

IMPACT OF E-PAYMENTS SYSTEM ON BUYING BEHAVIOUR: EVIDENCE FROM RETAIL OUTLETS IN ILORIN METROPOLIS, NIGERIA

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Abstract

There is a conflicting view about the recent introduction of electronic payment platforms amongst retail outlets in Nigeria. This has degenerated to various arguments and controversies among stakeholders. This study attempts to clarify this by investigating the impact of e-payment on buying behaviour. The study adopts a survey research design. Data were collected through self-administration of questionnaire to customers of selected retail outlets in Ilorin metropolis. A total of 89 copies were correctly filled and analyzed using simple percentage and multiple regression analyses. The result of the findings revealed adjusted R^2 was 0.723 for hypothesis I and 0.807 for hypothesis II. This implies that about 73% of the variation in customers buying behaviour is explained by variables in the model - reliability, responsiveness and assurance. While about 81% of the variation in customers payment experience is explained by the variables - security, risk and cost of payment. The study concludes that e-payment system has significant effects on buying behaviour of retail outlets customers as it enables wider coverage of business transactions and increased customer satisfaction. The study recommends that retail outlet operators need to develop better approaches to respond to new order of business transaction with certain degree of creativity and innovativeness.

Keywords: E-payment, Buying experience, Payment system, CBN, Retail outlets

1.0 Introduction

The intermediary role of financial system towards mobilizing savings, ensuring ease of business transaction, and efficient resource allocation for productive investments activities cannot be over-emphasized in any economy (Njokwu, 2002). In this respect, the banking industry plays a crucial role towards injecting financial securities for optimal economic performance. Since Nigeria's Independence in 1960, there have been different constitutional reforms, change in economic policies and banking regulations directed towards enhancing aggregate economic performance in Nigeria. Majorly, the banking reforms have been with the ultimate aim of repositioning Nigerian banking industry to compete favourably in the international financial system. In order to achieve this, there is a need to de-emphasize cash based transaction to electronic payment system. However, the statistical evidence provided by Central Bank of Nigeria (2012) revealed that, cash related transactions accounted for over 90% of customers' activities in Nigeria banks as at December, 2011. Nigeria, being an

emerging and fast growing economy in Africa (World Bank 2014) where hundreds of millions of transactions take place on regular basis, there have been a growing concern against cash-based transaction. There is therefore a need to reposition her economy to meet the new global financial system by reducing her cash-based transactions to electronics-based.

As the drive towards repositioning Nigerian economy continues in line with the global trend, various policy measures have been embarked upon by financial regulatory authorities in Nigeria. The most significant financial reforms related to banking in the last decade were the Commercial Bank Recapitalization which was finalized in 2005; and the adoption of electronic banking and transition to cash-less financial arrangement in 2012. In most developing countries, such as Nigeria, transition from a traditional cash economy to cashless economic system with the primary purpose of economic development is just beginning to gain ground (Valentine, 2012). It was revealed by the CBN that the direct cost of using cash as sole medium of exchange is estimated to reach a staggering sum of one hundred and ninety two billion naira in 2012 (Sanusi, 2012). Other problems associated with high cash usage include robberies and cash related crimes, revenue leakage arising from too much of cash handling, inefficient treasury management due to nature of cash processing, high subsidy, high cash transaction from the informal sector among others (Sanusi, 2012). Against these backdrops, the CBN introduced the cashless policy in 2011 with the objective of minimizing the use of traditional cash in daily transactions, so as to engender faster economic growth.

It is imperative to note that several major factors are changing the face of today's marketing environment hence influence consumer behaviour. First, consumers are changing in their approaches to obtaining information on purchasing decision. Adeyemi(2016) opined that in this innovative technology and digital age, consumers are better informed are seeking ways to improve their satisfaction. In this regard, rather than customers relying on marketers to supply the information they need in order to make purchase decisions; they are using the internet and other technologies to find such information on their own. Thus, understanding who the customers are; how they make decisions; and which customers would provide the best value promotes positioning and competitive strategy of SMEs. To get accurate information on choice of product, pricing, competitive products and means of payment, consumers require new tools, techniques, and strategies.

The Central Bank of Nigeria (CBN) introduced and encouraged the adoption of cashless system (otherwise known as cashlitepolicy) for possible and effective e-payments and e-commerce, in order to reposition the economy of Nigeria and make it relevant to the new global financial environment. It has been claimed that the policy is primarily designed to reduce the use of cash in business transactions in Nigeria so as to ensure that banking services get to everybody and offer all platforms for empowerment that will change the way people transact businesses. The cashless economy policy was precisely designed to provide mobile payment services, breakdown the traditional hindrances to financial inclusion of millions of Nigerians and bring in low-cost, secure and convenient financial services to the country (CBN, 2011). According to CBN(2012) the new cash policy was introduced for a number of key reasons, which include: to drive development and modernization of the payment system in line with Nigeria's vision 2020 goal of being amongst the top 20 economies by the year 2020;to reduce the cost of banking services (including cost of credit)

and drive financial inclusion by providing more efficient transaction options and greater reach and to improve the effectiveness of monetary policy in managing inflation and driving economic growth.

Despite the robust economic intention of e-payment system, Makhbul (2011) argued that cash differs from other payment instruments and cannot be substituted by other means. It was argued that money can be easily circulated, it is always valuable, it provides full and final settlement of a transaction, once issued, the circulation of cash is easily controlled, thus regarded as public good by its users. Therefore, the use of cash should rather be encouraged for transaction purposes as against electronics payment options. This argument was based on the premise of Nigerian tradition of holding cash for settling transactions and making exchange. Other studies also acknowledged the potential economic impact of e-payment system though with some scepticisms. These scepticisms were borne out of fear of uncertainty and anticipated poor implementation among majority of the population who will be directly or indirectly affected by the policy. Larger part of this majority is the SMEs in the informal sector who sell in small amount and are afraid the policy will be unfair to their businesses. Previous researches have adduced other reasons to poor acceptance of the policy such as inadequate sensitization of the potential benefits of the e-payment system (Azeez, 2011), inadequate logistics (Adewoye, 2013) and high rate of illiteracy (Adewale, 2012). There are still worries among stakeholders about how the operations of e-payment systems will affect businesses, prices, service delivery and economic stabilization in Nigeria. These mixed feelings about the economic potential of e-payment system have created a knowledge-gap and little to no research has clarified this with empirical evidences. This study therefore attempts to investigate the impact of e-payment options on buying behaviour with evidence from retail outlets in Ilorin, metropolis Nigeria.

2.0 Conceptual Clarification

2.1 Consumer Buying Behaviour and Retail Outlet

All over the world, consumption plays a significant role in human development. However, in recent times, an insightful change has taken place in the pattern of consumption among small and medium retail outlets in Nigeria. This change which have started since early 1990s have catapulted customers on the center stage of market power. This development was associated with the quest of customers across the globe to take advantage of unfolding market opportunities and changes (Abbas and Joette, 2010). This has obviously shaped the nature of competition, the power of retail operators, and more importantly their orientations and priorities about value delivery to customers. In view of the above, it can be established that consumers have come to play a fundamental role in the marketplace by articulating and acting upon their desires and preferences in the value chain. It was further acknowledged that consumers are no longer passive actors; rather they have become an independent and active force in shaping events in the marketplace and influencing corporations' market and nonmarket decisions globally. According to Kotler (1997), and Kamal and Vinnie (2007) consumers influence the market by making product choices based on which combination of product attributes best meets their needs based on dimensions of value, cost, and prior satisfaction. In this case, product attributes considered may be either core attributes that deliver basic benefits sought by customers, or auxiliary or peripheral attributes that provide

supplementary benefits and are important for providing added-value and differentiation (Fuller, 1999).

The functions of consumer goods and services as offered by retail outlets in Nigeria beyond the satisfaction of functional needs are various (construction of identity, pursuit of status and social distinction, maintenance of social cohesion, social selection, pursuit of personal and collective meaning, etc.) which creates complexity and makes decisions towards sustainable consumption quite difficult. Consumption options are affected by several factors like income, availability and infrastructure of essential goods and services (water, sanitation, education, health care, etc.), time allocation (between work and leisure), information, social barriers (missing access to opportunities), decision making and family upbringing, among others (UNDP 2006). In addition to the above, to a large extent, consumers' preference of shopping in retail outlets is influenced by ease of purchase and payment options. Some decades ago, the problem of globalization, competition, deregulation and huge technological developments, have created dynamism in buying behaviour. It is a known fact that businesses that depend only on cash transactions cannot grow their customer base beyond the individuals who can visit them in person to deliver cash payments. On this basis, Moses (2015) submitted that the E-payment system will be of great benefits to business enterprises and consumers as it will enhance convenience; bring more service options; reduced risk of cash-related crimes and ensure cheaper access to services.

Barmola and Srivastava (2010) emphasized that the knowledge and understanding of buying behavior has become a basic task both at the entrepreneurial and institutional levels. Firms have realized that since consumers have adopted a more aggressive and demanding role, they have to modify attitudes. The buying behavior involves searching, evaluating, purchasing, consumption, and post-purchasing behavior of the consumers, including the disposal of purchased products keeping environment and personal characteristics in mind. Varadarajan, Srinivasan, Vadakkepatt, Yadav, Pavlou, Krishnamurthy & Krause (2010) asserted that, historically, technological innovations have played a major role in shaping the retail businesses landscape. Understating the buying behaviour in retailing business will generally reduce the issues of customer complaints and grievances through proper service delivery are highly imperative at ensuring the development of the business. Thus, the extent to which customer are satisfied with the service rendered has great impact on the overall performance and must be taken with utmost seriousness.

Retail outlets are stores that sell smaller quantities of products or services to the general public. An enterprise that operates as a retail outlet will normally buy goods directly from manufacturers or wholesale suppliers at a volume discount and will then mark them up in price for sale to end consumers or users. In recent times, the rate of civilization has enlightened consumers all over the world and they now have expanded range of options from which to purchase their consumables. Ardon-Iton (2015) stated that consumers choose different retail outlets as a result of their own preferences and habits relative to the attributes of the retail outlets available and convenience of shopping and payment. The retail store characteristics in terms of technology compliance and socio-economic factors influence the choice of outlet and these have attracted the interest of researchers for many decades. This is still an area of interest today in many developed and developing countries.

2.2 The Need for E-payment System in Nigeria

Studies have predicted the emergence of e-payment economy where the traditional money made up of paper and coins as legal tender is replaced with electronic system for basic transactions (Zeithaml & Gilly, 1997). With the advent of information technology that gave birth to internet, the global monetary system is taking a new dimension of using electronic money as legal tender for business transaction and exchange. Recent development in technology for financial transaction has increasingly fueled the use of electronic-based payment instruments globally (Princewell & Anuforo, 2013).

The Central Bank of Nigeria introduced the new cash-less policy to Nigerian financial system with a pilot run in Lagos State from January 2012 and subsequently in Rivers, Anambra, Abia, Kano, Ogun and the Federal Capital Territory (FCT) on the 1st July, 2013. The policy became operational nationwide on July 1st, 2014. According to the (2012), the new policy was hosted for three important reasons which include:

- To drive development and modernization of our payment system in line with Nigeria's vision 2020 goal of being amongst the top 20 economies by the year 2020. An efficient and modern payment system is positively correlated with economic development, and is a key enabler for economic growth.
- To reduce the cost of banking services (including cost of credit) and drive financial inclusion by providing more efficient transaction options and greater reach. This entails that the transaction cost incurred by financial institution is expected to be lowered with the adoption of cashless economic policy.
- To improve the effectiveness of monetary policy in managing inflation and driving economic growth. In essence, this policy will accelerate Nigerian financial institutions towards competing in the international financial market.

However, in addition to the above, the cashless policy aims to curb some of the negative consequences associated with the high usage of physical cash in the economy, including:

- High cost of cash: There is a high cost of cash along the value chain - from the CBN & the banks, to corporations and traders; everyone bears the high costs associated with volume cash handling.
- High risk attached to cash usage: Cash encourages robberies and other cash-related crimes. It also can lead to financial loss in the case of fire and flooding incidents.
- High subsidy: CBN analysis showed that only 10 percent of daily banking transactions are above N150,000 and this accounts for majority of the high value transactions. This suggests that the entire banking population subsidizes the costs that the tiny minority 10% incurs in terms of high cash usage.
- Informal Economy: High cash usage results in a lot of money outside the formal economy, thus limiting the effectiveness of monetary policy in managing inflation and encouraging economic growth.
- Inefficiency & Corruption: High cash usage enables corruption, leakages and money laundering, amongst other cash-related fraudulent activities in Nigeria.

2.3 Transaction Options in Electronics System

Cashless transactions could be carried on a number of electronic devices that perform the same functions as conventional cash; it can be used to buy different goods and services and

payment of bills; can be used to redeemed physical cash; and may be exchanged by person to person (Bamodu, 2003). It is important to note that the modes of cashless transaction can be broadly categorized into two via – electronic and non- electronic payment.

Forms of Electronic Payment Instruments in Nigeria

Various types of e-payment system exist in Nigeria and have formed the e-banking product. The most prominent are discussed below:

- (a) Automated Teller Machine (ATM): Automated Teller Machine (ATM) is a computerized telecommunications device that provides the customers of a financial institution with access to financial transactions in a public space without the need for a human clerk or bank teller. According to Siyanbola (2013) ATM is the commonest form of electronic banking which has gained popularity among large populace including uneducated customers. On most modern ATMs, the customer is identified by inserting a plastic ATM card with a magnetic stripe or a plastic smartcard with a chip that contains a unique card number and some security information, such as an expiration date. Security is provided by the customer entering a personal identification number (PIN). CBN (2011) stated that ATM is responsible for about 89% (in volume) of all e-Payment instruments between years 2006 to 2008.
- (b) Online/Web payment: The increasing advancement in as provided the financial institutions with another platform called the online-banking system. The online banking, compared to traditional banking system, heavily involves no-human interactions between customers and online bank information systems. This means that the satisfactory delivery of service not only rely on the traditional service quality identified in existing literature but also on a reliable online system to provide a comfortable end-user computing environment. Atarere&Osemwegie-Ero (2014) viewed internet banking to involve conducting banking transactions on the internet World Wide Web (www) using electronic tools such as the computer without visiting the banking hall. The most commonly used internet banking transactions in Nigeria are settlement of commercial bills, purchase of air tickets, hotel reservation, and other instant payment services through merchant websites.
- (c) Electronic point of sales (E-POS): Electronic point of sales (E-POS) electronic payment system is user friendly simple multi-functional equipment with many possibilities of use. It enables the operators to administer payments by the customer in a simple way and subsequently to record the payments for clear accounting purposes. The E-POS is an equivalent of an electronic cash register which allows the sales point to be linked to the banking base of both the seller and buyer so that money is transferred electronically (Atarere&Osemwegie-Ero, 2014). In a related view, Olanipekun, Brimah&Akanni (2013) described it as a mode of e-banking that could handle cheque verification, credit authorization, cash deposit and withdrawal and cash payment. Ultimately, E-POS enhances electronic fund transfer at the point of sales.
- (d) Mobile Banking Payments system: Mobile payment or known also as Mobile wallet is an alternative payment method using mobile phone for settlement of financial transactions (Atarere&Osemwegie-Ero, 2014). Instead of paying with cash, cheque or credit cards, a consumer can use a mobile phone to pay for a wide

range of services and digital or hard goods such as: transportation fare (bus, subway or train), parking meters and other services; Books, magazines, tickets and other hard goods; Music, videos, ringtones, air time recharge voucher, online game subscription or items, wallpapers and other digital goods. Most deposit money banks in Nigeria offer mobile and/or SMS banking services, however, most customers are yet to fully buy into it hence both the apex bank and other banks are encouraged to increase awareness of the product to the saving populace in the country (Siyanbola, 2013).

- (e) The Nigerian Interbank Settlement Scheme (NIBSS) Funds Transfers. The Nigerian Interbank Settlement Scheme is an online platform introduced by Central Bank of Nigeria for ease of interbank settlement. It is essentially a platform through which various commercial banks exchange value thereby enabling the performance of interbank transfers; however amounts must not exceed N10,000,000 (Atarere&Osemwegie-Ero, 2014).
- (f) Card System. It is a unique electronic payment type which involves the use of smart cards. Smart cards are devices with embedded integrated circuit being used for settlement of financial obligations. It can be used as credit card, debit card and even ATM cards. Olanipekun *et al* (2013) argued that the power of the card system lies in its sophistication and acceptability to store and manipulate data as well as handling of multiple applications on one card securely.

Other non-electronics-based payment options are:

- (a) Third Party Cheques. The customer is not allowed to cash third-party cheques across the counter (Atarere&Osemwegie-Ero, 2014). All cheques drawn in favor of any beneficiary other than the account owner must be presented through CBN clearing house and their values must not exceed ten million naira (N10, 000,000) (CBN, 2012).
- (b) Bank Drafts and other Instruments. Bank drafts could be use business operators and merchants for transactions not more than N10 million. This is because bank draft unlike personal cheques in normal Nigerian parlance cannot bounce except if they are fraudulent (Okoye &Ezejiofor, 2013). However, they cannot be paid across the counter and will still be subject to the three days clearing rule of CBN for cheques.

2.4 Empirical Review

Electronics payment systems is one of the most appreciated instruments in developed economy. However, prior to its emergence in Nigeria, as it is in many developing countries, cash is the main mode of payment which is responsible for the unbanked large portion of cash in circulation (Ajayi&Ojo, 2006). According to CBN survey, it was revealed that cash-related transactions account for 99% of customer activity in Nigerian banking system. It was established that cash transactions above N150,000 was the largest in terms of value (N1469billion) and second smallest in terms of number or volume (Odior&Banuso, 2012). It was further proved that only 10% of the numbers of cash transactions are above N150,000 but account for 71% in the value of total cash transactions. It thus connotes that about 90 per cent of Nigerians carry out transactions below N150, 000 at a time.

Hord (2005) investigated the role of e-payment on customer retention using qualitative research design. The study found that electronic payment is convenient for both the buyer and it lowers transaction costs. He (Hord, 2005) further found that in most cases, one only needs to enter the account information such as credit card number and shipping address.

This connotes that the more payments that are been processed electronically, the less money is spent on paper and postage. The study therefore emphasized that businesses will retain more customers and improves performance if more electronic payment platforms are created. This means a customer is more likely to return to the same e-commerce site where his or her information has already been entered and stored.

Hogarth, Kolodinsky and Gabor (2008) used diffusion innovation theory to explore the consumer payment choices: Paper, Plastics or Electrons. The study found out that increase in income and education elicits a positive effect on adoption of electronic banking, regardless of the technology. This implies that there is a strong correlation between income and education level and adoption of e-banking. On the other hand, the impacts of other demographic characteristics such as sex, social status, nature of employment among others on cashless policy adoption are less clear'.

Akhalumeh and Ohiokha (2012) investigate the feasibility of cashless economic policy in respect to timeliness, preparedness and adequacy against the backdrop of technological and educational development of Nigeria. The study utilized a survey research design as a means of data collection and the collected data while simple percentage procedure was used for the analysis. The study revealed that majority of Nigerians are already aware of the policy and majority agree that the policy will help fight against corruption/money laundering and reduce the risk of carrying cash. The study concludes that as promising the policy looks like, the major problem that may obstruct its successful implementation are cyber fraud and high illiteracy level in Nigeria.

Olanipekun, Brimah and Akani (2013) utilized content analysis to examine the challenges and prospect of integrating cashless economy in Nigeria. The study found that the policy will enhance convenience, reduce cash handling cost, reduce risk of using cash, while the challenges were categorized into security, infrastructure, legal & regulatory issues as well as socio-cultural issues. The study also found that before Nigeria can successfully implement cash less economic policy, there is a need for national identity system, provision of adequate infrastructure and gradual implementation of the policy.

Nwankwo and Eze (2013) examined the effect of electronic payment in Nigerian economy with a descriptive research design. The study found out that electronic system of payment has a great implication in cashless economy of Nigerian. However, the policy will lead to a significant decrease in deposit mobilization and credit extension by Nigerian deposit money banks. The study hence concludes that there is a need to first develop the e-payment system so that people will be used to it before embarking on the cashless economy policy.

Ezeamama, Ndubusi, Marire, Mgbodile (2014) studied the impact of cashless policy in Nigeria economy using survey research design and descriptive statistics to analyze the data generated. Findings from the analysis show that cashless policy will increase employment; reduce cash related robbery thereby reducing risk of carrying cash; cashless policy will also reduce cash related corruption and attract more foreign investors to the country. The study concludes that the impact of cashless policy will be felt in modernization of Nigeria payment system, reduction in the cost of banking services, reduction in high security and safety risks and also curb banking related corruptions which have been major banking sector problems in Nigeria.

Osazevaru and Yomere (2015) used content analysis to examine the benefits and challenges of cashless economic policy in Nigeria. The study found that the policy has

impacted positively on the development of Nigerian payment system in particular and the banking system in general. More so, it was established that some charges like COT, over-the-counter charges among others which are associated with a cash-based economy will be eliminated. It will be a forum whereby the unbanked cash will become banked, thereby increasing the customer base of banks. These put together will reduce customer transaction cost and increase the profitability of the bank.

3.0 Methodology

3.1 Hypotheses

The hypotheses of the study in its null form are as stated below:

- H01: there is no significant relationship between e-payment system and customers buying experience,
 H02: the adoption of e-payment system among retail outlets does not significantly influence payment experience of customers.

3.2 Design

A survey design was used to conduct this research. This approach was adopted as it allows minimal or no contact between the researcher and the subjects and therefore prevents researcher's objectivity from being compromised. A survey of 105 self-administered questionnaires was undertaken across the customers of four (4) selected retail outlets in Ilorin metropolis, Ilorin, Kwara State, north-central Nigeria. The questions were based on a 5-point Likert scaling ranging from 5-Strongly Agree, 4-Agree, 3-Undecided, 2-Disagree and 1-Strongly Disagree. From a total of 105 copies of questionnaires distributed, only 89 copies i.e. (84.7%) were correctly filled by the respondents. The data was analyzed with the aid of Statistical Package for Social Sciences (SPSS) 16.0 using simple multiple regression analysis. To ensure the reliability of the data sourced, Cronbach's Alpha Reliability Test was utilized and result shows 0.691 which means that the instrument used in gathering the data was 69.1% reliable and therefore exhibited internal consistency among items (questions) measuring each construct in the questionnaire.

3.3 Model Specification

The model specification for hypotheses is as stated below:

$$Y = \beta_0 + \beta_1x_1 + \beta_2x_2 + \beta_3x_3 + \beta_4x_4 + E$$

Where:

Y = Dependent variable representing E-payment System

Hypothesis I X = 1 to 3 represents independent variable which is Buying Experience (BE)

X₁ = Reliability

X₂ = Responsiveness

X₃ = Assurance

Hypothesis II X = 1 to 3 represents independent variable which is Payment Experience (PE)

X₁ = Security of Payment (SoP)

X₂ = Risk of Payment (RoP)

X₃ = Cost of Payment (CoP)

E = Error term, (0, 1) normally distributed with mean 0 and variance 1.

$\beta_0, \beta_1, \beta_2, \beta_3, \beta_4$ are the parameters to be estimated to fit the regression line.

β_0 = is the intercept on the Y-axis.

4.1 Test of Hypothesis I

Ho: there is no significant relationship between e-payment system and customers buying experience.

H1: there is a significant relationship between e-payment and customers buying experience.

Table 1.1 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.857 ^a	.791	.723	.497

a. Predictors: (Constant), Ability to adopt E-payment System

Table 1.1 reveals the coefficient (R) value which is 0.857 (85.7%) and adjusted R is .723 (72.3%). It indicates the existence of strong positive effect of e-payment on customers buying experience. The implication of this is that about 73% of the variation in customers buying experience is explained by variables in the model; that is Reliability, Responsiveness and Assurance, while the remaining 27% is explained by other factors which are not included in the model. This signifies that e-payment system has significant effect on customers buying experience in retail outlets businesses. The regression equation (model formulated) tends to be very useful for making predictions since the value of R^2 is close to 1.

TABLE 1.2 ANOVA^b

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	213.914	1	103.201	684.310	.0000 ^a
Residual	67.450	88	.287		
Total	361.240	89			

a. Predictors: (Constant), Ability to adopt E-payment System

b. Dependent Variable: Reliability, Responsiveness Assurance

The calculated ANOVA table is analyzed to see if *any* of the variables are significant. The F-statistic is compared with 1 and 88 degrees of freedom using stats tables. From the ANOVA table, $F = 684.310$, $p\text{-value} = 0000 < 0.05$ (sig.). Since $p\text{-value} < 0.05$ (critical value), the null hypothesis is rejected and the alternative accepted. This shows that the model is significant because the calculated F-ratio value is greater than the tabulated values at 5% level of significance.

Table 1.3 Coefficients Table
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.306	.201		3.617	.000
CP	.790	.682	.706	38.845*	.000

Dependent Variable: Reliability, Responsiveness Assurance

The table 1.2 "Coefficients" provides information effect of individual variables (the "Estimated Coefficients" or "beta") on the dependent variable. The coefficient Cashless Policy (CP) is 0.706 with p-value of 0.000 less than the 0.05% (critical value). This implies that the variable has positively contributed to the model. It also indicates that the intercept and slope of the model are 0.306 and 0.790 respectively, which could be written in model form as $y = 0.306 + 0.790x$, Where y = customer buying experience (reliability, responsiveness and assurance) and x = cashless policy.

Test of Hypothesis II

Ho: the adoption of e-paymentsystem does not significantly influence customers' payment experience.

H1: the adoption of e-paymentsystem significantly influences customers' payment experience.

Table 1.1 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.754 ^a	.731	.807	.29780

a. Predictors: (Constant), Ability to Use Cashless System

Table 1.1 reveals that the coefficient of multiple determinations is 0.731. The implication of this is that about 73.1% of the variation in payment experience is explained by variables in the model; that is Security of Payment (SoP), Risk of Payment (RoP) and Cost of Payment (CoP), while the remaining 27.9% is explained by other factors which are not included in the model. The regression equation (model formulated) tends to be very useful for making predictions since the value of R^2 is close to 1.

TABLE 1.2 ANOVA^b

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	513.604	1	95.451	784.413	.0000 ^a
Residual	77.630	88	.088		
Total	561.643	89			

a. Predictors: (Constant), Ability of SMEs to Use Cashless System

b. Dependent Variable: SoP, RoP&CoP

The calculated ANOVA table is analyzed to see if any of the variables are significant. The F-statistic is compared with 1 and 88 degrees of freedom using stats tables. From the ANOVA table, $F = 784.413$, $p\text{-value} = 0000 < 0.05$ (sig.). Since $p\text{-value} < 0.05$ (critical value), the null hypothesis is rejected and the alternative accepted. This implies that at least one of the predictors is functional for measuring payment experience therefore the model is useful.

Table 1.3 Coefficients Table
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.211	.074		0.617	.012
CP	.640	.022	.876	0.845*	.000

a. Dependent Variable: SoP, RoP&CoP

The table 1.2 "Coefficients" provides information effect of individual variables (the "Estimated Coefficients" or "beta") on the dependent variable. The coefficient of Cashless Policy (CP) is 0.876 with p-value of 0.000 less than the 0.05% (critical value). This implies that each of the variables has positively contributed to the model. Hence, payment experience contributes significantly to cashless policy adoption among the study population.

5.1 Summary of Findings

This study takes a look at the effect of e-payment on consumers shopping experience in Nigeria focusing in two directions - the buying and the payment experiences. Data were collected by means of self-administered questionnaires to selected customers of retail outlets in Ilorin metropolis, Kwara State, Nigeria. As a guide to the study, a set of two hypotheses were formulated. A survey of 105 copies of questionnaires was administered among a

purposively selected sample. The study generated 79 percent response rate and the statistical analyses were carried out with the use of simple percentage and regression analysis. The result of hypothesis I revealed that there is a significant relationship between e-payment and buying experience in the study area. This implies that e-payment facilitates reliability, responsiveness and assurance of purchases among the customers. This validates the findings of Hord (2005) and Moses (2015). Hord (2005) found that cashless economic policy is essential for the operation of retail outlets in any economy and e-payment facilitates faster business transactions, makes accessibility to retail services more possible and helps reduce customer complaints on service delivery time. Similarly, Moses (2015) found that e-payment adoption among retail outlets could be an avenue to appeal to customers purchasing interest, promotes convenience of business transaction thereby encourages customers' patronage. It is also capable of reaching and motivating large number of consumers into positive purchasing behaviour and this could stimulate customers repeat purchases. Hypothesis II measures the relationship between e-payment and customers payment experience. The result reveals that e-payment has significant effect on payment experience as it ensures security of payment; reduces risk of payment and lowers cost of payment. This validates the findings of Maitanmi, Awodele, Ogbonna & Osundina (2010) who found that the most anticipated benefit of the e-payment platforms in Nigerians is its ability to reduce the risk of carrying cash around thereby reduces cost of transaction.

5.2 Conclusion

This study has clearly demonstrated from related literatures a better and informed perspective on e-payment and customers shopping experience in Nigeria. The literatures reviewed acknowledged that for any modern economy to successively integrate into global financial corridor, compete favourably in the international financial market and to maximize the privileges of globalization, e-payment platforms are inevitable. In this respect, the financial sector must consciously develop and implement electronic payment options such as introduced by the Central Bank of Nigeria through the cashlite economic policy. Based on the findings obtained from the analysis of the hypotheses, the study concludes that retail outlets should fully integrate themselves into government drive towards cashless economy by providing e-payment platforms to the customers. This will not only help to ease customers buying experience but equally constitutes a long term benefits to retail businesses as it will facilitates faster business transactions, prompt payment and service delivery. The study also concludes from the findings of hypothesis two that e-payment will reduce cost and risk of transaction as customers need less cash to carry about for shopping purposes. This connotes that there will be drastic reduction in the use of physical cash that has encourages cash related crimes such as armed robberies and burglaries.

5.3 Recommendations

Based on the findings of the hypotheses tested and the conclusion drawn above, the study recommends the following:

- i. that operators of retail outlets should key into the recent cashless economic policy introduced by the CBN by providing e-payment options such as online purchasing platform, mobile payment, POS services to the customers,

- ii. retail operators should continuously ensure winning customers' confidence by providing adequate security of transaction that is capable of backing up critical data files and alternative means of processing information,
- iii. retail operators must invest adequately into IT infrastructure such that will ensure good connectivity and power base thereby enabling them to serve customers faster and more conveniently,

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