

# Audiences to Users: The Paradigm Shift in the Role of Audiences in the Execution of Mobile Money Transactions in Kenya

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## Abstract

Mobile money systems have increasingly demonstrated a paradigm shift in the role played by audiences in the execution of transactions now dominantly characterized by independent manipulation of virtual accounts as opposed to receptivity and exposure functions previously attributed to audiences. This paper discusses findings of use experiences by both urban and rural dwellers undertaken in Kenya in 2012 documenting the added value mobile money has brought to the lives of users as well as demonstrating the active role audiences played in managing their financial accounts. It further discusses mobile money attributes that call for new theorization and in effect prompting a deviation from the traditional analysis of users as recipients of information to actual initiators of information. It illustrates the need for alternative descriptions of passivity and activity of users in mobile money. The new roles call for a deliberate strategy to enhance usability and usefulness of their engagement through suitable products in terms of access, affordability and ease of use.

**Keywords:** mobile money systems, role of audiences in mobile money transactions, uses and gratifications.

## 1. Introduction

The increase in cell phone use has manifested a growing interest in appropriating the technology for various uses among African communities. The portability, cost, along with the increasing capability for the device to carry and transfer data, is partly responsible for its reach among more people than the computer and internet (Mitchell, Bull and Kiwanuka, 2011). In Kenya, mobile telephone penetration is 77.3 percent (Communications Commission of Kenya, 2013), and the popularity and uptake of mobile money transactions has been heavily steered by the affordability and accessibility of mobile phones among Kenyans. According to statistics released at the Kenya Bankers Association (CBA) research conference in 2014, Kenya had a total of 25.9 million mobile money subscribers at the end of June, having risen from 23.75 million in June 2013, a growth of 9.2 per cent. Speaking at the conference, the Central Bank of Kenya (CBK) Governor, Dr. Njuguna Ndung'u confirmed that the rapid growth of mobile money transactions had compelled Central Bank of Kenya to adopt sector statistics as a key monetary policy indicator. Mobile money transactions had also more than tripled in the past five years to reach the Sh1.19 trillion compared to the Sh322.5 billion that was moved in the first six months of 2010. Kenya had a total of 25.9 million mobile money subscribers at the end of June, having risen from 23.75 million in June 2013, a growth of 9.2 per cent.

Mobile banking (m-banking), Mobile payments (m-payments), Money transfers (m-transfers) and Mobile-finance (m-finance) are terminologies interchangeably used to describe the tendency of people to use their mobile telephones to perform various financial transactions. Some of the transactions performed using mobile phones include storage of value (currency) in an account linked to their handsets (virtual account), transfer funds or even access credit or insurance products and general manipulation of the bank account to perform other transactions like withdrawals and bill payments (Jonathan and Camilo, 2008). In general terms this constitutes mobile money.

The CBK 2014 statistics indicate that mobile money is emerging as a preferred channel for financial services. This has been attributed to the ubiquitous nature of mobile devices and services, and the ability of mobile banking services to reduce overall operational costs, streamline operations, and expand customer base through flexibility. This promises to leapfrog the bank branch which has remained elusive to rural populations by tapping into these markets through the wireless communication technology.

Mobile banking is also seen as a promising model for increasing access to formal financial services to those who have been living without it and could as well make banking more convenient and possibly even cheaper in the long run for those who already have access.

Unbanked people in most developing countries are a heterogeneous group that constitutes people who may have adequate incomes from both formal and informal sources as well as poor rural dwellers. MicroSave (2006) lists elements required for basic financial services to meet the needs of the unbanked and in that sense to be transformational as follows: A safe place to keep money, The ability to cash in and cash out at convenient locations at a reasonable fee; and the ability to transfer money to make payments and to remit money to friends and relatives. In addition mobile money affords the user an opportunity to execute transactions unaided, make

financial management decisions and to transact in real time, anytime and anywhere.

Mobile banking services are delivered by different institutional and business models. Some are offered entirely by banks like, 'Equity Agent', by Equity bank and KCB 'Mtaani' by KCB, Coop Kwa Jirani by Co-operative Bank; others entirely by telecommunication providers like M-PESA (with added usability in products like lipa na m-pesa, m-kopa, m-sacco among others) Airtel Money, YU Cash and Orange Money while others involve a partnership between a bank and a telecommunications provider like M-KESHO between Safaricom and Equity bank, PESA PAP between Safaricom and Family bank and IKO PESA between Orange and Equity bank and the latest Mobi-bank a money transfer service by KCB among others. The latest development has seen every bank partner with mobile network operators to provide customers access to and from their accounts through their money transfer platforms. So while retaining the traditional bank account with a bank of choice and all its benefits, the mobile phone allows users to deposit and withdraw money from their bank account to m-pesa enabling the account holder to use agents across the country, pay for goods or even transfer funds to another mobile phone (person to person transaction (P to P)).

Use of agents in reaching remote areas that serve majority of the target population is instrumental in supplementing the Kenyan bank network which according to the Central Bank of Kenya survey CBK (2008), has limited infrastructure. With 876 bank branches and 1500 ATMs countrywide, the figure represents two ATMs per 100,000 people which reflect the sectors narrow outreach. However, the number of mobiles in Kenya has grown to 31.03 million (CCK, 2014), an indication that the mobile phone offers both banks and users a tremendous financial opportunity. The concentration of the bank infrastructure is in urban areas which excludes those in remote rural areas. Many Kenyans therefore are excluded from traditional banking services, this study explores the use of mobile phones to execute monetary transactions by both agents and users in areas where banking services have been elusive and further underscore the strengths exhibited in mobile money where the end user takes charge of their financial needs and where the agent (a mere shop) usurps the roles of the magnificent gigantic bank branch.

These wireless demand and supply points are instrumental in changing the way financial services have always been offered and in effect a paradigm shift in the role of users as well as institutions. People in mobile banking are taking charge of their finances from deciding how much to transact, to whom and how much, to when and how to transact. The model also offers a one on one follow-up of the effect of the transaction on the recipient who in effect becomes another user with independent decisions to make in regard to money availed in his/her mobile phones virtual account. The mobile money craze is simply a revolution, a new way of ordering our financial services. The user is practically in charge of the course the product takes, besides the innovation of the product the institution is simply a spectator.

Mobile banking uses the existing mobile communications infrastructure which already reaches un-banked people. Thus a bank does not have to invest time, money and effort in setting up a new infrastructure. It offers a physical proximity which other methods, such as the internet or ATMs, cannot match. With mobile phones, customers do not have to walk miles to find a branch they are instead carrying the bank with them (Kopicki and Miller (2008)).

Sida Review (2010) further forecasts a reliable platform for innovative mobile applications for East Africa in general. This is attributed to the findings that East Africa has more than 120 million citizens with a large majority living in rural areas. Almost half of its' population is under the age of 15 years and about one third of the grown up population is illiterate. The region is characterized by general weak infrastructure, such as bad roads, poor transport systems, non-existent electricity, few health units, and financial institutions, weak public offices among others, yet, by the end of 2009 there were almost 50 million mobile subscribers in the region resulting in a mobile penetration of 40% of the total population. This makes mobile phones one of the most widely available platforms for information dissemination and interactive communication.

It is against this backdrop of an excluded viable population in dire need of an affordable and accessible money transfer service that M-PESA money transfer service was launched. Riding on the runaway success M-PESA recorded, the banking fraternity was keen on tapping on the mobile phone potential to reach out to the unbanked yet economically viable populations if taken in aggregate.

Banking on the wide mobile phone access where 89.10 percentage of the Kenyan population had access to mobile services as of March 2012 and the increasing mobile network coverage by the four Kenyan Mobile Network Operators (MNO) where the land mass coverage rose to 34.45 from 32.12 this communication infrastructure was seen as a promising way to leapfrog the traditional bank branch model and provide a solution to the long sought solution for financial exclusion..

Through the agency banking model (CBK 2010) which allows banks to appoint agents to offer selected banking services on their behalf, the Central Bank of Kenya (CBK) released regulations that allow banks to offer services through third party agents approved by the CBK.

Under the CBK regulations, agents can offer a number of banking services, including cash deposits and withdrawals, fund transfers, bill payments, loan payments, payment of benefits and salaries, and collection

of accounts and loan applications. Transactions are made via the mobile phone, a point of sale (POS) system and reflected in the main banks databank in real time. Customers on the other hand are able to deposit money to their accounts and manage their accounts at convenience. Once the money is in the account they are able to pay bills, transfer money, withdraw it either at the agency or at any ATM, and retain some as savings.

In appreciation of the rapid growth in mobile penetration in the remote areas the Former Equity Bank Chief Executive Officer (CEO) Dr. James Mwangi while launching the bank's mobile phone banking admitted that the mobile phone had laid a strong base for reaching out to those excluded from traditional financial services. He added that the growth of mobile phone solutions in rural Kenya and regionally showed that a well designed service could go a long way in serving not only the un-banked but the underserved customers in remote areas. He added that the mobile phone had spawned innovations that had taken financial services to the masses much faster than conventional banks would have ever done.

Among the transformational products substituting bank branches particularly to reach out to unbanked and underserved populations both in rural and urban areas include: Equity agent, KCB Mtaani, Pesa Pap, coop Kwa Jirani among others. While take up has been slow considering regulation governing recruitment of users as well as agents and cost of the product, the banking industry is making milestones in eradicating some of the challenges that inhibit achieving scale. Some of the products that have revolutionized the registration of customers therefore creating demand for the product are M-shwari, a partnership between the Commercial Bank of Africa and Safaricom and M-Benki a partnership between KCB and Safaricom. During the launch of M-shwari, the current Safaricom CEO, Bob Collymore said 'there will be no need to fill a paper; produce an identity card (ID) to access these services, registration is purely electronic. He further added 'many unbanked adults talk about distance from the banks and opening balances as impeding factors, M-Shwari will require no minimum balance and there will be no charges for moving money from M-pesa to M-Shwari and vice-versa'. 'In a population of 20 million adults, only about 12 million Kenyans have access to formal financial services, meaning that almost half of the adult population does not have access to the important ingredient necessary for economic growth' he further lamented.

Both urban and rural shopping centres in Kenya are dotted with either mobile money transfer agency shops or Agency banking shops. These services have come as a relief to most of the users. The Banking sector report for the quarter ended march 31, 2012, CBK noted that there were 10,066 active agents in East Africa, contracted by banks these agents transacted 782 million dollars for the period. Out of the number, Equity had 3234 agents, KCB 2,600, Coop Bank 1,800. Others included Post bank, Chase bank and Family bank. Safaricom M-pesa currently contracts 47,000 agents distributed throughout the country.

### **1.1. Objectives of the paper**

1. Ascertain the role of audiences in the uptake and use of mobile money products
2. Explore mobile money use and gratifications/lack of gratifications in audience activity.
3. Understand the paradigm shift in mobile money and its implications on existing theory

### **2.1 The technological paradigm of the Network Society**

Mobile money transactions have pervasively dominated the way people engage with money particularly among the un banked or under banked populations in Kenya. Yet this has not always been the practice. Consequently use of the mobile phone to execute monetary transactions comes with unique attributes that require understanding of preceding and prevailing circumstances giving rise to the dominant practice of today's Kenyan society.

According to Fischer (1991) technology is seen as a fundamental dimension of social structure and social change as it is defined as the use of scientific knowledge to set procedures for performance in a reproducible manner and it evolves interaction with other dimensions of society, with its own dynamics linked to the conditions of scientific discovery, technological innovation and application and diffusion in society at large. Technological systems evolve incrementally, but this evolution is punctuated by discontinuities according to Stephen, J Gould (1980). The discontinuities are marked by technological revolutions that usher in a new technological paradigm. Society is constantly seeking solutions to issues that affect day to day activities and in the event the current status does not address these issues effectively the quest for discovery is enhanced.

Dissatisfied with the functionality of the Industrial revolution, the quest for a technological paradigm capable of addressing current societal issues was invented. Informationalism, a technological paradigm that constitutes the material basis of early 21<sup>st</sup> century societies has replaced the Industrial revolution as the dominant technological paradigm. While Industrialism associated with the Industrial revolution is a paradigm characterized by the systematic organization of technologies based on the capacity to generate and distribute energy by human made machines without depending on the natural environment, a similar structuration of scientific knowledge and technological innovation is taking place in the paradigm of informationalism. This new paradigm is based on the augmentation of the human capacity in microelectronics, software and genetic

engineering. Computers and digital communications are the most direct expressions of the revolution. As information and communication are the most fundamental dimensions of human activity and organization today, a revolutionary change is the material condition of their performance that affects the entire realm of human activity (Castells, 2004). Three specific features attributed to the new system of information and communication in relation to previous historical developments of information and communication technologies are:

- Their self expanding processing and communicating capacity in terms of volume, complexity and speed.
- The ability to recombine on the basis of digitization and recurrent communication.
- Their distributing flexibility through interactive, digitized networking.

Digital technologies allow for an unprecedented increase in the capacity to process information, in volume, complexity of operation involved, speed of processing and communication. This is because the history of electronics information and communication technologies in the past three decades show an exponential increase in processing power, coupled with an equally dramatic decrease in the cost per production; an indication of a technological revolution (Paul David, 1975).

Consequently these technologies have the capacity to self expand their processing power because of their recurrent, communicative ability. This is as a result of the continuous feed back effect of technological innovation produced by knowledge generated with the help of the technologies; they hold emergent properties, i.e. the ability to derive new unforeseen processes of innovation by their endless reconfiguration (Johnson 2001). Digital technologies also have the ability to recombine information on the basis of recurrent interactive communication: hypertext. Internet has capacity to recombine in chosen time information products and information processes to generate a new output which is immediately processed in the net in an endless process of production of information communication and feedback in real time or chosen time (Castells 2004). Recombination is the source of innovation and innovation is the root of economic productivity, cultural creativity and political power making. The third feature of the new information and communication technologies is their flexibility, which allows the distribution of processing power in various contexts and applications such as business firms, military units, the media, public services such as health and distant education, political activity and personal interaction. Software developments such as Java and Jini languages that power the distributive networks and wireless communication make the multiplication of points of communication possible almost at the level of each individual. It's not a matter of the density of the network but its flexibility, the ability to be integrated in all sites and contexts of human environment (Mitchell 2003). This has profound implications for the locations and spatial distributions of all human activities that depend in some way upon access to information which interacts with the traditional space of places so that the view of spatial structure associated with informationalism is not placeless but made up of networks connecting places by information and communication flows.

Manuel Castells has traced the birth of the network society through events in history. There was the accidental coincidence, in the 1970s, of three independent processes, whose interaction constituted a new technological paradigm, informationalism, and a new social structure, the network society, inseparably intertwined. These three processes were: the crisis and restructuring of industrialism and its two associated modes of production, capitalism and statism; the freedom-oriented, cultural social movements of the late 1960s and early 1970s; the revolution in information and communication technologies (Castells, and Kiselyova, 2003).

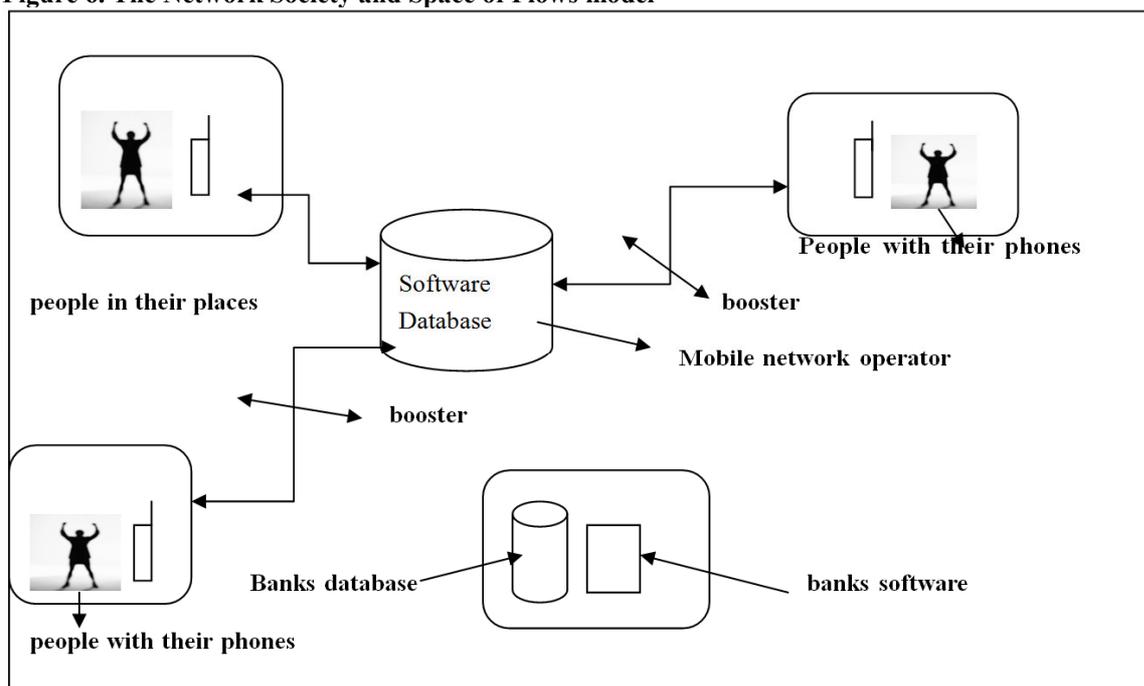
The culture of freedom was decisive to induce network technologies that, in turn, were the essential infrastructure for business to operate its restructuring in terms of globalization, decentralization, and networking. Only then the knowledge-based economy could function at its full potential because data, minds, bodies and material production could be related globally and locally, in real time, in a continuous interactive network. From the interaction between three originally independent processes (the crisis of industrialism, the rise of freedom-oriented social movements, and the revolution in information and communication technologies) emerged a new form of social organization, the network society. Thus the success of mobile money transactions depend on six key elements: The people that perform the transactions, the nodes which may be the phones, the way of doing business (mode of production), the conduits transporting information (the network, software and transmitters), time involved and the places the nodes are found. The node, the mobile phone and the mode of production constitute the Network society while the places, timeless time and the flows constitute the Space of flows. The following is an explanation of each concept:

- People: the people in the network society are liberated people with a high affinity for independence and convenience. These people exercise various freedoms in their way of doing things. The freedoms include but not limited to, transacting unaided, transacting at any time of the day, transacting at places of choice (at home, at work at night or day), making decisions on how much to transact, to who and with which model or network. These people also value the privacy associated with the execution of these transactions.
- Nodes: these are used to perform the transactions and constitute the technological aspect of the service. Mobile phones are owned by anyone, male or female, can access available networks from any point

private or public, have the capability of joining networks even in the most remote areas, do not depend on laid down infrastructure but can access signals from any point, have in build features that facilitate various m-banking functions like payments, savings, transfers, top ups; all in different models. Operation is universal in regard to all human beings. The signal received by the nodes is boosted before transmission to the telecoms database and the software for decoding this is then communicated to the banks database and software before the node receives a response. Channel of transmission is the network connecting nodes and the databases

- Mode of production: The people involved believe in liberated economies and globalization. They value access to goods and associated services/products from the world over. In them a culture of sharing, give and take is inculcated and access is not tied to places but to the network logic.
- Places: People must reside in physical places, however this physical place does not mean that only what is available in that locality is what they can access. These types of people have the capability of accessing items and services from other places without leaving their places. I
- Timeless time: Since these people are connected through conduits or networks, the chosen programs in these networks are shared instantaneously. People share the same experiences form their physical places
- Flows: In the network information is synchronized i.e. it is processed in such a way that the recipient understands the intention of the sender. Thus the conduits or network ensure that the there is communication. Otherwise without the flows then there is no communication and the messages lack meaning and therefore are valueless.
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**Figure 6. The Network Society and Space of Flows model**



Source: Researcher

**Figure 1: illustrates flow of information in the network society.**

Initiated transactions by the nodes are transmitted to base stations in their locations upon which information is transmitted to the telecommunications company. The telecommunications company is either remotely connected or wired to the banks database. Software in the bank is used to decode information and an appropriate response is relayed to the node. There is a specific program that runs on the network and this program is able to process information that runs in the conduits that make up the network. The nodes access information in the network from their geographical locations and no movement is involved. People in this model import services via the network but response is instant as the distance from one node to the other is infinite. The nodes, the users, the database, software, locations, network, agents, banks and telecoms are all actors in the network. The diagram illustrates the active role played by audiences. Unlike in previous practices where audiences received institutionalized information, in mobile money they initiate and manage the transaction process.

## 2. Contextualizing Uses and Gratifications in mobile money

Transformed to fit in this new era are the roles audiences have always played in relation to media content. For some time now, a kind of theoretical tug of war has emerged on the one end of the rope the active audience perceived as individualistic, impervious to influence, rational and selective, on the other hand the passive audience, conformist, gullible, anomic and vulnerable victim. Huffing and tugging at each ends are an assorted lot of key media theorists championing their perception of the social reality.

Mass communication studies have embraced both conceptions frames many of the questions we ask about the sociopolitical role of media, the audience member's cognitions of self and reality as well as the moment to moment cognitive process by which individuals decode media content and form. That notwithstanding the advent of new forms of communication and media use not previously factored in the theoretical analysis of the fundamental epistemological assumptions that guide (and probably now mislead) research nature call for a fundamental shift in the treatment of communication media and their audiences.

While the role of audiences in mobile money could be analyzed from the Uses and Gratifications paradigm, there is need for a fundamental shift in the definitions of audience activity previously perceived as one sided; the processing of information directed towards audiences. This conviction is born from the fact that current discourse in regard to active audiences recognizes that one of the strengths and also seen as a weakness of the U&G constructs (Blumler, 1979) is its extra ordinary range of meanings. It's both cognitive and social cultural, normative and objective, socially variable yet innate. The various qualitative forms of the concept exist within temporal dimensions. Media consumption behavior is said to exist prior to media use (preactivity), during media use (duractivity) and following media use (post activity) (Blumler, 1979, Levy 1983, Levy & Windahl, 1984a, 1984b). Relating the foregoing description to mobile money transactions then audience activity is planned (preactivity), deliberate (duractivity) and purposeful/transformational (post activity).

Audience activity is portrayed as funneling process of media, program and content selection (Heeter & Alessio, Greenberg & McVoy, 1983). Recent U&G literature has expanded the term selectivity into areas of selective perception, selective exposure and selective retention (Levy & Windahl, 1985). Mentioned earlier the four constructs describing U&G selectivity include; utilitarianism, intentionality, involvement and imperviousness to influence.

In audience activity as utilitarianism emphasis is on a certain level of rational choice in the satisfaction of clear individual needs and motives (Dervin, 1980; Katz, Blumler & Gurevitch, 1974; Levy, 1983); audience activity as intentionality emphasizes the cognitive dimension of activity. Media consumption and attention are said to be schema driven. Patterns of consumption and memory bear the clear imprint of the audience member's motivation, personality and individual cognitive processing structure (MacQuire 1974), Wanner 1985). Just focusing on the dichotomy of passive and active, users of mobile money may choose to do nothing with money send to them and residing in their virtual accounts, do they exhibit audience activity intentionality or are they passive. And if passive doesn't the money in their virtual account constitute a saving which is the basis for credit history and in effect an activity that may lead to being credit worthy? Audience activity as involvement is used to characterize both the level of effective arousal and level of cognitive organization as well as behavioral manifestations of active involvement such as parasocial interactions. Audience activity as imperviousness to influence is seen to function as a kind of goal or activity by reference to the degree to which the audience limits, influences and controls the effects of media.

Audience classifications have more or less been discussed in line with Levy (1983) use of the term selectivity to mean selective exposure, however the new media and particularly mobile money goes beyond exposure to audiences becoming users of information either through exposure or information initiated by them. While theorists characterize media use as intentional, goal oriented and motivated behavior (Katz et al 1974; Mcquail, Blumler & Brown 1972; Rosengren, 1974) and that individuals construct meanings in accordance with motivations and schema (Delia, 1974, Levy 1983) the epistemological assumptions in the analysis of these roles is likely to deviate from the norm, when the origin of communication shifts from 'without' the audience to 'within' the audience, the audience becoming the user and therefore active initiator of information. Information that is planned, deliberate, individualistic, asynchronous, commoditized and transformational.

## 3. Methodology

The aim of the study was to understand the audience interaction with mobile money in their day to day activities. An ethnographic study of two years was undertaken mapping out activities of users in both rural and urban centres. Makueni County with the second largest number of poor people in Kenya together with Nairobi County the capital city of Kenya were sampled. The rural set up helped us understand how the typical rural dweller occasionally illiterate or semiliterate, supported by relatives in urban areas engaged in mobile money use. Consequently Nairobi was ideal in informing the study as most of the mobile money products have been launched in the city. With some like m-pesa specifically targeting urban support for the relatives hence the slogan sent money home. In addition some products launched in Nairobi have not yet been diffused to rural areas

like ‘beba pay’ by equity bank. Considering the different dynamics in use it was critical for the study to be conducted in the two areas. Interviews with users, experiences and observations were captured on the ground enabling the study to gather very rich data in regard to the day to day use of mobile money by subjects. These experiences were then analysed qualitatively providing the sought understanding of their use.

#### 4. The User Experiences and Interpretations

Since the inception of M-pesa in Kenya in May 2007, both banks and telecommunication companies have been up and about innovating products that are aimed at leveraging on the large number of mobile phone users to provide financial services to the unbanked populations. According to KCB group Chief Executive Officer (CEO) Joshua Oigara, “the growth of mobile banking is a natural step towards providing an opportunity to reach mass markets efficiently and fully support financial inclusion... it is a powerful way to deliver savings services to billions who have cell phones but no bank accounts”. an interview with one of the subjects aided in understanding the impact the services had in the lives of users.

*Teresia Muvoye, an elderly woman in a rural village in Makueni County reiterated how M-pesa had transformed her life. She says that all her children worked in Nairobi, the capital city of Kenya, and every month end, they all sent her money for upkeep via M-pesa. She claims that even when she visited her children in Nairobi, she preferred money deposited to her account rather than cash. She claims carrying money is inconveniencing considering that she can access the same from an M-pesa shop at the shopping centre in her rural village. She claims that originally her children used to send her money through Matatus (public transport) that operated the route from her village to Nairobi. Sometimes she used to miss out on the time the Matatu arrived at the village market centre and since there were no phones she would keep timing the Matatu by the road side until such a time when she got the money. However when M-pesa was launched she was among the early adopters as one of her daughters signed for agency dealership with Safaricom and among the outlets the daughter rolled out, one was at the village. She says that her daughter instructed her to go to the agent who happened to be a relative and get registered in order to receive money via her phone. The shop assistant assisted in registering and activating her phone and also showing her how to perform transactions on her own. She says that when she gets M-pesa messages on her phone, she is able to read the text and understand. She has also memorized her PIN so her money is safe. She says that recently she was able to build her son a house as he used to send her money while she procured the materials and paid all the workers. She also says that when planting season comes, her children sent her money to plough and plant, cultivate and harvest the produce. She claims that her daughter recently showed her how to transfer money to her M-Shwari account, and now she can save money she gets after selling her farm produce into her account.*

Teresia’s use experience confirms that Mobile money use is transforming people’s lives in rural Kenya, while the market centre did not have any hope of ever getting a bank branch, the locals in this village have access to financial services. To note is the fact that with simple assistance Teresia was able to operate her phone on her own confirming the freedom to explore ones potential and also appreciate the convenience that comes with certainty of M-pesa transactions. That notwithstanding, the money she gets from her son was used for development, transforming her to an industrious person and not just a passive recipient of the money. The fact that Teresia goes beyond just withdrawing the money and is able to plan work is testimony that mobile money empowers users. Furthermore receiving and distributing money through payment of workers aids in increasing money in circulation, as this does not compare with the son making trips to the village on a weekly basis. Once workers are paid they spent the money, this circulation is important for the growth of economies. To appreciate the economic growth on a large scale, agency business has employed many youths. If the study was to go by the number of agents (47,000 M-pesa outlets, 3234 Equity agency shops, 2600 KCB Mtaani and 1800 Coop Kwa Jirani shops among others) each providing employment to at least one assistant, then the jobs created go beyond the 50, 000 mark.

*Samwel Munyai, a medium aged man of about 46 years, very enterprising. He does large scale farming at Emali in the County of Makueni. However, he claims that Ukambani is a very hot area and farm produce particularly once harvested is prone to aflatoxin infection or it is consumed by weevils as a result he used to incur losses as affected produce went to waste. To his relief he now says that after harvesting he sells most of the produce before it is affected and saves the money in his account. He has opened an account with KCB Mtaani which has an outlet in the market. He is excited by the fact that recently while on a road show promotion, KCB crew informed him that he qualified for a loan and he now plans to put more land under farming.*

Interviewed users were happy with agency shops particularly because they were in a position to access banking services conveniently in their locality and did not have to go to the main bank to attend to their banking needs. They appreciated the product structure of small amounts as their incomes were limited. The convenience of transacting in the normal commodity shops and the assistants intermediation made them feel comfortable.

Convenience of time was also appreciated and in fact some said that even if the shops were closed they could request the owners to open and perform just that one transaction and once money was in their accounts they could initiate transactions on their own at home or anywhere at any time. They were able to decide how to use money in their accounts for various needs dividing the amounts to address needs as they deemed fit, they also chose whom to send money to without asking for assistance from anyone and in privacy agreeing with Castells (2004) definition of the Network Society.

To confirm how intimidated lesser off segments felt at the bank, one of the respondents candidly said,

*"I don't have to embarrass myself going to the bank to deposit Ksh 500. These bank people, they look at you and start asking, "where do you work?" yet I know when I keep the Ksh 500 in my pocket I will definitely use it for other things. I can now bank my Ksh 50 without any one asking me anything, in fact most of us here bank at least Ksh 100 everyday and at the end of the month it is around Ksh 3000 which can pay school fees".*

The statement is testimony of the fact that judgment as a result of one's financial status was not welcome. It bothered the respondent that questions in regard to amounts she was banking had to arise. The mobile structure is alive to the financial status of the target segments. Furthermore Kenya is categorized as a very poor country with a per capita income of \$ 1,700 and ranked 154<sup>th</sup> out of the 183 countries of the world. According to Kenneth Dachi (2012), 49% of Kenyans live in absolute poverty; an equivalent of Ksh 1,239/- per person per month in rural areas and Ksh 2,648/- per month in urban areas. Banking small amounts in these rural agency shops then did not constitute an issue to the shop assistant as most of those living in the area were poor. This was in sync with the need to create one's self, and to be accepted for what one was and in effect dignity.

An interview with David from Bungoma who had accompanied his wife Veronica a Kamba girl from Makueni County on a visit to her maternal parents narrated his experience to the researchers:

*David Shikoli of Busia County works in Mombasa as a watchman, his wife Veronica who lives in rural busia has five children and the first born aged 15 is in class eight. He earns Ksh 8,000/- a month. If he has to travel home to see his family he will have to use Ksh 4000 for his trip. This leaves him with only Kshs 4,000 for his monthly expenses and nothing for the family. Before M-pesa was introduced Shikoli used to send money via the post office to his wife, it was not instant and sometimes his wife had to wait till month end to get some money from him even when there were emergencies. To compound the scenario, Veronica is not a Luyia in tribe and she did not have many friends she could borrow money from when an emergency arose. She relied a lot on a small vegetable garden where she plants vegetables and occasionally sells some at the market place. But the income from the vegetables is not enough to sustain her five children and the husband is bound to chip in. Shikoli loves his wife very much and would like to be home more often, but the nature of his Job and the amount he earns does not permit it. He is however happy because his wife understands. He conveniently sends her Ksh 4,000/- every month for family expenses which include buying school uniforms for the children, healthcare and food when need arises. In times of emergency Veronica calls her husband who manages to get a salary advance from his employer and sends the same to her. They are a very happy couple and through planning either Veronica travels to Mombasa or Shikoli seeks permission from his place of work to visit his family and children.*

While separating the couple is not advisable, it is worth to note that the family is making the best out of the situation. And the fact that M-pesa has come in handy to help them have access to more finances as well as see each other often is a welcome added value from the innovation. The relationship is stronger and M-pesa comes in handy at times of emergencies.

The study was able to establish that culture in the network society involved sharing and caring for one another. Peculiarities of the study population were the fact that people shared phones. Transacting was not limited to ownership of a phone but access to a phone. The assistants in shops sometimes used their own phones to assist clients who owned SIM cards and needed to transact. Phones were also charged at specific shops and shop keepers could answer calls on behalf of the owners of the phones. Interestingly, a FGD with users established that opening and closing hours were flexible and clients could request for services outside of the stipulated working times. The assistants would oblige and serve these clients. The cultural inclination to sharing, helping and communal tendencies were heavily present in the use of mobile banking products in this area.

The cultural practices have significant implications on uptake and use. First the act of sharing promotes access of the services to people who would otherwise not participate in the use of the product. Secondly the flexible working hours not only serves as a way of increasing the number of transactions but also promotes goodwill which may go a long way in protecting the agency from adversities like organized thefts. Thirdly people who may not be aware of the products may be borrowed a phone to transact and in the process the unregistered person may be curious to know what the transaction is all about. This could lead to new registrations and use of the products. Sharing of phones, assistance in the shops and commitment to service of the community reinforces trust in the products and those offering them which is important if the poor have to

adopt new practices. Finally sharing transforms the whole society, it brings people together and dreams are realized.

Lack of formal financial services pushed un banked populations to informal financial providers. Among these were shylocks, merry go rounds, money lenders and women groups. Though Micro Finance Institutions (MFIs) were seen as formal, conditions of use were very unfriendly. However while transiting from the informal sector M-Pesa services eased remittance of premiums to some of these institutions. Users were now able to service payments for MFIs they had borrowed money from and the contributions to these groups were safely banked after the weekly meetings. Further they did not need to be in groups to access loans from the banks as individuals could get loans on account of individual collateral or their new account history. This was convenient as most of the other lenders embarrassed those who did not submit weekly contributions by going to the defaulter's home as a group and ransacking the house for any saleable item to recover the amounts needed an exercise that was traumatizing to children. The experience was captured by one of the respondents in Nairobi as follows,

*'Agency banking has come to change things. These women will not come to my house again. They do not even respect your husband or the children. They come all at once around fifteen of them and start picking this and that as the children cry.'*

They also appreciated the fact that in banks repayment times were flexible unlike in the MFI or money lenders conditions where repayment of loans was on a specific date failure to which all group members were kept in the meeting by the officers in charge until the group contributed all the money due. Money borrowed from money lenders was expensive, before getting the borrowed money a certain percentage mostly 10% was paid in advance; further the repayment structure was harsh for most of the times it was on a weekly basis.

The mode of transacting was also very convenient as they were able to use their phone to initiate transactions and also confirm the same. Most of the banks gave cards in a week's time after opening an account and they could also use the cards to transact. Transaction charges were convenient as they only required airtime of less than Ksh 5 on average across all networks for an SMS. At the time of the study Yu charges were free. This was reasonable according to them as they saved transport costs to the branch and time wasted. Use of phones was convenient as those without phones could borrow phones and transact using their personal SIM cards where the virtual account resided; it was therefore not a requirement to own a phone but a mobile SIM card. Phones were easily charged at the market centre for as little as Ksh 10, and depending on the model of the phone the charge could take up to three days. The users used the phone for all other communication needs.

Commenting on the foreseen future of mobile money, the Equity bank Head of Distribution was very positive about the future of agency banking, he said,

*'Agency banking is a revolution, our transactions in the banking hall have continued to grow, the ATMs are recording more transactions, agency business is totally new business which was lying un tapped. We are no longer talking about financial inclusion because agency has sorted it out; we are now talking about growth'*

Asking further the motive behind the innovation the bank official reiterated,

*'We were thinking of a model which could utilize these phones to offer financial services. With the M-PESA model operational it was not difficult to structure a product that could deliver financial services using the same mobile phone capabilities'*

The strengths exhibited by mobile communication in reaching out to people in remote areas through signals and the capacity to incorporate information based services through the networks is a great leap towards closing up on the digital divide. Though the implementation process had just begun, there was hope that with interventions targeting use particularly by the low income segments, mainstream banking services would eventually be extended to these populations.

As seen in the execution of services, people prefer independence in the transaction process, secrecy of the transaction process, one is able to deposit money in the phone and send it to whoever they want and pay their bills in discrete. These types of people also transact conveniently after work or early in the morning as services are not time specific besides once the money is in the account they can transact from anywhere and anytime including at night .The gratification of this mode of transacting is better reiterated by one of the users in the study when she says,

*"I don't have to embarrass myself going to the bank to deposit Ksh 500. These bank people, they look at you and start asking, "where do you work?" yet I know when I keep the Ksh 500 in my pocket I will definitely use it for other things. I can now bank my Ksh 50 without any one asking me anything, in fact most of us here bank at least Ksh 100 everyday and at the end of the month it is around Ksh 3000 which can pay school fees".*

As indicated earlier mobile banking operates in a new kind of space that brings actors together in time without contiguity of physical space, a space different from physical space yet connected to it. It doesn't matter where the other user is located or where the database for the bank is, so long as each actor is connected to the same

network sharing the same flows information based services will be shared in real time. These people therefore do not depend on information based products only available in their physical space but can access them through the space of flows changing the way business has always been done. This is evident from the fact that transactions are instantaneous with accounts updated in real time. The experience of whoever is in the urban centre and the one in the rural area is the same.

*One of the lucrative yet notorious business industries in Kenya is the Matatu industry, an interview with Kariuki Ndirangu, a resident of Ongata Rongai, a residential area in Nairobi who owns three Matatus confirmed that the business was frustrating as employees fleeced him of daily collections. He claimed that he almost sold his fleet safe the introduction of 'Beba Pay' by Equity bank. A new innovation that allows customers to load money to debit cards and pay their fare through Near Field Technology (NFT) enabled phones owned by each participating Matatu operator. The Matatu operators then get electronic money at the end of the day which can be subsequently transferred to their bank accounts.*

With the provision, public transport users are able to plan their monthly transport expenses by purchasing value equivalent to amount spent on bus fare monthly, a relief from uncertainty as well as risks associated with dash money. The innovation also helps in the management of the Matatu business, Kariuki who has the secret PIN to the phone is able to log on to his account and transfer money collected by his crew in the day realizing value for investment and in effect better lives, creating Jobs for the youths and helping bring revenue to the country.

*Agency banking has come with new innovations, the head teacher and proprietor of Kidpalace Schools, a privately owned school in Ongata Rongai was in a predicament as some parents were not comfortable with queues at Equity Bank where the school accounts was. Due to the inconvenience, parents ended up taking cash to school which was both risky as well as prone to poor accountability. Further parents accustomed to M-pesa also chose to send money through M-pesa sometimes sending it to teacher's phone numbers which again was open to misuse by unfaithful teachers. However now, she is relieved as Equity agency outlets can deposit school fees to the school account and issue a receipt giving details of the pupils which is subsequently availed in school for receipting. For those who are not able to bank, the school has acquired an M-pesa pay bill number where school fees can be channeled via the lipa na m-pesa platform and transferred to the school bank account upon reaching a certain limit.*

These innovations come with relief, accountability in the management of businesses, and convenience to the user in terms of location. Mobile money in an all round the clock activity, there is no opening and closing hours as evident in banking halls, constituting freedom from scheduling. Traditionally it is the bank teller to serve the client; in mobile money one is free to execute their own transactions without consulting any one.

One of the reasons mentioned for informal settlements having a high number of unbanked populations was the fact that banks are structured in a manner that intimidates the poor. Slippery floors, ambience, national language among others. A relief noted in the study was that shops offering agency banking services were not exclusive to banking services, other products were also sold at the same shops, and products that locals used for their daily needs, banking become just one of the lines of business. Furthermore the language of interaction is the local language and most likely with an assistant well known to the client. This gives the user confidence, trust, acceptability and dignity.

## 5. Conclusion

While the U&G theories may offer a starting point in the understanding of user roles in mobile money, the role of the audience has evidently shifted. Information generated in mobile money is purposeful, calculated, individualistic and transformational. Whether we engage in any activity or remain passive, in effect we are acting. As illustrated, passivity translates to savings which in themselves are action. So the question that will dominate the discourse is, do we continue using U&G as the centre of analysis or do the innovative capabilities of ICT call for a different theorization where focus shifts the role of the audience from exposure to user.

Consequently bearing in mind that value for use as exhibited in the cases is user specific and users are not universal, should then the focus shift from the dichotomy of passive/active perspective to the cognitive manipulation of schema, and further should it constitute the effect of a deliberate individualistic manipulation and management of information availed to diverse individuals or design models that enhance the possibility of users engagement in information for specific gratifications and in effect address their motivations of use.

While the above questions may linger considering that mobile money innovations are spanned daily and a conclusive theorization may not be universal, a definite proposition is that ultimately the role of the audience has been transformed. The analysis of the role then is to be viewed from the perspective of audience turned user whose actions are:

1. Planned: mobile money constitutes financial management; various factors determine the kind of transaction to perform. If one has to pay a bill there is the question of how much, availability of the finances as well as the recipient of the money.

2. Deliberate: there is a user motive to engage in a particular activity for a determined purpose. For example the user will decide to pay half a bill, using the phone, at a particular time to reach the recipient at a particular time and in a particular format.
3. Asynchronous: there is no definite time when mobile money transactions are due or need to be executed. It is in the discretion of the user to ascertain the perfect scenario under which to conveniently execute the transactions.
4. Individualistic: while traditionally individual characteristics determined information processing of possibly same information, in mobile money the term individualistic comes with various considerations. First transactions will never constitute same amounts. Meaning individuals do not access same information and in effect information is user specific. Initiators of the information do not also address the same audience meaning that mass communication does not arise. With this realization then communication in mobile money could be analyzed at two levels:
  - The intrapersonal level- where the custodian of information makes decisions on how to manage the information singly. This could constitute balance enquiries, statement enquiries and simply planning in respect to amounts available in ones virtual account.
  - Mobile mediated Interpersonal level- where the custodian of the information decides to share the information with another person. This could constitute sending money to someone, paying bills, transferring to another person's account among others. Although mobile money is mediated, it is never sent to anonymous or unknown recipients, there is an interpersonal relationship between the receiver and the sender. While Computer mediated communications (CMC) has received wide acceptance in communication studies, mobile money transactions exhibit a distinct trajectory through which audience roles can be analyzed. It is only befitting that Mobile money communications (MMC) be recognized as a distinct form of communication with distinct attributes characteristic of everyday interactions among Africans and how they use media not just as a source of information but instead, manipulate it to fulfill their daily needs such as borrowing money (M-Kopa); sending information to friends (Mobile phone SMS), sharing airtime and data with friends and family (sambaza); paying utility bills and shopping for groceries (Lipa na m-pesa), sending money to relatives (m-pesa), and accessing tips on farming (ICow) and reproductive health (M-Health).
5. Tangibility of information: mobile money constitutes a commodity, once in the virtual account; the information is as good as tangible money.
6. Transformational: information in the virtual account is not merely to empower the user in decision making. It can be useful in transforming one's life. It has the potential to make a purchase and make a difference in the material well being of the user.

Considering therefore that the user has been conferred power to execute transactions in mobile money and in effect manage his life and communication henceforth, passive and active roles of audiences could be revisited and revised and relevant theorization undertaken to conform to the new revelations.

Consequently the fact the power resides with the user; clear institutionalized interventions need to be put in place to ensure that users engage with the products constructively. Among these interventions are financial literacy trainings to educate users on best financial practices, financial management and due diligence in dealing with their virtual accounts. There is also need to design easy to use products, simple operation procedures as the products target both literate and illiterate. The initial gratifications as indicated by use experiences indicate that the mobile money model is ideal for financial inclusion. However the glaring gap of exclusion still persists as products launched load additional costs to the end user as tariffs apply independently for the partnering sectors. Whether Lipa na M-pesa or agency banking, tariffs applied are way beyond transacting at the bank branch; yet targeted populations have limited resources; hence the need to scale affordable products to reach the greater unbanked populations.

While Equity Bank in Kenya is privy to this contradiction and is keen on reducing access tariffs through its Equitel network, fruits of this intervention are yet to be realized as battles touching on security of money and the thin SIM technology remain a stumbling block to uptake and use of the platform. Consequently as the debate persists among the key players there is ultimately need to go back to the drawing board and ascertain whether the thin SIM model is the only alternative as trust is key in mobile money adoptions (Mulwa, 2009).

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