

Ranking of Payment Systems on the Basis of Perceived Usefulness (PU) among Nigerian Users

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Abstract

The study ranked the three payment systems using the ten factors of perceived usefulness (PU) based on the experiences of Nigerian users. Analyzing data from 282 respondents, the study established e-payment as the first payment system in Nigeria based on PU factors. Cheque and cash payment systems were second and third payment systems respectively. Given the finding that e-payment is considered as the first payment system, the study concluded that the objective of making it the dominant payment system in Nigeria can easily be achieved. To facilitate this cashless policy objective, the following recommendations were made: government and financial institutions work to reduce the infrastructural and customer service challenges and enhance the Perceived Ease Of Use (PEOU) of e-payment system and emphasize the superior factors of PU in which e-payment scored highly in educating, informing and persuading Nigerians to adopt, accept and prefer it as the payment system of choice in relevant financial transactions.

Keywords: Cash system, Cheque system, E-payment system, Financial transactions and Perceived Usefulness (PU).

1. INTRODUCTION

A payment system according to Ovia (2005) refers to a set of instructions and procedures used for the transfer of value and settlement of obligations arising from the exchange of goods and services within a defined market. The three broad types of payment systems in operation in the Nigerian economy presently include cash, cheque and e-payment. The ultimate goal of a payment system according to Ovia (2005) is to ensure that exchange of monetary value is achieved using payment instruments that offer the least risk, inconvenience and cost. An efficient payments system must be defined by a few attributes. It must be: reliable, prompt, accessible, secure, and cost effective. A cursory look at the three types of payment systems will demonstrate that not all of them meet the critical requirements of least risk, inconvenience and cost. Not all of them also meet the criteria of reliability, promptness, accessibility, security, and cost effectiveness. Ovia (2005) had listed the major features and challenges plaguing cash and cheque payment systems. For cash the features are that (coins and notes) 80 – 90% of transactions in Nigeria are carried out through this means and we presently have, N545.8 billion cash in circulation. For cheques large value transactions are usually cheque based. E-payment though with great promises, is relatively new and yet to be adopted and/or accepted and preferred by many Nigerians.

As observed by Financial Derivatives Company Limited (FDCL) (2012) an effective payment system is a vital part of the financial infrastructure of any economy. A well-functioning payment system is important to boost the efficiency of the financial system, improve consumer confidence and facilitate economic interactions and trade in both goods and services. By enabling commercial transactions to be completed faster, safer and cheaper, it would have a positive impact on economic growth and global competitiveness. The importance of an effective payment system is therefore reinforced by the established relationship between it and the level of economic activity and national development. When the payment system is effective and efficient, it will translate to greater level of economic activity, higher level of consumer purchase and consumption, better revenue collection by governments and organizations, and indeed enhanced wellbeing of all economic actors and participants. The quest for improved payment system is therefore in the interest of all legitimate actors in the economic sphere.

A viable payment platform will make for financial inclusion, mainstreaming of Nigerian economy into the global financial system, greater economic activity and prosperity for all participants, increased tax revenue to government, increased sales revenue to businesses, reduced government and businesses revenue leakages, reduced money laundering and transparent financial transfers leading to reduction in corruption in the society, more employment creation, lower inflation rates, greater lending to productive businesses, safer society on account of need to carry cash, seamless financial transactions among many other benefits (Okeke,2013).

Against the backdrop of the great importance of a viable payment system, this study seeks to rank the three payment systems in Nigeria within the framework of Perceived Usefulness (PU) of Technology Acceptance Model (TAM).When completed the findings of the study will assist policy makers in objectively ascertaining what the rankings of the payment systems are and be in a good stead to formulate measures that will support the Central Bank of Nigeria (CBN) initiative of rapidly transiting from a cash-based to an electronic-based payment system. It will be pertinent to recommend ways in which e-payment system can be improved

upon and enhanced so that we may be able to boast of a payment system that is efficient, reliable, convenient, and safe, secure and in line with global best practice.

The central question of the study is, based on their experiences and using the framework of PU, what is the ranking of the three payment systems in Nigeria? Given the answer to the first question, what must the promoters of e-payment system do to achieve the cashless policy of CBN in the shortest possible time?

2. LITERATURE REVIEW-CHALLENGES OF PAYMENT SYSTEMS

For challenges, cash is associated with High cost of handling and printing. About N1.3b is spent annually on printing Naira notes (Esan, 2004). Approximately N10.00 is spent on printing a N5.00 note (Akintola, 2004). Security: Cash transactions in Nigeria are hindered by fear of theft and loss to hoodlums. Mutilation: Much of the cash in circulation are mishandled, mutilated and exposed to wear and tear. Dearth of coins in the system: Although coins were the first form of modern legal tender introduced in the Nigerian payments system, they seem to have disappeared in the past decade. Absence of high denomination: Naira notes With N1000.00 as highest denomination, money spent on printing remains high. Currency counterfeiting: Currency counterfeiting poses a major obstacle to confident usage of coins and notes.

For cheques, the challenges include Lack of Quality Control of Instrument. The system records as high as 30-35% rate of rejection of cheques due to non-conformity with MICR cheque standards far above the tolerable rate of between 1-3%. Fraud and Forgeries: 249 forged cheques presented in 2003 leading to a loss of N209m (NDIC, 2003). Insider complicity remains a key factor in cases of frauds and forgeries. High incidence of returned cheques 238 cases In March 2004, 545,904 instruments were processed in the Lagos Clearing House. Out of this number, about 15,785 or 2.90% were unpaid. 75% of such returns were due to insufficient funds in the customers' account. Long clearing days Since the CBN's introduction of two clearing sessions in 2003, the clearing days for local cheques have been reduced from four to three days, while the upcountry cheques still take six days to clear. Non-enforcement of the Dishonored Cheques Act - The Dishonored Cheques (Offences) Act No. 44 of 1977 stipulates punishment for issuance of dud cheques; but this Act is not being enforced, to deter issuance of dud cheques. Poor banking culture in Nigeria Cash in circulation outside the banking system was put at about N545.8 billion as at December 2004. This represents about 90% of the total volume of cash in circulation compared to 4% and 9% in UK and USA, respectively.

Although forms of cheques have been in use since ancient times and at least since the 9th century, it was during the 20th century that cheques became a highly popular non-cash method for making payments and the usage of cheques peaked. By the second half of the 20th century, as cheque processing became automated, billions of cheques were issued annually; these volumes peaked in or around the early 1990s. Since then cheque usage has fallen, being partly replaced by electronic payment systems. In an increasing number of countries cheques have either become a marginal payment system or have been completely phased out (http://en.wikipedia.org/wiki/cheque#cite_note-3).

For e-payment system the following challenges have been articulated: Adewuyi (2011) articulated the following-Money laundering, fraud, electronically generated evidence, consumer protection, job cut, possibility of core banking business being swallowed, and systems operational risks. Okeke (2013) identified the following as its important disadvantages (challenges)-Cost, fraud, human factor (prefer being attended to by human beings and not a machine). E-Payment Providers Association of Nigeria (E-PPAN) (2013) - It may fail like other government initiatives for lack of proper implementation.

With this policy, people are no longer spending so much because they do not withdraw plenty cash any more.

It has caused reduction in sales

There is insufficient and low presence of e-payment channels at various service points such as the hospitals, motor parks and other centres.

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FDCL 2012)-The major reasons for not using cashless facility centred on safety and quality of service. The specific reasons mentioned include: safer to use cash (32%), high service charge (17%), customers rejection (16%), not reliable (10%), doesn't handle large sum of money (9%), prone to error (6%), increase spending (4%), not available everywhere (3%) and take time to get an ATM card (3%).

The other major challenges of e-payment in Nigeria have been identified to include: Udo (2013) identified challenges affecting e-payments system to include infrastructure deficit (Power, communication network, etc.); slow adoption of e-payments due to prevailing cash culture; merchant's apathy to point-of-sale

(POS) terminals due to transaction fees; high illiteracy level and cost of electronic banking services.

Other challenges include low level of public awareness on the existence of some e-payment products; concentration of e-payment facilities in the urban centre and unavailability of financial services in most rural areas; lack of effective national identification system and absence of e-payment laws or National Payments System Act.

The problems militating against e-Payment as listed by Sumanjeet [2002] generally revolve around.

Integrity: to ascertain that transmitted financial information is unchanged in transit.

Non-repudiation: to ascertain that all parties have non-deniable proof of receipt.

Confidentially: to ascertain that transactions are protected from possible eavesdroppers.

Reliability: to ascertain that there is reduced possibility of failure.

Authorization: to ascertain that individuals are recognized and granted the desired rights and privileges.

An ideal e-Payment system should possess the good point as identified by Dankwambo (2009):

Easy tracking of payments to beneficiaries' account hence it will assist audit trail.

It reduces cases of corruption

It will assist corruption fighting agencies like the EFCC and ICPC in cases of investigation.

It is the beginning of a cashless society

Overall increase in the efficiency of operation

Reduced transactions of very low value

Increase convenience of payments

Payment can be made swiftly and remotely using various devices

Accountants will appreciate IT more and this will improve the quality of financial reports generated by MDAs.

Economic Growth and Development as Transparency and Accountability improve.

Real Time Reporting and Eliminate writing of cheques

A good e-payment system will eliminate the challenges associated with cash system and those related to cheque payment system particularly the risk associated with cheques being stolen, forging of signature and disparity between amount in words and figures. The system which is still in its stage requires a lot of information and education of the public to enable them appreciate the laudable programme put together by government to protect their interests. The banks also need to be carried along in the implementation. If they are properly and adequately educated, then the chances of the total acceptability of the programme can be assured (Ogedebe and Jacob, 2012). In a study of electronic retail payment system in Nigeria Nwaolisa and Kasie (2012) noted that that cash usage is still very high in Nigeria irrespective of the efforts of Central Bank of Nigeria towards the adoption of electronic payment system. It is caused by the challenges of inadequate power supply, shortage of critical technological infrastructures, lack of sociocultural support and absence of regulatory framework that are required to operate seamless and effective electronic payment system in the country. They concluded that there is the need for the government to remove barriers to innovation, including regulatory barriers to pave way for rapid development of the electronic payment systems in Nigeria.

For the understanding of the basis for acceptance and use of payment platforms, the most advanced and widely used model is Technology Acceptance Model (TAM). To specially address the challenge of acceptance and use of technology Davis (1989) and Davis et al. (1989) proposed TAM to address why users accept or reject technology. The Technology Acceptance Model (TAM) has emerged as a powerful and parsimonious model that belongs to the information systems (IS) field.

TAM hypothesizes that a person's acceptance of a technology is determined by his/her voluntary intentions to use that technology. The intention, in turn, is determined by the person's attitude toward the use of that technology and his/ her perception concerning its usefulness. Attitudes are formed from the beliefs a person holds about the use of the technology. The first dimensions of the attitude are Perceived Usefulness (PU) and Perceived Ease of Use (PEOU).

A key purpose of TAM is to provide a basis for tracing the impact of external variables on internal beliefs, attitudes, and intentions. It suggests that PEOU, and PU are the two most important factors in explaining system use. Davis (1989) defines PU as the degree to which a person believes that using a particular system would enhance his job performance and PEOU as the degree to which a person believes that using a particular system would be free from effort. PU is majorly measured by ten independent factors. See section three (Research Methodology) for a listing of the ten factors.

3.0 RESEARCH METHODOLOGY

The data need of this study was defined in two broad areas. First is the articulation of core benefits of payment systems from the perspective of PU under TAM framework. Second is the ranking of the three payment systems in use in Nigeria using the ten factors contained in the PU framework from the perspective of enlightened and active users.

For the benefits of payment systems, the study relied on the ten factors used in Technology Acceptance Model

(TAM) in explaining the Perceived Usefulness (PU) of technology based services (Davis (1989) and Davis et al, (1989)). These factors included the following:

- E-payment enables me to accomplish financial transactions more quickly
 - Using e-payment gives me greater control over my financial transactions
 - Using e-payment reduces my need to carry cash
 - Using e-payment increases the convenience of financial transactions
 - Using e-payment reduces incidences of fraud in financial transactions
 - E-payment application reduces the cost/bank charges of financial transactions
 - Using e-payment makes financial transactions more reliable
 - Using e-payment makes financial transactions more dependable
 - Using e-payment allows the minimization of mistakes/errors in financial transactions
- Overall, I find e-payment helpful in my financial transactions.

To ascertain the relative importance of the benefit factors, the study requested respondents to rank the factors on a scale of 1-3 based on their experience of the three payment systems with 1 representing the first payment system, 2 representing the second payment system and 3 the third payment system. In calculating the cumulative points for the benefit factors, the system ranked first was assigned a scale of 3, the second a scale of 2 and the third a scale of 1. The aggregate point for the systems was used in ranking them from the first to the third.

The study relied on questionnaire as the survey instrument for collecting data on the ranking of the payment systems based on Nigerian experience of respondents. The questionnaire listed the factors and required respondents to rank them based on their personal experience. It became imperative therefore to select respondents from a population of highly literate and financially active Nigerians who are aware of the three payment systems obtainable in Nigeria.

To meet the outlined requirements of the data collection source, the study used a population of students of Enugu State University of Technology (ESUT) Business School, located in Enugu, the capital of Enugu state in south east, Nigeria. Being an executive programme with students mostly working, drawn from all states, tribes and religions in Nigeria, the population surveyed met the requirement of financially well to do and active users of e-payment system in Nigeria. This is in line with the Grounded Theorists rule of selecting purposive samples from participants who represent the major categories of people relevant to the research (Charmaz, (2003) and Henwood and Pidgeon (1993)). Being a lecturer on the ESUT programme facilitated access to the students and cooperation from them in completing the questionnaire. With a population of 600 students, the questionnaire was administered on all the students in MBA, MSc and PGD classes on the 14th and 15th of December, 2013. A total of 319 copies of the questionnaire were administered and retrieved within the two days. Given incompleteness and inconsistency in completion, 37 returned questionnaire were rejected. Thus, 282 returned questionnaires were analyzed. This gave an effective response rate of 88.40%.

The collected primary data were presented on tables and analyzed using frequency distribution and aggregation of points to arrive at cumulative points and enable ranking. Data were also collected and analyzed to define the profile of respondents.

4.0 RESULTS AND DISCUSSION

4.1 Profile of Respondents.

The profile of respondents is captured on Table 1 below.

Table 1. Profile of Respondents

Category	Statistics
Gender	
Male	177(62.77%)
Female	105(37.23%)
Age	
20-30 Years	42(14.89%)
30-40 Years	165(58.51%)
40-50 Years	45(15.96%)
50-60 Years	27(9.57%)
60 Years And Above	03(1.06%)
Marital Status	
Single	73(25.89%)
Married	201(71.28%)
Divorced	4(1.42%)
Widowed	4(1.42%)
Gross Annual Income	
Less Than N1m	54(19.15%)
N1m-N3m	111(39.36%)
N3m-N5m	63(22.34%)
N5m-N7m	27(9.58%)
N7m-N9m	6(2.13%)
N9m- N11m	3(1.06%)
N11m-N13m	2(0.71%)
N13m And Above	1(0.36%)
Employment Status	
Employed	267(94.68%)
Unemployed	15(5.32%)
Sector of Employment	
Private	119(42.20%)
Public	163(57.80%)
Awareness of Cash, Cheque and E-Payment Systems	
Operation of Account with Nigerian Banks	282(100%)
Yes	
No	282(100%)
Highest Educational Qualification	0(0%)
HND/BSc	
PGD	177(62.77%)
M.Sc./MBA/MPA	33(11.70%)
PHD	69(24.47%)
	03(1.06%).

Source: Field Survey, 2013.

The respondents are highly educated with 62.77% having a minimum educational qualification of first degree (BSc, BA and HND). Others hold higher educational qualifications.

The major age bracket of respondents was 30-40 years, accounting for 58.51%. The least age bracket was 60 years and above with 1.06%.

62.77% of respondents are male.

While 71.28% of the respondents are married, 25.89% are single and 1.42% are divorced.

The major income brackets of respondents were N1M-N3M (39.36%) and N3M-N5M (22.34%) per annum.

94.68% of respondents are employed with 57.80% working in the public sector and 42.420% in the private sector.

100% of the respondents have been involved with all payment systems and maintain account with banks in Nigeria.

4.2 Analysis of Research Question

Table 2. Ranking of Perceived Usefulness of cash, cheque and e-payment systems

FACTOR	CASH	CHEQUE	E-PAYMENT
Reduces incidences of fraud in financial transactions	First -69(3)=207 Second -24(2)=48 Third -189(1)=189 Total =444(third)	First -51(3)=153 Second -207(2)=414 Third -24(1)=24 Total =591(second)	First -162(3)=486 Second -54(2)=108 Third -66(1)=66 Total =660(first).
Gives you greater control over your financial transactions	First -48(3)=144 Second -60(2)=120 Third -174(1)=174 Total =438(Third)	First -75(3)=225 Second -162(2)=324 Third -45(1)=45 Total =594(Second)	First -150(3)=450 Second -66(2)=132 Third -66(1)=66 Total =648(First).
Enables you to accomplish financial transactions more quickly	First -54(3)=162 Second -90(2)=180 Third -138(1)=138 Total =480(Second)	First -12(3)=36 Second -150(2)=300 Third -120(1)=120 Total =456(Third)	First -216(3)=648 Second -39(2)=78 Third -27(1)=27 Total =753(First).
Reduces the cost/charges of financial transactions	First -93(3)=279 Second -51(2)=102 Third -138(1)=138 Total =519(Second)	First -24(3)=72 Second -162(2)=324 Third -96(1)=96 Total =492(Third)	First -162(3)=486 Second -72(2)=144 Third -48(1)=48 Total =678(First).
Increases the convenience of financial transactions	First -15(3)=45 Second -48(2)=96 Third -219(1)=219 Total =360(Third)	First -9(3)=27 Second -222(2)=444 Third -51(1)=51 Total =522(Second)	First -258(3)=774 Second -9(2)=18 Third -15(1)=15 Total =807(First).
Reduces your need to carry cash	First -12(3)=36 Second -6(2)=12 Third -264(1)=264 Total =312(Third)	First -15(3)=45 Second -261(2)=522 Third -6(1)=6 Total =573(Second)	First -267(3)=801 Second -9(2)=18 Third -6(1)=6 Total =825(First).
Allows the minimization of mistakes/errors in financial transactions	First -57(3)=171 Second -30(2)=60 Third -195(1)=195 Total =426(Third)	First -78(3)=234 Second -177(2)=354 Third -39(1)=39 Total =627(Second)	First -144(3)=432 Second -84(2)=168 Third -54(1)=54 Total =654(First).
Makes financial transactions more reliable	First -57(3)=171 Second -39(2)=78 Third -186(1)=186 Total =435(Third)	First -54(3)=162 Second -180(2)=360 Third -48(1)=48 Total =570(Second)	First -171(3)=513 Second -63(2)=126 Third -48(1)=48 Total =687(First).
Makes financial transactions more dependable	First -57(3)=171 Second -66(2)=132 Third -159(1)=159 Total =462(Third)	First -63(3)=189 Second -162(2)=324 Third -57(1)=57 Total =570(Second)	First -159(3)=477 Second -57(2)=114 Third -66(1)=66 Total =657(First).
Overall, enhances your financial transactions/job	First- 21(3)=63 Second- 39(2)=78 Third- 222(1)=222 Total= 363(Third)	First- 18(3)=54 Second- 225(2)=450 Third- 39(1)=39 Total=543(Second)	First- 243(3)=729 Second- 15(2)=30 Third-24(1)=24 Total= 783(First).
Total points	4239(third)	5548(second)	7152(first)

Source: Field Survey, 2013.

Table 2 revealed the specific ranking of each of the factors of PU among the three payment systems:

On the basis of ability to reduce incidences of fraud in financial transactions, respondents ranked e-payment(660 points), cheque second(591 points) and cash third (444 points).

On the basis of the capacity to give greater control over financial transactions, respondents ranked e-payment (648 points), cheque second (594 points) and cash third (438 points).

On the basis of ability to enable the accomplishment of financial transactions more quickly, respondents ranked e-payment first (753 points), cash second (480 points) and cheque third (456 points).

On the basis of capacity to reduces the cost/charges of financial transactions, respondents ranked e-payment first (678 points), cash second (519 points) and cheque third (492 points).

On the basis of the capacity of the payment system to increase the convenience of financial transactions, the respondents ranked e-payment first, cheque second and cash third.

On the basis of ability to reduce the need to carry cash and consequently robbery attacks, respondents ranked e-payment first, cheque second and cash third.

For allowing the minimization of mistakes/errors in financial transactions, respondents ranked e-payment first (654 points), cheque second (627 points) and cash third (426 points).

For their ability to make financial transactions more reliable, respondents ranked e-payment first (687 points), cheque second (570 points) and cash third (435 points).

For their ability to make financial transactions more dependable, respondents ranked e-payment first (657 points), cheque second (570 points) and cash third (462 points).

On the basis of ability overall, to enhance financial transactions, respondents ranked e-payment first (783), cheque second (543 points) and cash third (363 points).

4.3 Findings of the study

The following constitute the major findings of the study:

1. On the aggregate respondents ranked e-payment the first payment system in Nigeria on the basis of PU with a cumulative 7152 points. They ranked cheque the second best payment system with 5548 points and cash the third payment system with 4239 points.
2. E-payment system was ranked first on the following factors in a descending order:
 - 1) Reduced Need to carry cash (825 points)
 - 2) Convenience in financial transactions (807 points)
 - 3) Enhancing financial transactions (783 points)
 - 4) Quickness of financial transactions (753 points)
 - 5) Reliability of financial transactions (687 points)
 - 6) Reduced cost/charges of financial transactions (678 points)
 - 7) Minimization of fraud in financial transactions (660 points)
 - 8) Dependability of financial transactions (657 points)
 - 9) Minimization of errors/mistakes in financial transactions (654 points)
 - 10) Control over financial transactions (648 points).
3. Cheque payment system was ranked second in all but two of the factors measured. These were: quickness of financial transactions and reduced cost/charges of financial transactions (cash payment system came second on these two factors 480 points and 519 points respectively).

5.0 CONCLUSION AND RECOMMENDATIONS

5.1 Conclusion

On the basis of PU, the study demonstrated that e-payment system is considered to be the number one payment system by educated, employed and financially active Nigerians. The second payment system is cheque with cash coming third. It is paradoxical however that in spite of the demonstrable benefits and superior features of e-payment over other forms of payment systems, the objective of making e-payment the dominant payment system according to the cashless policy of CBN has not been realized. If e-payment is considered better than other systems, but in practice, it is not the dominant payment system, there must be an explanation that will go beyond its usefulness.

In the next section, the study presents some measures that when implemented will position e-payment as the dominant payment system in Nigeria, in line with the cashless policy of CBN.

5.2 Recommendations

A. Promotion of e-payment system

The promotion of e-payment system should be sustained and made more effective by all agencies of government and relevant e-payment input manufacturing and service delivery organizations. The message in promoting e-payment system should emphasize the core benefits of e-payment system and stress its advantages over cash and cheque payment systems. The promotion campaigns should aim to inform, educate, persuade and remind users and prospective users of the core benefits of convenience, reduced transaction cost, reduced need to carry cash/robbery attack, accessibility, reliability, dependability and pay at all times/in all places made possible by e-payment platforms.

B. Provision of Infrastructure by Government and Facilitating Agencies to Make E-Payment system work.

Trial, acceptance and preference of e-payment over other forms of payment systems are predicated on its usefulness, functionality and ease of use. It will be tried and accepted if it is useful, helpful and meets the demands and requirements of users. Its preference will derive from the perception and/or experience that it is as good if not better than other payment systems. The promoters of the system are therefore challenged to ensure that the infrastructures that will make e-payment platforms to work seamlessly are available and functioning at all times and in all places. The system must be working and seen to be working for it to be preferred over other forms of payment systems.

C. Provision of Customer Service to Make E-Payment an Easy and User Friendly Payment System.

At the points at which customers/users encounter e-payment platforms, they must come out with the impression and/or experience that it is easy, helpful and entertaining to relate with. These calls for effective customer service that will make users feel good, well served and satisfied. When and where service failure occurs it should be addressed speedily and in a courteous manner. Customers should be delighted with a service if they are to prefer and use it always and exclusively.

6. LIMITATIONS OF THE STUDY AND FURTHER RESEARCH

The major limitation of the study was the segment of the population studied. The class of respondents represented the educated elite. With a minimum educational qualification of a first degree, this is an extreme segment of Nigerian population. Given that the literacy rate in Nigeria is 61.3 % (UNHDR, 2014), a segment as educated as this group cannot represent the reality of general Nigerian situation. Another extreme of the study sample is their level of employment which stood at 94.68%. This is a far cry from the employment circumstances of the Nigerian population. The unemployment level in Nigeria stands at 23.90 % (NBS, 2014).

Given the centrality of education and employment status of people in determining their PU and PEOU of e-payment platforms and level of financial activity respectively, the lopsidedness of the study sample in these two critical areas pose a limitation in drawing conclusions on the PU based ranking of payment systems in Nigeria. It is useful, however, studying this segment of the population as a basis for the articulation of targeted interventions that may be necessary in securing quick wins and building a critical mass of early adopters of e-payment system that will serve as a platform for subsequent spreading of the need for the wider acceptance of the payment system by the general population. The choice of the sample studied was therefore deliberate and strategic. It nonetheless necessitates further studies to assess how other less educated and less financially active Nigerians rank payment systems in Nigeria. Other social issues like religion and tribe can also be explored in establishing the factors that define the ranking of payment systems in Nigeria.

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