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**THE IMPACT OF FINANCIAL SECTOR INNOVATION ON  
NIGERIA'S ECONOMIC DEVELOPMENT: EVIDENCE  
FROM NIGERIA'S CASHLESS POLICY**

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**Abstract**

*The study x-rays the impact financial sector innovation plays in economic development of a country vis-à-vis the recently introduced cashless policy by the Central Bank of Nigeria. It is well noted that an efficient and modern payment system is positively correlated with economic development and is a key enabler for economic growth. This work derives its instrumentality from Schumpeter's theory of innovation which showcases that the central goal of innovation is to spur higher productivity by enhancing economic growth and development. The introduction of Cashless Policy by the Central Bank of Nigeria is seen as an innovation in the financial sector and as a step in the right direction because a cash based economy spurs social vices such as robbery, election rigging, corruption, destruction of life and property etc Based on the findings of the study it was noted that a cashless economy/society has a positive effect on the Nigerian economy. The study notes that though the policy might have some challenges towards its implementation in Nigeria, but with increased government support, uninterrupted power supply, improved communication link and creation of more awareness will help to achieve this objective.*

**Keywords:** Cashless economy/cashless Society, financial stability and consistent policy development

The process of economic development necessarily entails economic growth, but also requires that qualitative and quantitative changes take place in multiple areas of an economy such as human capital, critical infrastructure, and health etc.(Nweke Jr, 2012).

Innovation which is an economic development process is, a growing economic doctrine that reformulates conventional economic theory so that knowledge, technology, and entrepreneurship are positioned at the center of the model than seen as independent forces that are largely unaffected by policy change. The central goal of innovation should be to spur higher productivity through greater innovation.

An economist believes that what primarily drives economic growth in today's knowledge-based economy is not capital accumulation as claimed by neoclassicalists but innovative capacity spurred by appropriable knowledge and technology externalities. Economic growth in innovation economies is the end-product of knowledge ([www.wikipedia.com](http://www.wikipedia.com)).

Financial sector innovation refers both to technological advances which facilitate access to information, trading and means of payment and to the emergence of new financial instruments and services, new forms of organization and more developed and complete financial market, (Olusegun, 2008).

Today's financial system is the product of centuries of innovation. Siyanbola (2013) opined that today's financial system started as a barter economy and has moved through various incubation periods in response to modern day challenges, evolving in today's world. Hildebrand's theory corroborated this in his work that an economy would develop along three stages of the medium of exchange namely barter, money and credit money. To conduct economic transactions in barter economy high transaction cost were involved, as considerable time and efforts were required, in finding suitable partners. Subsequently money evolved over the centuries to minimize frictions of transaction cost that are involved in mediating exchange. Analysts have equally pointed out that the process led to the development of the very first monetary products. This very first monetary product which is to be regarded as bank note and coins, has aided the development of the monetary system by allowing people to specialize in production based on their strengths and area of their interest. This has equally enabled the monetary authorities to mint currencies in convenient denominations.

The financial system plays fundamental role in the growth and development of an economy particularly by serving as the fulcrum for financial intermediation between the surplus and deficit units in the economy. Thus the financial system is the hub of productive activities as it performs the vital role of financial intermediation, anchors payment services and is the bedrock of monetary policy implementation. The development of the financial system changes in tandem with the development in economy. ([www.cenbank.org](http://www.cenbank.org) 2006/2007).

### **Theoretical Linkage**

The financial sector which is the central nervous system of any economy is important for the development of any nation, (Obinna, 2012). Globally, the relationship between the financial system and economic development remains very critical for any economy to realize its potentials.

Economic development is all about enhancing the productive capacity of an economy by using available resources at its disposal to remove growth impediments which otherwise could lower the level of economic growth and the level of investment in the country. Sanusi (2011) noted that economic development is about enhancing the productive capacity of an economy by using available resources to reduce risk, remove impediments which otherwise could lower cost and hinder investment. The banking system plays the important role of promoting economic growth and development through the process of financial intermediation.

Many economist have acknowledged that the financial system with banks as its major component, provide linkages for the different sectors of the economy and encourage high level of specialization, expertise, economies of scale and conducive

environment for the implementation of various economic policies of government. A well-functioning financial system is able to mobilize household savings, allocate resources efficiently, diversify risk and enhance the flow of liquidity reduce information asymmetry and transaction cost and provides an alternative to raising funds through individual savings and retained earnings, (Obinna, 2012).

The role of finance in economic development is widely acknowledged by economists. Schumpeter (1911) supported this role of finance in economic development in his book: “The Theory of Economic Development “ as he argued that financial intermediation through the banking system played a pivotal role in economic development by affecting the allocation of savings thereby improving productivity, technical change and rate of economic growth. He believed that efficient allocation of savings through identification and funding of entrepreneurs with the best chances of successfully implementing innovative products and production processes are tools to achieve this objective.

Equally, endogenous growth theory holds that investment in human capital, innovation and knowledge are significant contributors to economic growth. The theory also focuses on positive externalities and spillover effects of a knowledge-based economy which will lead to economic development

### **Conceptual Issues**

Professor Nakajima of Japan explained that the evolution of the payment system will never stop. According to him the payment systems are social infrastructures that support all economic activities and the financial markets will always require more sophisticated systems with greater safety and efficiency.

A cash-less economy forms the middle phase of a three-phased economic model of payment systems. Nweke Jr (2012) opined that this essentially means that countries particularly developing ones would transit from a cash-based economic model to a cashless economic model. A cashless economy on the other hand is an economy where the physical cash circulating in the economy is minimized while other forms of payment, especially electronic based payments are utilized. In other words cash-less economy is a combination of the cash-based payment system and electronic payment systems with the latter exceeding the former in terms of utilization.

March (2013) opined that a cashless economy is an environment in which money is spent without being physically carried from one person to the other. Olu-Akiindende (2011) noted that cashless society is one in which physical cash as a transaction medium is reduced to the barest minimum. Substituted in the place of cash would be an electronic payment system in one form or another. Many economies of the

world today are either cashless or are in the process of doing so. For Nigeria the push for a cash economy according to the CBN has become imperative owing to the continued dominance of cash with its implication or cost in terms of cash management to the banking industry and security to the individual customers of various banks.

Ovat (2012) stated that the essence of cashless policy is to shift the economy from a cash-based economy to a cashless one. This policy is geared towards engendering an efficient payment system anchored on electronic based transactions. Electronic based transaction seeks to drive the development and modernization of Nigeria payment system in line with her vision 20:2020 goal of being among the top 20 economies of the world by the year 2020 (Central Bank of Nigeria 2011). An efficient and modern payment system is positively correlated with economic development and is a key enabler for economic growth (CBN 2011). Ovat (2012) equally stated that an efficient and modern payment system is a key enabler and a sine qua-non for driving growth and development. The policy also aims at improving the effectiveness of monetary policy in managing inflation in the economy.

The payment system is a critical component of the economic and financial infrastructure of a country. It has a pivotal role in facilitating the circulation of money in the economy and enabling the conduct of trade, commerce and other economic activities. Electronic payment (e-payment) which offers a more expedient, secure and cost effective means of moving funds over paper-based payment is one of the strategic tools for achieving greater economic efficiency and productivity. (The centre for Payment studies at Visa (2012). One of the cardinal objectives of the cashless policy is to actualize the Nigerian Dream of Vision 20:2020 which is an economic transformation blue print which articulates “the long term intent to launch Nigeria onto a path of sustained social and economic progress and accelerate the emergence of a true prosperous and united Nigeria, (Ovat, 2012). The economic blueprint of Nigeria expresses Nigeria’s intent to improve her standard of living by taking into cognizance the enormous human and material resources in Nigeria and be able to drive the economy to be among the top 20 economies in the world, (Nigeria Vision 20:2020 2009).

### **The Evolution of Payment System**

The payment system plays a very crucial role in any economy being the channel through which financial resources flow from one segment of the economy to the other. Payment system refers to the methods of conducting transactions in the economy. These systems have evolved over centuries alongside the various forms of money. As such this led to the definition of money as “anything that is generally acceptable in payment for goods and services or in repayment of debts”. Desirous of making the policy succeed, the apex bank has introduced a number of financial services

The most outstanding cashless banking channels world over are Mobile banking, internet banking, telephone banking, electronic card, POS terminals, and ATMs. They are all explained below:

### **Mobile Banking**

This involves the use of mobile phone for settlement of financial transactions. This is more or less fund transfer process between customers with immediate availability of funds for the beneficiary. It uses card infrastructure for movement of payment instructions as well as secure SMS messaging for confirmation of receipts to the beneficiary. It is very popular and exciting to the customers given the low infrastructure requirements and a rapidly increasing mobile phone penetration in the country. Services covered by this product include account enquiry; funds transfer; recharge phones; changing password and bill payments. Although the product is exciting most customers are yet to fully buy into it in Nigeria hence both the apex bank and other banks still have a lot to do in terms of increasing awareness of the product to the saving populace in the country.

### **Internet Banking**

This involves conducting banking transactions on the internet (www) using electronic tools such as the computer without visiting the banking hall. E-commerce is greatly facilitated by internet banking and is mostly used to effect payment. Internet banking, like mobile banking, also uses the electronic card infrastructure for executing payment instructions and final settlement of goods and services over the internet between the merchants and the customers. Commonly used internet banking transactions in Nigeria are settlement of commercial bills and purchase of air tickets through the websites of the merchants. Level of awareness of the advantages of this product to the saving populace is still very low, hence there is every room for improvement if cashless banking would be effective as expected.

### **Telephone Banking**

Here the customer can assess their accounts using telephone lines as a link to the financial institution's computer centre. Services rendered here include account balance transfer; change of pin, status enquiry statement of account etc. This product has also experienced low patronage due to inadequate awareness and education of the customer on how to maximally use their phone to transact simple banking operations.

### **Electronic Card**

This is a physical plastic card that uniquely identifies the holder while using it in transacting business on the internet, automated teller machine (ATM) and point of sales (PoS) terminals. Carow, and Staten, (2000). This includes debit and credit cards, debit cards are linked to local bank accounts and offer immediate confirmation of

payment while credit card can be used for assessing local and international networks. As credit cards are widely accepted in most countries, the underlying infrastructures and operational rules are often provided by global trust scheme (such as visa and master card) in addition to local lines. Debit cards are the dominant cards in Nigeria, they are also known as ATM cards and their usage is wider than POS transaction given the current limited deployment of POS terminals.

### **Point of Sale (POS)/Point of Purchase (POP) Terminals**

POS or POP is the location where a transaction occurs. A terminal POS or POP is generally referred to the hardware and software used for check out, the equivalent of an electronic cash register. A POS manages the selling process by a salesperson is accessible interface. The system allows the creation and printing of receipts.

### **Automated Teller Machines**

This is a computerized device that provides the customers of a financial institution with access to financial transactions in a public place without a need for assistance from bank teller or any official. It is the commonest form of electronic banking which has gained popularity among the people including unlettered customers.

### **Assessment of E-banking**

The advent of e-banking has stimulated globalization in banking activities as services are now provided using the infrastructure of global village. Most e-banking applications use the internet to gain the advantage of online banking by providing convenient and flexible services to customers at reasonable cost, (Daniel, Swartz, and Fermar, 2004). Online banking allows customers to get current account balances at any time. Customers do not need to wonder whether a cheque is cleared or deposit has been posted, at the click of a button customer can easily check the status of their current, savings and money market accounts, through online banking. Online banking gives the ability to pay bills electronically, customers can also download account transactions online, it is also easy to import the transactions directly into typical PC at home or the office. In summary customer can access his account from anywhere in the world.

### **Policy Implication**

The Nigerian economy is a cash-oriented economy with retail and commercial payments primarily made in cash in terms of transaction of goods and services. This is not in line with global trend considering Nigeria's ambition to be among the top 20 economies of the World in the year 2020 (CBN 2012). Cash is indeed a major economic driver and equally a strong motivator of Nigeria economic activities both in the formal and informal sector of the economy. Payment system is the key driver of cost distribution in the industry and accounts for 60% of the industry cost base. Cash

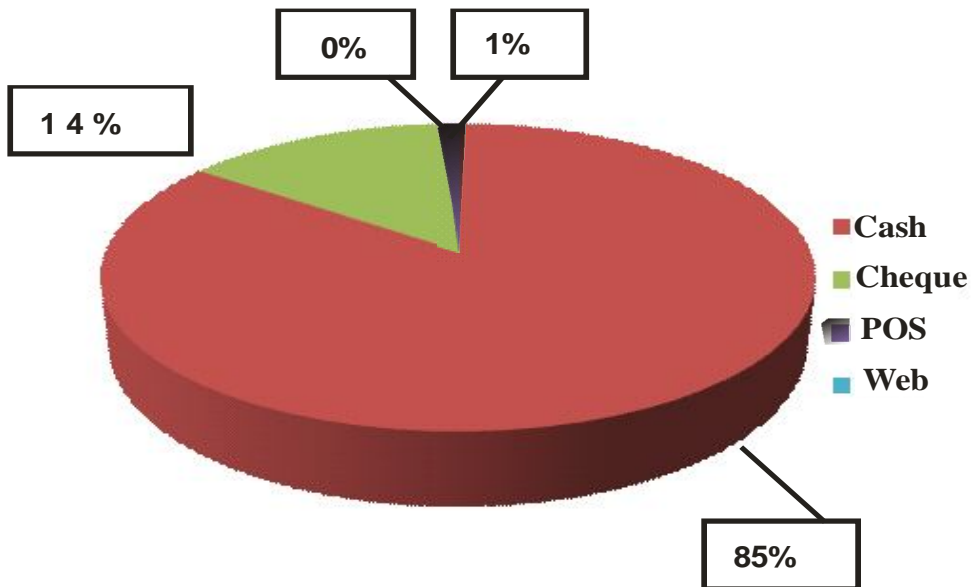
management constitutes almost 80% of bank infrastructure and staff, therefore driving up the cost of banking service (CBN, 2011).

The Central Bank of Nigeria in 2012 noted that cash related transactions represent over 99% of customer activity in Nigeria as at December 2011. On the average, 30% of each bank branch physical space and employees are deployed to cash logistics handling and storage.

Cash transactions in Nigeria represent over ninety –nine percent of customer activities in Nigerian banks today, see the table below:

**Table 1: Payment Channels in Nigeria in 2011(Source CBN)**

Payment Channel	Transaction Volume
ATM WITHDRAWALS	109,592, 646
OTC CASH WITHDRAWALS	72,499,812
CHEQUES	29,159,960
POS	1,059,069
WEB	2,703,516





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From table 1, it is crystal clear that Nigeria is a cash-based economy. Cash withdrawals from both the ATM and over the counter (OTC) represent the highest volume of transactions amounting to 85 per cent (see figure 1). Cheques and POS have about 29,159,960 and 1,059,069 volume of transaction representing 14 per cent and 1 per cent respectively which is an insignificant or negligible transaction volume, while the WEB channel accounts for zero per cent of transaction volume.

**DIRECT COST\* OF CASH TO FINANCIAL SYSTEM (2009)**

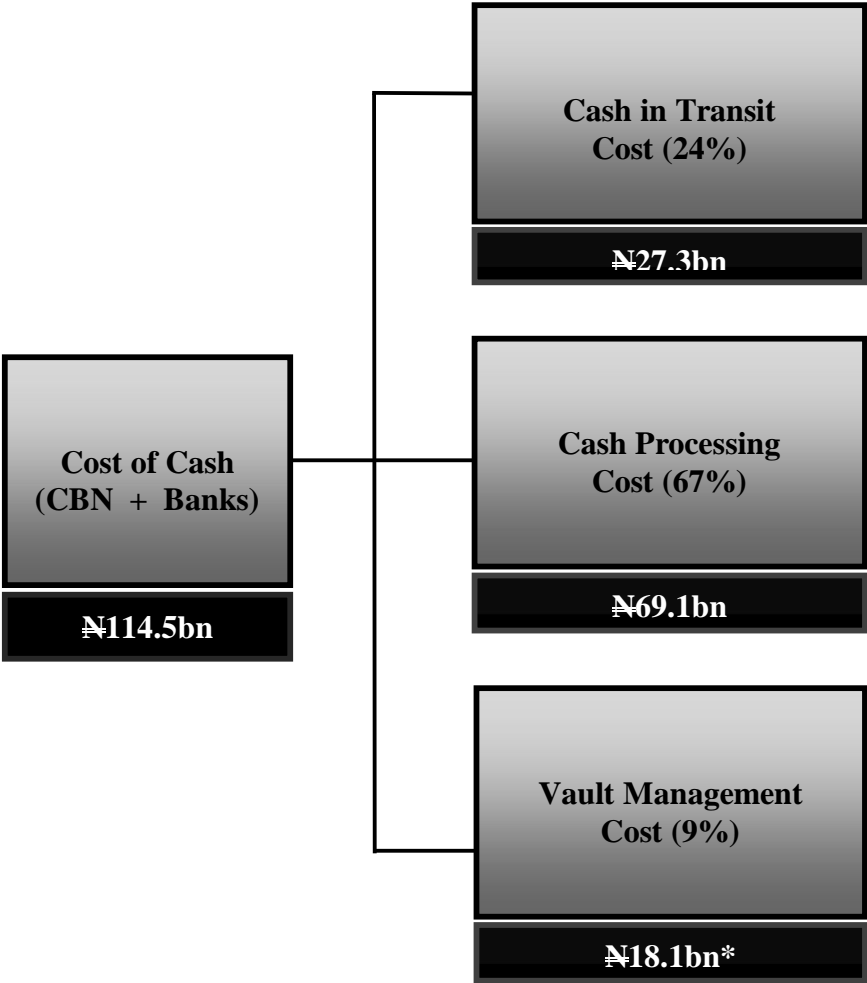
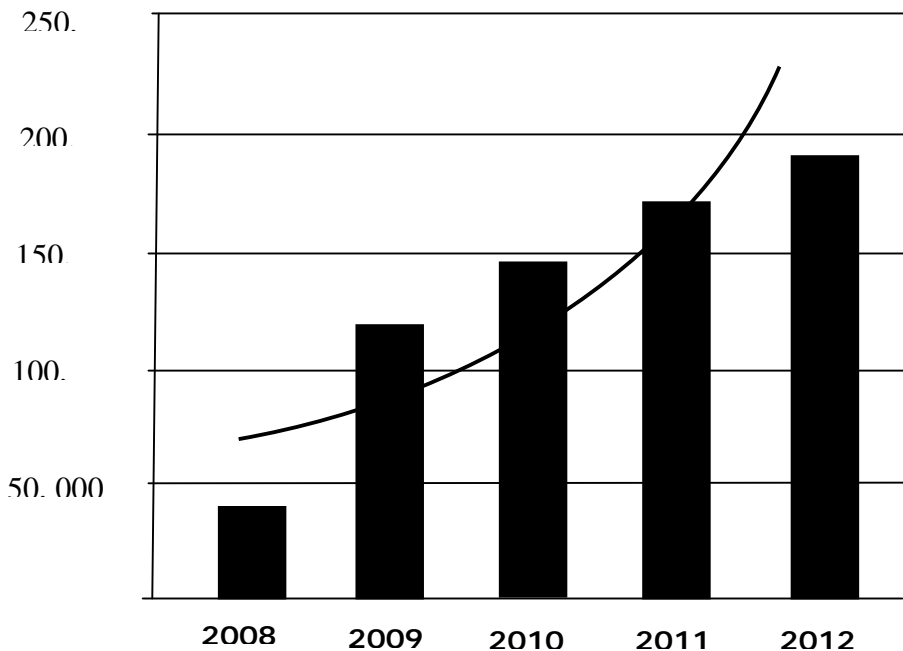


Figure 2: Source: Cost of Cash to Nigeria’s Financial System (CBN 2012)

Figure 2: Presents the direct cost of cash management to the Nigerian financial system which stood at ₦50 billion in 2008 it rose to ₦114.5 billion in 2009 and ballooned to nearly 192 billion by 2012 the figures indicate that cash in transit cost and cash processing cost stood at ₦27.3 billion and ₦69.1 billion representing 24 percent and 67 percent respectively while vault management cost amounted to ₦18.1 billion representing 9 percent of the total direct cost of cash to the financial system. The value of currency in circulation (CIC) as at December, 2010 the total currency in circulation value stood at ₦1.378 million.

The CBN noted that about 65% of the cash in circulation are outside of the banking system, this development severely impede the effort of the CBN towards price stabilization. Cash-based economies impose tremendous cost to the banking system, government and individuals. High cash usage results in high cost of processing fees that is borne of everybody across the value chain (i.e. from the CBN to banks, to the operating entities and individuals). As the volume of cash in circulation (CIC) grows so does the cost of cash management to the financial system. Payment system is the key driver of distribution cost which account for almost 60% of the industry cost base. Cost of cash to Nigerians financial system is high and increasing. Infact direct cost of cash handling is estimated to reach ₦192 billion in 2012 (CBN, 2012).



A Five (5) Year Projection of the Direct Cost of Cash to the Financial System in Nigeria

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CUSTOMER CLASS	CASH VOLUMES	COST TO BANKS
Large	₦ 9,767,579,407.00	₦ 57,534,976.57
Medium	₦ 995,757,550.00	₦ 2,805,833.3
Small	₦ 217,542,185.00	₦ 1,893,276.73

Source: Logistics and Cost of cash handling of banks in some locations (CBN Sept. 2010)

The table reveals that in 2010 alone it cost the economy the sum of ₦ 57,534,976.57 for withdrawal of ₦ 9,767,579,407.00 in-terms of large volume withdrawal. For medium cash withdrawal it cost the economy ₦ 2,805,833.3 for ₦ 995,757,550.00 and for small withdrawal it cost ₦ 1,893,276.73 for withdrawal of ₦ 217,542,185.00.

Market Share in the E-Payment Market in 2008-2011								
E-PAYMENT SEGMENT	VOLUME (MILLION)				VALUE (N BILLION)			
	2008	2009	2010	2011	2008	2009	2010	2011
ATM	60.1	109.6	186.2	347.6	399.7	548.6	954.0	1561.8
% OF TOTAL	91.1	95.7	95.1	97.9	99.5	85.0	88.9	93.4
WEB (INTERNET)	1.6	2.7	7.2	3.6	25.1	84.2	99.5	58.0
% OF TOTAL	2.4	2.3	3.7	1.0	5.7	13.1	9.3	3.5
POS	1.2	0.9	1.1	2.1	16.1	11.0	12.7	31.0
% OF TOTAL	1.8	0.8	0.6	0.6	3.7	1.7	1.2	1.9
MOBILE	3.2	1.8	1.2	1.9	0.7	1.3	6.7	20.5
% OF TOTAL	4.8	1.6	0.6	0.5	0.1	0.2	0.6	1.2
TOTAL	66.1	115.0	195.7	355.2	441.6	645.1	1072.9	1671.4

Source: CBN 2011 Annual Report

The table above shows that the volume and value of electronic card (e-card) transactions increased significantly from 195,525,568 and N1,072.9 billion in 2010 to 355,252,401 and N1,671.4 billion, reflecting an increase of 81.5 and 55.8 per cent, respectively. The increase was attributed to enhanced public confidence in electronic card payments. Data on various e-payment channels for the period under review indicated that ATMs remained the most patronized, accounting for 97.8 per cent, followed by web payments, 1.0 per cent, Point-of-Sale (POS) terminals, and mobile payments, 0.6 per cent each. Similarly, in value terms, ATMs accounted for 93.4 per cent, web 3.5 per cent, POS 1.9 per cent and mobile payments, 1.2 per cent. The number of ATMs stood at 9,640, while the volume and value of transactions amounted to 347,569,999 and N1,561.75 billion, at end-December 2011, respectively. These figures reflected increases of 86.7 and 63.7 per cent respectively over the volume and value of 186,153,142 and N954.04 billion, at end-December.

The Nigeria Security Printing and Minting Company (NSPMC) has affirmed that cashless policy of the central bank would reduce the amount of naira being printed by the apex bank. The (NSPMS) noted that the CBN on the average spend about three billion (3b) notes annually. The report of Nigerian Bankers Committee noted that on the average 30% of branch physical space and employees is devoted to cash logistics handling and storage. The study also showed that only 10% of customers were responsible for cash transaction above 150,000 in banks. This implies that the cost of cash for the 10% of customers that make high volume cash transactions was subsidized by the mass public (90%) of banking customers. Cash management constitutes almost 80% of bank infrastructure and staff (CBN, 2012) this development drives up the cost of banking services

### **Benefits of the Cashless Policy**

According to the CBN the cashless policy aims at reducing not eliminating the amount of physical cash in circulation in the economy and encourages more electronic-based transaction.

The CBN noted that a variety of benefits are expected to be derived by various stakeholders from an increased utilization of e-payment system. These include:

1. To drive development and modernization of our payment system in line with Nigeria's Vision 2020 goal of being among the top 20 economies of the world by the year 2020.
2. Firmer grip on monetary policy and its attendant effect on inflation and economic stability.
3. Cashless policy introduction will lead to increased/transparent tax revenue collection.

- 4. This development will enhance greater financial inclusion to members of the rural areas majority of them are unbanked.
- 5. Cashless policy introduction will enhance increased economic development in every aspect of the national life.

**For Corporations**

- 6. This will lead to faster access to capital, reduce revenue leakages we currently experience and the cost of cash handling.

**For Consumers**

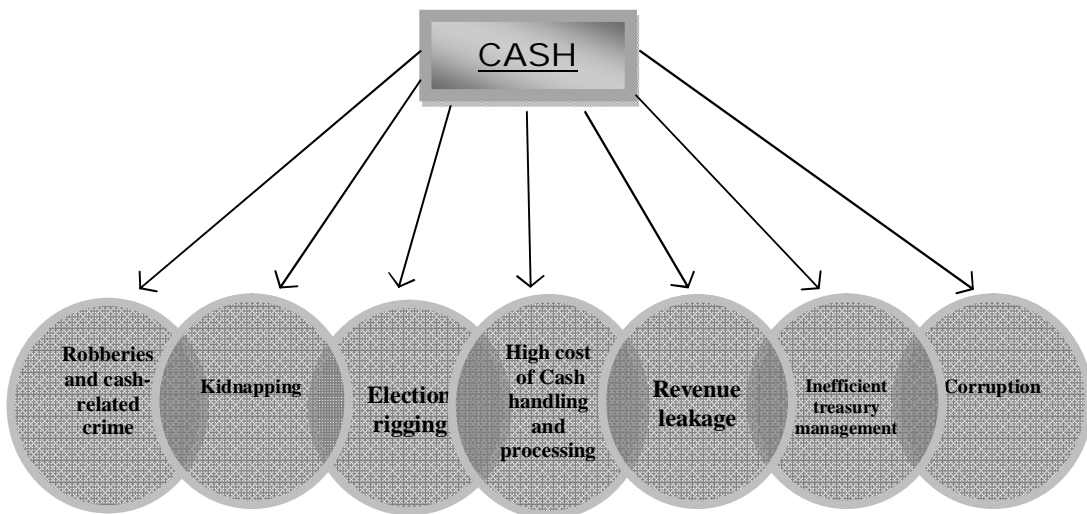
- 7. This will increase the level of convenience of the consumer in terms of access to banking. The risk of cash movement will be reduced to the barest minimum.

**For Banks**

- 8. Efficiency through electronic payment processing. This will reduce the cost of banking operations, equally it will enhance increased banking penetrations in the rural areas where banking operation are not in existence.

**Consequences of Heavy Cash Usage**

Cash is an integral element that fuels several vices in Nigeria, alternative payment channels will have considerable positive consequences on the economy



1. Robberies and cash related crimes. In Nigeria heavy cash movement leads to loss of lives as a result of accident, fire and armed robbery incidents and most times affect manpower development in the country.
2. Equally a cash based economy like Nigeria is prone to revenue leakages arising from inefficient treasury management system.
3. Kidnapping and terror problem we are currently facing in the country are as a result of cash-based economic system we are currently running in the country, and one of the greatest challenge is to determine how these people are funded
4. Revenue Leakages: aside from rendering monetary policy ineffective, a cash-based economy encourages many other vices such as corruption, election rigging, revenue leakages in the public sector.

The Economic and Financial Crimes Commission (EFCC) blamed the nation's vulnerability to fraud, terrorism and crime on its operation of a cash-based economy. They noted that the ease of cash flow occasioned by the cash-based economy made the nation so vulnerable, because of the cash-based economy it was operating making it very difficult to track money as people carried huge sums of money in cash and did whatever business they liked without being tracked. They noted that if huge transactions were made to go through the financial institutions, they could be easily tracked, (Obidike, 2012).

### **Challenges of Electronic Payments**

The financial sector, which is the central nervous system of any economy is important for the development of any nation. Odior and Banuso (2012) noted that the relationship between the financial system development and economic development remains very crucial for any economy to realize its potentials. The banking system functions more efficiently and effectively when there is a robust and efficient payment system infrastructure. As the Central Bank of Nigeria prepares Nigerians for a rough transition into a cashless economy there are a couple of concerns about the feasibility of the policy in Nigeria. Though the policy is a noble one, there are a number of challenges which are inherent. Electronic payment despite its numerous benefits come with its own challenges even in the developed world. The authors will look at the general challenges and later on focus on specific challenges facing developing economies especially Africa. The identified challenges as revealed by previous research works are Security, Infrastructure, Regulatory and Legal issues, and Socio-Cultural challenges.

1. **Infrastructure Deficit:** Nigeria as compared to the rest of the world in terms of payment system is still in the wild woods. The financial infrastructure in Nigeria is

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2. **Prevalence of Fraud:** Prevalence of fraud in Nigeria is usually associated with cases of internet scam and this will only increase as we enter into the era of e-payment.
3. **Literacy Level:** Those who frowned at the policy argued that the literacy level in the country is still low as expected. While some of the populace who are literate do not know how to use the e-payment facility channels.
4. **Availability of Real Data:** Proper and accurate information/identification of account holders information must be maintained and where necessary shared by all financial institutions.
5. **Power Supply:** Erratic power supply is the greatest problem confronting every sector of the Nigerian economy and non-availability of cash in the ATM.
6. **Lack of proper information dissemination:** this is another issue because Nigerians do not have a robust system for managing their information.
7. **Political and Economic Instabilities:** Political instabilities inevitably disturb smooth operation of business and free flow of goods.
8. **Negative public perception and apathy:** this stems from a lack of understanding of cash-less policy among both the banked and unbanked.
9. **High e-banking charges:** as long as e-payment products remain expensive to own, acquire or use, the success of the policy will be greatly undermined

### **Recommendations**

1. Presently, Nigeria occupies an unenviable position among countries in Africa with the largest number of people with no access to financial services. Although the Central Bank Of Nigeria (CBN) in its recent exposure draft on financial inclusion strategy put the number of adults in the country excluded from financial services as at 46.3 percent the apex bank noted that the new policy will bring in about 50 million new more Nigerians into the banking system. ThisDay live Wednesday 16 October 2013
2. **Integrity:** The Central bank of Nigeria (CBN) should ensure validity of information in accordance with business values and expectations. integrity of payment systems means that no money is taken from a user unless a payment is authorized by him

3. Confidentiality: The Central bank of Nigeria (CBN) should ensure the protection of sensitive or private information from unauthorized disclosure
4. Introduction of a National Identity Management System (NIMS) that will ensure availability of data of all Nigerians registered with a unique identification number that will be linked to individual accounts, voters card etc. this will avail a robust data bank that every bank can use. Thus, proper and accurate identification of account holders must be maintained and shared by all financial institutions. The present collaboration on biometric registration between the National Identity Management Commission (NIMC) and CBN is in the right direction.
5. The CBN cashless policy is designed to break the traditional barriers hindering financial inclusion for millions of Nigerians and bring low-cost, secure and convenient financial services to urban, semi-urban and rural areas across the country especially through the mobile payment services
6. Cash-less policy from the regulatory angle will create an environment for more effective monetary policy implementation, create a more stable pricing system and curb the menace of inflation which is deterrent to the growth and development of our economy.
7. Cash-less policy of the CBN if well implemented will help achieve the CBN's objective of expanding, deepening and modernizing the payment system in Nigeria and also galvanize the CBN in ensuring that Nigeria ranks among the top 20 economies of the world in line with the nations vision 2020 aspiration
8. To ensure an effective cashless economic policy, the regulatory agency, the Central Bank of Nigeria (CBN) should spearhead the passing into law security compliance and liability bill that will force every electronic payment stakeholder to become compliant and to accept responsibility in the event of any financial loss to a business or a consumer as a result of lack of security compliance. The legislative bill should equally spell out who should pay who in the event of security liability. Also penalties should be clearly spelt out for would-be-criminals and fraudsters using long jail term sentences to discourage potential financial criminals. CBN should also educate the users (consumers) and the other stakeholders on the need to be security compliant.
9. The development of innovative system of banking through the introduction of cashless banking has the potential of transforming the economic activity and achieving developmental goals.



10. The migration of our payment system towards a cashless society would require to create a mass media campaign that captivates and delivers a message that will help change the psyche of the reader, viewer, listener depending on the channel used
11. Consumer protection issues should revolve around infrastructure, interconnectivity investment, trade and liberalization among others. Dispute resolution mechanism must therefore be put in place to assuage the concerns of e-consumers. These may range from official to non-official approaches including regulation adjudication, court adjudication, and alternative dispute resolution. Okoye and Ezejiofor (2013)
12. The issue of security has been mentioned in passing. The issue is very serious, with Nigeria being described as the hub of internet scam. Thus security concerns on the web being the platform of cashless policy are massive, Nigeria is replete with cases of internet scam and this will only increase as we enter the era of e-payment if the issue of security is not comprehensively addressed

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