at regulatory bodies and financial institution for zealous commitment towards expediting the implementation of branch less banking (Mobile and Agent Banking) through overcoming the challenges ahead.

The study can be used by Fin Tech marketers as an input in the formation of marketing strategy and programs and it contributes to the current Fin Tech market knowledge in Ethiopia. Moreover, it invites for further Fin Tech market related researches and to bring buyers` attitudinal change in the areas of Fin Tech purchase and benefits.

## **1.6 Scope of the Study**

The study was delimited to challenges and prospects of mobile banking outreach in Ethiopia. Hence, any conclusion drawn from the finding merely reflects Fin Tech service with purchase intention. The study does not address the demand (customers` side) as there are limited numbers of users due to infancy of the service.

The study was limited to selected Amole merchants that are located only in Addis Ababa and excluded other financial institutions and agents. The reasons for this are Ethiopia is too large for the researcher to travel all over the country.

### **Methodologically**

This study used quantitative research approach and descriptive and explanatory research design, the data was collected by using purposive sampling method which used to select the representative samples from the population and primary data collect though questionnaire from the selected merchant users.

### **1.7 Limitation of the Study**

There are other extraneous variables that have not been included in this study which will affect consumer attitude towards purchase intention for Fin Tech products and services.

The first, and most important limitation, which presented in all descriptive statistics, is that are providing data about a population that have not fully measured, and therefore, cannot ever be completely sure that the values/statistics calculate are correct.

Thus, it was not free from the common criticism of other case studies in its dependency on a single case description making it difficult to reach a generalizing conclusion, (E Wikfeldt, 2016). The research only drew on quotes from a small number of samples and their stakeholders, and took those out of the context of the studies of which the data was part.

### **1.8 Definition of Terms**

It is important that some of the key ideas in this study be effectively defined, in an effort to remove some of the vagueness from concepts which are often subject to a wide range of individual interpretations.

- “Agent” means a person engaged in a commercial/business activity and has been contracted by a financial institution to provide the services of the financial institution on its behalf in a manner specified in these directives, Regulation of Mobile and Agent Banking Services Directives No. (FIS /01/2012).

- “Agent banking” means the conduct of banking business on behalf of a financial institution through an agent using various service delivery channels as permitted under these directives, Regulation of Mobile and Agent Banking Services Directives No. (FIS /01/2012).
- “Cash in and cash out services” refers to the deposit and withdrawal of funds including payments by customers to/from their mobile account using a variety of options including bank-branch counters, automatic teller machines and authorized agent locations, Regulation of Mobile and Agent Banking Services Directives No. (FIS /01/2012).
- “Mobile account” means an account maintained by a customer in a financial institution in which debits and credits are affected by virtue of electronic fund transfer and which is used to conduct mobile banking activities as outlined in these directives, Regulation of Mobile and Agent Banking Services Directives No. (FIS /01/2012).
- “Mobile banking” means performing banking activities which primarily consists of opening and maintaining mobile/regular accounts and accepting deposits; furthermore, it includes performing fund transfer or cash in and cash out services using mobile devices, Regulation of Mobile and Agent Banking Services Directives No. (FIS /01/2012).
- “Mobile device” means, in this context, mobile phones, smart phones, table personal computers, point of sale terminals or any other similar device, Regulation of Mobile and Agent Banking Services Directives No. (FIS /01/2012).
- “Customer” means an individual or entity who uses mobile and agent banking services of financial institutions offered through mobile devices, Regulation of Mobile and Agent Banking Services Directives No. (FIS /01/2012).
- “Deposit” means placement of money with financial institutions, repayable on demand, or otherwise accepted by financial institutions from the public, Regulation of Mobile and Agent Banking Services Directives No. (FIS /01/2012).
- “Financial institution” means a bank or a microfinance institution, Regulation of Mobile and Agent Banking Services Directives No. (FIS /01/2012).
- “Real time” means the electronic processing of transactional data instantaneously upon data entry or instantaneous receipt of transaction command to a financial institutions central system, Regulation of Mobile and Agent Banking Services Directives No. (FIS /01/2012).

## **1.9 Organization of the Study**

The study was organized in to five chapters, chapter one focus on introduction which include back ground of the study, statement of the problem, research question, objective of the study, significance of the study, scope of the study, limitation of the study and organization of the study, Chapter two gives a review of literatures both theoretical backgrounds and pertinent empirical studies as building blocks as well as their strength and limitations have shortly been indicated. It also displays how the proposed study comply with the previously assessed and documented research results.

The third chapter focus on the methodology used for data collection and analysis are clearly stipulated. The fourth chapter contains conclusion and the fifth chapter suggests possible recommendations.

## **CHAPTER TWO**

### **RELATED LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter was reviewing the literature on the Effect of the Fin Tech attitude of consumers on purchase intent of Merchants on Amole digital mobile and agent banking. From this review, broad categories were derived which help to identify the critical effects of merchants on Amole digital mobile and agent banking purchase intentions. Specifically, the chapter was addressing the theoretical framework, empirical literature and conceptual framework guiding the study of merchants' effect of their attitudes mobile and agent banking purchase intent.

#### **2.2 Theoretical Literature Review**

##### **2.2.1 Fin Tech Financial Development Methods**

The financial services industry was made up of economic services provided by the finance industry which include, credit unions, banks, financial institutions, accounting firms, real estate, consumer finance companies etc. The financial services industry was basically a financial service provided to consumers or businesses which effectively manages money.

The financial system was considered as a real backbone of any economy. A reliable and transparent financial system is a must for handling an increasing number of monetary transactions of the economy, fast moving open markets, global competition and changes in technologies incite the requirement for ownership of digital payment type of assets to adopt technology requirements and customer needs. Customers demand the integration of products, services and networks. In “cumulative” industries, there is a requirement to build “platforms”. It may require the participation of other incentives, (Teece, 2007). The software industry was feeling the need for a better way of managing the financial industry and the customer at large by developing e-payment systems.

The basic characteristics of e-payment system are applicability, ease of use and security. Applicability refers that the software is applicable for any financial sector and any for customers

adaptive to small software releases with rapid development cycles. Ease of use refers to user friendly mobile application and security refers to secure electronic payment system uses different cryptographic algorithms and techniques to achieve privacy, integrity, authentication, non-repudiation etc. In digital payment and purchase system, it is important to maintain proper security.

Currently, mobile and agent banking is implemented through three different technology solutions: browser-based applications, messaging based applications and client-based applications. The browser-based application is essentially a Wireless Access Protocol (WAP)-based internet access. This requires a compatible mobile phone which is WAP enabled. The mobile phone is used to access banking portals through the internet, (Brett, 2010). On the messaging-based applications, the communication between the bank and the customer was carried out via text messages. For example, by using a registered mobile number, the customer sends a predefined command to the bank then uses text messages (SMS) to conduct transactions with the bank. An example of messaging-based applications was Unstructured Supplementary Service Data (USSD), which had compatibility with most mobile phones. On client-based applications, special software was installed in the mobile phone. An example of a client-based application is what was called the Standard SIM Toolkit (STK).

The following success stories witness the significant role of Mobile and Agent Banking towards fostering financial inclusion in the developing world. G-Cash had transformed the Filipino way of doing things. It brings money into people's pockets faster by providing a quick, safe, and easy way to send and receive cash values, making it especially relevant for the majority of Filipinos who do not have bank accounts or credit cards. Now, the typical Filipino breadwinner working in the city can remit money to his family back in the countryside, at the speed of an SMS through G-Cash's domestic remittance service. G-Cash also helps build the economy. More than a new revenue stream, G-Cash expands the reach of its merchant partners by providing access to a wide market of 12 million subscribers. It provides true business mobility by facilitating transactions via the mobile phone, (YCF Group, 2013) Thailand's True Money was a success story that merits closer attention. Launched in 2005, True Money was now used by 6 million customers, and the system processes over US\$900 million in electronic payments and 120 million transactions per year, (YCF Group, 2013). It's tough to find a deployment that's reached Kenya's M-PESA-like scale: the most

recent figures suggest that the Kenyan system now counts over 8.6 million customers and processes USD \$3.5 billion in P2P (Peer-to-Peer) transfers per year, (YCF Group, 2013).

### **2.2.2 Theories of Attitude**

Attitudes are an expression of inner feelings that reflect whether a person is favorably or unfavorably predisposed to some “object” (e.g., a brand, a service, or a retail establishment). Because they are an outcome of psychological processes, attitudes are not directly observable but must be inferred from what people say or what they do. Widespread view was that attitudes are complex systems made up of three components. These are; cognitive component referring to the person`s thoughts, affective component referring to the person`s feelings, and the conative component referring to the persons behavioral tendencies, (Ajzen and Fishbein, 1980).

### **2.2.3 Basic Characteristics of Attitudes**

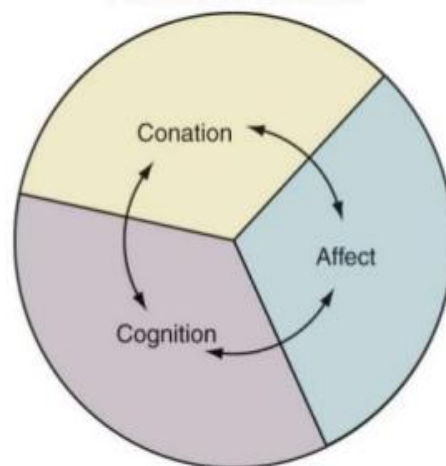
- i. Attitudes are a Learned Predisposition: There was general agreement that attitudes were learned. This means that attitudes relevant to purchase behavior are formed as a result of direct experience with the product, information acquired from others, or exposure to mass media advertising and various forms of direct marketing, (N.L. Munn).
- ii. Attitudes have Consistency: Another characteristic of attitudes was that they were relatively consistent with the behavior they reflect. However, despite their consistency, attitudes were not necessarily permanent; they do change. It is important to illustrate what we mean by consistency. Normally, we expect consumers' behavior to correspond with their attitudes, (Oskamp and Schultz, 2005).
- iii. Attitudes Occur within a Situation: It was not immediately evident from our definition that attitudes occur within and are affected by the situation. By situation, we mean events or circumstances that, at a particular point in time, influence the relationship between an attitude and behavior. A specific situation can cause consumers to behave in ways seemingly inconsistent with their attitudes (N.L. Munn).

## 2.3 Structural Models of Attitude

Psychologists were construct four types of models that capture the underlying dimensions of an attitude are Tri-component attitude model, Multi-attribute attitude models, Trying-to-consume model, and Attitude-toward-the-ad model, (Eagly & Chaiken, 1993).

### 2.3.1 Tri-component Attitude Model

As the name suggests, Tricomponent model states that attitudes were composed of three major components: a cognitive component (knowledge), an affective component (effect and emotion), and a conative component (action), (Ajzen I, Fishbein M, 1973) Attitudes and normative beliefs: factors influencing behavioral intentions. *J Pers Soc Psychol* 2(1):1–9).



Source: (Ajzen I, Fishbein M, 1973) Attitudes and normative beliefs: factors influencing behavioral intentions. *J Pers Soc Psychol* 2(1):1–9).

#### **Figure 2.3. 1 A Simple Representation of the Tri-component Attitude Model**

The knowledge or the cognitive component comprises the cognitive process that led to the formation of attitudes. In terms of marketing, the knowledge or cognitive component of the tri-component model consists of consumers` knowledge about the products/service offering and the marketing mix. Consumer attitudes were formed on the basis of experiences as well as information received from personal (Word of mouth, family, friends, peers, colleagues, etc.) as well as impersonal (marketer`s sources) sources of information that were retained in one`s memory. These

get shaped by beliefs and opinions, where the consumer begins to perceive that the attitude object (person, situation or thing) possesses certain attributes and acts of behavior would lead to outcomes. The beliefs and opinions get repeatedly reinforced, and finally give rise to attitudes. This knowledge components leads to the emotional component, (Eagly & Chaiken, 1993).

The feeling or the affect component comprises the emotional component of attitudes. In fact, this is understood to be the attitude itself, as it depicts emotional states that are positive, neutral or negative. In marketing terms, it refers to a consumer`s feelings about a product/service offering and the marketing mix. These emotions could relate to an attribute or the overall object. It was evaluated in nature and would vary on a continuum as like or dislike, favorableness or unfavorableness, (Ajzen I, Fishbein M, 1973).

The behavioral or the conative component of attitudes depicts the outcome of an attitude. As attitudes were formed out of psychographic components, they could not be seen. The first two components, knowledge and feeling were not expressive or illustrative of attitudes. It is only this third component through which attitudes could be inferred. The conative component, was indicative of an individual`s tendency to behave [act or to act (to buy or not to buy)] in a particular manner with respect to the attitude object (product/service offering, brand, etc.), (Ajzen I, Fishbein M, 1973).

As per the model, the knowledge and the feeling component could not be seen, they could only be inferred; it was only the behavioral component which could be observed.

### **2.3.2 Multi-Attribute Attitude Model**

The multi-attribute attitude model stated that a consumer`s attitude towards an attitude object (product/service offering, brand elements of the marketing mix) was a function of a consumer`s perception and belief of the key attributes as well as his assessment of the key attributes. The multi-attribute models had been variedly studied and numerous variations had been proposed by various researchers. Of these, the most famous of the models are those that have been proposed by (Fishbein). Martin Fishbein and his associates had proposed a serious of models like (a) the attitude-toward-object model, (b) the attitude toward-behavior model, and (c) the theory-of-reasoned-action model.

**(A) The Attitude-towards-Object Model:** stated that a consumer's attitude towards a product/service offering or a brand, was a function of the presence or absence of certain attributes, and the corresponding evaluation. Attitude is a function of evaluation of product specific beliefs and evaluations. Attitude toward a behavior was the degree to which performance of the behavior was positively or negatively valued. According to the expectancy– value model, attitude toward a behavior was determined by the total set of accessible behavioral beliefs linking the behavior to various outcomes and experiences. Specifically, the strength of each belief that the object contains (b) was weighted by the evaluation criteria associated with the attributes (e) of the outcome or experience, and the products are aggregated, as shown in the following equation.

$$A \propto \sum b_i e_i$$

Thus, consumers would tend to have favorable attitude toward such offerings and/or brands that they have sufficient number of attributes that were deemed important and evaluated as positive. On the other hand, they would have unfavorable attitudes toward offerings and/or brands which does not have the desired attributes or have many negative attributes, Martin Fishbein and his associates, (Ajzen I, Fishbein M, 1973).

**(B) The Attitude-towards-Behavior Model:** The model focuses on the individual's acts of behavior towards the attitude object rather mere affect or feeling towards the object. The premise was that a consumer may have positive feelings towards at attitude object/services, but he/she may have a negative attitude regarding his intention for buying such a product/service offering. Thus, a positive attitude towards the offering may not necessarily end up as an act of purchase, (Mitchell and Olsen, 1981 and Shimp, 1981).

The attitude-toward-behavior model is depicted by the following equation

$$\text{Attitude (beh)} = \sum_{i=1}^n b_i e_i$$

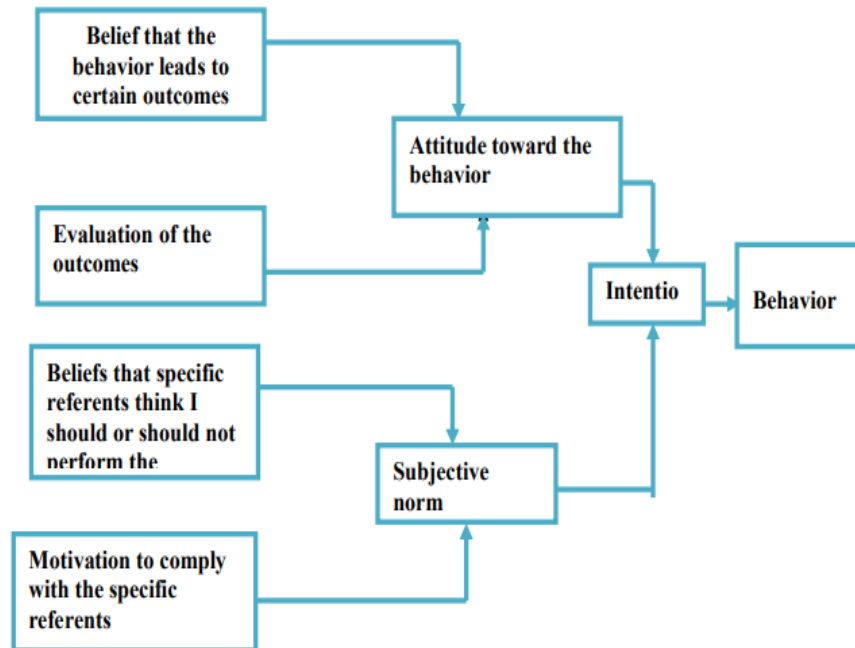
Equation 1: The attitude-toward-behavior model, (Mitchell and Olsen, 1981 and Shimp, 1981)

Were,

- Attitude (beh): is a separately assessed overall measure of affect for or against carrying out a specific action or behavior
- b: is the strength of the belief that an ith specification will lead to a specific outcome
- e: is an evaluation of the ith outcome and indicates that there are n salient outcomes over which the b and e combinations are summated.
- $\sum$ : is indicative that there are n salient outcomes over which the b and e combinations are summated

Consumers tend to have attitudes towards the product/service offering, but a negative attitude towards the act of purchase (behavior), (Mitchell and Olsen 1981 and Shimp 1981).

**(C) The Theory-of-Reasoned-Action Model:** The theory of reasoned action builds on other research conducted by Fishbein and his associates. It represents a comprehensive integration of attitude components into a structure that was designed to lead to both better explanation and better predication of behavior. Like the basic tri-component attitude model, the theory-of-reasoned-action model incorporates a cognitive component, an affective component, and a conative component; however, these were arranged in a pattern different from that of the tricomponent model. By working backward from behavior (e.g., the act of purchasing a particular service, product, or brand), the model suggests that the best predictor of behavior was the intention to act. Thus, if consumer researchers were solely interested in predicting behavior, they would directly measure intention (i.e., using an intention-to-act scale). However, if they were also interested in understanding the underlying factors that contribute to a consumer's intention to act in a particular situation, they would look behind intention and consider the factors that led to intention that was, the consumer's attitude toward behavior and the subjective norm. The consumer's attitude toward behavior could be directly measured as affect (i.e., a measure of overall favorability toward the purchase). Furthermore, as with intention, we can look behind the attitude to its underlying dimensions. In accordance with this expanded model, to understand intention we also need to measure the subjective norms that influence an individual's intention to act. A subjective norm could be measured directly by assessing a consumer's feelings as to what relevant others (family, friends, roommates, co-workers) would think of the action being contemplated; that is, would they look favorably or unfavorably on the anticipated action, (Association for Consumer Research, Pages, 135-141).



Source, Developed by (Martin Fishbein and Icek Ajzen, 1967).

### Figure 2.3. 2 Depiction of the theory of reasoned action

The subjective norm on the other hand, refers to the norms that exist in the specific social context. Factors underlying the subjective norm were i) the beliefs that specific referents think as to whether the act of behavior should be performed or not; and ii) motivation to comply with the specific referents.

The behavior of a consumer was based on his intention to act, which was moderated by the attitude towards behavior and the subjective norms. The theory of reasoned action was illustrative of attitude components that were interrelated to each other. Intention precedes actual behavior; beliefs and attitudes as well as subjective norms precede intention; the theory emphasizes that attitudes were linked to behavior indirectly, via intention.

### 2.3.3 The Theory of Trying to Consume:

The theory of trying to consume focuses on a purchase situation where the action or act of behavior (in terms of actual purchase), was not certain and may even be sometimes in the future. As per this theory, the action or act of behavior was directed towards a goal (Something that the consumer

was planning to and/or attempting do in the future). In such processes of trying the resultant outcome (in terms of purchase, possessions and use) cannot be predicted for certainty.

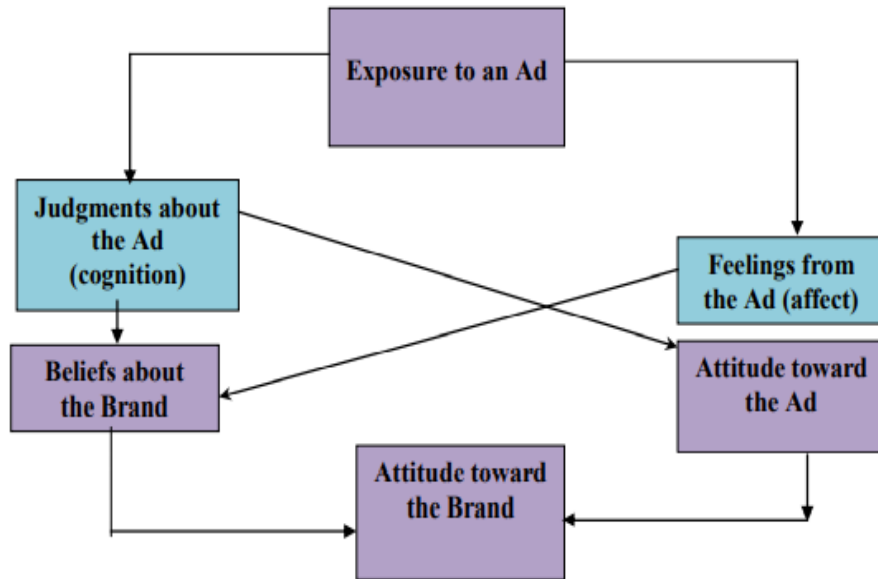
The theory of trying to consume replaces behavior (as proposed by Fishbein in the theory of reasoned action model) by trying to behave. Trying to behave or accomplish a goal was preceded by intention to try, which was determined by attitude toward trying and social norms toward trying. The attitude toward trying was influenced by the individual consumer's (1) attitude towards success and expectations of success, (2) attitude toward failure and expectations of failure, and (3) attitude toward process. The attitude toward process refers to individual's assessment of how the act of trying to do something makes him feel, irrespective of the result or the outcome.

Moving backwards, act of trying to behave was impacted by a) intention to try, b) frequency of past trying, and c) recency of past trying. Intention to try is impacted by a) attitude towards trying, b) frequency of past trying, and c) social norm towards trying.

Attitude towards trying was impacted by a) attitude toward success, failure and process, and b) expectation towards success and failure. Each of the attitudes (i.e., attitude towards success, failure and process), were determined by the summation of the 'product' of the consequence likelihood and the consequence evaluations, (Martin Fishbein and Icek Ajzen in, 1967)

#### **2.3.4 Attitude toward- the Ad Model:**

(A) This model lays emphasis on the impact of an advertisement, either in print or in audio-visual on the formation of consumer attitudes towards product/service offerings and or brands. Once exposed to an advertisement, a consumer forms the cognition (knowledge) and the affect (feeling) components of the attitude; it leads to judgements about the Ad (cognition) and feelings from the Ad (affect), J.Lutz and B. MacKenzie, Advanced consumer behavior research).



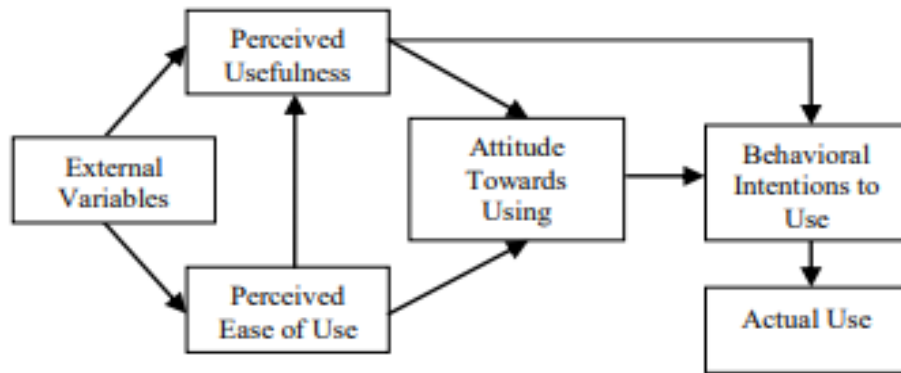
**Figure 2.3. 3 Conception of the relationship among elements in an attitude-toward-the-ad model**

According to, J.Lutz and B. MacKenzie, *Advanced consumer behavior research* (Vol.10, 1983, pp. 532-539) out of these five elements only attitude towards the brand could influence consumers purchase intention which was less emphasis were given for the rest four core elements; thus we try to cover all aspects of attitude toward-the-ad model and the consumers purchase intention toward Amole digital payment, (Mitchell and Olsen, 1981 and Shimp 1981).

### **2.3.5 Technology Acceptance Model (TAM)**

(Davis et al., 1989) proposed the Technology Acceptance Model (TAM) to explain the effects of variables on consumer behaviors and intentions, Davis et al., (1989). Since its inception, TAM had been widely cited in the research context in various settings, (Muk & Chung, 2015); (Tarhini, Hassouna, Abbasi, & Orozco, 2015). The model explains that perceived ease of use, perceived usefulness and attitude will affect the users' intentions to use as illustrated in Figure 2.4. According to this model, perceived ease of use explains the level where a user thinks that very less effort was needed to use a particular system or technology. Moreover, perceived usefulness explains the level where a user thinks that the particular system was had a direct influence on his/her performance. It was argued that the attitudes of the users were directly influenced by both perceived ease of use and perceived usefulness, which in turn influence users' intention to use and to adopt the system.

Since TAM has been regularly used to understand the acceptance level of users towards a particular system, hence, this theory was adopted for this study



**Figure 2.3. 4 Technology Acceptance Model (TAM), source (Muk & Chung, 2015); (Tarhini, Hassouna, Abbasi, & Orozco, 2015)**

## 2.4 Purchase Intention

Purchase intention could be defined as an individual's predisposition to purchase a product or service, (belch, and belch, 2004). It was a sign of an individual's willingness to perform the behavior, and was an immediate antecedent of behavior. In this research, intention was the dependent variable which was predicted by an independent variable, namely Awareness, Trust, Utilitarian value and Social Compliance. Intention varies from time to time, and as the time interval increases, the lower was the correlation between intention and action, (Ajzen, 1991); (Ajzen and Fishbein, 1980); Intention had been found to be a strong predictor of behavior, (Davis et al, 1989); (Taylor and Todd, 1995). Therefore, the intention to purchase was an antecedent of a purchase decision.

Purchase intention was the preference of consumer to buy the product or service. In another words, purchase intention had another aspect that the consumer was purchase a product after evaluation. Many factors affect the consumer's intention while selecting the product and the ultimate decision depends on consumer's intention with large external factors, (Keller, 2001).

### **2.4.1 Attitude and Purchase Intention**

Attitude in general could be defined as an evaluative statement either favorable or unfavorable. Intention, as a second term, can be defined as a course of action that one intends to follow, or an aim that guides action. Definition of intention available at, (<http://www.thefreedictionary.com> accessed, 2021).

In the digital purchase system, we can assume that the consumer was thinking at and balance the chances that exist a trust occurs in her/his field of activity and the consequences it brings.

The study conducted by, (Sohail Younus, Faiza Rasheed & Anas Zia, 2015) explains that knowledge about the product by the consumer plays an integral role during product purchase decision. Other studies like, (Rao and Monroe, 1988) argued that knowledge of the product was the main factor in product purchasing decision.

### **2.4.2 Trust and Purchase Intention**

Hence, previous research had investigated the association between, trust and purchase intention in the context of digital marketing settings, (Kassim and Asiah Abdullah, 2010); (Anderson and Srinivasan, 2003); (Lee and Lin, 2005); (Eid, 2011); (Kim et al., 2009). However, the role of trust as a mediator between the ties of E-service quality and purchase intention was rarely being discovered in the context of Fin Tech banking.

### **2.4.3 The Concepts of Mobile Banking**

Mobile Banking refers to provision of banking and financial services with the help of mobile telecommunication devices. The scope of offered services may include facilities to conduct bank transactions, to administer accounts and to access customized information, (Tiwari and Buse, 2007). In the broader sense mobile banking enables the execution of financial services in the course of which - within an electronic procedure - the customer uses mobile communication techniques in conjunction with mobile devices, (Pousttchi and Schurig, 2004). Mobile Banking can be said to consist of three interrelated concepts viz. Mobile Accounting, Mobile Brokerage and Mobile Financial Information. Mobile Accounting was sometimes characterized as transaction-based banking services that revolve around a bank account and are availed using mobile devices. Not all

Mobile Accounting services were, however, necessarily transaction-based. Whereas Mobile Brokerage, in context of banking services, refers to intermediary services, e.g., selling and purchasing of stocks. Mobile Brokerage could be, thus, defined as transaction based mobile financial services of non-informational nature that revolve around a securities account. At last, Mobile Financial Information refers to non-transaction-based banking and financial services of informational nature. It includes subsets from both banking and financial services and is meant to provide the customer with anytime, anywhere access to information. The information may either concern the bank and securities accounts of the customer or it may be regarding market developments with relevance for that individual customer. The information may be customized on the basis of preferences given by the customer and sent with a frequency decided by him, (Henok Arega Asfaw Monetary and Financial Analysis Directorate, National Bank of Ethiopia).

#### **2.4.4 Benefits of Fin Tech**

(Pallab S. and Munish M., 2013) analyzed benefits of online banking from the viewpoint of customers and banking sector in general.

##### **Benefits to Customers**

General banking customers have been significantly affected by the advent of internet banking revolution.

- a) A banking customer's account was extremely accessible with an online account.
- b) Through mobile banking customer can operate her/his account remotely from her/his office or home. The need for going to bank in person for every single banking activity was dispensed with.
- c) Mobile banking lends an added advantage towards payment of utility bills. It eliminates the need to stand in long queues for the purpose of bill payment.
- d) Most, if not all, services that are usually available from the local bank can be found on a single handset.
- e) Sharp growth in credit card/debit card usage could be majorly attributed to m-banking. A customer can shop globally without any need for carrying paper currency with him.
- f) By the medium of m-banking, banks were available 24x7 and are just a finger click away.

## **B. Benefits to Banking Sector**

In addition to banking customers, growth of E-banking infrastructure in general and mobile banking in particular has proved to be extremely beneficial to banks and overall bank organizations on account of following:

- a) The concept of mobile banking had immensely helped the banks in putting a tab over their specific overheads and operating cost.
- b) The rise of mobile banking had made the banks more competitive. It resulted in opening of better prospects and avenues for banking operations.
- c) The mobile banking had ensured transparency of transactions and facilitated towards removing the documentation requirements to a major extent, since majority of records under an e-banking set up are maintained electronically.
- d) The reach and delivery capabilities of mobile - enabled banks, proves to be significantly better than the network of physical bank branches.

### **2.4.5 Fin Tech Challenges**

(Sarita B., 2012) identified five major challenges in addressing the issue of financial inclusion through mobile banking.

**1. Regulatory Challenge:** As the Internet allows services to be provided from anywhere in the world, there was a danger that banks were try to avoid regulation and supervision. What can regulators do? They can require even banks that provide their services from a remote location through the Internet to be licensed. Licensing would be particularly appropriate where supervision was weak and cooperation between a virtual bank and the home supervisor is not adequate.

**2. Legal Challenge:** Electronic banking carries sensitive legal risks for banks. Banks can potentially expand the geographical scope of their services faster through electronic banking than through traditional banks. In some cases, however, they might not be fully versed in a jurisdiction's local laws and regulations before they begin to offer services there, either with a license or without a license if one was not required.

**3. Operational Challenge:** The reliance on new technology to provide services makes security and system availability the central operational risk of electronic banking. Security threats can come from inside or outside the system, so banking regulators and supervisors must ensure that banks have appropriate practices in place to guarantee the confidentiality of data, as well as the integrity of the system and the data.

**4. Reputational Challenge:** Breaches of security and disruptions to the system's availability can damage a bank's reputation. The more a bank relies on electronic delivery channels, the greater the potential for reputational risks.

**5. Personal Information:** Internet banks need to collect personal information in order to do business, but if they do not follow local information collection laws then there could be lawsuits and government penalties.

An empirical study done by (Faisal I., (2013) in Ghana showed that the main rejection factors in using M-banking technology by customers were

- M-banking requires knowledge and learning
- M-banking attracts additional banking charges, and
- Poor telecommunication technology

Another empirical study done by (Korir G., 2012) revealed that there were losses to customers of Kenya Commercial Bank (KCB), who use the M-Banking services, due to fraudulent access of customers' accounts through hacking. Since an incident like this where have a ruinous impact on the reputation of the bank there is need to employ disciplined, qualified and well remunerated ICT in the bank and at the level of mobile provider.

## **2.5 Empirical Review**

### **2.5.1 Kenya's M-PESA Experience**

The origin of mobile money in Kenya, as a means of addressing these needs, can be traced from 2002, when the Department for International Development (DFID), United Kingdom, introduced a pilot study of mobile banking involving around 20 small villages (Equity Building Society, 2002;

Johnson et al., 2006). This service utilized four-wheel-drive vehicles acting as “mobile banks”, visiting each village once or twice per week and offering banking services to small business and small farming households. These “banks” offered saving and essential borrowing services to encourage new and existing business, based on the “Bottom of the Pyramid” approach which encouraged increased economic activity in poor areas with the aim of improving their living standard and opportunities (Karnani, 2007; Pragalad, 2004). It is this innovation, however tentative, that might be considered the first wave of mobile banking, essentially representing an “analog” version of the latter digital mobile money phenomenon. And several other banks followed suit by copying this model. This left a mobile money mental model, and a group of early adopters who had witnessed the tangible benefits of mobile banking, which would later connect nicely with the new M-PESA service. The initiation of digital mobile banking, then, again took the form of a pilot study carried out by DFID, using, rather than a mobile banker, a mobile phone platform which allowed customers to receive and repay loans - usually less than US\$100 – from FAULU Kenya, a microfinance institution (Hughes & Susie, 2007). This pilot study was very successful, eliminating the need for FAULU customers to travel from the slum and semi-urban areas to the city center, or the bank to come to them, to deposit their weekly loan payments. This, however, also had the unintended consequence of reducing attendance to FAULU meetings which was against the business interests of FAULU itself. This original idea was thus “unsuccessful”, in relation to the business interests of FAULU Kenya; however, market watchers had observed several patterns during the pilot study that turned out to be beneficial to consumers and came to set the stage for the introduction of M-PESA. These included individuals making payments for others in return for different trading services, consumers using the system as an overnight “safebox” and consumers sending airtime, bought through Safaricom agents, to their friends and relatives living in different parts of the country increasing mobile phone penetration and utilization of the services. Since its introduction, there has been a rapid growth of M-PESA in terms of technology adoption with reference to number of users and volume of money transferred. The number of customers increased from 52,000 to about 8.6 million between April 2007 and November 2009, while person-to-person money transfers per month grew from 1 to 328 million US dollars in the same period (Safaricom, 2009c). This is as a very substantial growth especially when one considers that Kenya itself has a population of about 38 million people and a per capital

annual income of about US\$486 (Central Bank of Kenya, 2010), The Electronic Journal on Information Systems in Developing Countries (2010)

## **2.5.2 India`s Paytm Experience**

Digital payments in India were booming and have become a battleground for tech giants like Google Pay, Paytm, PhonePe and, most recently, AmazonPay. With the backing of US and Chinese investors, the market has become exceptionally competitive and digital payments are expected to reach \$1 trillion in value by 2023. Fin Tech players are competing to survive in a market that is bound to consolidate and concentrate as it matures. Despite a massive account opening effort led by the government, since through Pradhan Mantri Jan Dhan Yojana, known as PMJDY (2014), India still has the second largest unbanked population in the world (191 million). Also, a considerable proportion of account owners 48 per cent, 326 million are inactive. However, these figures were based on the latest, (Findex report, 2017) and might not reflect recent changes in the market including the launch of new payments banks and new entrants like the tech giants mentioned earlier. To reach the country`s poorest customers, the Reserve Bank of India (RBI) issued guidelines for payments banks in November 2014. The most prominent payments banks in India are currently Paytm, Airtel, and Fino. Despite challenges with the payments bank model, Paytm was India`s leading financial service company that offers full-stack payments & financial solutions to consumers, offline merchants and online platforms, with 450 million registered users, 150 million active users, 60 million of them have a bank account. India`s diversity and sizeable banked and underbanked population (518 million) provide an opportunity for a variety of models and players to thrive. As the market matures, it will be interesting to see how the payments landscape evolves and the innovative models that will be successful in reaching the underserved, State of the industry report on mobile money (GSMA, 2019).

## **2.6 Core Context Empirical Review**

### **2.6.1 Concept of Fin Tech Related Data**

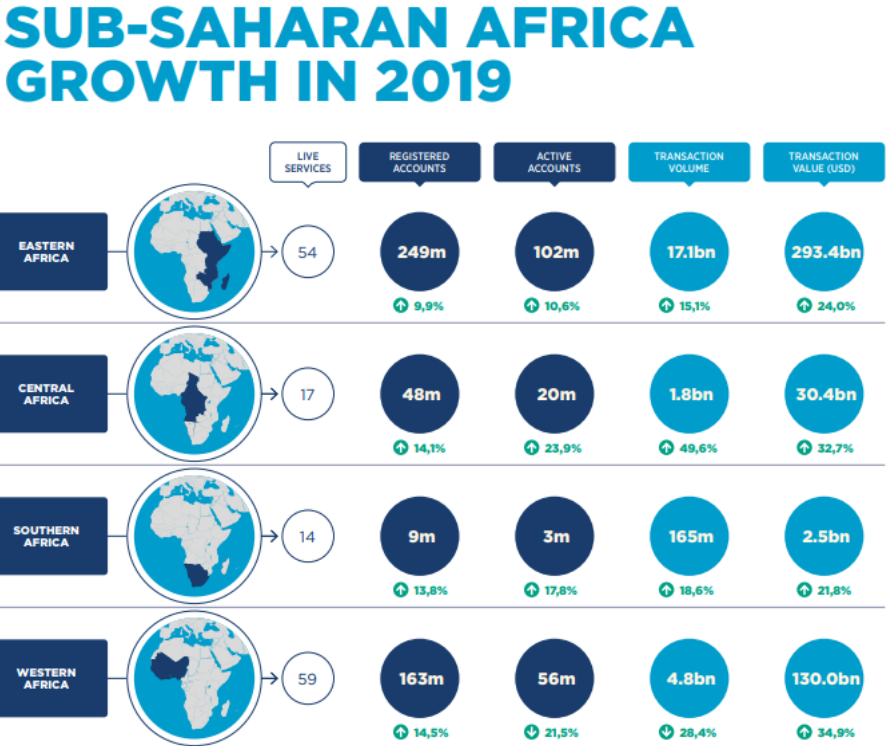
Fin Tech was a novel area of study. There were inadequate number of researches, somewhat due to the lack of adequate data. Fin Tech was a wide-ranging subject area that could trace on many different aspects of financial technology, including payments related innovations such as

blockchain and other dispersed ledger technology, technology to facilitate payments to individuals and businesses. The financial services industry is an information industry, where money is simply a nominal representation of real value (goods or services). Yet, associated with some information industries that earned troublesome gains from information technology, the financial-services industry has experienced mostly incremental modernization. For instance, the creation of the Internet enabled modernizations to route voice traffic over networks, changing telephony from an expensive, intermediary-driven system to the efficient global system we have today, (Mills and Brayden, 2016). Technology often plays a role in financial modernizations, and perhaps the most well-known example is the automated teller machine (ATM). Fin Tech is a term used to symbolize firms that offer modern technology in the financial sector. According to a report by Accenture, Fin Tech is one of the fastest growing sectors of the economy. Global investments in the sector have increased rapidly reaching 12.2 billion dollars in 2014, exceeded 30 billion dollars in 2018, while in 2008; it was only 930 million dollars. The highest increase was observed in Europe, (Accenture, 2016). Fin Tech is a burning topic. The financial press reports on its troublesome potential on apparently daily basis, 'Bitcoin' had officially been made part of the English language and the world biggest decentralized financial system with no actual cash. Fin Tech was a broad term that means different things to different consumers. As a form of disruptive technology, the service offerings of Fin Tech companies depend on the market in which they are present. Fin Tech in developed markets looks and acts different to Fin Tech in emerging markets, (Rabobank, 2005). Fin Tech firms are adjusting rapidly, hostilely filling gaps in a market traditionally dominated by established financial firms, (Ernst & Young, 2016).

As it was noticed the Ethiopian financial service sector has been involved in evolving its financial sector with the expectation to make it more alert, more well-organized, and more well-matched with request of changing environment and its competitive challenges despite the trend of late adoption when it comes to new technologies it was easy to overlook that services which now form part of the banking fabric such as ATMs cards once represented fundamental innovations. The financial sector has been one of the first sector that adopted different technologies to improve performance and gain a competitive advantage. Until now, technological implementation and invention within financial services has, for the most part, been sector-led: applied by financial institutions to apprise and improve the existing functions and services, without stimulating fundamental business models. One might reasonably describe these repetitions over time as an

evolution and the claimed success stories by the financial institutions. As John Chaplin showed in his survey reports on African payments innovation (2017) In many regards Ethiopian financial sector was falling behind some African country’s standards to cope effectiveness of the sector, the country was also failing in terms of global competitiveness rank that including institutional innovativeness considered as an element in the standard, (Chaplin, 2017).

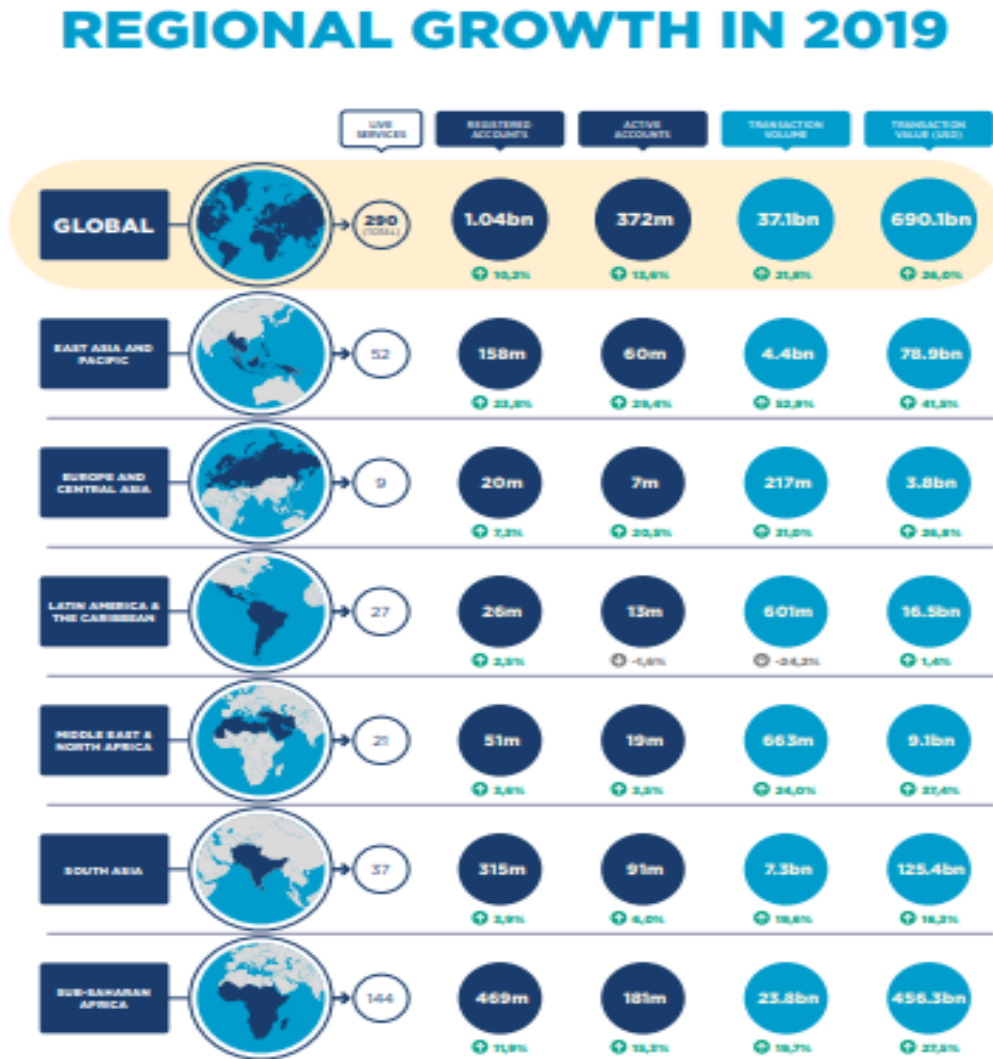
Over 1 billion registered mobile money accounts on all over the world, USD1.9 billion processed daily by the mobile money industry, 77 mobile money developments have more than 1 million active accounts, 57% digital transaction values now exceeding cash in/ cash out values, more than USD22 billion money was circulating than exiting the mobile money system, 50 million new registered accounts in Sub Saharan Africa, State of the industry report on mobile money, (GSMA ,2019).



Source: (State of the industry report on mobile money 2019, GSMA).

In 2019, the number of registered mobile money accounts reached 1.04 billion. Sub-Saharan Africa was the enduring epicenter of mobile money, adding over 50 million registered accounts in 2019. This was driven by strong growth in Western Africa (21 million new accounts) and Central Africa

(six million new accounts), as well as steady growth in Eastern Africa (22 million new accounts). The GSMA forecasts that account adoption across Sub-Saharan Africa will remain strong and that the region will surpass the half billion mark by the end of 2020.



Source, State of the industry report on mobile money (2019) GSMA.

### 2.6.2. Nature of Amole

Projects of Moneta Technologies Sc, an American Software Company which gave birth to the project in 2018, launched a mobile money transfer, deposit, purchase, and payment system called Amole in Ethiopia. The system allows users to transfer, deposit, purchase and payment on their

cell phones. There are few Fin Tech companies in Ethiopia, but those firms that are operating, introduced specific innovations in Ethiopian financial market and changed the consumers' opinion about financial services. The most popular Fin Tech enterprises are M-Birr, Hello-Cash, BelCash, Hi-bir, Mob-Birr, Kifiya, E-Birr, CBE-Birr and others. These companies provide financial services with modern, innovative technologies in the market offer Internet-based and application-oriented products. They generally aim to attract customers with products that are more user-friendly, efficient, and automated than those currently available E-banking services. Amole enables users to send money in electronic form, store money on a mobile phone in an electronic account, top up airtime, make payment and deposit or withdraw money in the form of hard currency at any of the nearly nationwide Amole`s agent locations and at a coming soon stage, international remittances. The system is working now, the team is in duty, and the pilot testing has been successful. In 2018, Amole has been able to facilitate 5,000,000 transactions for ETB 30,000,000,000 and has served almost 3,700,000 account holders having 8,000 merchants and agents. In 2017, the number of mobile subscriptions in Ethiopia was at 62.62 million, Ethiopia Telecommunications Profile (2019).

Until now, customers who had no access to the traditional financial institutions had no other way than cash transactions. Amole has opened new possibilities. Amole was launched in partnership with Dashen Bank sc in order to develop an alternative digital payment system with integrated IT system solutions. Dashen Bank have increased their accessibility by working with agents and merchants and more branches. Amole has partnered with this institution because the company is not permitted to offer financial services direct to consumers. Under NBE Directives of Mobile and Agent banking Ethiopia`s financial sector is subject to permits and strict legislation that does not permit foreign companies to offer banking services and Fin Tech companies not to operate alone, NBE Directives No. (FIS/01/2012). After several successful pilot testing, the services have been received the approval from the central bank for deploying the services commercially and at large scale.

### **2.6.3. The Challenges of Amole**

Fin Tech firms fail—even the most disruptive ones. The chance of failure is particularly high in Africa where infrastructure and regulation are not as favorable as in the Western world. More

importantly, to succeed and to scale, the most important requirement is to understand the local environment. Amole are targeting people who are already happy with traditional banking services rather than seeking alternative routes to get daily transactions. Thus, it is vital for Amole Fin Tech businesses to understand the system they are looking to disrupt and where its weaknesses are. They must understand the cultural nuances of a market: how customers interact with money and their relationships with each other.

Regulation is another key differentiator. Mobile money was a huge success in Kenya where regulation was more relaxed. On the other side of the continent, Ethiopia, mobile payment-oriented Fin Tech firms struggled. Furthermore, Fin Tech firms can only operate in partnership with banks or microfinance institutions (MFIs), which are already developing their own in-house Fin Tech solutions or have existing partnerships to source these platforms, meaning the barriers to entry are sizeable.

To overcome these challenges, MONETA is building strong marketing campaigns to raise awareness of our payment platform, Amole, and assuring communities that our services are safe to use. Our largest customer base is the rural, unbanked and financially illiterate and we work with MFIs that the population already trusts in order to access these clients.

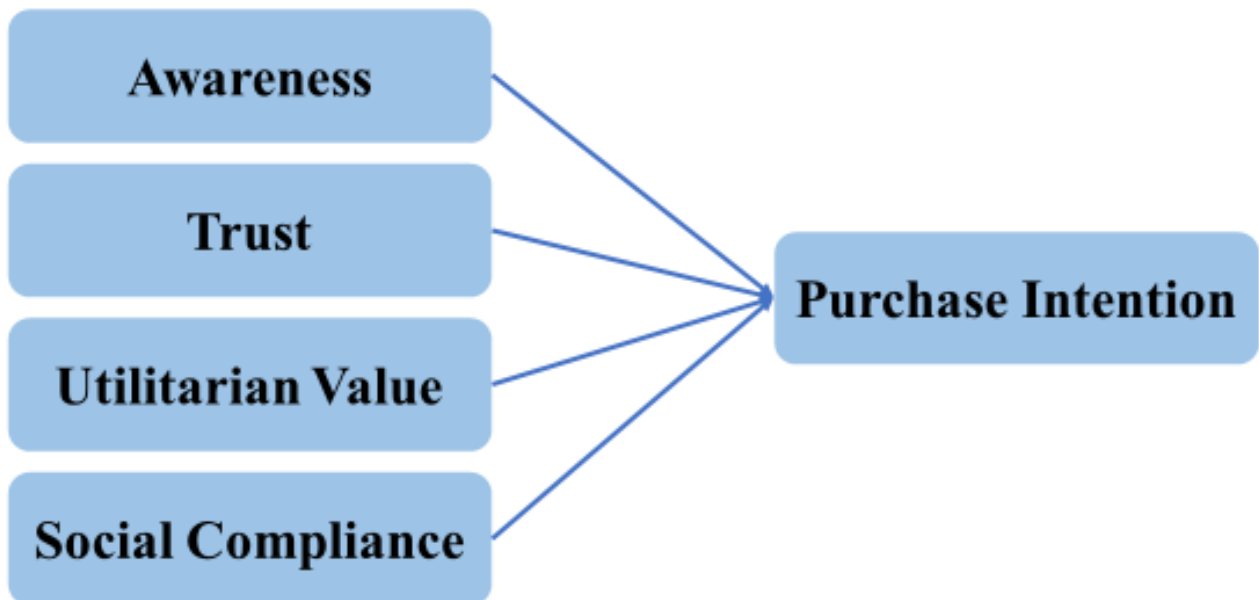
## **2.7 Summary of Literature Review**

The above literature review clearly witnesses that Fin Tech for Mobile and Agent Banking with purchase intention was a way out for financial inclusion on account of the success stories in various parts of the world. Accordingly, the business will have bright prospect to the dominant players in the field including but not limited to government institutions, financial institutions, agents, merchants and customers. For the government, it was a tool for poverty alleviation mechanism through encouraging savings and mobilizing resources nationwide for various government expenditures. It was also providing an opportunity for financial institution, Agents, merchants as additional revenue stream and enhance their customer base. Registered and non-registered users were also enjoying the benefit of banking through making their life much easier. Notwithstanding, there were various problems or challenges which come across the journey that should be tackled to leverage the existing technology for the benefit of the society at large. Researchers in the field

investigated the various challenges or problems and came up with findings that pave the way to overcome the various challenges across the board.

## 2.8 Theoretical Framework

This study was used a starting point to build a theoretical foundation to explore the factors influencing the intention towards the adoption of digital payment are; awareness, trust, utilitarian value and social compliance.



## 2.9 Research Hypothesis

Based on existing literature, the research determined four personal and social variables which may affect the consumer`s attitude towards purchase intention of using the digital payment platform.

The perception of awareness initially used in the early phase of an innovation diffusion theory (IDT) proposed by, (Bagozzi, R. P., & Yi, Y, 1989, pp.266–279). Later IDT has been used in studies related to technology usage where the positive influence of awareness into attitude towards technology has been confirmed, (Bohr, J., & Bashir, M., 2014, pp99-101), so this research hypothesizes as;

**H1: There is a positive and significant relationship between awareness of consumers and purchase intention for using the digital payment platform.**

In the context of adoption of Fin Tech services, the perception of trust had a greater influence on customer attitude toward intention to use, so the research hypothesizes as;

**H2: Trust has a significant positive effect on attitude towards using Fin Tech with purchase intentions.**

Utilitarian value was related to task-specific usage of online shopping channels, such as task related value and functional value, so the research hypothesizes as;

**H3: There is a positive and significant relationship between utilitarian value of consumers and purchase intention for using the digital payment platform.**

Social values play an important role because Fin Tech users were abided by the institutional rules that arose from family or other referral groups of people to put pressure on purchase intention or perform certain action, (Shukla, 2012), so the research hypothesizes as;

**H4: There is a positive and significant relationship between social compliance of consumers and purchase intention for using the digital payment platform.**

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This unit presents the detail methodology that was applied to obtain representative data from merchants and shows the logical frame work that discusses research design, definition of the target population, sampling technique, method of data collection, research instrument, ethical considerations and data analysis method.

#### **3.2 Description of the Study Area**

The study focuses on mobile and agent banking with the purchase intention in Addis Ababa for customers and the ability to conduct bank transactions via a mobile device, or more broadly to conduct financial transactions via a mobile terminal.

#### **3.3 Research Approach**

As per, (Creswell, 2003) there are three approaches that are used in conducting a given research. These are quantitative, qualitative and mixed research approach. The results of qualitative methods are more descriptive research is that it often contains researcher and respondent bias and the responses are often subjective and open to interpretation, (Miles and Huberman, 1984) and (Denzin and Lincoln, 1994). This research was used a quantitative research approach.

#### **3.4 Research Design**

Research design is a conceptual structure with in which the research was conducted. The starting point of the research purpose was the research problem, what was the challenging factors and prospects that influence the adoption of Digital Payment System and Fin Tech in Ethiopia financial industry, depending on the research problem literature review was conducted in order to specify the research question and construct framework. The research purpose and research question reveal that this study was used primarily descriptive and explanatory method of research design. The research design was implemented on the basis of descriptive and explanatory research. In this type

of research, quantitative data was obtained from primary sources through different instruments where data was collected from each single elementary unit in the population to allow comprehensive analysis. It sets out to collect, organize, and summarize information about the matter being studied, (punch, 2006). In order to achieve the objective of this study, quantitative research approach was used. The data was collected through questionnaires that are self-administered. A questionnaire was developed and pre-tested in order to obtain the information required. Quantitative data collection methods are centered on the quantification of relationship between variables. Quantitative approach is useful as it helps the researcher to prevent bias in gathering and presenting research data, (Creswell, 2003).

### **3.5 Target Population and Sample**

The Sample size is determined by time, budget and data availability of the researcher. The total population of this study was all merchants that are registered under Dashen Bank and Moneta Digital agency. There are 8000 merchants that are registered under Dashen Bank and Moneta Digital agency.

This study was used purposive sampling method to draw the sample from the population, because of time and budget constraint, the samples were restricted purposely to select five Hyper Markets Addis Ababa. Those Hyper Markets are Shoa Supermarket, All Mart Supermarket, Bambis supermarkets, Queens Supermarkets and Gara Mart.

The target population for this study was the users of Amole merchants. The assessment was undertaken with the customers of Amole merchants in Addis Ababa City. The customers of Amole merchants were the target group and amounted a total population of 200.

In order to calculate the appropriate sample size for the study, (Cochran's, 1997), cited in (Gill & Johnson, 2010) sample size formula was used.

The formula is:

$$N = \frac{P*(1-P)*Z^2}{E^2}$$

Where, N = Required sample size

- P = Percentage picking a choice, expressed as decimal (0.5 is used for the sample size needed). Percentage of occurrence of a state (condition)
- E = Percentage of maximum error required (e.g., 0.09, ± 9), this is the margin of error. (Mostly 0.1(10%) is used as margin of error), however, below 0.1(10%) can be used as far as the required initial sample size is determined. So, for this research 0.085 margin of error, which is 8.5%.
- Z = Z value corresponding to level of confidence required (e.g., 1.96 for 95% confidence level, because most researchers use the 95% confidence level).

There were many rules of sample size selection and the decision of the appropriate confidence level and percentage of error is not fixed, but a review of the literature related to the problem area could be used as a base line. For this study sample size was calculated with 95% confidence and 4-5% maximum error. Based on this the calculated sample size becomes:

$$N = \frac{0.5*(1-0.5)*(1.96)^2}{(0.085)^2} \text{ this gives approximately 133}$$

Final sample size (N1) = Design effect\*initial sample (No).

N1=1.5(default value) \*133 = 1.5\*133, so this gives us approximately 200 sample size.

Additionally, this sampling method was selected based up on related works conducted, in this way and using same technique.

### **3.6 Data Sources and Types**

The research was considered both the primary and secondary types of data collection modality, primary, (Kothari, 2004). The researcher was used primary sources of data in order to gather relevant information. The primary data were collected using questionnaires. The questionnaires were structured in close-ended type with the variables, Trust, (D Gefen-Omega, 2000), E-Commerce the role of familiarity and trust. Awareness, (D Dilip, 2020), Awareness of Fin-tech among millennial. Social Compliance, (Y Yen-San, 2019), an adoption of Fin Tech Service in Malasia. Utilitarian Value, (J Ha, 2018), Consumer valuation of Fin Tech. And Purchase Intentions, (LM Chuang, 2016), the adoption of Fin-tech services, and responses to the questions will be measured on a five Likert rating scale where: Strongly Agree (SA) = 5; Agree (A) = 4; Neutral (N) = 3, Disagree (D) = 2; and Strongly Disagree (SD) = 1. The questionnaires will be

distributed physically in person to the survey participants and follow-up call was made to provide feedback, clarification and remainder.

The use of Linkert scale was making it easier for respondents to answer question in a simple way from the selected (AMOLE) merchants of users. Moreover, the central issue to argue that Likert scales is that it produces ordinal data, (Johns, 2010) noted that in statistical terms the level of measurement of the Likert response scale is ordinal rather than interval. Whereas secondary sources of data were generated through a review of published documents and web pages.

### **3.7 Data Collection Procedures**

The study was used the primary sources for data collection. As the study is a descriptive and explanatory research type, the primary sources used were quantitative data. Quantitative data were collected by the Likert Scale Type closed ended questions. The closed ended questions were distributed to the customers of the merchants. The Likert type questions was used for identifying the challenges and prospects of the subject matter.

### **3.8 Ethical Considerations**

Ethical clearance was primarily obtained from Addis Ababa University school of Commerce and then permission from each target organization. Finally informed written and verbal consent were obtained from the study subjects and data collection was undertaken on the basis of their voluntarily participation. Participating respondents was ensured that information obtained will be strictly confidential.

### **3.9 Data Analysis**

In order to identify the major challenges and prospects of addressing the purchase intention through Fin Tech a descriptive and explanatory research design was used. A structured questionnaire was given to the selected merchants.

The data that were collected through questionnaires are analyzed with descriptive statistics using statistical package for social scientists (SPSS). A descriptive analysis was used to present and interpret the data collected on various variables affecting the purchase intentions of customers. Frequency tables along with Percentages, correlations, mean. Standard deviation and regression analysis were also employed to analyze and interpret the responses of the respondents.

## CHAPTER FOUR

### RESULTS AND DISCUSSIONS

#### 4.1 Introduction

In the previous chapter, the overall methodology, which was focused on research purpose, research approach, research strategy and the specific method of data collection and data analysis used in the study has been presented. On the other hand, this chapter presents the results and analysis of data collected via questionnaire.

The study focuses primarily on assessing the effect of Fin Tech attitude of consumers on purchase intent: The case of Amole digital payment. Considering that the Fin Tech business is just at its grass root level in Ethiopia, the research tried to address the purchase intention of customers of merchants in the form of questionnaires. The remaining part of this chapter is organized as follows. The first section of this chapter presents a demographic description of the sample in terms of gender, age, work experience and educational level. The second section summarizes the response of participants of the research when it comes to the service of Fin Tech.

#### 4.2 Frequency Table

**Table 4.2. 1 Gender of the respondents**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Male	112	56.0	56.0	56.0
Female	87	43.5	43.5	99.5
3	1	.5	.5	100.0
Total	200	100.0	100.0	

The above table shows that that 56% of the population are Male and rest 43.5% of them are Female. This portrayed the fact that Male engaged more with the Mobile and Agent Banking service had enough experience in the Fin Tech sector and adequate attention given Female Fin Tech users, so as to make the business up and run smoothly.

**Table 4.2. 2 Age of the respondents**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-25	20	10.0	10.0
	26-35	22	11.0	21.0
	36-45	74	37.0	58.0
	46-55	63	31.5	89.5
	above 55	21	10.5	100.0

The age demographic indicates that 37% respondents were 36 up to 45 years old. 31.5% of the respondents were 46 up to 55 years old ,11% of the respondents were 26 up to 35 years old, 10.5% of the respondents were above 55 and 10% of the respondents were 18-25 years old. This implies that most of Fin Tech services used by the youngest people.

**Table 4.2. 3 Educational level of the respondent**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	below elementary	1	.5	.5
	elementary school completed	3	1.5	2.0
	High school completed	13	6.5	8.5
	Diploma	42	21.0	29.5
	Degree	73	36.5	66.0
	Masters and above	68	34.0	100.0
	Total	200	100.0	100.0

The other demographic elements of the respondent where education background as table 4.3, indicates that 36.5% of the respondents had first degree, 34% of the respondents had Masters and above, 21% of the respondent had diploma, 6.5% of the respondents were high school completed, 1.5% of the respondents had elementary school completed, and 0.5% of the respondents were below elementary schools. This implies that most of the Amole users are educated people.

### 4.3 Trust

**Table 4.3. 1 My Personal information is kept confidential**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	38	19.0	19.0	19.0
Disagree	26	13.0	13.0	32.0
I am not sure	68	34.0	34.0	66.0
Agree	52	26.0	26.0	92.0
Strongly Agree	16	8.0	8.0	100.0
Total	200	100.0	100.0	

The above portrayed the degree to which respondents agree to the statement saying “My Personal information is kept confidential”. Out of the total of 200 respondents, 68 (34%) of them answered I am not sure. Therefore, the majority of the respondents asserted that they are not sure whether their personal information is confidential or not. This implied that respondents assumed having more threat for their personal information as compared to the other variables. All stated that at this introductory stage of the business, trust negatively affects the Fin Tech business in Ethiopia.

**Table 4.3. 2 Transaction conducted by mobile device is advantageous**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	12	6.0	6.0	6.0
Disagree	20	10.0	10.0	16.0
I am not sure	29	14.5	14.5	30.5
Agree	108	54.0	54.0	84.5
Strongly Agree	31	15.5	15.5	100.0
Total	200	100.0	100.0	

Table 4.3.2 depicted the degree to which the respondent’s intention to the statement saying “Transaction conducted by mobile device is advantageous”. Out of the total of 200 respondents, all provided answer to the above statement and out of which 54% of the respondents were agree, 15.5% of the respondents were Strongly agree, 14.5% of the respondents was I am not sure, 10%

of the respondents were dis agree while the remaining 6% of the respondents were strongly disagreed to the statement.

**Table 4.3. 3 The availability of ICT infrastructure may not affect my daily operation**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	132	66.0	66.0	66.0
Disagree	43	21.5	21.5	87.5
I am not sure	16	8.0	8.0	95.5
Agree	7	3.5	3.5	99.0
Strongly Agree	2	1.0	1.0	100.0
Total	200	100.0	100.0	

As shown in the above table, the responses were scored and the results were majority of the respondents 66% of them strongly dis agree. As the result of the study shows that Fin Tech requires a generally good infrastructure in terms communication and information technology. Therefore, the study identified that the national ICT infrastructure are the major challenges faces the Fin Tech industry in adopting Agent banking and E-banking service.

#### 4.4 Awareness

**Table 4.4. 1 Mobile banking provides many worthwhile opportunities**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	21	10.5	10.5	10.5
Disagree	20	10.0	10.0	20.5
I am not sure	43	21.5	21.5	42.0
Agree	82	41.0	41.0	83.0
Strongly Agree	34	17.0	17.0	100.0
Total	200	100.0	100.0	

As shown in the above table, the retorts were scored and the results were majority of the respondents 41% of them Agree. As the result of the study shows that mobile banking provides many worthwhile opportunities. Therefore, the study identified that awareness creation leads to have more users of service.

**Table 4.4. 2 I am aware of the benefits of Fin Tech services**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	16	8.0	8.0	8.0
Disagree	23	11.5	11.5	19.5
I am not sure	32	16.0	16.0	35.5
Agree	92	46.0	46.0	81.5
Strongly agree	37	18.5	18.5	100.0
Total	200	100.0	100.0	

Table above summarizes the frequency distribution showing respondents level of agreement to the statement saying “I am aware of the benefits of Fin Tech services”. Out of the total 200 respondents, all of them answered to the above statement and out of which 46% of the respondents were agreed, 18.5% was strongly agreed, 16% I am not sure, 11.5% dis agree and 8% was strongly dis agree.

**Table 4.4. 3 I am familiar with the technologies of Fin Tech**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	16	8.0	8.0	8.0
Disagree	29	14.5	14.5	22.5
I am not sure	42	21.0	21.0	43.5
Agree	81	40.5	40.5	84.0
Strongly Agree	32	16.0	16.0	100.0
Total	200	100.0	100.0	

The table above summarizes the frequency distribution showing respondents level of agreement to the statement saying “I am familiar with the technologies of Fin Tech”. Out of the total 200 respondents, all of them answered to the above statement and out of which 40.5% of the respondents were agreed, 21% was I am not sure, 16% was strongly agree, 14.5% dis agree and the remaining 8% were strongly dis agree. The study declares that majority of the Amole merchants are familiar with the Amole payment systems.

**Table 4.4. 4 Only a small group of merchants are benefit from the Fin Tech companies**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	14	7.0	7.0	7.0
Disagree	22	11.0	11.0	18.0
I am not sure	55	27.5	27.5	45.5
Agree	58	29.0	29.0	74.5
Strongly Agree	51	25.5	25.5	100.0
Total	200	100.0	100.0	

The above tabulation table indicated that the level of agreement to the statement saying “Only a small group of merchants are benefit from the Fin Tech companies”. Out of the total of 200 respondents, all of them answered to the above statement and out of which 29% of the respondents where agreed, 27.5% were not sure, 25.5% were strongly agree, 11% were dis agree and 7% were strongly dis agree. The study declares that majority of the Amole merchants were benefited from Amole payments mobile banking.

#### **4.5 Social Compliance**

**Table 4.5. 1 I was recommended to use Mobile banking through friends.**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly disagree	41	20.5	20.5	20.5
Disagree	18	9.0	9.0	29.5
I am not sure	35	17.5	17.5	47.0
Agree	48	24.0	24.0	71.0
Strongly agree	58	29.0	29.0	100.0
Total	200	100.0	100.0	

The above frequency distribution table indicated that level of agreement to the statement saying “I was recommended to use Mobile banking through friends”. Out of the total of 200 respondents, all of them answered to the above statement and out of which 29% of the respondents were strongly agreed, 24% were agreed, 20.5% were strongly dis agreed, 17.5% were not sure and 9% were dis agreed. The study declares that majority of the Amole merchants has been recommended by their friends.

**Table 4.5. 2 Most people who are important to me would appreciate me if I use Amole**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	32	16.0	16.0	16.0
Disagree	20	10.0	10.0	26.0
I am not sure	40	20.0	20.0	46.0
Valid Agree	55	27.5	27.5	73.5
Strongly Agree	53	26.5	26.5	100.0
Total	200	100.0	100.0	

As shown in the above table, the retorts were scored that level of agreement to the statement saying “Most people who are important to me would appreciate me if I use Amole”. Out of the total of 200 respondents, all of them answered to the above statement and out of which 27.5% of the respondents were agreed, 26.5% were strongly agreed, 20% were not sure, 16% were strongly dis agreed and 10% were dis agree. The study declares that majority of the Amole merchants has been appreciated by their most important peoples.

#### 4.6 Utilitarian Value

**Table 4.6. 1 Using of mobile to purchase good and service makes me economically secure**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	37	18.5	18.5	18.5
Disagree	30	15.0	15.0	33.5
I am not sure	33	16.5	16.5	50.0
Valid Agree	62	31.0	31.0	81.0
Strongly Agree	38	19.0	19.0	100.0
Total	200	100.0	100.0	

The above frequency distribution table indicated that level of agreement to the statement saying “Using of mobile to purchase good and service makes me economically secure”. Out of the total of 200 respondents, all of them answered to the above statement and out of which 31% of the respondents were agreed, 19% were strongly agreed, 18.5% were strongly dis agreed, 16.5% were not sure and 15% were dis agreed. The study declares that majority of the Amole merchant users has been economically secured.

**Table 4.6. 2 Using mobile to purchase good and service makes me a modern person**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	10	5.0	5.0	5.0
Disagree	16	8.0	8.0	13.0
I am not sure	26	13.0	13.0	26.0
Agree	79	39.5	39.5	65.5
Strongly Agree	69	34.5	34.5	100.0
Total	200	100.0	100.0	

The above frequency distribution table indicated that level of agreement to the statement saying “Using mobile to purchase good and service makes me a modern person”. Out of the total of 200 respondents, all of them answered to the above statement and out of which 39.5% of the respondents were agreed, 34.5% were strongly agreed, 13% were not sure, 8% were dis agreed and 5% were strongly dis agreed. The study declares that majority of the Amole merchant users were the modern person.

**Table 4.6. 3 I liked the Amole payment options and its simplicity**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	17	8.5	8.5	8.5
Disagree	15	7.5	7.5	16.0
I am not sure	40	20.0	20.0	36.0
Agree	75	37.5	37.5	73.5
Strongly Agree	53	26.5	26.5	100.0
Total	200	100.0	100.0	

The table above summarizes the frequency distribution showing respondents level of agreement to the statement saying “I liked the payment options and its simplicity”. Out of the total 200 respondents, all of them answered to the above statement and out of which 37.5% of the respondents were agreed, 26.5% were strongly agreed, 20% were not sure, 8.5% strongly dis agree and the remaining 7.5% were dis agreed. The study declares that Amole is simple.

## 4.7 Purchase Intention

**Table 4.7. 1 I am willing to use the Amole digital payment model**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	9	4.5	4.5	4.5
Disagree	15	7.5	7.5	12.0
I am not sure	33	16.5	16.5	28.5
Agree	98	49.0	49.0	77.5
Strongly Agree	45	22.5	22.5	100.0
Total	200	100.0	100.0	

The table above summarizes the frequency distribution showing respondents level of agreement to the statement saying “I am willing to use amole digital payment model”. Out of the total 200 respondents, all of them answered to the above statement and out of which 49% of the respondents were agreed, 22.5% were strongly agree, 16% were not sure, 7.5% dis agree and the remaining 4.5% were strongly dis agreed. The study declares that merchants are willing to use the Amole payment options.

**Table 4.7. 2 I would use a digital payment model I wanted a risk protection**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	13	6.5	6.5	6.5
Disagree	12	6.0	6.0	12.5
I am not sure	32	16.0	16.0	28.5
Agree	99	49.5	49.5	78.0
Strongly Agree	44	22.0	22.0	100.0
Total	200	100.0	100.0	

The above frequency distribution table indicated that level of agreement to the statement saying “I would use a digital payment model I wanted a risk protection”. Out of the total of 200 respondents, all of them answered to the above statement and out of which 49.5% of the respondents were agreed, 22% were strongly agreed, 16% were not sure, 6.5% were strongly dis agreed and 6% were dis agreed. The study declares that majority of the Amole merchant users are free from risk.

**Table 4.7. 3 I would use mobile banking if I wanted saving**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	26	13.0	13.0	13.0
Disagree	25	12.5	12.5	25.5
I am not sure	45	22.5	22.5	48.0
Agree	66	33.0	33.0	81.0
Strongly Agree	38	19.0	19.0	100.0
Total	200	100.0	100.0	

The above frequency distribution table indicated that level of agreement to the statement saying “I would use mobile banking if I wanted saving”. Out of the total of 200 respondents, all of them answered to the above statement and out of which 33% of the respondents were agreed, 22.5% were not sure, 19% were strongly agreed, 12.5% were dis agreed and 13% were strongly dis agreed. The study declares that mobile banking facilitates merchants to save more.

## 4.8 Mean and SD

**Table 4.8. 1 I would use a digital payment model I wanted a risk protection \* vs Gender of the respondent**

Gender of the respondent	Mean	N	Std. Deviation
Male	3.67	112	1.126
Female	3.85	87	.995
3	3.00	1	.
Total	3.75	200	1.070

The above distribution table indicated that level of agreement to the statement saying “I would use a digital payment model I wanted a risk protection vs Gender of the respondent”. ranked highest with the mean score of 3.67 were Male and standard deviation of 1.126.

**Table 4.8. 2 I would use a digital payment model if I wanted a risk protection \* vs age of the respondent**

Age of the respondent	Mean	N	Std. Deviation
18-25	4.30	20	.733
26-35	3.86	22	1.082
36-45	3.61	74	1.214
46-55	3.68	63	1.045
above 55	3.76	21	.700
Total	3.75	200	1.070

The above distribution table indicated that level of agreement to the statement saying “I would use a digital payment model if I wanted a risk protection vs age of the respondent”. ranked highest with the mean score of 4.30 were aged between 18-25 and standard deviation of 0.733.

**Table 4.8. 3 I would use a digital payment model if I wanted a risk protection \* vs personal information.**

Personal information	Mean	N	Std. Deviation
Strongly Disagree	3.11	38	1.391
Disagree	3.81	26	1.059
I am not sure	3.71	68	.963
Agree	4.15	52	.668
Strongly Agree	4.00	16	1.095
Total	3.75	200	1.070

The above distribution table indicated that level of agreement to the statement saying “I would use a digital payment model if I wanted a risk protection vs personal information”. ranked highest with the mean score of 4.15 were agree and standard deviation of 0.668.

**Table 4.8. 4 I would use a digital payment model if I wanted a risk protection \* vs personal information**

I believe amole function as expected	Mean	N	Std. Deviation
Strongly Disagree	2.87	15	1.552
Disagree	3.67	27	1.000
I am not sure	3.67	55	.982
Agree	3.85	80	.995
Strongly agree	4.22	23	.951
Total	3.75	200	1.070

The above distribution table indicated that level of agreement to the statement saying “I would use a digital payment model if I wanted a risk protection Vs, I believe amole function as expected”. ranked highest with the mean score of 4.22 were strongly agreed and standard deviation of 0.951.

**Table 4.8. 5 I would use a digital payment model if I wanted a risk protection \* vs the availability of ICT infrastructure may not affect my daily operation**

the availability of ICT infrastructure may not affect my daily operation	Mean	N	Std. Deviation
Strongly Disagree	3.77	132	1.125
Disagree	3.81	43	.958
I am not sure	3.44	16	.964
Agree	3.57	7	1.134
Strongly agree	4.00	2	.000
Total	3.75	200	1.070

The above distribution table indicated that level of agreement to the statement saying “I would use a digital payment model if I wanted a risk protection vs, the availability of ICT infrastructure may not affect my daily operation”. ranked highest with the mean score of 4.00 were strongly agreed and standard deviation of 0.000.

**Table 4.8. 6 I would use a digital payment model if I wanted a risk protection \* vs I was recommended to use mobile banking through friends.**

I was recommended to use mobile banking through friends	Mean	N	Std. Deviation
Strongly Disagree	3.27	41	1.533
Disagree	3.17	18	1.098
I am not sure	3.71	35	1.017
Agree	3.85	48	.652
Strongly Agree	4.19	58	.736
Total	3.75	200	1.070

The above distribution table indicated that level of agreement to the statement saying “I would use a digital payment model if I wanted a risk protection vs, I was recommended to use mobile banking through friends”. ranked highest with the mean score of 4.19 were strongly agreed and standard deviation of 0.736.

## 4.9 Correlations and Regressions

### 4.9.1 Correlations

**Table 4.9.1. 1 Correlations of the dependent variable with the independent variable of trust**

		personal information	transaction conducted by mobile device is advantageous	I believe amole function as expected	offering amole take in to account the desires and needs of users	amole fulfill the communication and promise it assumes	the availability of ICT infrastructure may not affect my daily operation	I would use a digital payment model if I wanted a risk protection
personal information	Pearson Correlation	1	.387**	.348**	.412**	.253**	.002	.296**
	Sig. (2-tailed)		.000	.000	.000	.000	.981	.000
	N	200	200	200	200	200	200	200
transaction conducted by mobile device is advantageous	Pearson Correlation	.387**	1	.586**	.536**	.506**	-.069	.259**
	Sig. (2-tailed)	.000		.000	.000	.000	.329	.000
	N	200	200	200	200	200	200	200
I believe amole function as expected	Pearson Correlation	.348**	.586**	1	.694**	.670**	.060	.253**
	Sig. (2-tailed)	.000	.000		.000	.000	.402	.000
	N	200	200	200	200	200	200	200
offering amole take in to account the desires and needs of users	Pearson Correlation	.412**	.536**	.694**	1	.771**	.063	.319**
	Sig. (2-tailed)	.000	.000	.000		.000	.374	.000
	N	200	200	200	200	200	200	200
amole fulfill the communication and promise it assumes	Pearson Correlation	.253**	.506**	.670**	.771**	1	.067	.325**
	Sig. (2-tailed)	.000	.000	.000	.000		.342	.000
	N	200	200	200	200	200	200	200
the availability of ICT infrastructure may not affect my daily operation	Pearson Correlation	.002	-.069	.060	.063	.067	1	-.046
	Sig. (2-tailed)	.981	.329	.402	.374	.342		.516
	N	200	200	200	200	200	200	200
I would use a digital payment model if I wanted a risk protection	Pearson Correlation	.296**	.259**	.253**	.319**	.325**	-.046	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.516	
	N	200	200	200	200	200	200	200

The table above significant value was  $< 0.05$ , this implies that the trust highly affects the mobile digital purchase systems.

The Pearson vale  $0 < X < 1$ , were implies that the intention to purchase via the mobile terminal were a strong positive correlation among the independent variables of trust.

**Table 4.9.1. 2 Correlations with Dependent variable with the independent variable of awareness**

		I would use a digital payment model if I wanted a risk protection	Mobile banking provides many worthwhile opportunities	Aware of the benefits of amole	I am familiar with technology of amole	Completely understand about mobile banking	Only small group of merchants are benefit from the amole
I would use a digital payment model if I wanted a risk protection	Pearson Correlation	1	.336**	.481**	.472**	.337**	.353**
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	200	200	200	200	200	200
Mobile banking provides many worthwhile opportunities	Pearson Correlation	.336**	1	.551**	.480**	.517**	.283**
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	200	200	200	200	200	200
Aware of the benefits of amole	Pearson Correlation	.481**	.551**	1	.682**	.552**	.279**
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	200	200	200	200	200	200
I am familiar with technology of amole	Pearson Correlation	.472**	.480**	.682**	1	.552**	.340**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	200	200	200	200	200	200
Completely understand about mobile banking	Pearson Correlation	.337**	.517**	.552**	.552**	1	.240**
	Sig. (2-tailed)	.000	.000	.000	.000		.001
	N	200	200	200	200	200	200
Only small group of merchants are benefit from the amole	Pearson Correlation	.353**	.283**	.279**	.340**	.240**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.001	
	N	200	200	200	200	200	200

The table above significant value was  $< 0.05$ , this implies that the awareness highly affects the purchase intention of users.

The Pearson vale  $0 < X < 1$ , were implies that the purchase intentions were a strong positive correlation with the independent variables of awareness.

**Table 4.9.1. 3 Correlations with Dependent variable with the independent variable of Social Compliance**

		I would use a digital payment model if I wanted a risk protection	I was to use amole through family	I was recommended to use through friends	most people who are important to me would appreciate me if I use amole	most people who are important to me would disprove me if I use amole
I would use a digital payment model if I wanted a risk protection	Pearson Correlation	1	.283**	.335**	.380**	.005
	Sig. (2-tailed)		.000	.000	.000	.941
	N	200	200	200	200	200
I was to use amole through family	Pearson Correlation	.283**	1	.293**	.321**	.084
	Sig. (2-tailed)	.000		.000	.000	.239
	N	200	200	200	200	200
I was recommended to use through friends	Pearson Correlation	.335**	.293**	1	.432**	.127
	Sig. (2-tailed)	.000	.000		.000	.072
	N	200	200	200	200	200
most people who are important to me would appreciate me if I use amole	Pearson Correlation	.380**	.321**	.432**	1	-.188**
	Sig. (2-tailed)	.000	.000	.000		.008
	N	200	200	200	200	200
most people who are important to me would disprove me if I use amole	Pearson Correlation	.005	.084	.127	-.188**	1
	Sig. (2-tailed)	.941	.239	.072	.008	
	N	200	200	200	200	200

The table above significant value was  $< 0.05$ , this implies that the social compliance highly affects the dependent variable of purchase intention of users.

The Pearson vale  $0 < X < 1$ , were implies that the dependent variable of purchase intentions was a strong positive correlation with the independent variables of social compliance.

**Table 4.9.1. 4 Correlations with Dependent variable with the independent variable of Utilitarian Value**

		I would use a digital payment model if I wanted a risk protection	using of mobile to purchase good and service makes me economically secure	using mobile to purchase good and service makes me a modern person	I like the amole payment options with amole plat form	like the amole payment options and its simplicity	amole payment options make me to solve problems
I would use a digital payment model if I wanted a risk protection	Pearson Correlation	1	.279**	.413**	.461**	.475**	.521**
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	200	200	200	200	200	200
using of mobile to purchase good and service makes me economically secure	Pearson Correlation	.279**	1	.373**	.451**	.416**	.442**
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	200	200	200	200	200	200
using mobile to purchase good and service makes me a modern person	Pearson Correlation	.413**	.373**	1	.441**	.550**	.440**
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	200	200	200	200	200	200
I like the amole payment options with amole plat form	Pearson Correlation	.461**	.451**	.441**	1	.798**	.792**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	200	200	200	200	200	200
like the amole payment options and its simplicity	Pearson Correlation	.475**	.416**	.550**	.798**	1	.789**
	Sig. (2-tailed)	.000	.000	.000	.000		.000
	N	200	200	200	200	200	200
amole payment options make me to solve problems	Pearson Correlation	.521**	.442**	.440**	.792**	.789**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	200	200	200	200	200	200

The table above significant value was  $< 0.05$ , this implies that the utilitarian value highly affects the dependent variable of purchase intention of users.

The Pearson vale  $0 < X < 1$ , were implies that the dependent variable of purchase intentions was a strong positive correlation with the independent variables of utilitarian value.

**Table 4.9.1. 5 Correlations with the independent variable with purchase Intentions**

		I would use a digital payment model if I wanted a risk protection	it is necessary to use a digital payment	I would use amole if I wanted saving	I am happy to use amole wallet prepaid to purchase from merchants
I would use a digital payment model if I wanted a risk protection	Pearson Correlation	1	.477**	.461**	.533**
	Sig. (2-tailed)		.000	.000	.000
	N	200	200	200	200
it is necessary to use a digital payment	Pearson Correlation	.477**	1	.483**	.394**
	Sig. (2-tailed)	.000		.000	.000
	N	200	200	200	200
I would use amole if I wanted saving	Pearson Correlation	.461**	.483**	1	.454**
	Sig. (2-tailed)	.000	.000		.000
	N	200	200	200	200
I am happy to use amole wallet prepaid to purchase from merchants	Pearson Correlation	.533**	.394**	.454**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	200	200	200	200

The table above significant value was  $< 0.05$ , this implies that all the independent variable highly affects the dependent variable of purchase intention of users.

The Pearson vale  $0 < X < 1$ , were implies that all the independent variable becomes the cause and become the solutions of the dependent variable of purchase.

## 4.9.2 Regression

**Table 4.9.2. 1 ANOVA of independent variable trust**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	36.758	6	6.126	6.183	.000 <sup>b</sup>
Residual	191.237	193	.991		
Total	227.995	199			

a. Dependent Variable: I would use a digital payment model if I wanted a risk protection

b. Predictors: (Constant), the availability of ICT infrastructure may not affect my daily operation, personal information, amole fulfill the communication and promise it assumes, transaction conducted by mobile device is advantageous, i believe amole function as expected, offering amole take in to account the desires and needs of users.

From the above regression table, the sig. value was 0.000, implies that the predictors of trust exactly affect the dependent variable of purchase intentions, they are causes and become the solution of the variables.

**Table 4.9.2. 2 ANOVA with awareness**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	70.048	5	14.010	17.207	.000 <sup>b</sup>
Residual	157.947	194	.814		
Total	227.995	199			

a. Dependent Variable: I would use a digital payment model if I wanted a risk protection

b. Predictors: (Constant), only small group of merchants are benefit from the amole, completely understand about mobile banking, mobile banking provides many worthwhile opportunities, i am familiar with technology of amole, aware of the benefits of amole.

From the above regression table, the sig. value was 0.000, implies that the predictors of awareness exactly affect the dependent variable of purchase intentions, they are causes and become the solution of the variables.

**Table 4.9.2. 3 ANOVA the Social Compliance**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	45.554	4	11.388	12.172	.000 <sup>b</sup>
Residual	182.441	195	.936		
Total	227.995	199			

a. Dependent Variable: I would use a digital payment model if I wanted a risk protection

b. Predictors: (Constant), most people who are important to me would disprove me if I use amole, i was to use amole through family, I was recommended to use through friends, and most people who are important to me would appreciate me if I use amole.

From the above regression table, the sig. value was 0.000, implies that the predictors Social Compliance exactly affect the dependent variable of purchase intentions, they are causes and become the solution of the variables.

**Table 4.9.2. 4 ANOVA<sup>a</sup> Utilitarian Value**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	72.062	5	14.412	17.931	.000 <sup>b</sup>
Residual	155.933	194	.804		
Total	227.995	199			

a. Dependent Variable: I would use a digital payment model if I wanted a risk protection

b. Predictors: (Constant), amole payment options make me to solve problems, using mobile to purchase good and service makes me a modern person, using of mobile to purchase good and service makes me economically secure, I like the amole payment options with amole plat form, like the amole payment options and its simplicity.

From the above regression table, the sig. value was 0.000, implies that the predictors of Utilitarian Value exactly affect the dependent variable of purchase intentions, they are causes and become the solution of the variables.

**Table 4.9.2. 5 ANOVA Purchase Intentions**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	124.116	4	31.029	58.247	.000 <sup>b</sup>
Residual	103.879	195	.533		
Total	227.995	199			

a. Dependent Variable: I would use a digital payment model if I wanted a risk protection

b. Predictors: (Constant), I am happy to use amole wallet prepaid to purchase from merchants, it is necessary to use a digital payment, I am willing to use amole digital payment model, I would use amole if I wanted saving.

From the above regression table, the sig. value was 0.000, implies that all the predictors of Trust, Awareness, Utilitarian Value and Social Compliance exactly affect the dependent variable of purchase intentions, they are causes and become the solution of the variables.

# **CHAPTER FIVE**

## **SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION**

### **5.1 Summary of Findings**

The study identified and analyzed the effect of the Fin Tech attitude of consumers on purchase intent: the case of Amole digital payment. The study focused on four research objectives: to determine the effect of awareness on the purchase of consumers, to identify the extent to which trust influence customer`s intention to use a digital payment platform, to understand the impact of utilitarian value on purchase intention of consumers, to know the influence of social compliance towards purchase intention of using Fin Tech. The research would have adopted a descriptive survey and gathered data by means of probability sampling design in the form of purposive sampling technique.

The findings of the study identified factors affecting the purchase intentions was indicated that lack of awareness ranked first. Lack of trust ranked second, social influence and easy accessibility (Utilitarian value) ranked third and fourth respectively.

In wide-ranging, the finding of the study identified other benefits of Fin Tech services, such as saving time and cost of users, increased productivity of bank, improve customer service, create wider market coverage, simplify banking activity for staff, reduce bank hall queue, accessible without time and boulder limit and improve access to the bank service by both existing and new customers.

### **5.2 Conclusion**

From the research finding that presented in chapter four the study makes conclude on the following points.

The study shows that the main challenges that influence the fostering of Fin Tech business in Ethiopia are the level of development of ICT infrastructure, the availability of appropriate merchant channels, the level of awareness, financial literacy of merchants and customers; risk

implication on managing the personal information, operational risk and reputation risk; the influence of the regulatory framework of the existing model adopted by the National Bank of Ethiopia.

The consumer determination / evaluation of the functionality of the Amole digital payment systems and benefits received have a positive impact for the users to use and transact via the mobile terminals, this is influencing the adaptability of technology in Ethiopian community.

### **5.3 Recommendations**

Based on the above conclusion the researcher recommends the following points that will help the Fin Tech of Amole digital payment in minimizing the challenges faces the purchase intention of consumers of the merchants.

Even if Amole mobile and agent banking service is at infant stage in our country, the merchants should have adequate awareness either provided by the bank or by Amole its own. When making a business contract with Merchants, Dashen Bank or Amole should be check about their facilities fulfillment, knowledge and awareness about the Amole to provide the service successfully and competently. Therefore, to purchase via a mobile device, Dashen bank or Amole should be taking care when assign merchants with in the facility fulfillment, adequate product and financial knowledge in order to provide the service successfully for the customers.

The risk associated with trust, ICT infrastructure, personal information risks should be overcome through close monitoring of merchants and their transaction, continuous sustainable education of merchants, Ethio telecom have to support the Fin Tech industry by investing on ICT infrastructure development in order to improve service of the telecom. Even if the research found the risk is a novel insight that trust matters in a developing country like Ethiopia context, though it should not be interpreted as Trust does not matter. It is also highly intuitive that Security Protection has the largest effect on Trust. Dashen Bank/ Amole hence should pay more attention to trust as the personal information security protection development.

In Ethiopia, the Fin Tech models are a new phenomenon in the financial ecosystem which is worth to be explored by many researchers specifically when addressing the consumers' intention towards the Fin Tech products or services.

## REFERENCES

Accenture truevaluemetrics.org (2016)

Ajzen and Fishbein, (1980), '*Prediction of goal- directed behavior attitudes, intentions and perceived behavior control*': The Journal of Consumer Finance Research, pp. 69-81.

Amole web-site

Anil Isisag, (2019), '*Mobile Dating Apps and the Intensive Marketization of Dating*', University of Wisconsin Madison, USA, vol.37, pp.135-141.

Bagozzi, R. P., & Yi, Y, (1989), '*Understanding consumer intention to participate in online travel community and effects on consumer intention to purchase travel online and WOM: An Integration of innovation diffusion theory and TAM and trust*', pp.266–279

Belch, and Belch, (2004), '*The Importance of brand awareness and Brand purchase intention*', Integrated Marketing Communication, UK.

Bohr, J., & Bashir, M., (201)4, '*Who uses Bit-Coin? An exploration of the Bit- Coin Community*', pp99-101

Chaplin, (2017), '*International Journal of New Technology and Research*,

Creswell, (2003), '*Research design: Qualitative, Quantitative, and Mixed-Research Approach*', vol.3,

D Gefen-Omega, (2000), '*E-Commerce the role of familiarity and trust*', Philadelphia, PA 19104-2875, USA, February 2000, vol.6

D Dilip, (2020), '*Awareness of Fin-tech among millennial*': The Journal of Parul Institute of Business Administration, Parul University, Baroda, India, vol.3, March 2020.

Dashen Bank sc, 2018/2019.

Davis et al (1989), Taylor and Todd (1995), The journal of *Factors Affecting Purchase intention on mobile Shopping*, Vol. 19 No. 4, pp. 442-458.

Denzin and Lincoln (1994), '*Revisiting the Quantitative-Qualitative data base: Handbook of Qualitative Research*', pp. 485-499

E Wikfeldt, (2016), *'Generalizing from Case Studies'*, Halmstad University, School of Business, Engineering and Science, pp.11.

ECA Promoting Financial Technology Startups in Africa no. (ECA/18/001)

Ernst & Young, (2016), *'The future of Fin Tech'*, Journal of Research-Technology Management, vol. 62, Issue 4, pp.59-63.

Ethiopia Telecommunications Profile, 2019.

GSMA, 2019, State of the industry report on mobile money, pp.7-10.

Henok Arega Asfaw, (2015), *'Financial inclusion through mobile banking: Challenges and prospects'*, Research Journal of Finance and Accounting, vol.1, issue 4.

<http://www.thefreedictionary.com> (accessed\_2021).

Hughes & Lonie, (2007), Vaughan, (2007), *The role of MPESA in Kenya`s Economic and political development*, pp.89-100

J Ha, (2018), *'Consumer valuation of Fin Tech'*: The case of Mobile payment in Korea, 22<sup>nd</sup> ITS Billennial Conference, Seoul

J.Lutz and B. MacKenzie, (1981), *'Attitude toward the Ad.'* As a mediator of Advertising effectiveness and Consequences, Volume10, 1983, pp. 532-539.

Johns, (2010), *Likert Items and Scales*, Rob Jons University of Strathclyde, sheet1.

J Pers Soc Psychol (1993). *'Factors influencing behavioral intentions, Relationships Among Attitudes, Behavioral Intentions, and Behavior'*: A Meta-Analysis of Past Research, Part 2.

Keller, (2001), *'The impact of brand awareness on consumer`s purchase intention'*, The mediating effect of perceived quality and brand loyalty, vol.4, no.1, pp.135-144

Kothari, (2004), *'Research Methodology Methods and Techniques'*, 2<sup>nd</sup> Edition, Vol 4, New Delhi, India

Kotler and Armstrong, (2010), *'Introduction for Theory and Attitude'*.

LM Chuang, (2016), *'The adoption of Fin-tech services'*, International Journal of Management and science: vol 3, no.07.

M.Culberson, (1968), *Theory and practice of editing process in technical communication*, journal of cooperative extension.

Martin Fishbein and Icek Ajzen, (1967), *'crossover effects in the theory of reasoned action: A moderating influence attempt'*, Journal of consumer research, vol. 12, pp.324-340.

Mills and Brayden, (2016), *'The state of small business lending'*: Innovation and technology and the implications for regulation, No.17-042.

Miles and Huberman, (1984), *Drawing valid meaning from qualitative data: toward a shared craft*, vol. 13, pp.20-30

Mitchell and Olsen, (1981) and Shimp, (1981), *'Measuring attitude toward the brand and purchase intentions'*, Journal of current issues & research in advertising, vol. 26, issue 2, pp.53-66.

Morawczynski, (2010), *'Trustworthy Mobile transactions'*: A longitudinal study of M-PESA in Kenya, The University of Edinburgh, UK.

Muk & Chung, (2015), Tarhini, Hassouna, Abbasi, & Orozco, (2015), *'Preliminary study on consumer attitude towards Fin Tech products and services in Malasia'*, International Journal of Engineering and Technology, vol 7, pp. 166-169.

NBE, *'Licensing and supervision of the business of financial institutions'*, Regulation of mobile and Agent Banking services, Directives No., FIS/01/2012.

N.L. Munn, (1940), *'The effect of knowledge of the situation up on judgement of emotion from facial expressions'*, The journal of abnormal and social psychology, vol. 3, pp.324-338.

Pallab S., and Munish M., (2013), *'Internet Banking in India – A Perspective on Benefits and Challenges Involved'*, International Journal of Engineering, Business and Enter-prise Applications, vol 13 pp.207.

Pavlou, (2003), *'Consumer acceptance of electronic commerce'*: Integrating trust and risk with the technology acceptance model, vol 3, pp.110-115.

- Pousttchi and Schurig, (2004) '*Assessment of today's mobile banking applications from the view of customer requirements*', Big Island, HI, USA,
- Punch (2006), '*Introduction to Social Research—Quantitative & Qualitative Approaches*' Journal of consumer Social research', vol. 7, pp.10-20, London
- Rabobank, (2005), '*The development of Fin Tech in Nairobi*', Contributions to financial inclusion and barriers to growth,
- Rao and Monroe, (1988), '*The Moderating Effect of Prior Knowledge on Cue Utilization in Product Evaluations*', The Journal of Consumer Research, Vol. 15, No. 2. (Sep., 1988), pp. 253-264,
- M. Abir, July (1966), '*Salt, trade and politics in Ethiopia*', Journal of Ethiopian Studies, vol. 4, pp.1-10.
- Sarita Bahl., (2012), '*E-Banking: Challenges and Policy Implication*', International Journal of Computing and Business Research, ISSN (Online): 2229 – 6166.
- Sohail Younus, Faiza Rasheed & Anas Zia, (2015), '*Identifying the Factors Affecting Customer Purchase Intention*', Global Journal of Management and Business Research: Administration and Management, Vol, 15, Issue 2, Version 1.0, pp.1-7
- S. O'Dea, Jul 30, (2020), '*International Conference on Transfer and Diffusion of IT*', kenya
- Shanling Li, Jennifer Shang and Sandra A. Slaughter, (2010), '*Why Do Software Firms Fail? Capabilities, Competitive Actions, and Firm Survival in the Software Industry from 1995 to 2007*', Information Systems research, vol. 21, pp.631-654.
- Shukla, (2012), '*The influence of value perceptions on purchase intentions in developed and emerging markets*', International marketing review, ISSN 0265-1335.
- Thamizhvanan & Xavier, (2015), '*Determinants of customers' online purchase intention: An empirical study in India*', Journal of Indian business research, ISSN 1755-4195.
- Y Yen-San, (2019), '*An adoption of Fin Tech Service in Malasia*', South East Asia Journal of contemporary business, economics and law, vol. 18, pp.5-7
- YCF Group, (2014), '*M-PESA: The Safaricom story, case study*', pp1-4.



## SCHOOL OF GRADUATE STUDIES

---

Dear Sir/Madam

This questionnaire is designed for collecting general data for a research entitled “Effect of the Fin Tech attitude of consumers on purchase intent: the case of Amole digital payment ‘’. The objective of the study is to measure the effect of the Fin Tech attitude of consumers on purchase intention through understanding of the relationship between awareness, trust, social compliance, utilitarian value and purchase intention.

Thus, kindly complete all sections of the questionnaire to enable us achieve the goal of the study.

I also would like to affirm that the information you provide will be used solely for academic purpose and held confidential.

**Thank you for your cooperation!!**

**Regards, Ashenafi Shawol**

## General Instruction

This questionnaire contains two sections; you are kindly requested to respond to the questions based on the instructions under each section.

### Section I: Demographic profile of respondents

Please indicate the following information's by ticking (√) on the spaces provided in front of each option.

1. Gender

Male

Female

2.

Age	
18-25	<input type="checkbox"/>
26-35	<input type="checkbox"/>
36-45	<input type="checkbox"/>
45-55	<input type="checkbox"/>
Above55	<input type="checkbox"/>

3.

Educational Level	
Below Elementary	<input type="checkbox"/>
Elementary school completed	<input type="checkbox"/>
High school completed	<input type="checkbox"/>
Diploma	<input type="checkbox"/>
Degree	<input type="checkbox"/>
Masters and above	<input type="checkbox"/>

4. How long have you been an Amole Merchant?

6 months

1 year

More than 1 Year

**Section II: Questionnaires related with Effect of the Fin Tech attitude of consumers on purchase intent: the case of Amole digital payment:**

The following lists of statements are used to get relevant information for the accomplishment of the research objective. Thus, please indicate your level of agreement with each statement by ticking (√) on the spaces provided under each option. The options range from Strongly Agree to Strongly Disagree.

Strongly Disagree	Disagree	I am not sure	I agree	I Strongly agree
1	2	3	4	5

**A. Trust,**

No.	Questions	1	2	3	4	5
1	My personal information is kept confidential.					
2	Transactions conducted by mobile device is advantageous.					
3	I believe Fin Tech companies function as expected.					
4	The offerings of Fin Tech companies take in to account the desires and needs of users.					
5	Fin Tech companies fulfill the commitments and promises it assumes.					
6	The availability of ICT infrastructure may not affect my daily operation.					

**B. Awareness,**

No.	Questions	1	2	3	4	5
1	Mobile Banking provides many worthwhile opportunities.					
2	I am aware of the benefits of Fin Tech services.					
3	I am familiar with the technologies of Fin Tech.					
4	I completely understand about Mobile banking.					
5	Only a small group of merchants are benefit from the Fin Tech companies.					

**C. Social Compliance,**

No.	Questions	1	2	3	4	5
1	I was recommended to use Mobile banking through family.					
2	I was recommended to use Mobile banking through friends.					
3	Most people who are important to me would appreciate me if I use Fin Tech.					
4	Most people who are important to me would disprove me if I use Fin Tech.					

**D. Utilitarian Value,**

No.	Questions	1	2	3	4	5
1	Using of Mobile to purchase goods and services makes me economically secure.					
2	Using of Mobile to purchase goods and services makes me a modern person.					
3	I liked to use digital payment options with Amole plat form.					
4	I liked the payment options and its simplicity.					
5	Digital payment options make me to solve problems.					

**E. Purchase Intention,**

No.	Questions	1	2	3	4	5
1	It is necessary to use a digital payment.					
2	I am willing to use Amole Digital payment model.					
3	I would use a digital payment model if I wanted a risk protection.					
4	I would use mobile banking if I wanted saving.					
5	I am happy to use Amole wallet/prepaid to purchase from Merchants					