# Journal of Management & Muamalah

*Jurnal Pengurusan & Muamalah*
eISSN 2180-1681



Special thanks to all involved in the publication of this journal.
*Sidang Editor merakamkan ucapan jutaan terima kasih kepada semua yang terlibat dalam menjayakan penerbitan jurnal ini.*



**Published by/*Diterbitkan oleh*:**
Faculty of Management & Muamalah
Kolej Universiti Islam Antarabangsa Selangor (KUIS)
Bandar Seri Putra, 43000 Kajang,
SELANGOR, MALAYSIA

INDEXING
MyJurnal

PUBLISHER
PENERBIT KUIS

***Jurnal Pengurusan & Muamalah***

**Volume / *Jilid*** **8** **June / *Jun*** **2018**

**Number / *Nombor*** **1** **eISSN 2180-1681**

# An Exploration of Mobile Money Transfer Service Adoption among Islamic Bank Customers in Somalia

DAUUD MOHAMED SULEIMAN
IIUM, Institute of Islamic Banking and Finance Malaysia
daauud.12@gmail.com

HAMDINO HAMDEN
Kulliyah of Economic and Management
International Islamic University Malaysia
hamdino@iium.edu.my

Received : 26 March 2018 Accepted : 23 June 2018

***ABSTRACT***

The world is changing rapidly due to technology, which is becoming an increasing necessity in the daily lives of people. Mobile Money Transfer Service (MMTS) is an alternative form of cash money that demonstrates the concept of electronic payment. Dahabshiil Bank International and Salam Somali Bank adopted MMTS in Somalia in partnership with a telecommunication company provider for MMTS. There has been no prior study conducted on the important factors affecting the adoption of MMTS among Islamic banking customers in Somalia. Based on the extended Theory of Technology Acceptance Model (TAM), perceived usefulness, perceived ease of use, perceived trust and perceived risk are used as predictors. The main objective of this study is to explore the customer acceptance on the important factors that influence the MMTS adoption among Islamic bank customers in Somalia. The target population of the study is Somali residents who use the MMTS and have bank accounts. This research, using statistical methods, collected data from 404 customers. The result of this study shows that the factors that influence the adoption of MMTS are perceived ease of use, perceived usefulness, perceived trust, which were found to be positive and significant while perceived risk was negative and significant.

*Key words: Mobile Money Transfer Service (MMTS), Somalia, Technology Acceptance Model (TAM)*

# Penerimaan Perkhidmatan Pemindahan Wang Mudah Alih antara Pelanggan Bank Islam di Somalia

***ABSTRAK***

Dunia berubah dengan pesat disebabkan oleh teknologi, yang menjadi keperluan yang semakin meningkat dalam kehidupan harian setiap orang. Perkhidmatan Pemindahan Wang Mudah Alih (MMTS) adalah bentuk wang tunai alternatif yang menunjukkan konsep pembayaran elektronik. Dahabshiil Bank International dan Salam Somali Bank mengamalkan MMTS di Somalia dengan kerjasama syarikat penyedia telekomunikasi MMTS. Tidak ada kajian terdahulu yang dijalankan

terhadap faktor-faktor penting yang mempengaruhi penggunaan MMTS di kalangan pelanggan perbankan Islam di Somalia. Berdasarkan kepada Teori Penerimaan Teknologi (TAM) yang diperluaskan, kegunaan yang dirasakan, mudah difahami, diyakini dan dipercayai serta penerimaan risiko, digunakan sebagai peramal. Objektif utama kajian ini adalah untuk meneroka penerimaan pelanggan terhadap faktor-faktor penting yang mempengaruhi penerimaan MMTS di kalangan pelanggan bank Islam di Somalia. Penduduk sasaran kajian ini adalah penduduk Somalia yang menggunakan MMTS dan mempunyai akaun bank. Kajian ini, menggunakan kaedah statistik, mengumpul data daripada 404 pelanggan. Keputusan kajian ini menunjukkan bahawa faktor-faktor yang mempengaruhi penggunaan MMTS adalah mudah digunakan, dilihat sebagai kegunaan, kepercayaan yang dirasakan didapati positif dan signifikan manakala penerimaan risiko dianggap negatif dan signifikan

*Kata kunci: Perkhidmatan pemindahan Wang Mudah Alih (MMTS), Somalia, Model Penerimaan Teknologi (TAM)*

## INTRODUCTION

The world has developed so fast in the recent times because of the fast growing of information technology pursuant to the everyday needs of the society. Technology services have only existed in the first world and developing countries. The third world countries still lack of technological development and effective internet connection. Mobile Money Transfer Service (MMTS) is the best alternative of cash money and illustrates the idea adopted as digital payment. This service facilitates accessibility of technology and minimization of transaction cost. It also gives the opportunity for the low-level societies that are categorized as un-bankable society to gain access to bank services. (Merit 2011; Pencicaud & Katakam, 2013).

MMTS emerged in Somalia at late 2009 with some telecommunication companies to allow customers pay bills using digital money (Sayid et al., 2013). Nevertheless, some telecommunication companies in Somalia began to establish Islamic banks in the country. The first Islamic Bank was Salaam Somali Bank (Sayid et al., 2012) followed by the biggest remittance company in Somalia called Dahabshiil Group. In addition, the Dahabshiil Group has a subsidiary company for telecommunication called SOMTEL that offers the MMTS called e-DAHAB. This company launched the Dahabshiil International Bank in 2014 (Slnnew 2015; CNN 2014).

The Somalian banking services face difficulty in providing ATM services to its customers because of high risk, although Salaam Somali Bank has setup ATM services in some hotels in Mogadishu that have swift codes (Foxnews, 2014). However, MMTS is the unique accessible system of receiving and sending money that is quickly becoming famous facility in the society and supported by many bank customers in a short time. Dahabshiil Bank International and Salam Somali Bank are the two banks that offer the MMTS to their customers to check their deposit account and make payment for daily activities through airtime and not cash.

Several studies were conducted on the MMTS, in East Africa particularly in Kenya and Uganda. However, there is no studies conducted to investigate the important factors affecting adoption of MMTS among Islamic banking customers in Somalia using the extend theory of TAM. There are

no studies that measure the customer trust and acceptance of bank serves of MMTS. The main objective of this study is to explore customers' acceptance of MMTS in Somalia and demonstrate the factors that affect their behavioral intention to adopt MMTS. This research is the first study conducted in Somalia related to Islamic Banks using the MMTS. This study contributes to the customers' adoption of the Islamic bank service in Somalia and assist researchers in citing on MMTS in Somalia.

## LITERATURE REVIEW

Some sub-saharan countries created the opportunity for low level society to use the financial transaction without using the conventional banking sector by developing the new facility called MMTS (Rahman et al., 2012). MMTS is the usage of digital currency which is an alternative for cash money that can be used to convert the cash money into digital currency (Hellstrom, 2010). The operator could transfer some money to another electronic money operator using that MMTS. Thus, MMTS is an easy and avails a new dimension for interchange E-money from the sender to the receiver (MBogo, 2010).

The products and services of the telecommunications companies have now become a very easy way of payment for customers without even the use of bank branches. MMTS also has the value to lower the transactional cost of carrying banking services through local bank branches. The customers can open new accounts in telecommunication companies using their mobile and open new account to operate MMTS and they make purchases digitally as well (Ayodele et.al, 2013).

MMTS in Kenya is adopted by many banks with the partnership of telecommunication company providers such as M-BESA and M-KESHO on one hand and the Orange Bank and Equity Bank on another side to provide incorporated MMTS services. The customers of MMTS account may link to the bank account and customer by making transactions through their local mobile providers to send and receive and checking balance for their accounts (Kariuki, 2014).

Telesom is a private telecommunication company and the highest mobile network in the Northern part of Somalia with an estimated of about 85% of the total telecommunications market (eServGlobal Limited, 2013). In addition, Telesom introduced new services in the middle of 2009 called ZAAD (MMTS). The new service attracted additional customers in the first three years to an about 40% of Telesom Mobile network subscribers for this service. Moreover, this company is now one of the successful telecommunication companies in East Africa because the customers in the MMTS can perform more than 30 MMTS transaction per month (Penicaud, 2012).

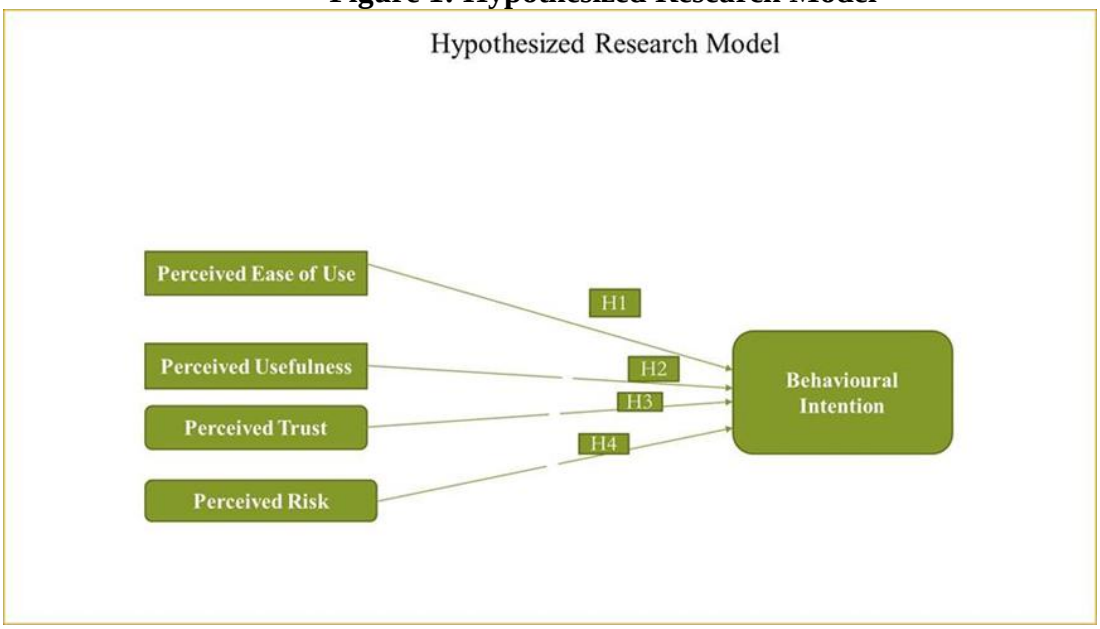
There are various factors that influence the usage and adoption of the MMTS in Somalia. The main motivation of developing this service is because there are few banking services at that time and more risk in taking cash because of the unstable situation. The telecommunication companies could fulfill the gap, and launched the MMTS and act as the financial intermediary of the country as well as the Somalia (Owour, 2013).

In a study by Ali and Daha (2013), they focus on Hormuud Company that uses MMTS. The study evaluates the factors affecting MMTS adoption among students in a private university in Mogadishu on extended TAM. The sample size was 414 respondents for students and their result showed a significantly and positively relationship with the intention to accept MMTS among student. However, perceived risk was not positively significant in the behavioral intention to adopt MMTS among the student. Therefore, this study has only evaluated one telecommunication company customer to adopt MMTS in one city located in the Southern Somalia. Their study only focuses on the private university students in Mogadishu. But their study provides valuable information about the factors that affect the usage of MMTS in Somalia.

TAM is commonly the accepted theory used for observing the use of computers by customers. It was constructed on the Theory of Reasoned Action (TRA) by Ajzen and Fishbein (1980). TAM was first launched by Davis (1989) which postulate's that Perceived Ease of Use (PEOU) and Perceived Usefulness (PU) as the main contributing factors for adopting computers.

The proposed model for this study is constructed based on the TAM introduced by Davis et.al (1989). This model connects with the behavioral intention by investigating the influence of the independent variables, i.e. perceived usefulness (PU), perceived trust (PT), perceived ease of use (PEOU), and perceived risk (PR). The proposed model for the study are the important factors that influence MMTS Service adoption among Islamic banks customer in Somalia.

**Figure 1: Hypothesized Research Model**




The proposed model tests empirically the important factors for adoption of MMTS among Dahabshiil Bank International and Salaam Somali Bank customers in Somalia. The independent variables in the model are perceived usefulness (PU), perceived ease of use (PEOU), and perceived trust (PT) rightly and positively influence the Intention of the Shariah-Compliant

Commercial Bank Customer in Somalia to use the MMTS. Perceived risk negatively affects Islamic banks customers' intention to use system of MMTS.

**Perceived Ease of Use (PEOU)**

PEOU according to Davis (1989, p.320) is "the degree to which a person believes that using a particular system would be free of effort". In addition, there are other perspectives of MMTS of PEOU to explain other various dimensions. Studies state that PEOU is an important factor of customer behavioral intention. Sa'ad et al., (2014) examined the factors that influence the Somalian customers' adoption and acceptance of MMTS usage based on TAM. The findings show that PEOU positively effects consumer behavior and intention to adopt the MMT service.

Furthermore, Ali and Dhaha (2013) found in a study that the people in Mogadishu have benefited from the MMTS because of its ease to use. The process is simple to understand as well as that will strengthen the customers' intention and behavior to use the process. TAM showed PEOU has the right influence on perceived usefulness according to Davis et.al (1989). The theory has proven to improve the behavioral intention to adopt MMTS. If the consumers of Dahabshiil Bank International and Salaam Somali Bank consider to adopt MMTS as a valuable facility, it will be useful for them in their daily activities like payment of bills, sending and receiving currency, purchasing and selling. Therefore, to test this, the subsequent hypothesis was formulated:
H1: PEOU has a positive influence on customer's intention to adopt MMTS offered by Dahabshiil Bank International and Salaam Somali.

**Perceived Usefulness (PU)**

PU refers to "the degree to which a person believes that using a particular system would enhance his or her job performance" (Davis et.al, 1989). Moreover, it is also defined in the context of usage of hand phone service as the amount which clients reflect the network of hand phone facility useful to his/her daily transactions as being advantageous. Referring to Wang et.al (2008), PU might be explained as the happiness that hand phone facility users derive from MMTS which would enhance their daily activities in accomplishing with the necessities of life. To sum up, PU significantly affects the behavioral intention to adopt MMTS among Salaam Somali Bank and Dahabshiil Bank International customers.
H2: PU has a positive influence on customer's intention to adopt MMTS offered by Dahabshiil Bank International and Salaam Somali.

**Perceived Trust (PT)**

PT is another important dimension related to adoption of MMTS which is a required component of trust referring to Tobin (2011). However, trust is defined as the customers' confidence degree that a specific facility could be accessible with little interruption (Joubert and Belle, 2013).

Kim and Probhakar (2004) found in their study that trust is the main contributing factor that affect the users to use a new facility in MMTS. Customers' primary trusteeship shows their readiness to get services by way of uncertainty to fulfil their necessities. PT in providers and MMTS is a significant influence of the process improves and the customers trust in the procedures could be arisen by delivering acceptable networks (Sayid & Echchabi, 2013), In addition to that users adopt merely facility they trust as well as the PT had proven to use a

positively and significantly affect the behavioral intention to adopt MMTS among Customer of Salaam Somali Bank and Dahabshiil Bank International to use this service.
H3: PT has a positive influence on customer's intention to adopt MMTS offered by Dahabshiil Bank International and Salaam Somali.

**Perceived Risk (PR)**
PR means the uncertainty degree of that users are faced by in t their activities while using MMTS (Tobbin, 2011). Consumers mostly prefer lower risk facility that helps them reduce uncertainty and provide a better alternative to use a service (Bauer, Barnes, Neumann, and Reinhardt, 2005). However, declining uncertainty degree of the facility has a positive effect on customers' behavioral intention to use a service (Chen, 2008).

Sa'ad et al., (2015) examined the adoption of MMTS in Telesom Company in Somalia and he found that perceived low risk is exposed to the major causes behind the adoption of new facilities while the PR revealed that confidential and financial information could influence the usage of MMTS. But if the operator such as tempting password confidentialities, identity theft, weaker security system and the customers' feels unhappy, he may even go to the level of suing the operator in the court. For this, therefore, the subsequent hypothesis suggested that:
H4: PR has a negative influence on customer's intention to adopt MMTS offered by Dahabshiil Bank International and Salaam Somali.

## METHODOLOGY

This study is piloted in Somalia, which geographically located in East Africa. The target population of this study is Somali residents who use the MMTS such as ZAAD/SAHAL/EVC-Plus or e-Dahab among the Shariah-complaint Bank (Salaam Somalia Bank and Dahabshiil International Bank) and study the customer intention to use this service. This study used simple random sampling technique for customer who use the MMTS (ZAAD/SAHAL/EVC-Plus or E-Dahab) and has bank account with Salaam Somalia Bank and Dahabshiil International Bank.

This research evaluates the adoption of MMTS among Shariah-Complaint Banks in Somalia, specifically Salaam Somalia Bank and Dahabshiil International Bank. The study is steering a survey in Somalia as well as targeting several respondents in the Somali community. It will prepare a survey questionnaire that will be administered to collect data to achievement of profound understanding on the major importance in the adoption of the MMTS among Shariah-Complaint Bank customers in Somalia.

The firstly section of the questionnaire survey encompasses respondents' demographic information such as gender, educational level, age, city, as well as the adoption of the MMTS. The secondly section of the survey questionnaire investigates respondent's perception by measuring their level of agreement to the questions in the questionnaire. The questions settled will provide answers to the research question one.

The third section of the questionnaire contains the conceptual variables whereby weightage of adopting a five point Likert Scale. The five point Likert Scale are ranging from: 1; Strong

Disagree, 2; Disagree, 3; Neutral, 4; Agree, and 5; Strong Agree whereas the variables tested would be Perceived Ease to Use, Perceived Trust, Perceived Usefulness as well as Perceived Risk. Similarly five elements for each variable was used to develop the survey questions.

**Data Collection**

The research data was collected via social media data collection as well as through distribution of online questionnaires using Google forms. Some questionnaires will also be sent to the participants that adopt MMTS among Shariah-complaint Commercial Bank that offer this service for their customers in Somalia and distributed in July 2016. In addition, the survey questionnaire was written in English while the official language in the nation is Somali language. Although most of the education in the country adopts English language but the majority of the people still do not understand English. The questionnaire was done in English but some translations into Somali language are provided in sub-bracket. A total of 400 respondents are targeted but over 700 questionnaires were distributed to the respondents. The researcher collected 404 respondents successfully. About 30 respondents did not fulfil the requirement and hence rejected. Respondents of the questionnaire will be requested to contribute to the research on MMTS service among customers of Shariah-Compliant Commercial Bank that use this service in Somalia. The respondents will be required to answer correctly the questionnaire and submit back when they complete the questionnaires.

## FINDINGS

In terms of gender distribution, 79 percent of the total respondents were male. In terms of age categories, the highest age-group was 18-25, accounting for 50.2 percent of the total respondents. The second age-group was 26-35, which accounted for 44.1 percent of the total respondents. However, the remained three was less than 6 percent. Furthermore, the respondent marital status was 66.8 percent single and the married one shows 33.2 percent of the total respondents.

Moreover, the respondents education background, the highest one bachelor degree was 58.2 percent and the second highest one was 23.8 percent and other three was less than 20 percent and high school and diploma was same percent roughly to 8.4 percent, and 8.4 percent 1.2 percent of the respondents was PhD. Nevertheless, the salary were three parts, with the highest one being below $1,000 (74.3 percent), and the second highest $1001 to $5,000 reached 21.5 percent meanwhile the lowest one above $5,001 were 4.2 percent. The final demographic question relates to location of respondents. The locations of the respondents. The location were divided two parts: North East and Southern parts in Somalia.

The usage of MMTS frequency were 89.6 percent for total respondents while 10.4 percent of the respondents stated that they do not use the MMTS. The respondent's ownership the MMTS were four different types and customers mostly use EVC-Plus service approximately 18.1 percent in total respondents while the second highest were ZAAD Service around 25.5 percent. And SAHAL Service were around 18.1 percent and the lowest service respondent owned were E-Dahab around 11.6 percentage. The respondent had experienced the MMTS around 93.3 percent but 6.7 percent of the total respondents did not had experience in this service. Mostly of the respondents used daily in MMTS around 87.2 percent of the total respondents while weekly and monthly were same percent 6.4 percent remained respondents.

Moreover, the majority of respondents have bank accounts, accounting for around 69.3 percent of the total respondents. However, 30.7 percent respondents did not have bank account. Most of the respondents, 33.7 percent, use Salaam Somali Bank. Meanwhile, Dahabshiil Bank International had around 24.8 percent of the respondents and the other respondents had other bank accounts, which amounted to around 16.8 percent of the total respondents. Thus the majority of respondents had experience banking more than three years around 41.8 percent and some respondents had one until three years banking experience around 35.1 percent, nevertheless, the lowest one had experienced less than a year approximately 23 percent of the total respondents as shown below Table 1.

**Perceived Usefulness**

The respondents of this study were measured by five Likert scale range for five items on this construct and was scaled between strongly agree and strongly disagree to capture the factors influencing the perceived usefulness of MMTS among customers of Islamic banks in Somalia. The highest mean score is 3.01 with a standard deviation of 1.037. The lowest mean score is 2.81 with a corresponding standard deviation of 1.133 rating all items. The PU creates established the below Table 2.

**Table 1: Respondent Usage of MMTS and Bank Account**

| Items | Construct | Frequency | Percentage |
|---|---|---|---|
| | Yes | 362 | 89.6 |
| Usage | No | 42 | 10.4 |
| | Total | 404 | 100.0 |
| | ZAAD Service | 103 | 25.5 |
| | SAHAL Service | 73 | 18.1 |
| Ownership | EVC-Plus Service | 181 | 44.8 |
| | E-Dahab | 47 | 11.6 |
| | Total | 404 | 100.0 |
| | Yes | 377 | 93.3 |
| Experience | No | 27 | 6.7 |
| | Total | 404 | 100.0 |
| | Daily | 352 | 87.1 |
| Frequency | Weekly | 26 | 6.4 |
| | Monthly | 26 | 6.4 |
| | Total | 404 | 100.0 |
| | Yes | 280 | 69.3 |
| Bank Account | No | 124 | 30.7 |
| | Total | 404 | 100.0 |
| | Salaam Somali Bank | 136 | 33.7 |
| Bank Name | Dahabshiil Bank International | 100 | 24.8 |
| | Others | 168 | 41.6 |
| | Total | 404 | 100.0 |
| | Less than a Year | 93 | 23.0 |
| Experience Banking | 1-3 Years | 142 | 35.1 |
| | More than 3 Years | 169 | 41.8 |
| | Total | 404 | 100.0 |

**Table 2: Perceived Usefulness**

| Items | N | Mean | Std. Deviation | Variance | Skewness | Kurtosis |
|---|---|---|---|---|---|---|
| **PU1** | 404 | 2.94 | 1.052 | 1.106 | -0.979 | 0.508 |
| **PU2** | 404 | 2.91 | 1.148 | 1.317 | -1.102 | 0.524 |
| **PU3** | 404 | 3.01 | 1.037 | 1.074 | -1.170 | 1.524 |
| **PU4** | 404 | 2.81 | 1.133 | 1.285 | -1.146 | 0.772 |
| **PU5** | 404 | 3.00 | 0.946 | 0.896 | -1.248 | 1.902 |

**Perceived Ease of Use**

The respondents of this study was measured by five Likert scale range for five items on this construct and was scaled between strongly agree and strongly disagree to gauge respondents' perceptions about factors affecting the MMTS adoption among customers of Islamic banks in Somalia. The highest mean 3.17 and this item standard deviation is 1.103 while the lowest mean 2.88 and this item standard deviation is 1.161 rating all items. The PEOU creates established the below Table 3.

**Table 3: Perceived Ease of Use**

| Items | N | Mean | St Deviation | Variance | Skewness | Kurtosis |
|---|---|---|---|---|---|---|
| **PEOU1** | 404 | 3.17 | 1.103 | 1.216 | -1.571 | 1.900 |
| **PEOU2** | 404 | 3.00 | 1.185 | 1.404 | -1.303 | 0.896 |
| **PEOU3** | 404 | 2.88 | 1.206 | 1.455 | -1.152 | 0.535 |
| **PEOU4** | 404 | 2.92 | 1.190 | 1.417 | -1.087 | 0.351 |
| **PEOU5** | 404 | 2.88 | 1.161 | 1.349 | -1.195 | 0.765 |

**Perceived Trust**

The respondents of this study was measured by five Likert scale range for five items on this construct and was scaled between strongly agree and strongly disagree to capture respondents' views about factors influencing MMTS adoption among customers of Islamic banks in Somalia. The highest mean 2.71 and this item standard deviation is 0.992 while the lowest mean 2.45 and this item standard deviation is 1.087 rating all items. The PT creates established the below Table 4.

**Table 4: Perceived Trust**

| Items | N | Mean | Std. Deviation | Variance | Skewness | Kurtosis |
|---|---|---|---|---|---|---|
| **PT1** | 404 | 2.65 | 1.091 | 1.190 | -0.870 | 0.232 |
| **PT2** | 404 | 2.45 | 1.087 | 1.181 | -0.705 | -0.259 |
| **PT3** | 404 | 2.71 | 0.992 | 0.984 | -0.364 | -0.883 |
| **PT4** | 404 | 2.54 | 1.096 | 1.202 | -0.744 | -0.026 |
| **PT5** | 404 | 2.67 | 1.044 | 1.091 | -0.827 | 0.229 |

**Perceived Risk**

The respondents of this study was measured by five Likert scale range for five items on this construct and was scales between strongly agree and strongly disagree of the respondents of the factors effects the MMTS adoption among customers of Islamic banks in Somalia. The highest mean 1.11 and this item standard deviation is 0.995 while the lowest mean 0.87 and this item standard deviation is 0.749 rating all items. The Perceived Risk creates established the below Table 5.

**Table 5: Perceived Risk**

| Items | N | Mean | Std. Deviation | Variance | Skewness | Kurtosis |
|---|---|---|---|---|---|---|
| **PR1** | 404 | 1.11 | 0.995 | 0.991 | 0.782 | -0.002 |
| **PR2** | 404 | 0.89 | 0.677 | 0.458 | 1.299 | 3.415 |
| **PR3** | 404 | 0.99 | 0.727 | 0.528 | 1.374 | 2.742 |
| **PR4** | 404 | 0.87 | 0.749 | 0.561 | 1.287 | 2.448 |
| **PR5** | 404 | 1.11 | 1.18 | 1.251 | 1.095 | 0.639 |

**Behavioral Intention**

The respondents of this study was measured by five Likert scale range for five items on this construct and was scales between strongly agree and strongly disagree of the respondents of the factors effects the MMTS adoption among customers of Islamic banks in Somalia. The highest mean 2.98 and this item standard deviation is 1.077 while the lowest mean 2.50 and this item standard deviation is 1.034 rating all items. The dependent variable of Behavioral intention creates established the below Table 6.

**Table 6: Behavioral Intention (Dependent Variable)**

| Items | N | Mean | Std. Deviation | Variance | Skewness | Kurtosis |
|---|---|---|---|---|---|---|
| **BI1** | 404 | 2.70 | 1.146 | 1.314 | -0.824 | -0.066 |
| **BI2** | 404 | 2.50 | 1.034 | 1.069 | -0.616 | 0.065 |
| **BI3** | 404 | 2.93 | 1.077 | 1.161 | -1.084 | 0.688 |
| **BI4** | 404 | 2.98 | 1.077 | 1.161 | -1.123 | 0.886 |

**Multiple Regression Analysis**

Multiple regression analysis was practiced in searching the important factors that influence the customers at two banks and examining the outcomes to inspect the hypothesis. Nevertheless, the facilities of Variance Inflation Factors were practiced into inspect to verify the existence of multicollinerity between the independent variables. As illustrates Table 7 whole Variance Inflation Factors (VIF) values below with the all tolerance predictors was above 0.1. The VIF is more than 10 and the tolerance shows is below 0.10, so there are no problems of multicollinerity. Thus, all the independent variables can be included in the same regression model. This study performed multiple regression analysis to identify the effects of four independent variables on the dependent variable. The PU, PEOU, PT and PR are independent variables. The dependent variable of the study is Behavioral Intention (BI). As shown the below Table 7, the R value of

0.339 illustrates the compiles all four independent factors could forecast about 33.9 percent of trends in BI to usage and adopted MMTS among the customers in two banks.

Furthermore, this variable shown in Table 7, exemplifies and positive regression model among PEOU and BI to adopt and usage MMTS among customers in the two banks where PU, P<0.5. PEOU shown in this model has positive influence the BI to accept MMTS among customers in two banks the following that the standardized coefficients of Beta the regression equation shown virtually (B=0.255) equivalent 25.5 percent support into BI to acceptance the MMTS and significantly effects the adoption of the respondents.

As Table 7, illustrates the PU is significant and positive in the regression model among PU and BI to adopt and usage MMTS among customers in the two banks where PU, P<0.5. PU shown in this model has positive influence the BI to accept MMTS among customers in two banks the following that the standardized coefficients of Beta the regression equation shown virtually (B=0.298) equivalent 29.8 percent support into BI to acceptance the MMTS and significantly effects the adoption of the respondents.

In addition to the PT illustrates in Table 7, demonstrates a significant and positive impact on the BI to adopt and usage MMTS among customers in the two banks where PU, P<0.5. PU shown in this model has positive influence on the BI to accept MMTS among customers in two banks the following that the standardized coefficients of Beta the regression equation shown virtually (B=0.150) equivalent 15 percent support into BI to acceptance the MMTS and significantly effects the adoption of the respondents.

However, the PR in the Table 7, shown the insignificant and negative regression model between PR and BI to adopt and usage the MMTS where PR, P>0.5. PR illustrate insignificant and negatively effects on BI to usage and adopt MMTS among customers in two banks as well as the regression equation illustrates around (B=0.064) equal 6.4 percent contribution of dependent variable on the BI and outcome of this study predicts the PR has no significant effects to decrease on the BI to acceptance MMTS among customers in the Islamic banks in Somalia. The outcome of the analysis demonstrates the independent variables: PU, POEU, PT and PR account 33.9 percent effects in the BI to acceptance and usage MMTS among customers in two banks as well as the outcome illustrates influence and contributes (F =51.065).

**Table 1.7: Regression Analysis on Mobile Money Transfer Service adoption among banking Customers; Dependent Variable: behavioral intention**

| Model | Unstandardized Coefficients | | standardized Coefficients | t | Sig. | Collinearity Statistics | |
|---|---|---|---|---|---|---|---|
| | B | Std. Error | Beta | | | Tolerance | VIF |
| 1 (constants) | 2.582 | 0.496 | | 5.201 | 0.000 | | |
| PU | 0.236 | 0.040 | 0.298 | 5.951 | 0.000 | 0.662 | 1.511 |
| PEOU | 0.140 | 0.028 | 0.255 | 4.975 | 0.000 | 0.630 | 1.587 |
| PT | 0.126 | 0.040 | 0.150 | 3.164 | 0.002 | 0.734 | 1.363 |
| PR | 0.066 | 0.042 | 0.064 | 1.575 | 0.116 | 0.993 | 1.007 |
| R Squire | 0.339 | | | | | | |
| Adjusted R Squire | 0.339 | | | | | | |
| Sig. F: | 0.000 | | | | | | |
| F-Value: | 51.065 | | | | | | |

## DISCUSSION AND CONCLUSION

This study focused to investigate the factors affecting the mobile money adoption among Islamic bank customers in Somalia particularly in Dahabshiil Bank International and Salaam Somali Bank. This research has positive effects on the acceptance and adopt of MMTS among customers in two banks like PU, PEOU, PT. Similar result concludes MBogo, M. (2010) the factors influence the acceptance and usage of MMTS and BI is easiness on the customer's daily use and had experience the advantage of MMTS. Similar studies shown same results where PEOU had positive effect on consumer Behavior and intention to adopt the MMTS (Sa'ad et.al (2014), Sayid & Enchchabi (2012) and Tobin, P. (2011)). Furthermore, the previous literature was supported the result PU has positive influence on the BI to accept MMTS (Ali and Dhaha (2013); MBogo, M. (2010); Mbiti, I. and Weil, D. (2011)). Moreover, similar result shown other studies PT has positive significant to influence the customers BI (Kim and Probhakar, 2004; Kariuki, N., 2014; Sayid & Enchchabi, 2013).

However, the PR is insignificant and negative regression model between PR and BI to adopt and usage the MMTS. PR illustrate insignificant and negatively effects on BI to usage and adopt MMTS among customers in two BI and outcome of this study predicts the PR has no significant effects to decrease on the BI to acceptance MMTS among customers in the Islamic banks in Somalia. The past studies had similar result insignificant and negative regression model between PR and BI to adopt and usage the MMTS (Sayid et. al., 2013; Ali and Dhaha 2013; Sa'ad et.al, 2014).

The limitation of this study is on the respondents who lives in the two geographical regions in North East and Southern parts in Somalia especial big cities in that region. Consequently, the outcomes of the study might not similar if other study conducted from various geographical region in Somalia such as Northern and South West in Somalia. Moreover, the majority of the respondents were focused in this research had good education particularly higher education such as Bachelor and Master degree and this study only focused the customers in two Islamic banks in Somalia who had bank account thorough usage mobile money transfer service in their account. Furthermore, this study might work in the various models and additions in more factors that

affects the adoption of customers among Islamic banks in Somalia and the researchers should focused other factors influence customers in Islamic banks.

The research would be guide the significant guide the Islamic banking industry in Somalia using MMTS and academician. The implication of this study for academia is conduct the extended of technology acceptance model to examine the adoption of mobile money transfer service among Islamic bank customers in Somalia and there are two extended TAM and this variable are PT and PR. Furthermore, this research is reflected that the first study accompanied in customers in Islamic banks adopt mobile money transfer service in Somalia. Consequently, this study significant contribution to the past literature in mobile money transfer service and addition the contribution in the new field in customers in the Islamic banks.

The research would contribute the Islamic banks industry practitioners in Somalia to the perspective of usage in mobile money transfer service in their customers. This study suggestion the Dahabshiil Bank International and Salaam Somali Bank might focus the factors consider by this study as well as clear positive effects on the acceptance and adopt of mobile money transfer service among customers in two banks like PU, PEOU and PT have positive significant while PR is negative significant.

## REFERENCES

Ali, Y., and Dhaha, I. (2013). Factors influencing mobile money transfer adoption among Somali students. *Proceeding –Kuala Lumpur International Business, Economics, and Law Conference* Vol. 1 December 2-3. Hotel Putra, Kuala Lumpur, Malaysia.

Ajzen, I., and Fishbein M. (1980). Understanding attitude and predicting social behavior. *Englewood Cliffs*: NJ: Prentice-Hall.

Ayodele, A., Esther, A., Ayo, C., and Marion, O. (2013). An empirical investigation of the level of Adoption of mobile payment in Nigeria. *African Journal of Computing and Information Computer Technology*.

Bauer, H., Barnes, S., Neumann, M., and Reinhardt, T. (2005). Driving consumer acceptance of mobile marketing: A theoretical framework and empirical study. *Journal of Electronic Commerce Research*, 181-195.

Chen, H. (2008). Individual mobile communication service and tariffs. *Daqing: Heolonngjiang*

Davis F. D. (1989, p.320). Perceived usefulness, perceived ease of use, and user acceptance of anformation technology. *MIS Quarterly*, 13(3), 318-339.

Davis, L. D., Bagozzi, R. P., and Warshaw, P. (1989). User acceptance of computer technology: A comparison of two theoretical model. *Management Science*, 35(8), 982-1003

eServGlobal Limited (2013). 2013_*eSG_Homesend_and_Telesom*. Accessed April 24, 2015, Retrieved from http://www.matisse.net/files/glossary.html

Foxnews, 2014). *Somalia's First ATM Machines Opens in Mogadishu*. Retrieved from http://www.foxnews.com/world/2014/10/07/Somalia-first-atm-machine-opens-in-mogadishu

Hellstrom, J. (2010). The innovation use of mobile application East Africa (SIDA, Edition). *Edita*, no SIDA 6125en.

Joubert, J., and Belle, J. (2013). The role of trust and risk in mobile commerce adoption with in South Africa. *Journal of Business, Humanities Management*, pp. 75-91

Kariuki, N. (2014). Mobile banking services in the East African Community (EAC): Challenges to exiting legislative and regulatory framework. *Journal of Information Policy* 4 (2014): 270-295.

Kim, H. and Probhakar, B. (2004). Initial trust and the adoption of B2C E-Commerce: Thec of internet banking. *Database for advances in information systems*, pp. 50-64

Merrit, C. (2011). Mobile Money Transfer Service: The next phase in the evolution of person payment-to-person payment. *Journal of Payments Strategy and Systems*, 143-158

Mbiti, I. and Weil, D. (2011). Mobile Banking: The impact of M-PESA in Kenya of Economic Research 1050 Massachusetts Avenue Cambridge, *NBER Working Pape*r *Series*, MA 02138 June 2011

MBogo, M. (2010). The impact of mobile payments on the success and growth of micro-business: The Case of M-Pesa in Kenya. *The Journal of Language, Technology and Entrepreneurship in Africa*, Vol. 2.

Owour, V. (2013). Somalia banking: *Transfer, challenges and opportunists*. Accessed April 23, 2015 Retrieved from http://shuraako.org/repot/somalia-banking

Penicaud, C. (2012). State of the industry: *Result from the 2012 Global Mobile Money Adoption Survey*. Mobile Money for the unbanked

Penicaud, C., and Katakam, A. (2013). State of industry: mobile phone financial service for unbanked. Data collected through MMU's *Annual Global Adoption Survey of Mobile Finance Services.*

Rahman, A., Abdullah, M., and Tooheen, R. (2012). Mobile money in Bangladesh. *Developing Country Studies*, pp. 60-63

Sa'ad, A., Oyebisi, I., & Abu Bakar, A. (2015) An empirical study of customers' adoption of mobile money service in Somaliland. *Information and Communication Technology for the Muslim World* (ICT4M), the 5th International Conference on 17-18 Nov., Kuching.

Sayid, O., Echchabi, A., and Abd-Aizi, H. (2012). Investigating mobile money acceptance in Somalia: An empirical study. *Pakistan Journal of Commerce and Social Sciences;* 6(2), 269-281. Accessed March 5, 2015 Retrieved from http://www.jespk.net/publication/87.pdf

Sayid, O., and Echchabi, A., (2013). Attitude of Somali customers towards mobile banking services: The case of Zaad and Sahal Services. *Journal Economic Insights-Trends and Challenges*, Vol. II (LXV), No. 3/2013 page 9-16

Slnnews(2015) *Somaliland Modern Telecommunication Company Somtel Lanuched Electronic Money Service e-Dahab*. Retrieved from http://www.slnnews.com/2015/01/Somalilandmodern-telecommunication-company-launched-electronoic-money-service-e-dahab/

Tobin, P. (2011). Modeling adoption of mobile money transfer: *A consumer behavior analysis*. Mobile 4 development, Kampala. Accessed May 16, 2015 Retrieved form http://vbn.aau.dk/files,43733959/Tobbin_paper_m4d_1.pdf

Wang, C., Lo, S., and Fang, W. (2008). Extending the technology acceptance model to mobile telecommunication innovation: the Existence of Network Externalities. *Journal of Consumer Behavior*, 7(2), 101-110.