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Safaricom Limited's Mobile Money Services and Access to Trade Credit by Microenterprises in Nairobi City County Kenya

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Safaricom Limited's Mobile Money Services and Access to Trade Credit by Microenterprises in Nairobi City County Kenya

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Abstract

The purpose of this study was to determine the impact of mobile money services on access to trade credit by microenterprises in Kamukunji market, Nairobi City County, Kenya. The specific objectives of the study were; to assess whether digital payment-buy goods application (till number), saving and loan product (mshwari), mpesa for business application, pochi la biashara application have influence on access to trade credit by microenterprises in Kamukunji market. The study was guided by; Technology Acceptance theory, Unified Theory of Acceptance and use of technology, Diffusion innovation Theory and Technology, organization and Environment theory. The study employed a descriptive research approach and targeted 4,080 registered microenterprises in Kamukunji Market, Nairobi City County as per the City County Business Register of 2021. The sample size of the study was 351 microenterprises. A self-administered questionnaire was employed for the study's primary data. Data analysis was aided by SPSS using both descriptive statistics and inferential statistics. The results were displayed through tables and charts. The findings demonstrated that, savings and loan service, digital payment service, mpesa for business and pochi la biashara jointly explained 82 percent of the variation in access to trade credit among businesses in Kamukunji market. The study also established positive and significant relationship between all the independent variables and access to trade credit among businesses in Kamukunji market. The study concludes that Safaricom Ltd mobile money services have significant effect on access to trade credit by microenterprises in Kamukunji market, Nairobi City County Kenya. The study thus recommends that businesses in Kamukunji County and other microenterprises in other counties should strive to embrace Safaricom Ltd mobile money services such as savings and loan service, digital payment, mpesa for business, pochi la biashara since they enhance access to trade credit for the businesses. There is need to do further studies in area related to cost of accessing trade credit under the fintech firms and huge data available for assessing creditworthiness of borrowers.

Keywords: *Mobile Money Services, Savings and loan, Digital payment, Mpesa for business, Pochi la biashara.*

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1.0 Background of the Study

Access to finance is major challenge to expansion of firms in emerging nations, Likewise, most of these firms especially microenterprises do not have access to conventional banking system further compounding challenges faced by these business entities in these countries. (Demirgüç-Kunt *et al.*, 2018). However, payment landscape through provision of mobile money services has been revolutionalised by advent of financial technology (fintech) to the banking and non-banking sectors of the population (Suri, 2017). Advanced business models have evolved since the early 2000 as a result of financial technology whereby the financial institutions are able to provide a range of goods and services via internet banking, mobile wallets, payment applications, and digital credit financing (Cham, 2018).

In contrast to Africa, where the industry has prioritized mobile money, East and South Asia are combining "bottom-of-the-pyramid" retail FinTech with Western-style business-to-business (B2B) innovation (Arner, Barberis & Buckley, 2016). Western and Central Asia, the Middle East, and Latin America are seen as late adopters of fintech (Bassens, Derudder & Witlox, 2020. IMF, 2019; Bergesen, Parmann & Thommessen, 2018). As per CCAF (2020), Out of the \$305 billion raised by FinTech (encompassing crowdfunding, P2P lending, and corresponding capital raising) in 2018, 70% was raised in China, then the USA (\$61 billion), the UK (\$10 billion), and five more nations with more than \$1 billion raised (the Netherlands, Indonesia, Germany, Australia, and Japan). The top five nations by per capita were the United States, the United Kingdom, Latvia, Estonia, and the Netherlands.

The difficulty of financial market failures can be significantly assisted by expanding financial services beyond "brick and mortar." Even while failures cannot be completely eradicated, unbanked individuals, particularly microbusiness owners, can utilize financial technology to receive trade finance (Ghosh, 2022; Inoue, 2018). According to the Global Findex study on financial inclusion, savings have been mobilized using mobile phone applications in almost 43% of the developing globe (Demirguc-Kunt, Klapper, Singer, Ansar & Hess, 2018). The amazing increase in mobile financial services in underdeveloped countries is largely due to the accessibility and affordability of mobile phones (Hess, Klapper & Beegle, 2021).

For illustration, integrated mobile banking allows user to dependably carry out real-time transactions using their cell phone, such as saving money for later use and applying for credit (Demirguc-Kunt *et al.*, 2017) On the other hand, by lowering borrowing restrictions, the availability of mobile banking financial services has considerably improved financial inclusion (Khera, Ng, Ogawa & Sahay, 2021). Through the usage of unofficial sources and social networks, it also gives customers the ability to control risks and lower transaction costs related to saving money or borrowing money, while also enhancing the effectiveness and simplicity of the supply of financial services. A total of 487 million formal and unofficial micro and small businesses are expected to exist in emerging economies, with Africa and Asia having the highest proportions. Specifically sub-Saharan Africa share is 2.6 percent. These microenterprises require a range of credit products, including working capital, cash advances, overdrafts and credit purchase credit which are generally unsecured (Hermes, Lensink & Meesters, 2018). These microenterprises' desire working capital and inventory, which help with operational costs, is what is driving the desire for trade credit. Microbusinesses without a digital footprint that can assist lenders comprehend their cash flows, cyclical payouts, or nonpayment may require invoice finance to better handle working capital (IFC, 2019).

Mobile phone-based financial services have encouraged financial inclusion and the expansion of a thriving financial sector in Kenya over the past ten years (from 2011 to 2021). Kenya is the global leader in mobile payment platforms and services, and it has achieved extraordinarily

high levels of financial inclusion thanks mostly to Safaricom Ltd.'s M-PESA services, a mobile network operator (MNO) (Chauvet & Jacolin, 2017). Mobile money services has significantly reduced the transaction costs associated with money transfers (Jack & Suri, 2014). According to Financial Service Depending 2022 Report, the number of mobile payments increased by 104 percent between 2020 and 2021, a Covid-19 pandemic period indicating an upsurge of digital financial services in Kenya and more so in a big city like Nairobi City County, Kenya.

Credit rating for micro enterprises for purpose of trade credit facility by suppliers is challenging since there is a shortage of and difficulty in obtaining accurate statistics (Pranata, 2019). However, with innovations by fintech firms, data required on sales, purchases, receipts etc can be accessed via money mobile services and thereby enabling suppliers to make risk assessment. Although earlier research contributed to explain how mobile money works in developing nations, the ramifications of this breakthrough have gotten less attention (FSD-Kenya, 2020). Mobile money services entail mobile based money transfer services, payments and microfinance service. In Kenya, Safaricom Limited, a telecom firm, provide these services through M-PESA platform where users deposit, withdrawal, transfer money, pay for goods and services, access credit and savings all in a mobile device (Salfor & Michael, 2020). Mobile money payments have gained popularity with M-pesa dominating with a 98 percent market share (CAK, 2021).

Digital payment (purchase products till number) a mobile money service, eliminates the requirement for customers to use cash or a credit card to make payments. Digital payments, also referred to as cloud or server-based payment systems, can retain data and transaction histories online. The payment system is efficient, practical, and instant and secure (Boston Consulting Group and Google 2016). Digital payments positively affect the development of micro-enterprises in that it enables increased transparency and well managed e-bookkeeping (Deloitte, 2018). Under mpesa platform, as provided by Safaricom Ltd, the customers use till number which has greatly helped to improve micro-business operations. The business owners are able to receive payments from multiple customers on one platform irrespective of time and physical distance from all corners of the world. By so doing, the micro-enterprises are able to align finances and books for sale reconciliation (Njenga, Litondo & Mwabu, 2021).

Mpesa for business application is another service provided via mpesa platform. This application allows direct transactions from business till number thereby allowing businesses to send money and make payments as well as make withdrawals from multiple till numbers under the same business (Safaricom, 2020). The lipa na mpesa buy goods till has been improved with the m-pesa for business application, which facilitates business owners to accept payments on the till and utilize the money they have received to conduct additional transactions directly from their till. Previously, businesses could only access funds from their tills after a designated period with some taking up a month before accessing finances (Safaricom Annual Report, 2021).

Pochi la biashara (a business pocket) is another money mobile service that allow mpesa platform users with informal businesses to receive funds directly in their mpesa accounts for goods and services rendered and separate them from personal funds (Safaricom Annual Report, 2022). This product was launched in 2020 where the users are required to have a Safaricom phone number and mpesa account. One of the biggest challenges faced by micro-enterprise owners is accounting for business finances and personal cash since the owner and the entity are not distinct (FSD Kenya Report, 2020). With this application, micro-enterprise owner is assured of fund security since customers cannot reverse money paid via mpesa platform without the owner's consent thereby preventing losses. The application can also accommodate huge transactions of up to sh.300, 000 per day. The application users can also access pochi la

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biashara loans to meet obligations such as paying the suppliers (Gachango, 2021) Further, micro-enterprise owners can also keep track of transactions by generating instant mini-statements at no cost among other benefits (Yu Team, 2022).

Despite the fact that there are lending organizations such as banks, suppliers have continued to sell on credit, which the trade credit theory seeks to unravel. Due to the suppliers' ability to acquire information on creditworthiness of their credit customers, they typically enjoy a competitive advantage over banks in the process of enforcing repayment (Petersen & Rajan, 2021). Such information about the credit customers' ability to pay may be gathered through regular visits to their businesses and reclaim the items in the event that the credit customers default (Cheung & Pok, 2019).

Credit rating for informal micro-enterprises for purposes of trade credit by suppliers is difficult due to the paucity of and difficulties in getting dependable data and financial innovations like fintech products may provide a platform on which the suppliers can rely on to make informed credit provision decisions. (Lin & Chou, 2018). In the formal sector, information on accounts receivable and accounts payable is mostly documented, however this may not be the case for microenterprises as they frequently lack registration and infrequently maintain records of their business dealings with clients (Hermes, Kihanga, Lensink & Lutz, 2019). Due to the informal nature of the study and the lack of accounting records in the dataset, the study depended on survey questions about respondents' access to products and services on credit in the Kamukunji market to calculate the availability of trade credit.

Majorly, the micro-enterprises in Kamukunji market are wholesalers and therefore sell most of the goods to other smaller micro-enterprise who engage in retail trade. These smaller micro-enterprises operate within Nairobi City County and a significant number from outside the city. Therefore, this market represents an active market zone with stakeholders from all parts of the country and hence the choice for this study. Like other businesses, these micro-enterprises sell their goods and services on credit through business to business (B2B) agreement thereby fulfilling a key liquidity need for the micro-enterprises (MSMEs Survey, 2021).

1.1 Problem Statement

Trade credit represents a sizable source of liquidity for microbusinesses. This is usually in terms of short-term basis where payment is done in one day or within two weeks thereby fulfilling a key liquidity need for the microenterprises. Recent survey on Kamukunji market businesses indicate that post corona pandemic (Covid-19) period, customers prefer to place orders using digital platforms as well as digital payment of goods done using the same mode. However, business to business trade credit still remains a key part of trade with the customers. This requires that these microenterprises who majorly supply goods to other microenterprises assess credit worthiness of their customers. The smaller micro-enterprises relationship with suppliers are typically informal in nature where no legal documentation is done. Similarly, few micro enterprises keep reliable business records. The customers who are able to access trade credit in this market is a low percentage of less than two which puts a limitation on those micro enterprise owners who can access this crucial working capital component. Past studies show that where the uptake of online mobile money services is well routed, microenterprises have been able to assess credit worthiness of their customers. Therefore, this study aimed to ascertain the impact of Safaricom Ltd's mobile money services as provided in the mpsa platform on business-to-business trade credit by microenterprises in Kamukunji market, Nairobi City County.

Studies by EIB (2017); Lopez *et al.* (2019) focused on how to bridge financing gap in terms of demand and supply of credit among SMEs. This study focuses on SMEs in developed countries

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as well as the credit facilities provided by banking sector. The current study intends to bridge a conceptual gap in that the focus will be on financial technology product (Mpesa) as well as microenterprises in a developing country. A study by Jack, Ray and Suri (2018) states that using mobile money is related to having access to outside financing. The study, done in Kenya, The study reveals that household credit access and transfers for emergencies are significantly impacted by mobile money. The current study focused on whether mobile money services do have effect on accessibility to trade credit by microenterprises in the informal sector. Similarly, a study by Beck *et al* (2018) demonstrates a favorable and strong correlation between trade credit and mobile money. However, while formal businesses made up a substantial portion of this study, there was no actual data on the possible impact of mobile money usage on the chance of obtaining trade credit in the unorganized sector. The current study examined whether mobile money services have effect on how easily small businesses in the informal economy can get trade credit.

1.2 Specific Objectives

- i. To ascertain the impact of savings and loan service on access to trade credit by microenterprises in Kamukunji market, Nairobi City County, Kenya.
- ii. To assess the influence of digital payment on access to trade credit by microenterprises in Kamukunji market, Nairobi City County, Kenya
- iii. To assess the impact of mpesa for business on access to trade credit by microenterprises in Kamukunji market, Nairobi City County, Kenya
- iv. To ascertain the effect of pochi la biashara on access to trade credit by microenterprises in Kamukunji market, Nairobi City County, Kenya.

1.3 Research Hypotheses

Ho₁: Savings and loan service has no significant effect on access to trade credit by microenterprises in Kamukunji market, Nairobi City County Kenya.

Ho₂: Digital payment has no significant on access to trade credit by microenterprises in Kamukunji market, Nairobi City County Kenya

Ho₃: Mpesa for business has no significant on access to trade credit by microenterprises in Kamukunji market, Nairobi City County Kenya

Ho₄: Pochi la biashara has no significant on access to trade credit by microenterprises in Kamukunji market, Nairobi City County Kenya

2.1 Theoretical Review

The study was informed by Technology Acceptance theory, Unified Theory of Acceptance and use of technology, Diffusion innovation Theory and Technology, organization and Environment theory. The theories are discussed below.

2.1.1 Financing Theory

This theory, which was authored by Smith and Smith (1999), contends that the existence of trade credit results from the inefficiencies of financial markets. Because some organizations' perceived risks may be higher than the financial institutions' upper limit on acceptable risk, not all businesses have equal access to institutional financing. In this case, trade credit would be used by small enterprises. According to this hypothesis, trade credit can serve as a replacement for institutional financing, particularly for businesses who lack access to it because of their poor credit standing. As a result, this theory validated the study's use of trade credit.

2.1.2 Technology Acceptance Model

This theory Technology Acceptance Model (TAM) was authored by Davis, Bagozzi and Warshaw (1989). According to the theory, external elements like the user's mindset and the perceived advantage in terms of activity execution have an impact on how apparent convenience and usability of technology are regarded. The model is hypothesized on the premise that individuals acknowledge data framework for creation of new technology or new information system. That a major driver of technology adoption is the perception of utility (Alharbi & Drew, 2014). The model suggested that whether a client will accept or reject the framework depends significantly on how they feel about usability.

The client understands that an easier-to-use framework will be more advantageous for carrying out their activity. This study will employ TAM as its research paradigm and take accessibility, affordability, and safety into account. This theory is crucial to the research because it demonstrates how proprietors of small enterprises have integrated modern technologies into the management of their enterprises. This is necessarily correct when small businesses employ mobile money services for their financial operations, which makes cash transfers faster, safer, and more accessible. The researcher used this theory to establish whether microenterprises in Kamukunji market had embraced and adopted use of mobile money services in processing of trade credit to their customers. Hence, this theory anchored all the independent variables.

2.1.3 Unified theory of acceptance and use of technology

Venkatesh (2003) authored the Theory of Unified, Acceptance and Use of Technology (UTAUT). The theory states that user behavior is a combination of their initial intents to use an information system. The theory consists of four main concepts; performance anticipation, anticipated effort, social dominance and favorable circumstances. These four variables influence behavior and usage. It seeks to clarify user expectations for using an information system and the resultant behavior of usage. Venkatesh, Thong and Xu (2016) opines that this theory is a solid and reliable application on various technologies and is still relevant even after modifications have been made. This theory was thought suitable for this study considering it clarified how microbusiness owners intended to use mobile money services and then behaved as they did so based on three major constructs: digital payments, mpesa for business, and pochi la biashara.

2.1.4 Innovation Diffusion Theory

This theory was authored by Rodgers (1962), declaring that new ideas or practices undergo a process for them to be assimilated over a period of time. It goes on to say that while new technology is important for innovation, other factors such as the idea or practice's compatibility, usefulness, complexity, and the resources available for its proper execution all have an impact. The diffusion of innovation emphasizes on the rate at which new developments spread, how they spread, and why they spread so as to understand more about the elements that influence individual and small business decision-making on the development of new data innovations. (Oliveira and Martins, 2011). The diffusion theory was crucial to the study because it explained why microbusinesses adopt technical advancements. The most important of these was the advantage they had over brick and mortar businesses. This hypothesis therefore supports the variable of digital payment.

2.2 Empirical Review

This section presented the empirical review of studies related to the current study variables.

2.2.1 Digital Payments-till number and access to trade credit

Mararo (2018) did a study on mobile money transfer and performance of small and medium enterprises. Performance was measured using changes in sale volumes. The study's findings emphasized how small and medium-sized enterprises (SMEs) employ mobile money transfers for business-to-business (B2B) transactions when paying suppliers and customer-to-business (C2B) transactions whenever obtaining payments from credit sale consumers. The study's findings indicated that small and medium-sized businesses' mobile money transfer and sales volumes are significantly impacted favorably. In contrast to the previous study, which concentrated on SMEs, the current study will concentrate on microbusinesses and determine whether the use of a till number as a payment method affects access to trade credit.

Beck *et al* (2018) did a study to ascertain the relationship between theft as market conflict and its propensity to interfere with transaction resolution. The study used firm-level data and concludes that there is a very strong correlation between access to trade credit and mobile money adoption. The study discovered that market friction prevents credit repayment and results in the supply of trade credit ceasing. The study identified three potential connections between mobile money and trade credit and came to the conclusion that it is perceived as a cure-all for theft. First off, trade credit has the ability to affect how much mobile money entrepreneurs utilize to buy inputs from suppliers at a specific rate of output. Second, fraud during trade credit payment harms business owners' potential credit availability. Henceforth, mobile money as a theft-prevention payment method has the capacity to enhance adopters' credit score market valuation and, as a result, the amount of trade credit that an enterprise is able to obtain. This will increase the demand for mobile money among business owners. Thirdly, the range of goods that can be bought using credit may be restricted due to the greater risk of theft when using cash as opposed to mobile money.

2.2.2 Saving and Loan product-Mshwari and access to trade credit

In a study by FinAccess (2021) to determine the usage of savings and loan services by informal sector households in Kenya, the study found out that the key reasons for savings was to meet day to day expenses and medical expenses. Saving to start a new business and investing in farming related ventures emerged in 2021 while it was absent in the previous years. The study also concluded that reasons for savings through the saving and loan financial service (Mshawari) were security for their money, to increase the chances of obtaining short term loans, convenience and ease of access in case of emergencies. Further, it was found out that putting money aside for saving or loan requests in order to invest in productive assets for 2016,2017 and 2021 was 39.6 percent, 17.4 percent and 32.4 percent respectively. The current study intends to establish whether savings using Mshawari has influence on access to trade credit by existing microenterprises.

Enriquez and Jackson (2021) used data from the Kenya Financial Diaries (KFD), Data verse and the Financial Inclusion Insights Tracker Surveys (FIITS) to investigate M-Shwari's impact on consumers while taking into account their educational level, revenues, liabilities, and poverty status. There was a significant correlation between higher income and using M-Shwari when the average daily income was examined, compared to a random sample of non-M-Shwari users. According to additional findings, M-Shwari is not succeeding in its mission to provide accessibility for Kenya's unbanked and under banked. Bank financing and trade credit are substitutes, according to a study by Tulbug University Research (2017) on trade credit and

access to financing in low-income nations. That trade credit is extended by suppliers because it sends a reliable let banks know whether or whether the clients are creditworthy, which can complement bank credit and trade credit at the level of the particular firm.

2.2.3 Mpesa for business application and access to trade credit

Safaricom Ltd report (2021), a mobile network operator (MNO) indicates that this platform enables the users to have a better visibility of their business transactions in real time. The users can view collections and payments and transact directly from their mpesa business till. The users can withdraw from lipa na mpesa platform to their mpesa accounts, bank accounts or agents using mpesa for business application. Further, the user can access transaction statements in real time, export them and track their business performance from their phones. Users can also pay wages, pay for suppliers and make payments to other businesses through the application.

The results of a study by Ronna and Deloe (2022) on how to use mobile payments to expand the business show that a lot of businesses claim that customers cite payment convenience as the primary factor in repeat business. The study applied descriptive survey design aimed at ascertaining how the ease of payment affects the growth of customer base of companies in USA where primary data was used. The study also revealed that easy access to banks increased business transactions and business efficiency. This study centered on companies whereas the current study focused on whether the use of mpesa for business application by informal microenterprises influences access to trade credit.

2.2.4 Pochi la Biashara App and Access to credit

Mabil (2019) conducted research on the significance of an accounting system that is well-structured and enables organizations to maintain accurate financial statements. The study's intention was to look into how accounting data is utilized to gauge the financial performance of small and medium-sized industries. Surveys were distributed, and the Likert scale was used for analysis. While respondents agreed that knowing a company's performance and maintaining accurate records are essential to its success, the study found that the majority of SMEs' owners lacked rudimentary accounting knowledge and bemoaned the expense associated with preparing financial statements, so they kept the records manually. This implies that proper records are hard to find in these SMEs.

Esafian (2021) on a study on the importance of separating personal and business finances in United State of America, found out that most of the businesses operated business credit to achieve that. Business credit captures all the transactions of the business and therefore can be used to access credit finance especially to fiancé working capital. The study also came to the conclusion that it is challenging for a company to present actual business income to lending institutions and, as a result, impossible to show its true creditworthiness. The current study focused on informal microenterprise and determine whether using mobile money services has effect on access to trade credit.

Brown (2019) investigated the separation of business and personal expenses and financial performance of a firm, and found out that most firms in Canada used computer programs like FreshBooks or QuickBooks to record business revenues and expenses. Further, the study established that these programs make it easy to generate reports on revenues, profits and costs thereby helping the firms to track their financial performance. This was made feasible for firms to access credit finance from the financial institutions and trade credit from supplies. This study focuses on businesses in Canada and does not give emphasis on the role of financial technology on separating personal and business expenses and income. The current study focused on the

mobile money services-poshi la biashara that helps microenterprises to separate personal and business income and whether it affects access their possibility to access trade credit from suppliers.

2.3 Conceptual Framework

Figure 1 shows the conceptual framework used by the study.

Independent Variables

[Mobile Money Services Adoption]

Dependent Variable

[Access to Trade Credit]

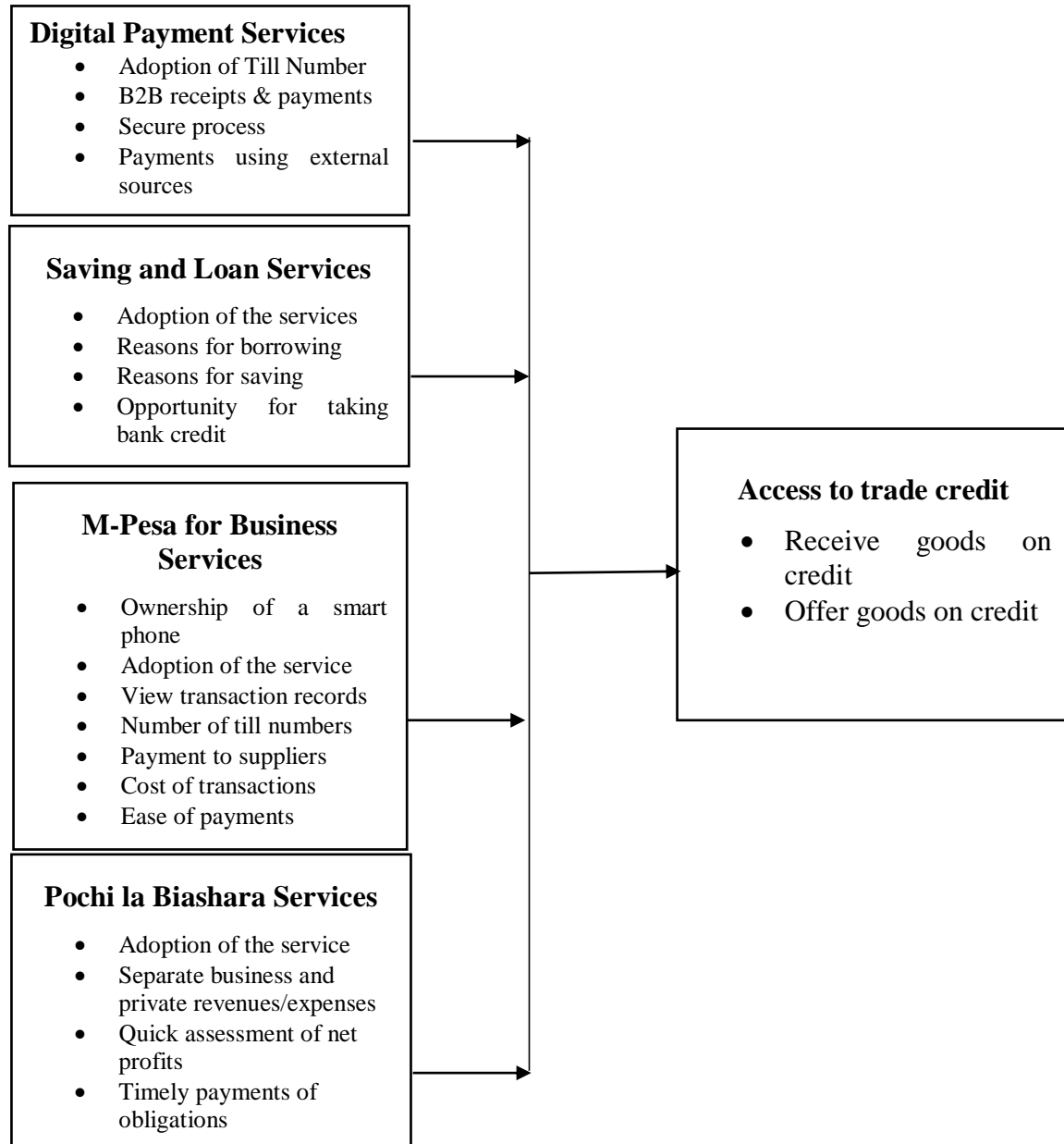


Figure 1: Conceptual Framework

3.0 Research Design

The study utilized a descriptive research design. The design is an organized, empirical investigation in which the researcher has no explicit control over the independent variables because their expression cannot be changed. The study target population was 4,080 registered microenterprises in Kamukunji Market, Nairobi City County, Kenya, according to the County's Business Register of 2021. The unit of observation were the owners/mangers of these enterprises. Stratified sampling procedures was applied which enabled picking a sample size from the population. In this sampling technique, the overall population was split into seven more compact groupings or strata to accomplish the sampling procedure. This enabled the researcher to cluster the microenterprises into a number of sectors, including food products, plastics, apparel, cutlery, shoes, toys and beauty products from Kamukunji Market where the actual sample size will be drawn. To determine the sample size, Krejcie and Morgan (1997) approach was employed. Proportional stratified random sampling was then used to select 351 microenterprises, as shown below:

$$S = \frac{X^2(1 - P)}{d^2(N - 1) + X^2(1 - X)}$$

S = Sample Size

X^2 = Chi – Square at 1 degree of freedom (3.841)

N = Population Size

p = Population proportion (assumed to be 0.50)

d = Degree of accuracy expressed as a proportion (.50)

$$S = \frac{3.841 \times 4080 \times 0.5(1 - 0.5)}{0.05^2(4080 - 1) + 3.841 \times 0.5(1 - 0.5)}$$

Sample size S=351.

Multiple regression analyses was used to assess if the four variables have any influence on the access to trade credit by microenterprises in Kamukunji Market. The sample correlation between the observed outcomes and the expected values was calculated using the decision coefficient, (r^2). The percentage of the dependent variable's variation that can be accounted for by changes in the independent variables, or how much of the dependent variable's variation can be simplified by those changes (access to trade credit).

Multiple regression model adopted is presented below:

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

Where:

Y=Access to trade credit

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β_0 = represents Constant

$\beta_1, \beta_2, \beta_3$ and β_4 are beta coefficients for the study independent variables

X_1 = Digital payments-till number services

X_2 = Saving and loan product-Mshwari

X_3 = Mpesa for business application services

X_4 = Pochi la biasahra services

ε = represents Error

The researcher promised that all information gathered would be handled in the strictest of confidence and purely used for scholarly reasons. Ethics, according to Field (2009), entail making decisions on respondent confidentiality and identity. No respondents were required to disclose their names or any other information pertaining to their identification proof for this study, so their identities remained a secret. The researcher further promised that participation in the studies would be entirely optional.

4.0 Findings and Discussion

The response rate was determined to make sure that the responses were representative and of high quality for the study's result. The 351 respondents that made up the sample were given a total of three hundred fifty-one (351) questions. 292 of the 351 questionnaires that were sent were duly completed and returned. This results in an 83.2% response rate. In terms of demographic characteristics, more than a half (53.4%) of the responders were male, compared to 46.6% female. Majority of the respondents (68.8%) were the actual business owners, while 31.2% were employees in the businesses. Majority (33.9%) of the responders indicated that they were operation in apparel/clothing sector, 18.2% were from cutlery, 15.4% from beauty and products sector, 13.7% were dealing in shoes, 7.5% were operating in motor spare parts, 7.20% toys and 4.1% were operating in hardware sector. Most (53.4%) of the study participants were within the age bracket of 31-40 years, 30.1% between 21-30 years, 13.4% were within the age bracket of 41-50 years, while only 3.1% were aged at least 50 years.

Majority (44.9%) of the study participants attained college level of education, 39% had basic secondary education, and 13.4% were holders of bachelor's degree, while 2.7% had at least post graduate degrees. These findings suggest that the majority of respondents were well educated persons, who were in position to read and understand the concerns of the study and provide reliable information. Most (45.2%) of the businesses in Kamukunji market, Nairobi City County Kenya had between 1-3 employees, 27.4% had just a single employee, 17.5% had between 4-6 employees, while 9.9% had at least 7 employees. This implies that most of the businesses in the market are well developed to be able to absorb more employees. Most (46.2%) of the businesses had been in existence for a period of between 5-10 years, 20.5% of the businesses were found to have been in operation for more than 10 years, 20.2% had been operating in the market for between 2-5 years, while 12% of the businesses were barely 2 years old. This suggests that the majority of businesses in the study locale had existed long enough to be able to provide the data sought by the study.

Majority of the businesses (39.4%) were found to be recording an annual turnover of more than 5 million Kenyan shillings, 21.2% of the businesses were registering an average annual turnover of between 3 million to 4 million shillings, 14.7% of the businesses had average annual turnover of between 4 and 5 million shillings, 13.4% between 2-3 million 8.6% recorded an average annual turnover less than 1 million Kenya shillings, while the least (2.7%) of the businesses recorded an average turnover of between 1-2 million shillings.

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Majority (62.7%) of the businesses borrowed working capital money from digital money lenders over the last six months, 46.9% borrowed working capital money from microfinance institutions (eg Musoni MFI, Mwananchi) over the last six months, while 62.9% were found to have borrowed working capital money from commercial banks (eg Equity, KCB, Coop Bank) over the last six months. This implies that most of the businesses in Kamukunji market get their capital from mobile money services. Most of the businesses (60.6%) were keeping written records on credit sales and creditors all the time over the past 6 months, 19.9% were keeping then records but not all the time, 18.5% of the businesses were keeping the records most of the time, while only 1% of the businesses were found have never had any written records on the same over the previous six months. This implies most of the businesses in Kamukunji market have good recording keeping history. Majority (38.4%) of the businesses were found to have registered to use Till number (buy goods app), 30.5% had registered to use M-shwari services, 15.1% had registered to all the services, 8.2% were found to have been registered to Pochi la biashara services, while 7.9% had registered to M-pesa for business.

4.1 Descriptive Statistics

The first study objective was to ascertain effect of savings and loan service on access to trade credit by microenterprises in Kamukunji market, Nairobi City County Kenya. Table 1 shows the descriptive analysis results on savings and loan service.

Table 1: Descriptive Analysis Results on Savings and Loan Service

Statement	Very low extent	Low extent	Great extent	Very great extent	Mean	Std. Dev.
The main reason for saving with M-shwari is to increase chances of qualifying for high loan amount.	1.40%	5.50%	68.50%	24.70%	3.164	0.575
I use the M-shwari saving to buy my business stock	11.60%	19.20%	53.80%	15.40%	2.729	0.861
Paying the suppliers	9.20%	18.50%	30.80%	41.40%	3.045	0.985
Buying more stock	18.50%	11.00%	37.70%	32.90%	2.849	1.077
For private use	27.10%	4.10%	37.00%	31.80%	2.736	1.173
Does use of M-shwari loan increase your business chance for bank/microfinance finance credit?	3.10%	24.70%	55.80%	16.40%	2.856	0.718
Overall					2.897	0.898

The results in Table 1 show that majority (93.2%) of the respondents agreed that to a great extent, the main reason for saving with M-shwari was to increase chances of qualifying for high loan amount, 69.2% which is a majority of the responders to a great extent were using the M-shwari saving to buy business stock, 72.2% of the responders to a great extent were Paying the suppliers using soft loans borrowed from M-shwari. Furthermore, majority of the responders (70.6%) to a great extent were using soft loans borrowed from M-shwari to buying more stock. Moreover, most (68.8%) of the businesses were to a great extent using soft loans borrowed from M-shwari for private uses.

Finally, most (72.2%) of the responders agreed that to a great extent, use of M-shwari loan increase their business chance for bank/microfinance finance credit. The results overall had a mean and standard deviation of 2.897 and 0.898 respectively. Beck et al. (2018) claims that access to trade credit and the adoption of mobile money have a sizable beneficial association. There are three potential connections between mobile money and trade credit, which is seen as a cure-all for theft. Additionally, the use of mobile money as a theft-deterrent payment method has the potentiality to raise adopters' future credit market price and, as a result, expand the amount of trade credit that is accessible to business owners. This will increase business owners' need for mobile money.

The second study objective was to ascertain the impact of digital payment on access to trade credit by microenterprises in Kamukunji market, Nairobi City County Kenya. Table 2 illustrates the descriptive analysis results on digital payment services (Till Number).

Table 2: Descriptive Analysis Results on Digital Payment Services (Till Number)

Statement	Very low extent	Low extent	Great extent	Very great extent	Mean	Std. Dev.
In your view what is the extent which receipt of payments from multiple customers on your till number help to organize your business sales reconciliation?	0.00%	2.10%	74.00%	24.00%	3.219	0.461
Has the use of till number for payment reduced the fear for payment reversal?	0.00%	11.60%	28.10%	60.30%	3.486	0.696
Do your business credit customers use friends to pay for goods bought on credit using the business till number?	28.80%	47.60%	18.50%	5.10%	2.000	0.825
Overall					2.902	0.661

From the findings in Table 2, it is evident that majority (98%) to a great extent agreed that receipt of payments from multiple customers on till number help to organize their businesses sales reconciliation. This was affirmed by a mean and standard deviation of 3.219 and 0.461 respectively. Additionally, majority (88.4%) of the study participants were positive that to a great extent the use of till number for payment reduced the fear for payment reversal. The same was shown by mean and standard deviation of 3.486 and 0.696 respectively. However, majority (76.4%) of the responders indicated that their businesses credit customers use friends to pay for goods bought on credit using the business till number to low extent. The results had an average mean and standard deviation of 2.902 and 0.661. These findings are consistent with assertions of Enriquez and Jackson (2021) that M-Shwari is failing to meet its objectives with regard to the unbanked and under banked in Kenya.

The third study objective was to assess the effect of Mpesa for business on access to trade credit by microenterprises in Kamukunji market, Nairobi City County Kenya. Table 3 shows the descriptive analysis results on Mpesa for business.

Table 3: Descriptive Analysis on Mpesa for Business

Question	Yes		No	
	%	f	%	f
Do you own a smart phone?	100.00%	292	0.00%	0
If yes, do you have mpesa for business application?	94.90%	277	5.10%	15

On the basis of the results in Table 3, all the respondents were owning smart phones. The results also show that most (94.9%) of the respondents had mpesa for business application. Table 4 shows more descriptive analysis results on mpesa for business.

Table 4: Descriptive Analysis Results on Mpesa for Business

Statement	Very low extent	Low extent	Great extent	Very great extent	Mean	Std. Dev.
I can pay my suppliers directly from the till number	2.70%	0.00%	76.00%	21.20%	3.158	0.546
I can receive payment from my customers through the till number	0.00%	2.40%	68.80%	28.80%	3.264	0.493
I can make withdrawals from multiple till numbers under my business name located elsewhere	2.10%	1.00%	58.90%	38.00%	3.329	0.605
I can view the sales revenue and payments of my business for the past six months	0.00%	4.10%	62.30%	33.60%	3.295	0.539
Do you ask customers who request trade credit, their business cash flow statements provided by M-pesa for business application?	59.60%	20.50%	17.80%	2.10%	1.623	0.847
Do the data/cash flow statements help in deciding whether to give trade credit or not?	39.70%	31.50%	15.10%	13.70%	2.027	1.048
I can access instant soft loan based on the number of transactions	0.00%	0.70%	19.20%	80.10%	3.795	0.421
I can use the app to pay my suppliers directly to their mpesa till account	6.20%	0.00%	19.90%	74.00%	3.616	0.780
Does the ease of payment via this application influence your decision to sell on credit?	4.50%	48.60%	46.60%	0.30%	2.428	0.585
Does your supplier requests to see past transaction records before giving trade credit?	28.80%	55.80%	14.40%	1.00%	1.877	0.677
Overall					2.841	0.654

Most of the respondents (97.2%) agreed that they were able to pay their suppliers directly from the till number to a great extent. The study also show that most (97.6%) of the responders were able to receive payment from customers through the till number to a great extent, 96.9% of them were to a great extent able to make withdrawals from multiple till numbers under business

name located elsewhere, while 95.9% were able to view the sales revenue and payments of their businesses for the past six months to a great extent.

Furthermore, the results demonstrates that majority (80.1%) of the respondents were to a low extent asking their customers who request trade credit, their business cash flow statements provided by M-pesa for business application, 71.25 of the respondents that data/cash flow statements helped in deciding whether to give trade credit or not to a low extent. Furthermore, most of the responders (99.3%) indicated that they were able to access instant soft loan based on the number of transactions through the app to a great extent.

Similarly, most (93.9%) of the businesses were to a great extent able to use the Mpesa for Business services app to pay my suppliers directly to their mpesa till account, 53.1% of the business indicated that the ease of payment via the application was influencing their decision to sell on credit to low extent. Finally, most of the respondents (84.6%) did indicate that their supplier requests to see past transaction records before giving trade credit was to low extent. The results had an overall mean and standard deviation of 2.841 and 0.654 respectively. This suggests that most of the businesses agreed Mpesa for Business services app was influencing their businesses to great extent. The results agree with these of Safaricom Ltd report (2021) that the users can view collections and payments and transact directly from their mpesa business till. The users can withdraw from lipa na mpesa platform to their mpesa accounts, bank accounts or agents using mpesa for business application. Most (62.3%) of the businesses were using Pochi la biashara, while 37.7% others were yet to start using pochi la biashara services. This shows that Pochi la biashara services from Safaricom is very important to most businesses in Kamukunji market. Table 5 shows more descriptive analysis results on pochi la biashara.

Table 5: Descriptive Analysis Results on Pochi la Biashara Service

Statement	Very low extent	Low extent	Great extent	Very great extent	Mean	Std. Dev.
Pochi la Biashara helps in separation of my business funds from personal funds?	0.00%	0.00%	50.70%	49.30%	3.493	0.501
I am able to account for business money better	0.00%	0.00%	55.50%	44.50%	3.445	0.498
I am assured of payment security since the transactions cannot be reversed without my consent	0.00%	0.00%	51.70%	48.30%	3.483	0.501
The transactions can accommodate large amounts of sh.300,000 per day	1.40%	1.40%	28.10%	69.20%	3.651	0.581
I can use pochi la biashara app to access soft loan	1.40%	0.30%	44.90%	53.40%	3.503	0.583
Do you give preference to customers who use this application when they ask for trade credit?	30.50%	43.50%	7.20%	18.80%	2.144	1.055
My suppliers can assess the credit worthiness of my business from pochi la biashara transactions report whenever I request for trade credit?	7.20%	22.90%	48.30%	21.60%	2.842	0.843
Overall					3.223	0.652

The results in Table 5 shows that all the respondents were in agreement that Pochi la Biashara was helping them in separation of business funds from personal funds to a great extent, all the responders also indicated that they were able to account for business money better to a great extent. Similarly, all the respondents agreed that they were assured of payment security since the transactions could not be reversed without my consent to a great extent.

Moreover, majority (97.3%) of the participants indicated that the transactions could accommodate large amounts of sh.300, 000 per day to a greater extent, 98.3% of the responders were in consensus that they could use pochi la biashara app to access soft loan to a great extent. However, it is evident that most of the respondents (74%) suggested that they were giving preference to customers who use pochi la biashara application when they ask for trade credit to a low extent.

Finally, most (69.9%) of the respondents agreed that their suppliers were able to assess the credit worthiness of their businesses from pochi la biashara transactions report whenever they request for trade credit to a great extent. According to Gogtay & Thatte (2017), Operators of SMEs should make an effort to maintain accurate records and, when necessary, utilize the services of SME expertise to do so at a reasonable price. The study though emphasizing on need to keep proper business record, focused only on formal sector. The current study not only focuses on informal sector but also the role of financial technology in record keeping especially cash flows and access to trade credit

Most (45.9%) of the businesses were found to be receiving goods and services from their suppliers occasionally, 31.8% were rarely receiving goods and services from their suppliers on

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credit, for 17.8% it was regularly, while 4.5% of the businesses had never received any good or services from suppliers on credit. This implies that Safaricom credit apps are very important to most businesses in Kamukunji market. The respondents were further asked if their businesses were offering trade credits (credit sales to customers) or not.

Most (49.3%) of the businesses had never offered trade credits (credit sales) to customers, 42.8% had offered trade credits (credit sales) to a few customers, 6.8% to most customers and only 1% had offered trade credits (credit sales) to all their customers. This implies that most of the businesses in Kamukunji are yet to be in position to provide trade credits to their customers.

4.2 Correlation Analysis

The correlation results are exhibited in Table 6.

Table 6: Correlation Matrix

		Access to trade credit	Saving and Loan services	Digital payment service	Mpesa for Business	Pochi la Biashara Service
Access to trade credit	Pearson Correlation	1.000				
	Sig. (2-tailed)					
Saving and Loan services	Pearson Correlation	.678**	1.000			
	Sig. (2-tailed)	0.000				
Digital payment service	Pearson Correlation	.509**	.604**	1.000		
	Sig. (2-tailed)	0.000	0.000			
Mpesa for Business	Pearson Correlation	.634**	.565**	.521**	1.000	
	Sig. (2-tailed)	0.000	0.000	0.000		
Pochi la Biashara Service	Pearson Correlation	.645**	.598**	.507**	.570**	1.000
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	

** Correlation is significant at the 0.01 level (2-tailed).

The correlation results in Table 6 shows that saving and loan services and access to trade credit were positively and significantly correlated ($r=0.678$, $p=0.000<.05$), Digital payment service was found to have strong positive and significant association with access to trade credit among businesses in Kamukunji market ($r=0.509$, $p=0.000<.05$). Additionally, Mpesa for business had strong positive and significant association with access to trade credit among businesses in Kamukunji market ($r=0.634$, $p=0.000<.05$). Finally, there existed strong positive and significant association between Pochi la Biashara Service access to trade credit among businesses in Kamukunji market ($r=0.645$, $p=0.000<.05$). The findings support the claims made by Gosavi (2017) that there existed a significant positive association between mobile money use and firms' access to external finance. The study also discovered that access to outside funding is another route by which mobile money influences business owners' decisions to accept or extend trade credit.

4.3 Regression Analysis

Table 7 shows the model summary.

Table 7: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.906a	0.821	0.818	0.31899

a Predictors: (Constant), Pochi la Biashara Service, Digital payment service, Mpesa for Business, Saving and Loan services

From the results on Table 7, savings and loan service, digital payment service, mpesa for business, pochi la biashara services were satisfactory variables in explaining access to trade credit among businesses in Kamukunji market. This fact is backed up by the coefficient of determination, also referred to as the R square of 0.821. This implies that savings and loan service, digital payment service, mpesa for business and pochi la biashara services jointly explain 82.1% of the variations in the dependent variable, which is access to trade credit among businesses in Kamukunji market. Table 8 illustrates the ANOVA Analysis results for the Overall Model.

Table 8: Analysis of Variance (ANOVA)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	133.769	4	33.442	328.652	.000 ^b
	Residual	29.204	287	0.102		
	Total	162.973	291			

a. Dependent Variable: Access to Trade Credit

b. Predictors: (Constant), Pochi la Biashara Service, Digital payment service, Mpesa for Business, Saving and Loan services

The outcomes of the analysis of variance (ANOVA) in Table 8 show that the general model was scientifically valid in describing the relationship between savings and loan service, digital payment service, mpesa for business, pochi la biashara services and access to trade credit among businesses in Kamukunji market. Further, the outcomes suggest that savings and loan service, digital payment service, mpesa for business and pochi la biashara services were good indicators of access to trade credit among businesses in Kamukunji market. The stated p value (0.000), which was less than the usual probability of 0.05 significance level, and an F statistic of 328.652 confirmed this. The regression of coefficients results is exhibited in Table 9.

Table 9: Regression of Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
	B	Std. Error			
(Constant)	-0.141	0.09		-1.568	0.118
1 Savings and Loan Service	0.268	0.031	0.312	8.763	0.000
Digital Payment Service	0.206	0.029	0.234	7.088	0.000
Mpesa for Business Service	0.252	0.031	0.273	8.252	0.000
Pochi la Biashara Service	0.250	0.03	0.285	8.452	0.000

a. Dependent Variable: Access to Trade Credit

Regression of coefficients results in Table 9 demonstrates that savings and loan service and access to trade credit among businesses in Kamukunji market are positively and significant related ($\beta = .268$, $p=0.000<.05$). The results also indicated that digital payment service and access to trade credit among businesses in Kamukunji market are positively and significant related ($\beta = .206$, $p=0.000<.05$). Similarly, Mpesa for business service and access to trade credit among businesses in Kamukunji market are positively and significant related ($\beta = .252$, $p=0.000<.05$). Finally, the results showed that Pochi la Biashara Service and access to trade credit among businesses in Kamukunji market are positively and significant related ($\beta = .250$, $p=0.000<.05$). This suggests that an increase in savings and loan service, digital payment service, mpesa for business and pochi la biashara services leads to an improvement in access to trade credit among businesses in Kamukunji market by 0. 268, 0.206, 0.252 and 0.250 units respectively.

These findings support the finding by Beck et al. (2018) that, for a given productivity level, trade credit has the ability to affect how much mobile money entrepreneurs use to buy inputs from suppliers. Second, fraud during trade credit payment impairs an entrepreneur's ability to obtain future credit. Therefore, mobile money as a theft-deterrent payment method has the potential to raise adopters' future credit market price and, as a result, raise the quantity of trade credit that is accessible to an entrepreneur. This will increase business owners' need for mobile money. Thirdly, given the possibility of theft, those who use cash are more likely to have a heavier repayment load than those who utilize mobile money, which may limit the amount of products that may be financed.

Additionally, the results support those of a study by Enriquez and Jackson (2021), which demonstrated a significant link between M-Shwari use and higher income. Additional findings suggest that M-Shwari is falling short of its targets in terms of accessibility for Kenya's unbanked and underbanked. Furthermore, the findings were consistent with the conclusion by Safaricom Ltd report (2021) that this platform enables the users to have a better visibility of their business transactions in real time. The users can view collections and payments and transact directly from their mpesa business till.

4.4 Hypotheses Testing

Multiple linear regression analysis was utilized to assess the hypotheses, as illustrated in Table 9.

H₀₁: *Savings and loan service has no significant effect on access to trade credit by microenterprises in Kamukunji market, Nairobi City County Kenya.*

The multiple linear regression was utilized to test the hypothesis, and the p-value was calculated. The H₀₁ hypothesis was rejected if the p-value was less than .05; however, if $p > 0.05$, H₀₁ was not rejected and was therefore embraced. The null hypothesis was that savings and loan services have no discernible impact on microbusinesses' access to trade credit in Nairobi City County, Kenya's Kamukunji market. Results in Table 9 show that the p-value was less than 0.05. The null hypothesis was therefore rejected and alternative hypothesis adopted that savings and loan service has significant effect on access to trade credit by microenterprises in Kamukunji market, Nairobi City County Kenya.

H₀₂: *Digital payment has no significant on access to trade credit by microenterprises in Kamukunji market, Nairobi City County Kenya*

The multiple linear regression was utilized to test the hypothesis, and the p-value was calculated. The H₀₂ hypothesis was rejected if the p-value was less than .05; however, if $p > 0.05$, H₀₂ was not rejected and was therefore embraced. Therefore, the null hypothesis was that access to trade credit by microenterprises in Kamukunji market, Nairobi City County, is not significantly impacted by digital payment. Kenya. Results in Table 9 show that the p-value was less than 0.05. The null hypothesis was therefore rejected and alternative hypothesis adopted digital payment has significant on access to trade credit by microenterprises in Kamukunji market, Nairobi City County Kenya.

H₀₃: *Mpesa for business has no significant on access to trade credit by microenterprises in Kamukunji market, Nairobi City County Kenya.*

The hypothesis was tested by utilizing a multiple linear regression and determined using p-value. The acceptance/rejection condition was that, if the p-value is less than .05, H₀₃ is rejected; however, if $p > 0.05$, then H₀₃ is not rejected, henceforth adopted. So the null hypothesis was that Mpesa for business has no significant on access to trade credit by microenterprises in Kamukunji market, Nairobi City County Kenya. Results in Table 9 show that the p-value was less than 0.05. The null hypothesis was therefore rejected and alternative hypothesis adopted that Mpesa for business has no significant on access to trade credit by microenterprises in Kamukunji market, Nairobi City County Kenya.

H₀₄: *Pochi la biashara has no significant on access to trade credit by microenterprises in Kamukunji market, Nairobi City County Kenya.*

The multiple linear regression utilized to test the hypothesis yielded a p-value result. The acceptance/rejection condition was that, if the p-value is less than .05, H₀₄ is rejected; conversely, if $p > 0.05$, then H₀₄ is not rejected, henceforth adopted. So the null hypothesis was that Pochi la biashara has no significant on access to trade credit by microenterprises in Kamukunji market, Nairobi City County Kenya. Results in Table 9 illustrates that the p-value was less than 0.05. The null hypothesis was therefore rejected and alternative hypothesis adopted that Pochi la biashara has no significant on access to trade credit by microenterprises in Kamukunji market, Nairobi City County, Kenya.

5.0 Conclusions

The study concludes that to a great extent, the main reason for saving with M-shwari by most businesses is to increase chances of qualifying for high loan amount, to a great extent most businesses are using the M-shwari saving to buy business stock, most businesses in Kamukunji to a great extent are paying the suppliers using soft loans borrowed from M-shwari. To a great extent most businesses in Kamukunji market are sing soft loans borrowed from M-shwari to buying more stock. Moreover, most of the businesses in Kamukunji are to a great extent using soft loans borrowed from M-shwari for private uses. The study also concludes that the use of M-shwari loan increases business chance for bank/microfinance finance credit. Moreover, the study concludes that savings and loan service has positive and significant influence on access to trade credit among businesses in Kamukunji market.

Additionally, the study concludes that to a great extent most businesses in Kamukunji market believe receipt of payments from multiple customers on till number help to organize their businesses sales reconciliation. Also, use of till number for payment reduced the fear for payment reversal. The businesses credit customers use friends to pay for goods bought on credit using the business till number to low extent. The study also concludes that digital payment service and access to trade credit among businesses in Kamukunji market were positively and significant related.

Most businesses are able to pay their suppliers directly from the till number to a great extent, able to receive payment from customers through the till number to a great extent, able to make withdrawals from multiple till numbers under business name located elsewhere, and able to view the sales revenue and payments of their businesses for the past six months to a great extent thanks to Safaricom credit service apps. The study concludes that Mpesa for business service and access to trade credit among businesses in Kamukunji market were positively and significant related.

From the results, it can be concluded that Pochi la Biashara is helping businesses in separation of business funds from personal funds to a great extent, all the respondents also indicated that they were able to account for business money better to a great extent. With Pochi a Biashar, businesses are assured of payment security since the transactions could not be reversed without my consent to a great extent. Most businesses give preference to customers who use pochi la biashara application when they ask for trade credit to a low extent, their suppliers are able to assess the credit worthiness of their businesses from pochi la biashara transactions report whenever they request for trade credit to a great extent. Finally, the study concludes that Pochi la Biashara Service and access to trade credit among businesses in Kamukunji market are positively and significant related.

6.0 Recommendations

On the basis of the findings and conclusions, this study recommends that businesses in Kamukunji County should strive to embrace Safaricom Ltd mobile money services such as savings and loan service, digital payment, mpesa for business, pochi la biashara since they enhance access to trade credit for the businesses. Since most of the businesses in Kamukunji market are small businesses, should adopt the use of Pochi la biashara since it makes it impossible for customers to reverse money once they pay for goods and services. The reversal option was meant to help those who had sent funds to the wrong number be able to easily recover their funds. However, when it comes to small businesses that usually operate without using Lipa Na M-PESA, this has become a thorn in their flesh. This is because some unscrupulous customers have formed the habit of reversing the payment as soon as they get the goods or service leaving the business owner counting losses.

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The study also recommends mobile operators to advertise mobile money services in order to improve customer share of wallet and to reach out to a new consumer group by introducing new services that would boost market share. Cross-selling opportunities for telecom services will become available as a result of the growing market share from the new customer categories, driving revenue growth for both businesses and companies.

Furthermore, the study recommends that mobile money service providers find platforms with little lag time and quick answers to boost adoption rates in other Kenyan major cities. Systems that reduce the chance of losing money are of particular interest. Examples include giving a way to verify the business identity someone has registered on their systems, verifying using the business name rather than the business mobile number, and giving a quicker way to cancel a bad transaction when it occurs.

There is need for Safaricom to ensure there is increasingly user-friendly support services that target small businesses like these in Kamukunji market. For instance, the availability of more support services has led to the usage of mobile internet and money on various transportation services. These are but a few illustrations of the crucial role service providers play in encouraging the usage of goods that could be advantageous to consumers. To promote the use of currently accessible products such as pochi la biashara and aid in the design of more business-directed services, it is advised to increase service provider and mall business collaborations.

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