EFFECTS OF POINT OF SALE (POS) ON THE LEVEL OF PATRONAGE AND PRODUCTIVITY AMONG SMALL AND MEDIUM ENTERPRISES (SMEs) IN ADO-EKITI

BY

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CERTIFICATION

This is to certify that this project entitled, ''Effects of Point of Sale (POS) on the Level of **Patronage** and Productivity among Small and Medium Enterprises (SMEs) in Ado Ekiti'' **Ekiti** State was carried out by **Bamikole Justinah Tinuola** with the Matriculation No: **SOC/13/1289**. The study meets the regulation governing the award of Bachelor Degree in **Sociology** of the Federal University, Oye- Ekiti, Ekiti State.
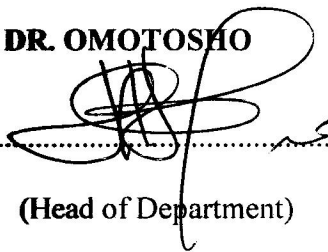

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DEDICATION

This project is dedicated to the Almighty God, who spares my life and grant me success. Also to my loving parents and wonderful siblings.

ACKNOWLEDGEMENT

this project. I cannot thank you enough. May Almighty God continue to strengthen, uphold, guide, protect and bless you all in Jesus name Amen.

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ABSTRACT

This project investigates the Effects of Point of Sale (POS) on level of patronage and productivity among small and medium enterprises (SMEs) in Ado Ekiti, Ekiti State. It also examines the rate of Point of Sale usage among small and medium enterprises (SMEs) of Ado Ekiti, explore the level of knowledge of Point of Sale, and assess the level of customer's patronage with POS use. It examines the differences between the rates at which sales increase when using POS and when not using it and explore organizational and customer's satisfaction on the use of POS in Ado Ekiti. It finally investigates those challenges in the use of POS among small and medium enterprises (SMEs) of Ado Ekiti.

This qualitative study, explore or use In- Depth interview with 20 sample size. It was ensured that the small and medium enterprises that use POS in Ado Ekiti were those interviewed. A snowball technique was used to select the small and medium enterprises that use POS in which cluster around Adebayo, Old Garage, Fayose Market and Ajilosun in Ado Ekiti.

Based on the findings, Point of Sale (POS) is part of the cash-less policy introduced by the Central Bank of Nigeria in 2011. It increases sales so far those who own it know how to operate it. Among the entire electronic payment instruments, POS usage is rated low and few enterprises do not use it because of some factors like the bank charges deducted at every transaction made on POS, low mentality, not properly aware of its benefits and functions, the location of their shops and so on.

It has been seen that it contributes to the economy of Ado Ekiti and Nigeria at large because through it increases sales and there are also taxes paid. One paramount issue with the device is that of network, sometimes, the network delays transactions. In conclusion, the adoption and usage of POS increases sales and productivity, as the device is been adopted there is the need for the use of the device. Nigeria is moving fast to a cashless Sate through the use of electronic payment instruments like ATM, web transactions, internet banking, POS and so on. The adoption and use of POS cannot be neglected with the focus of cash-less society, this also improve the economy of the country since the cost of cash management is moving fast because of the rises in frequent printing of currency notes, cash movement, keeping large amount of cash and so on. There is the need for awareness of Point of Sale and other electronic payment instruments if truly we aim at cash-less society.

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

As the world moves further and faster into a thriving technological age, so also business conducts have changed from cash transaction to electronic way of transaction. Electronic payment system is referred to as the electronic means of making payments for goods and services which can be done online or in supermarkets and shopping malls. This form of payment enables shopping malls, small and medium enterprises (SMEs) to process transactions without fear. To reduce excess cash flow in the economy brought about the introduction of Point of Sale (POS) systems.

Points of Sale (POS) systems, being one of the electronic means of payment is fast becoming the technology of choice. POS refers to the physical, hardware and software components of retail checkout lines and cash registers. It is a device that helps customers pay for goods or services rendered for them through electronic payment (Amad, 2012).

In recent time, businesses are adopting POS system at higher rate. Some retailers refer to their POS system as retail management system, to them, POS is no longer just about processing sales but comes with other capabilities such as inventory management, supplier record, book keeping and so on. Point of sale has high and consistent operating speed, reliability ease of use, low cost and rich functionality. The use of point of sale is not only limited to retails, wholesale and hospitality industries but can also be used in goods and property, equipment repair shops, healthcare management and many other operations where capabilities such as processing monetary transactions, keeping records and so on are done.

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Despite the fact that there is advancement in electronic payment, Point of Sale systems are not widely used. The usage of Point of Sale was estimated to be 0.49% in 2012 while other electronic payment machine usages were rated higher (CBN, 2012). To reduce the rate at which people carry money from one place to another and also to reduce its risk, electronic payment systems such as payment cards and paper- based instrument were introduced by the Central Bank of Nigeria (CBN), which encourage e-payment initiatives such as the establishment of switching companies that facilitate interconnectivity, introduction of payment instruments such as Automated Teller Machine (ATM), web- transaction, e- money product and Point of Sale (POS) which brought about significant growth in the use of electronic payments systems (Salimon,).

In the year 2007, Nigeria's payment system evolved from being cash-heavy to a combination of cash and some electronic instruments mainly Automated Teller Machine (ATM). Within the subsequent years, Nigeria embarked on different monetary policies so as to increase the use of electronic channels to achieve a cash-light society with efficient payment systems (Adeoti, 2013). To achieve this set goal, the Central Bank of Nigeria release a cash-less policy in 2011 to develop Nigeria payment system so as to reduce the cost of banking, ensure that cash-based transactions are kept to the barest minimum, increase economic growth and also to improve the effectiveness of monetary policy (Funmilayo & Oluwatobi, 2015). Between 2012 and 2014, the volume of transaction conducted through Point of Sale as one of the electronic payment systems initiated from the cash-less policy increased rapidly and leading to significant adoption and usage of Point of Sale.

It is against this background that this study examines the influence of POS on level of patronage and its use on productivity among small and medium enterprises (SMEs) in Ado Ekiti. How does Point of Sale system affect sales, patronage and productivity? What brings about low usage in Point of Sale system? These among other questions were examined in this research.

1.2 Statement of the Problem

Nigeria payment system is cash driven because the mode of payment is cash. There is risk in cash based transaction and it is found to be unhealthy for any economy. The Central Bank of Nigeria introduced cash-less policy in 2011 so as to bring cash-based transactions to the barest minimum. It was carried out in Lagos State which commenced in January 2012. In March 2012, the Central Bank of Nigeria introduced some services charges on cash transactions to prevent customers from cash-based transactions. This policy was introduced to six States of the Federation and later the remaining thirty States on the first of July, 2014 (Funmilayo & Oluwatobi, 2015).

The risk in cash based transaction and it unhealthiness for the economy bring some initiatives; these initiatives are mainly to reduce the volume of cash in circulation and reduce the risk of going about with cash. Several electronic payment systems such as payment cards (smart card) and paper- based instrument were introduced by financial regulatory body in Nigeria. This has encouraged e- payment initiatives such as the establishment of switching companies that facilitate interconnectivity, introduction of payment instruments such as Automated Teller Machine (ATM), web transaction, e- money products such as credit and debit cards and Point of Sale (POS) (Salimon, 2006). It has been shown that many who purchase goods and services in large quantities and pay for the goods and services using cash result in inefficiency, corruption,

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informal economy and high risk of using cash. Many do not adequately learn POS system and as a result of this experience decrease in sales. Adeoti & Oshotimehin (2011) reported that there is increase in e-payment instruments in Nigeria but the rate of adoption and use of POS is low compared to the rest e-payment systems.

POS option is yet to gain popularity among Nigerians, with challenges like poor network service, as businessmen who have keyed into the usage of POS are complaining of poor sales as a result of their inability to sell card holders. It has been revealed that 3.1 percent of consumers cited POS as their preferred payment option, attesting to the low usage of POS. Some individuals who use Point of Sale machine have concluded that network issue hinders sales and customers are advised to use their ATM in the nearby bank to withdraw and network sometimes may hinder the dispensing of cash especially after a heavy rainfall. Telecommunications network connectivity continues to mar the progress in point of sale (POS) adoption in Nigeria; customers sometimes are debited without the fund getting to the e-commerce platform. Some Point of Sale systems have been abandoned because the services to them have stopped (Temiloluwa, 2015).

Some of the things that lowers the adoption of POS among many other e-payment systems in Nigeria include low level of awareness of the benefit of using POS, low internet penetration, network failure, security of communication over the network, lack of adequate infrastructure among others brought about the low usage of POS (NIBSS, 2015; Adeoti, 2013; Ayo & Babajide, 2006).

It has been found that in spite of having POS terminals and avenue to electronic funds transfer, most retailers still accept cash above POS. One of the reasons being that there are

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always delays associated with access to funds after sales from POS have been made (NIBSS, 2012).

Furthermore, while there are studies on e-payment system such as ATM, internet banking and so on. There has been scarcity of literature on POS especially effects of POS on the level of patronage of customers and productivity, and empirical studies on the effect of electronic payment instruments are foreign researches conducted in advanced countries. The level of knowledge on Point of Sale and level of customer's patronage with POS use have not been explore and assess, there is the need to explore level of knowledge on Point of Sale which can greatly increase the level of adoption of the device and the need to assess customer's patronage th POS which can encourage small and medium enterprises (SMEs) to adopt and use the device. Most researches on POS are based on its adoption, challenges, and customer's satisfaction and so on. This calls for the study effects of Point of Sale (POS) on the level of patronage and productivity among small and medium enterprises in Ado Ekiti.

To reduce the level at which money disappeared in James Ritty's shop, he developed cash register (Ander, 2014). There has been a large volume of currency in circulation, to reduce this; Point of Sale terminals were introduced for financial transactions (Olugbade & Osotimehin, 2012).

1.3 Research Questions

This study would be providing answers to the following research questions;

i. What is the prevalent rate of adoption of Point of Sale use among small and medium enterprises (SMEs) in Ado Ekiti?

ii. To what extent did Nigerians know or have the knowledge of Point of Sale?

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iii. What is the level of increase in sales and patronage when using POS and when not using it?

iv. What is the effect of POS use on productivity?

v. What are the challenges of Point of Sale use among small and medium enterprises (SMEs)?

1.4 Objectives of the Study

The general objective of this study is to investigate the effects of Point of Sale on level of patronage and productivity among small and medium enterprises (SMEs) in Ado Ekiti. To arrive at the above purpose, the following specific objectives are to:

i. Examine the rate of Point of Sale usage among small and medium enterprises (SMEs) of Ado Ekiti;

ii. Explore the level of knowledge and level of customer's patronage with the use of POS;

iii. Examine the differences between the rates at which sales increases before and after the use POS and organizational and customer's satisfaction on the use of POS in Ado Ekiti;

iv. Investigate those challenges in the use of POS among small and medium enterprises (SMEs) of Ado Ekiti; and

v. Assess other factors that can lead to the increase and decrease in sales at small and medium enterprises (SMEs).

1.5 Significance of the Study

The effectiveness and the efficiency of payment systems cannot be overemphasized in countries that aim at development. Payment systems are to be monitored and promoted by monetary authorities such as Central Bank of Nigeria because of the need for development of

national economy. However, Nigerian payment systems are cash-driven; this means the mode of payment is cash. Most of the citizens keep cash at home which open them to security risks. This situation is also found in most developing countries in Africa as the society still depend on physical cash for monetary transactions which result in heavy cash-based economy. Cash-based economy is risky and dangerous for any country economy. Some of the challenges of cash based economy are robbery; cash based related crime, inefficient treasury management due to the nature of cash processing, emergence of corrupt practices and so on. Cash as a means of payment is expensive for Nigerian government, there is the need to reduce the volume of cash in circulation and encourage the use of non cash payment means through electronic system of payment.

The Central Bank of Nigeria introduced cash-less policy in 2011 in order to reduce cash-based transaction. Several electronic payment instruments were introduced such as Automated Teller Machine (ATM), web transaction, Point of Sale (POS) and so on. Despite the fact that there is an increase in the rate of adoption of electronic payment instrument in Nigeria, the rate at which Point of Sale is been use cannot be compared to the rest of electronic payment instruments like Automated Teller Machine (ATM), web transaction, electronic money products such as credit and debit cards, internet banking and so on. With the use of Point of Sale, the large volume of currency in circulation can be reduced. Apart from the increase in sales that the use of Point of Sale can bring, its usage brings about the achievement of the objectives of cashless economy among which is to reduce the volume of money in circulation. This research is to educate entrepreneurs in the informal sector on the importance of the necessity for the adoption and use of Point of Sale which is part of the cashless policy introduced by the CBN in 2011. This is

working towards cash-less society and the benefit it is capable of offering, most especially, for those involve in buying and selling of goods and offering of services.

Point of Sale operate speedily, it is reliable with low cost. It does not only save cash but also analyze information of purchases made each day as well as manage transaction and revenue. There are different factors that can lead to increase of sales. For the technological era we are in, Point of Sale can be said to be part of the technology that hasten the rate at which sales increase. Point of Sale cannot be overemphasized in this technological era, as things are changing and the whole world has turned to a global village through globalization. This will aid policy making by the CBN positively with the focus of a cash-less society and also improve the economy of Ado Ekiti as entrepreneurs knows the benefit of Point of Sale thereby adopting and using it. This brings about the study of effects of POS on productivity and level of customer's patronage in small and medium enterprises using Ado Ekiti as the study area.

1.6 Operational definition of Concepts

POS: This is an acronym that refers to Point of Sale; it is a system that allows a customer to pay for goods or services rendered. It is a point of service because transactions are made. It is one of the modern electronic payment systems introduced by the Central Bank of Nigeria so as to reduce the volume of money in circulation.

SALES: Sales are transactions between two parties where the buyer receives goods which can be tangible or intangible as well as services in exchange for money.

ELECRONIC PAYMENT: Electronic Payment is a financial exchange that is done through an electronic medium without the use of cheque or cash. Furthermore, it is an electronic means of

making payments for goods and services procured online or in supermarket and shopping malls. **It is for effective** transactions which reduce the volume of money in circulation.

CBN: This is an acronym that refers to Central Bank of Nigeria. It was established in the year 1958 and commenced operations on the 1st of July 1959. It is the monetary authority of Nigeria. **They provide** stable framework for the economic development of Nigeria through the effective, **efficient and** transparent implementation of monetary and exchange rate policy and management **of the financial** sector. This body introduced a cashless policy in 2011 so as to keep cash based **transactions to** the barest minimum.

ATM: This is an acronym which means Automated Teller Machine. It is one of the modern electronic payment systems alongside Point of Sale. It was introduced by the Central Bank of Nigeria. It allows for complete basic transactions without the aid of teller

ELECTRONIC TRANSACTION: This is an act of buying or selling of goods and rendering of services, whether between businesses, households, individuals, governments, and other public or private organizations. It is conducted over computer-mediated networks. The goods and services are ordered over those networks, but the payment and the ultimate delivery of the good or service may be conducted online or offline.

CHAPTER TWO

LITRATURE REVIEW

In the course of this research, previous works that are related to this study will be examined to further develop this topic. Several works has been done on Point of Sale, especially on the adoption of Point of Sale, challenges to the use of Point of Sale, factors affecting the adoption of Point of Sale, how Point of Sale systems help retail stores, the effects of POS implementation and retail technology on sales and profitability, significance of Point of Sale financing in retail and so on.

Nigeria payment system is cash- driven mainly because of the use of cash for mode of payment; Central Bank of Nigeria (CBN) introduces cash-less policy in 2011 which help the payment system of Nigerians. The electronic payment instruments include internet banking, mobile banking, mobile money, Automated Teller Machine (ATM), web transaction, Point of Sale (POS), electronic money products such as credit, debit, direct cards and so on. Among the several electronic payment instruments in Nigeria, Point of Sale (POS) is not highly use compared to other electronic payment instruments. Retailers are now adopting POS in their shops but cannot still be compared to other payment systems. The use of all these electronic payment systems is to reduce the volume of money in circulation and to reduce the risk of carrying money around. Point of Sale among the various payment instruments is the exact point in a transaction when goods or services are provided to the customer and payment is rendered for those product and services. Though it vary (POS) specifically from one situation to another, the final outcome is always the same (Malcolm, 2010).

Point of Sale (POS) device mainly refers to the in-store systems where customers pay retail operator for goods and services rendered. It is an electronic device capable of processing credit or debit cards issued by banks (Akintola, Akinyede & Agbonifo 2011). These devices are adopted and used at commercial outlets where cards serve as a means of payment for goods or services. A Point of Sale (POS) terminal is a computerized replacement for a cash register. It is much more complex than the cash registers of few years ago; the POS system can include the ability to record and track customer orders, process credit and debit cards, connect to other systems in a network, and manage record.

Increasingly, POS terminals are also Web-enabled, which makes remote training, and operation possible, as well as inventory tracking across geographically-dispersed locations. While some POS transactions are in the form of cash, many of these payments are made by customers swiping their cards through a card reader. These card readers may be stand-alone devices but modern POS systems, especially those in larger retailers, are all-in one system which can handle a variety of customer transactions such as sales, returns, gift cards and promotions. POS is one of the e-payment systems introduced in Nigeria to further the course of cash-less policy. POS as an electronic payment device enables individuals to make purchases with their electronic cards. POS accepts ATM cards for payment of goods and services. The card stores account information on microchips and this microchip contains a purse in which monetary value is held electronically. The card can be used to make purchase of goods and services online, in supermarkets, shopping malls, and other market places. POS allows cardholders to have a real-time online access to funds and information in their bank account through debit or credit cards (Rouse, 2011).

As business vary in size, scope, product, location, services/ management styles and many other factors so also Point of Sale. It includes both software and hardware which help businesses to make good decisions and to find the support they need (Erin, 2010). Point of Sale Systems (POS) provides businesses with the technology to keep record, track sales and generate purchase orders. Point of Sale saves time and money. A complete retail system minimizes human error and automates sales to provide with fast, efficient check out that will benefit both retailers and consumers. The Retail POS System is a great way to speed up the checkout process without draining bank account. With the system, everything needed including barcode scanner, receipt printer, base computer, and monitor and pos software. POS software provides an easy to use system, saving time and money.

Since businesses have different types of needs like the retail stores, salon, hospitals, banks, restaurants, hotels and others; Point of Sale software can be customize for these industries. Online Point of Sale solutions is available based on cloud technology so that the Point of Sale software can be used more independently of hardware restrictions like the computer laptops and so on (Erin, 2010).

POS has gone through many decades, from traditional Point of Sale developed in the 20th century, to the introduction of web-based and mobile Point of Sale in the 21st century. Traditional Point of Sale which began in the 1970s and came of age in the 90s uses a stationary computer with POS software installed and some other devices such as receipt printer. It was through networking that traditional POS was able to use multiple stations and stores and syncing information across various locations and thereby making track of sales easier. The POS transaction is captured using a variety of devices which include computers, cash registers,

magnetic card readers. or any combination of these devices. It is the combination of computer hardware and software that actually manages the sales transaction. Point of Sale is reliable and increases productivity. Components of a traditional POS system include hardware and software, the hardware component comprises of Computer which is the main component of traditional POS system and also peripherals which means the hardware devices that one adds to the computer system. Some help one use the computer itself such as a mouse or keyboard. Some peripherals are more specific to POS; they enable one to perform a sales transaction for example cash drawers, bar code readers, receipt printers, credit card readers, and so on (Amad, 2012).

The Software component of POS system is an operating System such as Windows, Mac, or Linux, which makes it possible for one to use and interact with the computer. The software is the most critical part of the POS system. It helps one to manage ones business and perform sales transactions. It automatically collects and stores data about customers and sales. When putting together a Point of Sale system, the various hardware and software components must be compatible, or able to communicate with each other. (Thompson, 1991)

The first of Point of Sale systems started appearing in 1983 but they were not able to provide extensive functionality. In the subsequent year, retailers have being installing software and hardware in their stores for the purpose of collecting sales data. The implementation of technology in retail store leads to higher sales, reduced expenses leading to an increase in the overall profitability of those stores who not only have implemented technology but have also learned how to use it. Average stores experience at least 16% Increase in their sales and some stores experience up to 23% increase in their sales because of the adoption and use of Point of Sales (James, 2003).

Personal Computer (PC) has been introduced over the past twenty years. Five years after its invention in 1980, retail stores began to put the PC to use in their stores and head offices. Before the development of PC, small and mid-sized retailers mainly relied on electronic cash registers that can just produce a sales total for the day, some larger retailers use registers that were connected to mini or main frame computers but this is too expensive for small retailers (James, 2003).

Personal computer began to gain popularity which motivates programmers to start to write point of sale which was directed to smaller retailers. The system which started to appear in 1983 was very primitive and was not efficient because it was just coming up, but over the past fifteen years, the systems have improved and many as those systems in larger store. There is not much functionality that larger stores have that is not also available today to small store. (Robinson, 2006)

2.1 Evolution of Point of Sale

POS systems have improved greatly; the first of this system appeared out of necessity. A cash register was created by a saloon owner named James Ritty, who wanted his money to stop disappearing into his employee's hands and this cash register was mainly to secure cash after many years the cash register changes into something more appealing (Ander, 2014)

When personal computers began to penetrate homes, the idea of personal computers incorporation with businesses evolved. More restaurants began to like the idea of the technology and in 1986 personal computers based systems with touch screens started permeating the Industries. This was same to the retail industries as well. More store owners began to recognize the benefits POS in their business. The first POS software appeared on computer hardware it was

at this time that consistent operating speed, reliability and low costs were seen and making POS to spread throughout all industries including retail industries (Ander 2014).

2.2 History of Early POS Systems

The early electronic cash registers which acronym is ECR were programmed and developed in proprietary software and were limited in functions and communications capability. This system was the first commercial use of client-server technology, peer-to-peer communications, and Local Area Network (LAN) simultaneous backup and remote initialization. By mid-1974, the system was installed in Pathmark Stores in New Jersey and Dillards Department Stores (POS-matic, 2017).

The programmability of such systems allowed retailers to be more creative. In 1979, Gene Mosher's Old Canal Cafe in Syracuse, New York was using Point of Sale Software written by Mosher that operated on an Apple II to receive customer orders at the restaurant's front entrance then print the complete preparation details in the kitchen. With such process in place, customers would often proceed to their tables to find their food already waiting for them. The software also included real time labor and food cost reports (POS-matic, 2017).

In 1985, Mosher introduced the first color touch-screen driven POS interface. This software operated on the Atari ST, which was the world's first consumer-level color graphic computer. By the end of the 20th Century, Mosher's promotion of this software paradigm had led to its worldwide adoption by many cash register manufacturers and other Point of Sale Software (POS-matic, 2017).

2.3 Point of Sale in Nigeria

Nigeria payment systems are cash driven because cash is the main mode of payment. There is risk in cash-based transaction and it is unhealthy for the economy, to increase convenience or access to payment, to reduce risk of robbery, to reduce huge cost associated with cash handling and also to enable transparency in payment systems of the country made the Central Bank of Nigeria to introduce cash-less policy in 2011 and it took effect in January 1st 2012 in Lagos and then extended to six additional locations which were Abia, Anambra, FCT, Kano, Ogun, and Rivers states on 1st of July 2013; all these is to ensure that the rate of cash-based transactions are reduce among the initiatives is the introduction of Point of Sale (POS) to business organizations (CBN, 2011).

This policy does not mean that there will not be money in circulation but the main aim of CBN is to reduce the use of cash while increasing the use of alternative forms of payment. Any retail operator benefit from the use of POS it brings convenience and safety, saving from robbery, theft, cost of cash management, stress of counting cash, looking for change, getting more customers that do not have cash but card, access to more revenue from value added services of POS such as bills payment and airtime vending, etc. If a POS is stolen it does not mean that money stored electronically on such device has also been stolen because the money is stored in the user's account in a bank and the person that stole the device does not have access to the account since the information of the account is not there. There has been provision for the training on the use of POS this is done by the acquirer's payment terminal service provider (PTSP) (CBN, Questions and Answers on Cash-Less Policy, Revised Version, 2011).

In terms of infrastructure, CBN is working with The Nigeria Communication Commission (NCC) and Telecom service providers to ensure that there are dedicated communication links for the POS system. There are two SIM slots which all POS must have though it does not guarantee 100% connectivity but it increase the uptime for POS system. Provision has been made by the CBN on the issue of power, the newly issued POS come with a minimum of 24 hours battery life, Point of Sale terminals also come with car charges. There are number of POS systems in Nigeria but none can really be said to meet international standard. This means none of these systems can be used elsewhere in the world. That they cannot be sold or used in other countries does not stop them from been the best in Nigeria (Prince, 2015).

2.4 Benefits of POS

It was disclosed by the Central Bank of Nigeria that N150 billion is used to produce, store, transport and protect the Naira, annually (CBN, 2009). There is the need to invest in machineries and infrastructures, money inks, security features on cash, and personnel to mint cash. Cash costs money to handle or carry, from the point of printing by the CBN to banks and vice versa, from one bank to another bank, from bank to customer and vice versa, from customer to customer, and at different storages there is a constant risk of loss or damage, and for that, provision is made for securing cash at different levels, both by the Government, banks, and individuals. Cash transactions are not easy to monitor compared to electronic transfer, it helps the authorities to keep an eye on the movement of money. Some explicit benefits of using POS terminals in organizations however, includes: Improved efficiency, minimizes cash handling and aids reconciliation, through POS business have access to both cash and card-carrying customers which increase sales, instant confirmation of payment for goods, reduces cost of personnel and

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equipment for handling cash receipts, reduces exposure to loss due to armed robbery or recurrent theft by employees, eliminates the inconvenience of cheque confirmation and clearing period (Akintude, 2016).

2.5 Historical Evolution of Financial Payments Systems

There has been various means in which exchange is done before the cash and cheque system and over decades, payment systems have passed through a lot of transformation. For example, before 700 BC when cowries were introduced in Asia Minor, Trade by barter was the only medium of exchange. Trade was carried out by goods being exchanged for other goods before money came to be used. But this Trade by barter faced some serious problems such as the problem of double coincidence of wants, absence of common standard of value, problem of storage, indivisibility of some goods, and impossibility of standard of differed payment (Adeoti, 2013).

Money was developed as a medium of exchange because of all these problems. However, the introduction of coins and notes usher in cash as payment system. The first notes appeared in China in A.D. 1000. The use of cheque as written instructions to transfer precious metal coins from one holder to another was followed. Thus, the period of trade by barter was then succeeded by another system, which featured the use of multiplicity of coins and commodity money such as metal coins, cowries and brass (Nnanna & Ajayi, 2005).

The notes and coins issued by the monetary authorities of any country constitute the currency or cash for that country. It then serve as a means of payment that a debtor can lawfully make his creditor to accept. The use of currency is largely used in Nigeria and other West

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African countries than cheques or other means of exchange. But this is not so in the advanced countries like Britain, Germany, USA and France where the rate at which cheques being used is high like 90% in all business transactions (Ovia, 2005). There a lot of consequences of holding cash this can be looked at from the security perspective. Among advanced reasons for this practice of holding cash were ignorance, illiteracy, and lack of appreciation of the merits of digital payment instruments such as debit card which does not involve the use, touch, and transfer of liquid fund (Ovia, 2005).

2.6 The Evolution of the Nigerian Payment System

The Nigerian payments system has evolved over the past few decades. The modern payments system started being totally paper-based with the use of banks notes, cheques and payment orders. The payments system was customized to include card-based e-payment products in 1996 followed by the introduction of pay card in 1997. There was an authorization from the CBN on card based payment which assumed an open platform for the floating of two card service companies by a group of over 20 banks in 1999. The CBN in collaboration with the Bankers Committee launched the first major initiative to modernize the payment system in 2003, some banks were granted approval to introduce international money transfer products, telephone banking, and online banking via the internet on a limited scale. Today, almost all banks have introduced electronic funds transfers (EFT), debit and credit cards, mobile banking, internet banking and adopted Automated Teller Machines (ATM) (Funmilayo & Oluwatobi, 2015).

The Nigerian payments system has further developed with the introduction of the Payments System Vision 2020 which was launched in 2007 to facilitate a wider range of electronic payment methods such as POS terminals, facilitated by a wider range of service

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providers or switching companies that facilitate interconnectivity. In 2007, the payment system had transitioned from being cash-heavy to a bulk payer status, which is a combination of cash, and some electronic instruments, mainly Automated Teller Machine (ATM). There have been different measures embarked on by Nigeria to increase the use of electronic channels in its expedition to a cash-light society with efficient payment systems.

In 2011, the CBN launched cash-less policy to renew Nigeria's payment system which is in line with the country's vision 2020, reduce the cost of banking, foster economic growth and improve the effectiveness of monetary policy. The cash-less policy is targeted to reduce the rate at which cash is physically used in the country which is risky and dangerous for the economy of the county. The cash-less economy, as explained by NIBSS (2015) is intended at reducing but not eliminating the stock of paper currency circulating within the economy. It is not the outright absence of cash transactions in the economic setting but one in which the amount of cash-based transactions are reduced. (Funmilayo & Oluwatobi, 2015).

The significant growth in the use of electronic payment systems was as a result of different electronic payment systems such as payment cards and paper-based instrument that were introduced by the CBN. Electronic Payment initiatives such as the establishment of switching companies that facilitate interconnectivity, introduction of payment instruments such as Automated Teller Machine (ATM), web transaction, e-money products such as credit and debit cards and Point of Sale (POS) have helped reduce the rate of cash transactions and the flow of cash in the Nigeria economy. Electronic payment systems that have been introduced in Nigeria include Automated Teller Machine (ATM), web transaction, electronic money products (such as credit and debit cards), and POS. These e-payment systems provide a better assessment

path than transactions which involve physical cash and therefore reducing the amount of currency in circulation (Adeoti & Oshotimehin, 2011).

POS is part of the electronic payment systems introduced in Nigeria by CBN to propel the cash-less policy. POS is an electronic payment device which enables individuals to make purchases with electronic cards. POS accepts debit cards for payment of goods and services. The card can be used to make purchase of goods and services online, in supermarkets, shopping malls, and other market places. POS allows cardholders to have a real- time online access to funds and information in their bank account through debit or credit cards. POS adoption is projected to hit 350,000 in 2014 from 120,191 in 2013, showing rapid acceptance of POS and electronic card payment because of the volume of transactions conducted via POS increased by 183% in annual growth rate between 2012 and 2014 suggesting significant adoption and usage of POS (NIBSS, 2015).

2.7 Challenges of the Efficient Use of POS

Network failure has always been the challenging factor to the efficient use of Point of Sale, followed by power outage, POS per retailer's store has been limited, security has been seen as a threat which creates condition, event and circumstances with the ability to cause economic hardship to data or network resources in the form of destruction, disclosure, and modification of data, denial of service, fraud, waste, and abuse. In the context of online banking threats can be made either through network and data transaction attacks or through unauthorized access to the account by means of false or defective authentication. Security risk is a significant obstruction to the adoption of online banking. Furthermore, it has been acknowledged in numerous studies that

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the greatest challenge to the electronic banking sector was winning the trust of customers over the issues of privacy and security (Adeoti, 2013).

In addition, every new technology into the market has to go through a proper introductory process for the populace to be able to adapt and then benefit from the use of such technology. The POS device as a technology has not been properly introduced to the Nigerian public; there is a lack of basic education and awareness creation about the POS. This is unlike the ATM machine that is widely appreciated because of its well-executed introduction and enlightenment programs. Many of the consumers do not even know what POS means, what it stands for or what it looks like and what its functions are. These challenges create the inability of cardholders of all issuers to transact business with all POS devices (Adeoti, 2013).

2.8 Point of Sale Software

The speed at which Point of Sale (POS) software is evolving is significant. The days of old cash register are gone. Point Of Sale includes merchandising aids, displays and the methods used to enable transactions. The hardware and software runs both the front counter and back office operations of a business. For a small gift store, a basic POS system would consist of a computer, cash drawer, barcode scanner, receipt printer and the appropriate POS software. The heart of any POS system is the computer that runs the POS software. Point of sale (POS) system is like a digital cash register, performing all the operations a register would, but done on either computer or mobile device (Chieh-Peng & Anol, 2008).

Most POS software also incorporates tools for running nearly every aspect of any business such as inventory, store management, etc, all in an easy-to-use and intuitive software

suite. The screen is laid out intuitively making it easy to navigate through inventory and add items to a sale or just scan barcodes with a supported scanner. The device is connected wirelessly to receipt printers and cash drawers, and can connect with a wide range of integrated card processing solutions.

Most retailers now are moving toward leaner systems that operate on tablets and Smartphone, these systems are not complicated and it does not cost thousands of money. Point of Sale software is what retailers' uses to conduct sales it is sometimes a cash register, computer, or even an iPad where cashiers products, tally the cost, and conduct the financial transaction. Most POS software will also communicate with inventory levels to keep everything in balance. Smaller retailers are moving away from these traditional POS systems toward cloud based point of sale solutions (Anderson & Schwager & Kerns, 2006).

2.8.1 Benefit of Point of Sale Software

Eliminate Human Error: Manually adding up of orders or calculating stock can result to human error. With the use of point of sale human error can be avoided.

Reduce Losses: Most businesses loose due to theft from their own employees and since these people know how the company's processes work, they are able to exploit the flaws to cover up their theft. A POS system can track and evaluate every step in a product's lifecycle from purchase from a supplier to the sale to a customer. Where losses are occurring can be seen.

Increase Efficiency: POS system automatically enter sale information straight into record and therefore no need of double-checking for inconsistencies between the sales made and what one has in supply.

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Optimize Checkout Process: Its helps in the speed of checkout process with bar code scanning. Customers will be much more satisfied if they don't have to wait in line in order to make a purchase, and more customers can be serve each day and also more data can be recorded at the checkout that could be used to incentivize loyalty in your consumers and help you better market to them.

Keep Prices Accurate and Consistent: When the prices of goods are been change, a retailer can do it in one place and you it will update across multiple locations and within the inventory management software. Keeping the whole business up to date, anyone who sells an item will have visibility of the correct price or deal. This implies that the prices are always consistent, so that customers will never feel cheated if they notice a cheaper price in a different location, or even receive a different price from another salesperson in the store. A retailer can integrate POS system with other sales channels, like the online store.

2.8.2 Cloud Based Point of Sale Software

This is the newest trend in point of sale software, and is quickly growing in popularity. This system can be accessed directly from the Internet and is often compatible with most POS hardware (cash drawers, printers, etc.). Cloud based POS systems are less expensive, and they're convenient because retail operators can access customer data from anywhere with an Internet connection (Mark, 2012). Cloud POS is the latest trend in point of sale software and is becoming increasingly popular.

Reasons to change to cloud based point of sale systems

- Access to data from anywhere

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- Always on the latest technology

- Access to data in real-time

- Both online and offline access

- Integrations with add on software solutions

- Small upfront investment

2.8.3 Technology and POS

Today's POS is much better than those ancient systems used a couple of decades ago, and businesses are operating so much more efficiently and with fewer boundaries than ever before. Today's POS is connected to the cloud this is a secured remote servers accessed via the Internet (Amad, 2012). Point of Sale is not only interconnected, but can be access externally from wherever retailers are. Today POS is not just better software but better connectivity. POS can go with iPad-based or other Internet capable devices. With a cloud-based Point of Sale system, business owners are experiencing:

- Account Software Integration

- Social Media Integration

- Mobile Payment Support

- Automatic System Updating

- Automatic Backup

- Secure Remote Server Support

- Record Management

- Account Tracking

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- Employee Tracking

2.9 Point of Sale Terminal

A Point of Sale (POS) terminal is a portable device that allows local debit cardholders make payment for goods and services in a retail environment. POS terminal provides a convenient, modern and efficient means of processing payment online & real-time as value is credited to the retailer operator account within 24 hours.

These terminals can be used to perform a variety of financial transactions such as:

- Purchase
- Vending airtime (recharge)
- Balance enquiry

2.9.1 Benefit of point of Sale terminals to retailer operators

The benefits of the POS terminal to retailer operators include the following:

- Improved efficiency and minimizes cash handling and aids reconciliation
- Increase in sales as Merchant have access to both cash and card-carrying Customers
- Instant confirmation of payment for goods
- Reduces cost of Personnel and equipment for handling cash receipts
- Reduces exposure to loss due to armed robbery
- Eliminates the inconvenience of cheque confirmation and clearing period.

Point of sale is easy to learn and use it does not call for extensive training to set up or maintain. It can also fit in into any retail needs. It quickens the speed of productivity and rapid time to benefit some of what point of sale can offer includes

i. Checking of prices for goods and the goods location instantly.

ii. Assessment of customer information and increases sales transactions.

iii. Advertisement of products at point of sale with onscreen graphical displays.

2.10 What Causes Increased in sales with the use of POS

i. Customers are fast attended to through the scanning items in the cash register. It reduces the chances of a customer seeing a long line and not making a purchase at busy time.

ii. There is a faster approval of charge purchases which are always on connection increases the speed of the transaction and thereby reducing the chance of a customer seeing a long line and not making a purchase.

iii. Accurate capture of the exact item detail being sold in combination with suggested re-order software increases the in stock position of merchandise. This ensures sales are not lost due to out-of-stock merchandise and ultimately leads to an increase in total sales.

iv. Production of receipts which identify the transaction number and make returns much more accurate by identifying the selling price and method of payment when an item is returned or the storage of exact transaction detail permitting the reprinting of a receipt.

These receipts can even be tied to a bar coded sticker that is placed on the item making return tracking even more accurate and reducing loss from too high a refund or reducing customer dissatisfaction with the returns process.

v. By using the multimedia capabilities of many new systems, sales associates can receive product knowledge training right on the cash register which increases their knowledge and ability to sell more products and better satisfy their customers.

vi. Most POS systems make the sales associate do what is termed a **"blind reconciliation"** at end of day which reduces the occurrence of theft.

vii. Capture of customer information enables after-marketing to individual customers based on purchase habits and practices. This form of micro marketing is becoming more prevalent and can significantly increase a stores business.

2.11 Theoretical Framework: Technology Acceptance Model (TAM)

TAM was developed by Davis (1986) that explains why users adopt or reject an innovative information system. It gives explanation for user acceptance and usage behavior of information technology that will stimulate economic growth. Technology Acceptance Model make known that an individual's behavioral intention to adopt a system is determined by two beliefs, perceived usefulness (PU) and perceived ease of use (PEOU). Perceived usefulness (PU) as defined by Fred Davis as the degree to which a person believes that using a particular system would enhance his or her job performance. Perceived ease-of-use (PEOU) as define by Davis is as the degree to which a person believes that using a particular system would be free from effort.

The Technology Acceptance Model (TAM) is originally proposed by F.D. Davis in 1986 (Davis, 1986) and later revised in 1989 (Davis, 1989). It is a well-known model related to technology adoption and use. It has been proven as a theoretical model in helping to explain and predict technology user behavior (Legris, Ingham & Collerette, 2003). TAM provides a basis

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with which one traces how external variables influence perception, attitude, intention to use a particular technology and the actual technology use. Two cognitive beliefs are posited by TAM which is Perceived Usefulness (PU) and Perceived Ease of Use (PEOU). According to TAM, one's actual use of a technology is influenced directly or indirectly by the user's behavioral intentions, attitude, perceived usefulness of the system and perceived ease of use of the system. TAM also proposes that external factors affect intention and actual use through mediated effects on perceived usefulness and perceived ease of use (Davis, 1989).

TAM had represented important theoretical contribution towards understanding technology usage and technology acceptance behaviors (Malhotra and Galletta, 1999). It has been used as the theoretical basis for many empirical studies of user technology acceptance and use (Davis, 1989; Mathieson, 1991; Tella, Toyobo, Adika & Adeyinka, 2007; Kumar,Che Rose & D'Silva, 2008; Adedoja, Adelore, Egbokhare & Oluleye, 2013). TAM is the most popular and widely used theoretical framework for technology user studies and it is found to be appropriate in explaining reasons why retailers adopt and use Point of Sale as an electronic device which can result to increase in sales and productivity. Those that do not adopt and use it will not experience the benefit of the device.

Technology acceptance was defined by Maslin, 2007 as an individual's psychological state with regard to his or her voluntary or intended use of a particular technology. In TAM, the main dependent construct(s) or factor(s) is the behavioral intention to use and actual system usage while the main independent constructs or factors are attitude, perceived usefulness and perceived ease of use. The theoretical framework of Davis's TAM explains the self-intention of a particular user or the internal behavior of the person towards the usage of new technology. This intention is based on the person's self-perceived usefulness (PU) and the perceived ease of use

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(PEOU) of the new technology. The concept of perceived usefulness explains the extent the use of new technology can give benefit or can enhance or improve job performance or productivity while the perceived ease of use explain the extent the usage of new technology can make work easier, give more work relief or freedom from effort. Both of these TAM attributes, PU and PEOU, are explaining the individual's self-approach towards the use of the new technology (Davis, 1989).

The two constructs are conceptually independent. It has been noted that the easier and more effortless a technology is, the more likely users will use the technology. Ease of use is particularly of influence in the early stages of user experience with a technology or system (Davis, 1989; 1993). Following this, Venkatesh (2000:343) stated that ". . . with increasing direct experience with the target system, individuals adjust their system specific ease of use to reflect their interaction with the system". Implying that if retailers get more experienced with the use of Point of Sale they will adjust their perception regarding the ease of use or work relief of the system, in a positive direction.

The ultimate reason that users exploit some systems and applications is that they find them useful to their needs or tasks. TAM postulated that perceived usefulness determined, with relative weight, the person's attitude and intention towards using the system. Perceived usefulness had been theorized to be another fundamental determinant of system use (Davis, 1989). TAM believed that perceived ease of use directly determines users' attitude toward using system (Davis, 1986; 1989) and indirectly impacts on attitude towards use via perceived usefulness (Davis, 1989). In other words, a system can be avoided, even by talented computer scientists, if it is clumsy and difficult to handle. In order to prevent this, useful system problem, educational technologies need to be easy to learn and easy to use. Davis (1989) contested that

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perceived ease of use may actually be a causal antecedent to perceived usefulness, as opposed to a parallel, direct determinant of system usage. In TAM, usefulness refers to consumers' perceptions regarding the outcome of the experience while ease of use refers to their perceptions regarding the process leading to the final outcome. These have been found to determine users' attitude (Davis, 1989; 1992; 1993). It is argued that attitude has a strong, direct, and positive effect on users' intentions to use and consequently on the actual use of the new technology or system (Davis, 1993).

Attitude, according to TAM, is affected directly by perception and indirectly through external variables. If a user of a system perceived it to be easy to use and useful in achieving a particular end, his attitude towards the use of the system will be positive and he will intend to use the system and actually use it whenever the opportunity present itself. External variables (representing the many influences which are beyond the control of a system user, include but not limited to: policies on using technology; resources on ground; knowledge about the device may affect how a system user perceive the ease of use and usefulness of the system. Consequently, such a positive or negative perception will affect the user's attitude, intention and actual use of the system. In other words, systems actual use is indirectly influenced by the external variables which can be resources to buy the device, views of people about it, knowledge about it and so on in this study. TAM is tailored to understanding issues in the adoption and use of computer-based technologies not minding area of deployment; be it in education, health, banking, security and so on.

Figure 1 Technology Acceptance Model

CONTEXT AND MOTIVATION

TAM MODEL (Davis, 1989)

- **Perceived usefulness:** The degree to which a person believes that using a particular system would enhance his or her job performance.

- **Perceived ease of use:** The degree to which a person believes that using a particular system would be free of effort.
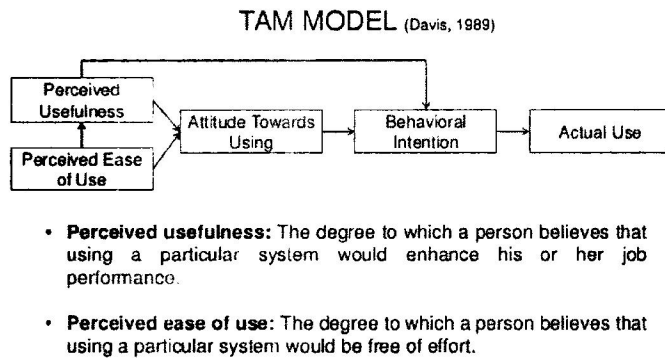
[8,11.26]

Source: Venkatesh and Davis (2000).

2.12 Theory Application

The perceived usefulness (PU) of Technology Acceptance Model proposes therefore that the belief of a person that using a particular technology would enhance his or her job performance (Davis, 1989) and that the use of that technology would bring productivity. The perceived ease of use (PEOU) is the belief that the use of such technology will make work easier and relief work. This implies that retailers who do not have the perception that using POS will make work easier and relief them of the stress and also the perception of increase in their sales and level of patronage of customers will not adopt and use POS. This type of retail store may not experience the rate at which sales increase as other retail store that uses POS experience theirs and therefore lacking behind. The ultimate reason that users exploit some systems and applications is that they find them useful to their needs or tasks. Some may not find it useful for their needs. External factors can also determine if one will adopt and use POS or not which can

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influence their sales they include policies on using technology; resources on ground; opinions of others; knowledge about the device and so on.

2.13 Empirical Review

There have been different investigations on the introduction of electronic devices in making payments for transactions, the challenges of electronic devices especially POS, how they help retail stores, their adoption and implications on the economy in both developed and developing countries by different authors. The challenges to the efficient use of Point of Sale (POS) terminals in Nigeria were analyzed by Adeoti (2013). His study showed that that the most challenging factor to the efficient use of POS is network failure, frequent power outage, limited numbers of POS per retail store where they are available, and security of communication over the network and unavailability of the POS at all retail stores.

There was a study done by BC Ferries Corporation in 1996 cited by James Dion 2003, they were able to analyze the impact of POS by using a true control methodology that demonstrated the difference between a store with POS technology and one without. The study reported 29% increase in sales and 34% increase in gross profit in the store with a POS system. The study revealed that a store net profit can increase by at least 10% within a year of deploying the technology and adequately using it. As the majority of independent retailers spend about two percent of sales to acquire the technology, their increase in sales translates into a significant return on investment. More recently, Funmilayo & Oluwatobi (2015) investigated the factors affecting adoption of POS by organizations in Nigeria using the Technology Acceptance Models (TAM) as the theoretical framework. The results show that subjective norms and perceived ease of use have significant relationship with adoption of POS machine by the organizations.

However, the characteristics of the organizations, image and perceived usefulness do not have significant relationship with adoption of POS.

From the research carried out by James E. Dion (2003) it was shown that 40% of the retailers that uses POS system experience sales increase. The average sales increase reported from a Point of Sale system is 16% with the following groups having a greater increase:

i. Gift retailers experience 23% sales increase.

ii. Retailers who have one POS device experience 21% sales increase.

iii. Those that have had their software in place for 5 or more years experience 19% sales increase.

iv. Single-store retailers experience 19% sales increase.

v. Retailers who get service direct from the software company experience 19% sales increase.

In summary, while some researchers have attempted to investigate the challenges and factors affecting the adoptability and usage of POS terminals in Nigeria, studies on the effects of POS on level of patronage and productivity has not been study except for foreign studies.

CHAPTER THREE

METHODOLOGY

This chapter addressed the methods that were used in this study. Some of the things that were addressed include study area, population of study, sample size, sampling techniques, research instrument, research design, validity, reliability and method of data analysis. These methods, described in the methodology, define the means or modes of data collection and how a specific result was analyzed. The means at which the data was gathered was through In-depth Interview. The case study was a place where commercial activity was rampant and the samples of the general population were those who use POS.

3.1 Historical Background of Ado Ekiti

The study area was in Ado Ekiti, the state capital of Ekiti State and a commercial centre for major economic activities in the state where electronic payment is mostly being used. It is located 7° 62' latitude and 5° 22' longitudes and it is situated at elevation 439 meters above sea level. Ado Ekiti has a population of 424,340 making it the biggest city in Ekiti. The people of Ado Ekiti are mainly of the Ekiti sub-ethnic group of the Yoruba. Ado Ekiti City has a State owned University - the University of Ado Ekiti now Ekiti State University, Ado Ekiti; a privately owned University - the Afe Babalola University, Ado Ekiti; a Polytechnic - the Federal Polytechnic, Ado Ekiti; a Federal University- Federal University Oye-Ekiti; two local television and radio stations, - NTA Ado Ekiti, Ekiti State Television (BSES), Radio Ekiti, Progress FM Ado Ekiti. Various commercial enterprises operate in Ado Ekiti. The city is the trade centre for a farming region where yams, cassava, grain, and tobacco are grown. Cotton is also grown for

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weaving. In Ekiti State, Ado Ekiti is known for high commercial activities with a good number of entrepreneurs.

3.2 Sources of Data

Both secondary and primary data were used in order to get current information on the use and effects of POS on the level of patronage and productivity. The secondary data were sourced from past related works while the primary data was collected at the level of owners of SMs in AAdo-Ekiti.

3.3 Research Design

Research design for this study was an exploratory study of small and medium enterprises in Ado Ekiti. Exploratory research is always used when the research question is unusual, such as when there is a lack of literature and knowledge, and when such research brings about a better understanding of the subject. (Hair, Babin, Money & Samouel, 2003). Most of the small and medium enterprises in Ado Ekiti that use POS cluster around Adebayo, Old Garage, Fayose Market and Ajilosun. These formed the basis for selecting sample population for this study. The research questions were reconstructed into In-depth Interview guide to elicit the effects of POS on level of patronage and productivity in small and medium enterprises. It included questions on the knowledge of POS, challenges of adoptions, effect of POS use on productivity and so on.

3.4 Population of the Study

The population of the study included small and medium enterprises that use POS in Ado Ekiti, Ekiti state, Nigeria.

3.5 Sample Size

The cluster areas selected for this study were small and medium enterprises that use POS in different localities of Ado Ekiti, Ekiti state which are malls in Adebayo, Old Garage, Fayose Market and Ajilosun in Ado Ekiti. A total number of 20 different small and medium enterprises were selected in which the owners of the enterprises were sampled for In-depth Interview.

3.6 Sampling Technique

Selecting the sub population for research purpose within the whole population which can represent the characteristics of total population is known as sampling. Sampling of population is done via different methods classify under probability and non-probability sampling. A snowball technique was used to select the small and medium enterprises that use POS in Ado Ekiti with a focus of twenty enterprises (20) which were used to represent the total population of the study.

3.7 Research Instrument

In-depth Interview guide was used as the research instrument, which included different open-ended questions. The interview guides covered all issues stated in the objectives and research questions of the study.

3.8 Validity and Reliability

There is the need for the validity and reliability of the study. For the validity and reliability of this study, it was approved by my supervisor and other senior practitioners in

the department who are in the higher cadre in the field. Also, the research objectives and questions were embedded in the interview guide.

3.9 Methods of Data Analysis

Data analysis was qualitative in nature. It was analyzed using content analysis and verbatim report. A tape recorder with cassette was used to interview owners of enterprises that use POS.

3.10 Ethical Consideration

The collection of data for this study did not trample on the fundamental rights of the respondents and it does not look into the privacy of the respondents. Nobody was forced to give data or information for this study and they were given the chance to attend to their customers.

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION

This chapter is the main aspect of this project. It is basically on the analysis and interpretation of the qualitative data collected for this study. The qualitative data was analyzed using content analysis and verbatim report.

4.1   Respondent's Socio-Demographic Characteristic

Age of the Respondents	Frequency	Percentage
20 – 30 Years	09	45.0
31 – 40 Years	06	30.0
41 – 50 Years	05	25.0
Total	**20**	**100.0**
Gender		
Male	13	65.0
Female	07	35.0
Total	**20**	**100.0**
Marital Status		
Single	11	55.0
Married	09	45.0
Total	**20**	**100.0**
Educational Qualification		
ND/NCE	09	45.0
B.Sc/HND	08	40.0
M.Sc/M.Ed	03	15.0
Total	**20**	**100.0**
Religious Affiliation		
Christianity	12	60.0
Muslim	06	30.0
Traditional Religion	02	10.0
Total	**20**	**100.0**

Source: Field Work, 2017

The above table is on the socio-demographic characteristics of the respondents. In respect to the age of the respondents, 45.0% of the respondents were between 20-30 years while only 25.0% of the respondents were 41-50 years. It means majority of the respondents in informal sector are relatively young. The sex of the respondents showed that 65.0% were male while 35.0% of the respondents were female. This simply means male are more than female in the informal sector. On marital status of the respondents, 55.0% of the respondents were single while 45.0% were married. This depict that most of the people in the informal sector are single. This is as a result of Federal government introducing Entrepreneurship into the academic curriculum of education in Nigeria to enhance self-reliance among Nigeria teeming youths.

The educational qualification of the respondents, 45.0% of the respondents had ND/NCE, 40.0% had HND/B Sc while only 15.0% proceeded into postgraduate programme. It means majority of the people in informal sector are well literate even up to postgraduate level. This will cushion the effects of performing very well in the informal sector than other counterparts who did not have education. Finally, the religious affiliation of the respondents in informal sector showed that majority of the respondents 60.0% were Christians, 30.0% were Muslims practitioners while only 10.0% still practice traditional religion. This means that religion is not a barrier in informal sector.

4.2 Level of Knowledge of Point of Sales (POS)

This section is on the knowledge of the participant on the use of POS since Nigeria as a society is changing to a cashless society in order to revamp its economy. Also, the application and use of POS is a global exercise and the informal sector should not be left out. Hence, this study investigated the effects of POS on level of patronage and productivity. Some questions

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were asked to this effect. The participants were asked whether or not they have heard of POS before. It is very important to know that all the participants said yes, they have heard of POS, some further said,

> "Yea I have heard of that several times and I have been making use of
> that for a while. I use it outside our shop and our shop too".
> (*IDI/Male/Manager/2017*)

> "Yea I have heard about it and we have it".
> (*IDI/Female/Director/Ebudone Collection/2017*)

Also, to measure the knowledge of the participants on the use of POS, it was asked what POS means to the individual participant. Some of the responses advanced on participant's different perceptions of POS are categorized below:

> POS is a fasting machine because if you don't want to use ATM,
> you can just make use of the POS. POS is a convenient means of payment
> between the customer and the company.
> (*IDI/Female/Sales Girl/Business/2017*)

A more detail explanation of what POS is all about was provided by some participants. This really showed that some participants do have a very good and deep understanding of POS.

> POS is a Point of Sale which is for financial transaction where you
> can just go to a store with ATM card and pay with the card using
> POS; you don't need to be carrying cash up and down. May be
> now you want to buy a car worth of 50m you know for the risk
> you don't need to go there with cash only with your ATM
> card insert it into the POS and put your password.
> (*IDI/Male/Manager/2017*)

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Responses below perceive POS as a facility for banking transaction:

> It contributes a lot in transaction and it makes transaction
> easier both for the consumers and the sellers. It is a means
> of transferring money to my own personal account. POS
> means Point of Sale system; it helps us to carry out transactions
> easily instead of stressing our customer to go to the bank and all
> that. It is just like someone is using an alternative instead of
> ATM when you are using alternative to pay easily then your
> goods will be supplied to you.
>
> *(IDI/Male/Supervisor/ Elegance computer and Manager/company/2017)*

Responses of participants perceived POS as a means of stress less transaction:

> It means just like if you do not want to stress yourself going
> to the ATM or you do not want to carry cash about you just
> use the ATM and pay the customer. It reduces the burden of
> carrying cash around. It means easy access to business. POS
> means Point of Sales, it's a means of carrying out my transaction
> without stress.
>
> *(IDI/Female/* C.E.O/company and Male/Cashier//Slot company/2017)

This participant sees POS as a device to retain Customers:

> It helps when we want to sell; you know at times some people might
> not want to go to the ATM to withdraw, it help people that do
> business for their customers not to go another place.
>
> *(IDI/Male/ Director/Ebudone Collection/2017)*

The following responses were provided in the light that POS is a new policy from the Central Bank of Nigeria (CBN) introducing cashless society:

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Point of sale is a cashless policy introduced by the CBN for the easy

movement of money. It means cashless policy.

(IDI/Male/Manager/ Vita foam center/2017)

It means payment for goods and services using ATM card instead

of cash. It used for payment of goods and services instead of cash.

(IDI/Female/Sales Girl/company/2017)

It is an easier way to transact especially in this cashless society.

POS means Point of Sales; a point at which you make sales using

ATM. Point of Sale, a system whereby people can make payment

without cash using ATM.

(IDI/Male/ Sales Representative/company/2017)

Still on the effort to measure the knowledge of the participants about POS use, the participants were asked where and when was the first time and place they used POS. The following responses were provided.

The first place I worked before and now I have been using POS for like two

years now, it was a shop and hotel, 2015, 2016 and 2017 now.

(IDI/Female/Sales Girl/company)

The first time I used POS was in the super-market, I wanted to purchase

something and the cash on me was not enough so the cashier said I

should bring my ATM that they can deduct their charges with POS; that

was 2015.

(IDI/Male/Manager/company)

The first time I used POS was in 2013 in Ikare Akoko in a store, that

time all banks around the community were shut down. For

me to make transactions I need to make use of POS and have been

hearing of POS before then but that was the first time.

(*IDI/Male/Manager/company*)

Actually I used it in Lagos in a super market and as well I used it here in our office, it was in Lagos in Shoprite but I couldn't remember the time it was about two years ago or so.

(*IDI/Male/ Supervisor/Elegance computer*)

Other responses are as follows:

In my office, that was last year December 2016. I used it in Akure that was 2014 at Shoprite.

(*IDI/Male/C.E.O./ Peculiar Computer and Accessories/2017*)

I could not remember exactly when I used it but it been long it's at least almost a year back at HMB bank. It was in my shop that was 2015. I used POS at my own shop; I used it February 2nd 2017.

(*IDI/Female/Manager/Business/2017*)

My first time was in this my complex; that was early 2016 at Sterling Bank. The first place I used POS is this very organization that was about 8 years ago. That was 2014 this Vita foam center.

(*IDI/Male/Manager/ Ige Pharmacy Nigeria Limited/2017*)

Workman ICT and Electronics Adebayo road Ado Ekiti in 2015. In the Super market Ado Ekiti in 2015. At Staleg boutique Adebayo road Ado Ekiti in 2016.

(*IDI/Female/ Business development Officer/Business/2017*)

Slot systems limited Ado Ekiti that was 2015. Lagos Island about 3 years ago. I first used POS at Ikeja mall in Lagos that was 2010. About 7 years ago but I cannot remember where I used it. It has been long that was 2012 at Ibadan in a Shopping mall.

(*IDI/Male/Cashier/ Slot systems Limited/2017*)

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From the above, it can simply be deduced that the number of years a participant has been exposed to the use of POS strongly determine the level of knowledge acquired about the facility. Also, it can be concluded that POS is only used in major business places such as banks, big and standard shopping malls e.g. Shoprite and the use of POS is all over southwestern Nigeria. No wonder businesses thrive there than some other parts of the country.

This aspect looked at the experience participants have acquired over time on the use of POS the first time participants used it. The following responses were provided.

> You know that I don't use POS before but when I used it I don't first get how to operate it so I just tried as an educated person so I understand how to use it, when I fellow all procedures.

> *(IDI/Female/Sales Girl/company/2017)*

> I was like very happy because all the ATMs were not dispensing so I was wondering how I could survive all weekend without cash so using the POS save me of the stress of queuing for ATM.

> *(IDI/Male/Manager/company/2017)*

> It really wow me a lot when I was asked to drop my card and put my pin and transaction get well it was amazing, this life is moving faster and faster soon you might see another technology.

> *(IDI/Male/Manager/company/2017)*

> Actually it makes transaction easier and I felt relieved because I was cashless and I was able to buy things that I needed at that moment instead of postponing it because of the cashless issue.

> *(IDI/Male/ Supervisor/Elegance computer/2017)*

> It was awesome I couldn't believe one can just transfer money through POS and easily get alert the reason for the first time I saw the need for it.

> *(IDI/Male/C.E.O./ Peculiar Computer and Accessories/2017)*

> One thing I know is that it is a means of fast exchange of transferring money to my account instead of going to the bank and queue before you can pay money.

I was surprised when the bank first came into this environment, I was surprised and like how come but later when I do transaction, it was very successful and very interesting and method of saving correctly.

The following are short but powerful words of expression participants used to describe their experience the first time they used POS.

Being a novice is not easy. It was a welcomed idea, am just happy with it, that time I was been taught how to use it.

I was surprised although I have heard about it and it makes me convenient when I heard cashless policy.

I was not surprised because I've heard about it before and it did not give me problem then.

It was strange to me I was not really good when using it there was a time I made mistake.

My experience was a good one because I was able to carry out my transaction with stress. I was excited.

Actually, it was fantastic and convenient and it was encouraging. I just felt it was a better alternative. The network was so good that day.

The above comments depict that participants were very pleased with the use of POS the very first time they used it for one transaction or the other in different places and time despite what network has turned other banking facilities to because of poor network.

4.3 The rate of Point of Sale (POS) Usage

Here, the rate of POS use among people in the informal sector is looked at. Few questions were asked such as whether there is the need to apply POS in the informal sector. Some of the responses provided are below.

Some participants see the need for POS from different angles. Some said it is an important thing that is timely because of technological advancement and revolution globally.

> It is very necessary in every business in fact I will encourage every business people to have POS because it's very important it encourages cashless state, it is also good for security reason.
>
> *(IDI/Male/Supervisor/ Elegance Computer/2017)*

> Yes, POS is very important in all organizations no matter how small and how big the organizations are, POS is very important.
>
> *(IDI/Female/Manager/ Unisex Salon/2017)*

> Yes, it is necessary because there are many customers that can't use cash but they use to bring their ATM card, instead of them to be holding cash, they can just hold their ATM card and use POS and buy something from us.
>
> *(IDI/Female/sales Girl/Company/2017)*

> There are a lot of reasons for POS in this shop. Most customers are just passing-by, majority don't have the mind of buying something but they move around with their purses and cards and if they see anything around to buy, they need not go to bank and queue for the ATM, they just need to get to the store and pay with the POS that's very easy and help market. It helps sales a lot.
>
> *(IDI/Male/Manager/Company/2017)*

The following participants see the need for POS from the aspect of customers having easy and stress- less market transaction instead of queuing for a long time at the ATM point which is not even sure or guaranteed they will get the money at the end of the day due to poor network or the ATM may run out of cash.

> Yes, there is the need because most people will not be chanced to stand on ATM queue waiting for others to use the ATM before

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them but once they come to the shop they can easily use the POS and leave easily and their time will not be wasted.

(IDI/Female/Manager/ Peculiar Computer and Accessories/2017)

Yes, now at times there may be too much of queue at the ATM instead of that, you can kindly use the POS to pay for the goods.

(IDI/Male/Manager/Company/2017)

Some participants perceived that most Nigerians bought into the cashless policy introduced by **the** apex bank (CBN). Such category of people did not hesitate to join the wagon of few Nigerians who do not want to move around with cash like what is obtainable globally.

It has been very useful. Some don't like carrying so much cash and when they buy goods, they prefer paying through the POS because it is easier some even say they don't see the impact, all you just see is the alert on your phone.

(IDI/Female/C.E.O's wife/company/2017)

Yes, because of the traffic in sale, people are afraid of holding the liquid cash in their hands, it was a welcomed idea, it eradicates fears, you can have your card with you and transact easily.

(IDI/Male/Manager/ Vita Foam Center/2017)

The following responses were from participants that see the need for POS use in the informal sector as customers driven. They have these to say:

Very well, there is a need for it, it helps me a lot there are times customers might want to get something and ask do you have POS they will use that one to discharge their sale they will tell you they want to go to the ATM that they don't want to buy anything.

(IDI/Male/Director/ Ehudone Collection/2017)

When did you adopt the use of POS in your mall?

We have been using POS like 5years ago

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We adopted it like two years ago.

That was 2015

Almost two years now.

I adopted it last year 2016.

About a year ago.

It has been long anyway; when the thing first came out, they introduced it to us, so we applied for it.
(IDI/Male/Director/ Ebudone Collection/2017)

We have been using it now for the past 8 years due to cashless policy in Nigeria.
(IDI/Female/ Manager/Unisex Salon/2017)

Participants in this section advanced many reasons based on their individual knowledge and perception of POS when it was asked what really motivated the adoption and the use of POS in your mall.

Because of our customers, we can't just allow our customers to go like that without buying from us so that is why we are using POS so that the transaction will be more.
(IDI/Female/Sales Girl/Company/2017)

What actually prompted the use of POS here was that customers will come here and say they want to use POS and telling customers that we don't have POS is an embarrassment to our company that as big as we are we don't have POS, we decided to go and apply for one.
(IDI/Male/Manager/company/2017)

There are a lot of things that motivated us to the use of POS due to technology. You know every day, you get used to different terminals, different things and the world is changing, one should

not be stagnant in one's business. You have to look outside there and see what is trending and make sure you get it in your store.
(IDI/Male/Manager/company/2017)

Because I used it in other people's places and I saw how it helped their business, how I felt the day I use it in the Super market and it encouraged me to work in a way to have it in our shop, support the growth of the business.
(IDI/Male/Supervisor/ Elegance Computer/2017)

Because most of my customers start to complain that they don't have cash and they cannot transfer at the same time they cannot go and queue up at the ATM so I adopted the POS.
(IDI/Male/C.E.O/ Peculiar Computer and Accessories/2017)

It is just because of customers. There are some customers that will come and they will have the ATM but will not have cash instead of going to the ATM we introduced POS to them, that is very easy.
(IDI/Male/Manager/company/2017)

On getting to the bank they introduced it to me that I should be using POS and I know it is a fast means of transferring money to my account and some people that may want to take our money away that they are coming back and go to another place and see another thing when you have POS they will only give you ATM card.
(IDI/Female/Manager/company/2017)

It was because of the customers; they were complaining that they needed POS because some people have been using it that was why we decided to ask our bank for it. It is the bank that issued it but they charge us irrespective of every transaction made with POS.
(IDI/Female/C.O.E's wife/company/2017)

Most of the customers will come and buy something like 500 or 550 naira and now think that what I have now is 500 naira and ask do you have POS that's what makes me to request from the banks this is one of the reasons.

(IDI/Male/Manager/ Ige Pharmacy Nigeria limited/2017)

Immediately the Central Bank introduced the cashless policy in Lagos and every other state people were like going around with cash is not safe so POS was the only alternative. You can use it to buy anything at anytime be it anywhere so far there is POS in the organization.
(IDI/Female/Manager/ Unisex Salon/2017)

Our security and our safety.

(IDI/Male/ Business Development Officer/2017)

People asked us to collect POS from our bank in order to improve our sales.

(IDI/Female/Sales Girl/Business/2017)

When customers came and run out of cash instead of them running to the nearest ATM to withdraw cash making us to be motivated to adopt it.
(IDI/Female/Sales Girl/Business/2017)

Customers were complaining about us not having and since it's a cashless society we decided to adopt the use of POS.
(IDI/Male/Cashier/ Slot systems Limited/2017)

It attracts more sales.

(IDI/Male/Manager/Business/2017)

Because our customer base was getting larger and people were embracing the cashless policy more.
(IDI/Male/Sales Representative/2017)

It was easier for people to pay with POS, sometimes there is no change and I don't want them to go back with my money because sometimes they go and don't come back.
(IDI/Male/Manager/Business/2017)

The customers are in need of it most people are going cashless
(IDI/Male/Cashier/ Neo Super market/2017)

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4.4 The Level of Customer's Patronage with POS Use in the Informal Sector

This facet is primarily on the level of customer's patronage with the application and use of POS. That is, has the adoption and use of POS facility by people in the informal sector improved or increased the amount or number of customers that patronizes their products or services daily or has it declined To this end, below are the responses of the participants.

> My experience before POS came to stay is that some people even if they don't want to buy anything they will ask you if you are using POS and they will leave, but now, the shame of leaving haven asked you about POS and you present it to them, they will feel embarrassed to leave so they will end up buying what they want to buy and I know it has increased our sales at least up to 20% added to what we are doing before.
>
> (*(IDI/Male/C.E.O./ Peculiar Computer and Accessories/2017*)
>
> When we were using manual scale, things were not easy and sales were not happening because when we are to sell a stock of 50,000 naira and customers pay manually, they can complain that they don't have money for transport and we will have to consider them but when paid through POS, no cash is expected from them, POS really helps a lot, everything have been working smoothly with the use of POS.
>
> (*IDI/Male/Manager/Business/2017*)
>
> Before the use of POS, I can say customer's patronage is minus 20% out of 100% then when the POS was available, 20% was added back.
>
> (*IDI/Male/ Supervisor/Elegance computer/2017*)
>
> Customers are patronizing us well, but some customers will come because we are not using POS they will leave and from there others will entice them with something assuming there is POS they won't go anywhere they will easily use it.
>
> (*IDI/Male/Manager/Company/2017*)

By His grace, they have been patronizing us and even when we use the POS it added more as I have said earlier, there are some people that come to your shop that if they do not see POS, they will go and there are some that will stay and withdraw money.

(IDI/Male/Manager/company/2017)

It has been so good because it adds to our sales people were asking of its and if they want to buy something, they won't be able to buy because of lack of POS.

(IDI/Female/Wife of C.E.O./company/2017)

At times, customers will come and when they come they will ask do you have POS and that will be their first question and if I say yes they will say okay no problem and I applied for the POS in the bank I am using.

(IDI/Female/Director/Ebudone Collection/2017)

Yes, when there is no POS at times, customers might want to buy goods or do something worth thousands but because there is no cash or because of the queue in bank, they will prefer to do the least they can and go their way but with the help of POS, they can go as far buying what they want as many as they want no need of cash in exchange.

(IDI/Female/Manager/Unisex Salon/2017)

People have been coming with cash we use a tight security then, though some use transfer but not as good with POS nowadays and it was introduce to us by the bank for our conveniences.

(IDI/Female/ Business development Officer/2017)

There is more inflow of customers since they don't love to bother about carrying cash in order to buy from us. Patronage has been in a positive increase since the use of POS compared to when we were not using POS. We contacted our bank and requested for one and it was given to us.

(IDI/Male/Cashier/ Slot systems Limited/2017)

Before I start using POS, some customers complained of inability to withdraw money from ATM, it adversely affected sales and I requested for POS from my bank which is Zenith bank.

(IDI/Male/Manager/company/2017)

Customers patronize us, they buy more when using POS, you must have a bank account either savings or current from the bank you want to get the POS from.

(IDI/Male/Manager/business/2017)

4.5 The difference between the rates at which sales increases before and after the application of POS in the Informal sector

This aspect views the comparative analysis on the rate of sales in the informal sector between when POS was not in use and now that POS is adopted and used among people in the informal sector. It was asked please; compare your sales before and after the adoption of POS. The following responses were provided.

Sales with POS are on the high rate compared with the manual system of payment, POS really helped a lot to make business boom.

(IDI/Male/Manager/Business/2017)

Ah! Sure before we used POS the sales was moderate but after we adopted POS the sales have been increasing.

(IDI/Male/Manager/Business/2017)

That time our sale was not like when we are using POS because sometime service of transfer will not be available and when we ask them to go to the bank and withdrawal, they can't use it.

(IDI/Female/Sales Girl/Business/2017)

As God on my side it doesn't reduce anything whether am using it or not it did not reduce my sales when am using it or not but I know when am using it, it added to my sales instead of some people to say they are going.

(IDI/Female/Manager/Business/2017)

Now it is even very easy because at times most people come and say because we don't have POS they will go to the ATM they will discharge themselves because of that but now they will come sit and buy what they need.

(IDI/Male/Director/ Ebudone Collection/2017)

Yes, before I ever started to use POS, the sales were not like this but when I started to use POS, there is increase in sales.

(IDI/Male/Manager/Ige Pharmacy Nigeria Limited/2017)

Far better now with POS because there is no reason to complain so far you are with your ATM, you are good to go.

(IDI/Female/Manager/ Unisex Salon/2017)

Still on the issue of rates of sales in the informal sector before and after the application and use of POS, some participants have a straight jacketed views hammering on the sub-theme even with percentage. They say:

Sales have increased since the adoption of POS compared to when we don't use it.

(IDI/Male/ Slot systems Limited/Company/2017)

Since we have POS now, we have many sales.

We have more sales when we have the POS than when we don't have it.

There is increase in sales; customers that are cashless can make use of their ATM card.

(IDI/Male/ Nao Super Market/Shopping Mall/2017)

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Others give percentage of the rates of sales before and after adopting POS in the informal sector.

They have these to say:

> The comparison is clear before I think our sales was about 40% but now is up to about 60 to 70%.
>
> *(IDI/Male/C.E.O/ Peculiar Computer and Accessories/2017)*
>
> It was 48% then and now 98%
>
> (IDI/Female/Sales Girl/Business/2017)
>
> Before 60% and after 80%
>
> *(IDI/Male/Manager/Business/2017)*

Conversely, some participants did not see POS adoption and use enhancing or cushion the effects of sales in the informal sector. They have these to say:

> That will not be a yardstick for sales because there is transfer POS just makes things easier for the health sector I believe it has save lives and it makes things fast.
>
> *(IDI/Male/Manager/Company/2017)*
>
> I can say it is vice versa we use cash but when there is POS the use of cashless policy have really affected us positively. POS is better.
>
> *(IDI/Female/ Business development Officer/Business/2017)*
>
> Everything has been the same, people are coming and we bless the name
>
> of the Lord.
>
> *(IDI/Female/C.E.O. wife/Company/2017)*

4.6   Organizational and customers satisfaction on the use of POS

This aspect is very important because it focuses on the concept of satisfaction from two phases. That is, the customer and the business or organizations. In any organization, the satisfaction of the customers is very paramount. It is a core organizational value. To this end, let's see the

responses of participants when they were asked how satisfied they were and their customers using POS?

> After the improvement of the POS we are like we made it you know it very easy and simple.
>
> (*IDI/Male/Manager/Business/2017*)
>
> It makes business easier both me and my customers get satisfied.
>
> (*IDI/Male/Supervisor/ Elegance Computer/2017*)
>
> Am satisfied and I know my customers are satisfied thank you so much and God bless.
>
> (*IDI/Male/C.E.O./ Peculiar Computer and Accessories/2017*)
>
> We are enjoying it at times let me just say 50%, we are enjoying it.
>
> (*IDI/Male/Manager/Company/2017*)
>
> The satisfaction is okay because they are always happy, 80% okay.
>
> (*IDI/Female/Manager/Business/2017*)
>
> We are okay using POS and it makes our customers to be at ease and relaxed.
>
> (*IDI/Female/Sales Girl/Business/2017*)
>
> It is okay, at least after 24hours they will credit the account but they debit the customer's account whether it is approved or not, it will show on the receipt.
>
> (*IDI/Female/C.E.O./Company/2017*)

The following are other statements and ratings in percentages by participants who opined about how much customers and organizations or businesses are satisfied with the use of POS in different places at different time.

> Its okay, we are actually satisfied.

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We are okay no problem. About 99.9% satisfied.

Its 100% satisfied. It is satisfactory.

Very satisfied.

It's about 80% and finally, actually we are satisfied because that is
what we still have.

Contrarily, some of the participants, though very few bear their minds out on the issue of
satisfaction by the stakeholders (organizations and customers) with the use of POS. This is
because the level of satisfaction of the use of POS varies while some participants did not in any
way get satisfied with the use of POS based on their past experiences. They have the following
views to share:

We are not too satisfied but the customers feel better with it because

they don't charge them.

(IDI/Male/Manager/ Vita foam center/2017)

I can say partially sometimes people are not satisfied because of the

challenges.

(IDI/Female/ Business development Officer/company/2017)

We are not satisfied because there is no access to money until

24 hours and the network issue; we don't get alert immediately.

(IDI/Female/Manager/Business/2017)

4.7   Description of POS Use in Informal Sector in Ado Ekiti

How would you describe the use of POS in Ado Ekiti?

I don't know what to say about that. All what I see about POS is
that when you use POS, the deposit of money into your account is
like a day or two after the transaction.
(IDI/Male/Manager/Company/2017)

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Just only small percentage of shops in Ado Ekiti uses POS because most of them prefer cash, shops using POS in Ado Ekiti now are not up to 20%. In Fayose market now, few shops use it which is not supposed to be so. Every shop supposes to have it.
(*IDI/Male/Manager/Business/2017*)

In Ado Ekiti, many sellers use it because in Ekiti state in particular there is always queue for ATM whenever you go to ATM you will see 100 of people and it discourages customer that patronize we the business people and that makes many business people Fayose market to be precise here I can say that75% of the people here have POS.
(*IDI/Male/Supervisor/ Elegance Computer/2017*)

I think the use of POS in Ado Ekiti; people are getting to know about it the more everyday and from my observation, most shops, malls, offices are now adopting the use of POS for easy transaction.

(*IDI/Male/C.E.O./ Peculiar Computer and Accessories/2017*)

People have been using it having being seeing some shops some offices, private schools in my son's school they use it and shops use it for the fear of arm robbery attack and all that.
(*IDI/Female/C.E.O's wife/Company/2017*)

The use of POS in Ado Ekiti generally is not so common but few organizations could have it like pharmacies in some eatery. For me is the best method so far.

(*IDI/Male/Manager/ Ige Pharmacy Nigeria limited/2017*)

In Ado Ekiti generally, POS is something that all organizations have because if you look at the banking system in Ado Ekiti you cannot compare it with other states like Lagos. In Lagos, there are ATMs everywhere but in Ado Ekiti there is lots of queue so people are using POS in exchange for cash or in exchange for goods.

(*IDI/Female/Manager/ Unisex Salon/2017*)

It is increasing and encouraging everywhere now they use POS people are coping and it is really good even in Canteen they use it.

(IDI/Female/ Business Development Officer/Business/2017).

People are really keying into the idea of the use of POS even in small enterprises because of the ease it provides in carrying out transactions.

(IDI/Male/Cashier/ Slot systems limited/2017)

50% some have it but don't use it because of the charges.
(IDI/Male/Manager/Business/2017)

It is still very shallow like 20%
(IDI/Male/ Sales Representative/Business/2017)

What do you think hinder some SMEs from using POS in their shops?

What really hinders some people from not using POS is the way the money is being delayed because if the POS is used today, you can only receive the alert in the next 24hours. It is not an instant exchange is not something you can use now for customers and you get the alert instantly it is 24hours service so it hinders some people from wanting to use it especially in Lagos they don't prefer it they prefer transfer because it is an instant exchange but for POS, there is a little delay.

(IDI/Female/Manager/ Unisex Salon/2017)

The location of the shops, the literacy level of the customers, if they are literate it will make them to use it. Unavailability of network and also the unavailability of electricity supply to charge the machine.

(IDI/Male/Sales Representative/company/2017)

Maybe because they don't have the money, it depends on how customers are patronizing you know there are some customers that do not use POS, they will just come and buy goods assuming they have customers with their ATM card they should have try to have

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POS in their shop but since there are customers coming with their cash that is why we are using POS.

(IDI/Male/Manager/company/2017)

Yes, because some of them are illiterate and they cannot handle POS that's one of the hindrances because if they cannot handle it, the more complicated it would be they won't know how to select saving, current and all that or credit on the POS machine.

(IDI/Male/Manager/ Peculiar Computer and Accessories/2017)

What I can say is just low mentality. They are not being updated on their business. The way some people thinks that what makes them not working towards having POS in their shops and sometimes another reason why people are ducking from POS is the charges they are collecting per transaction is a bit high that is why some people will withdraw from using POS because the charges are been paid by the sellers not the consumers because of that reason for them not to short out of profit when they want to sell goods that has no much profit it will hinders them from using POS because of their charges.

(IDI/Male/Manager/ Elegance Computer/2017)

Network, also to monitor POS can be crazy sometimes, charges on each transaction made on POS.

(IDI/Male/Manager/company/2017)

I think because of the bank charges.

(IDI/Male/Manager/company/2017)

Lack of awareness and knowledge of use some people still don't trust the use of POS as a means of transaction because they don't understand how it works.

(IDI/Male/Cashier/ Slot systems limited/2017)

It depends on the types of goods they are selling, the money to purchase the POS; it depends on the amount of money deposited in the bank.

(IDI/Female/ Sales Girl/Company/2017)

Because of the charges involved.

(IDI/Female/ Sales Girl/company/2017)

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Some works on their cash. whatever they have today is what they use as their capital and the POS will not credit their account immediately and also, some cannot afford the bank charges.

(IDI/Male/Business Development Officer/Business/2017)

What hinders them is that once you make any transaction, the bank has a charges on each transaction made on POS.

(IDI/Male/Manager/Business/2017)

They can lose their money and customers, there are some times that ATM do not work so they can use POS to pay for what they buy but if they don't have POS, they can lose their money on that sale or the money they will make will not be much.

(IDI/Female/ Sales Girl/company/2017)

The first thing is sometimes there would not be network, plus the bank charges and also the delay in crediting your account might hinder them from using POS.

(IDI/Male/Manager/ Vita Foam Center/2017)

If they don't have somebody that can operate it well, it may cause problems like debiting the customers two times.

(IDI/Male/Manager/ Ige Pharmacy Nigeria limited/2017)

For some, it might be due to their ignorance and some may not be well informed by their bank.

(IDI/Female/C.E.O's wife/Business/2017)

It may be due to the delay of banks i.e. the banks have not released it to them because it is the bank that issues it.

(IDI/Female/Manager/Company/2017)

4.8 The Contribution of POS use to Productivity and the Economy of Ekiti State and Nigeria

Do you think POS use have any effects on sales in your mall? How?

Very well I think that in a way it makes sales easier and it reduces the rate of counting cash.

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(IDI/Male/Cashier/ Neo Super market/2017)

It has positive effect, it effect liberalization of our sales i.e. selling to all classes in the society.

(IDI/Male/ Sales Representative/company/2017)

Yes, it boosts our sales we have more customers than when we don't have POS.

(IDI/Female/ Sales Girl/company/2017)

Yes, it reduces the level of stealing, it reduces stress. When we started using POS, it was 98% on sales.

(IDI/Female/Sales Girl/company/2017)

Yes, it enhances sales, it brings more people to the shop without cash and just slot in their card.

(IDI/Female/ Business Development Officer/company/2017)

Yes, because of the fear of holding cash and with the policy of POS it encourages them to transact easily, it boost sales because people prefer it.

(IDI/Male/ Manager/Vita foam center/2017)

Very effective, POS actually helps a lot with the queue and everything in Ado Ekiti. When it comes to banking it is very effective.

(IDI/Female/Manager/ unisex salon/2017)

Yes, it has positive effect because most of the people that wanted to buy something before and are not with cash by the time they see POS and they are with their ATM, they can pay the money especially some people that are going to far places and stop to transact and don't have cash with them.

(IDI/Male/Manager/ Ige Pharmacy Nigeria limited/2017)

It has positive effect. Instead of them taking my money away or going to the bank and queue (mostly when we are in season period)

you bring your ATM card, you slot it inside and it will transfer the money to my account.

(IDI/Female/Manager/company/2017)

The negative effect is concerning the charges. Before, they don't charge but now they are charging. Yea it has positive effect from there, we gain more customers.

(IDI/Male/Manager/company/2017)

Yes, it does because my customers are enjoying the use of POS and through that they come and purchase their goods stress free which in turn increases my sales.

(IDI/Male/C.E.O./ Peculiar Computer and Accessories/2017)

When there is absence of POS, the customer will only pay according to budget but when there is POS and there is excess money in the account the person the person will relax and buy whatever he want without having a backward thinking on having stay on a queue for ATM, instead, he just freely make the order and pay through the POS.

(IDI/Male/Supervisor/ Elegance computer/2017)

Actually it has a positive effect, it increases sales. Assuming now some customers come to purchase some goods and they don't have cash on them and they can't transfer too, they will demand for POS so telling them we don't have POS they can just walk out of the shop and go to another shop.

(IDI/Male/Manager/company/2017)

Sales are okay and it's adding more to our sales because if we don't have that POS some of our customers that are not with cash can go to another place where they are using POS but now that we are using POS we answer them easily.

(IDI/Feale/ sales girl/company/2017)

Like me since have been using it I don't have any complain at times some will come once it writes approved, it means it is done and when it declines it means it is network.

(IDI/Male/Director/ Ebudone Collection/2017)

It's good because when customers know you have POS they will be motivated to come. Some ask maybe we have POS and if we say we don't, they may likely say 'what will happen now they don't like carrying cash around'.

(IDI/Female/C.E.O's wife/company/2017)

Yes, it does. If customers don't have enough money with them but they are with their ATM card, they can buy what they want and in turn promote sales.

(IDI/Male/Manager/company/2017)

In respect to productivity, this section measures the contribution of POS to productivity in the informal sector. It is indeed imperative that the introduction of POS facility to whatever people engage in the informal sector should make meaningful result or put differently, it should positively impact on whatever is showcased in the informal sector such that it improves the contribution of the sector to the larger economy.

It has impacted our company's productivity; particularly there is increase in sales.

(IDI/Male/Cashier/ Slot systems Limited/2017)

It adds more to our sales, when there is no service in the bank they can just rush inside and buy what they want.

(IDI/Female/Sales Girl/Company/2017)

It increases sales and it eases the customers of the stress of carrying cash all about.

(IDI/Male/Manager/Company/2017)

It contributes a lot the use of POS contribute to sales, many customers could be passing by and see something they like and don't have up to the price/ amount having their ATM card with

them, they can use the POS and the transaction will be done. If not because of POS in this store, we would have been stranded because many customers don't come with cash. Most are like am here with my ATM card and because there is Point of Sale, they do the transaction easily and once it gets approval, we give them the stock and they move away.

(IDI/Male/Manager/Company/2017)

When you have POS, the sales increases is for security reasons as I say before most of the money you collect daily are been paid directly to your account. This is one of the contributions of POS usage and next when you use POS, you have more customers because those that do not have POS will leave their initial customers and become your customers because they don't want to be cashless because of most time of policy harassment or robbery harassment and co.

(IDI/ Male/Supervisor/ Elegance Computer/2017)

Just like I have said before, the rate of transaction has increased we don't lose customers like before since POS came on board.

(IDI/Male/C.E.O./ Peculiar Computer and Accessories/2017)

POS has been helpful for customers even if they don't have the money and they see what they like, they can easily buy. It has been very helpful.

(IDI/Female/C.E.O's wife/Business/2017)

For instance, if you want to borrow money from the bank that gave you the POS by the time they see your transaction your daily sell if you want to require any money from them they can easily borrow you.

(IDI/Male/Manager/ Ige Pharmacy Nigeria limited/2017)

POS helps products a lot because most people since there is no cash if I want to buy something or want to do more of exploit since there is POS it makes it easy for them.

(IDI/Female/Manager/ Unisex Salon/2017)

It improves productivity once you accept POS they pay it helps them to buy in impulse it improve sales, it save you the time of going to the bank and it improve our security measures.

(IDI/Male/Manager/ Vita foam center/2017)

The economy of Nigeria as a state is not limited to one sector. It is indeed the affair of all **the functioning** sectors of the country. Hence, the role of the informal sector is to partake in the **improvement** of the economy of Nigeria in all ramifications. Some of the responses of **participants** on the contribution of POS to the economy of Ekiti state and Nigeria at large are illustrated below.

Nigeria is gradually adopting the idea of a cashless society and the use of POS has contributed positively to the economy because there is no fear of carrying cash around which has invariably impacted the economy positively.

(IDI/Male/Cashier/ Slot systems Limited/2017)

Yes, it contribute because now we are in cashless society, ability to compete with other countries where it is use, it improve the economy of the country.

(IDI/Male/Manager/ Vita foam center/2017)

I think it does, some customers after dropping the cash they have with them can still buy anything they like, so far they know you have POS, and they can easily slot in their ATM and buy more things.

(IDI/Female/C.E.O's wife/Company/2017)

Yes, currently they are making people adopt POS. Some use it to do business, it has helped the economy, it has also enabled people to buy more than what they have budgeted.

(IDI/Male/Manager/Business/2017)

Yes, because it helps to increase sales and productivity in the state, promote the companies making them to be able to be like other cities and also for employment.

(IDI/Male/Cashier/ Neo Super market/2017)

It contributes and helps the economy at large with the use of POS. You know it is advancement in technology, it helps a lot, it helps to develop the growth of the environment at large, and when someone is coming to Ado Ekiti from anywhere such a person can use the POS with one's ATM card. It really helps.

(IDI/Male/Manager/Business/2017)

It contributes not just in Ado Ekiti but Nigeria at large to the economy of Nigeria because the more sales we make, the more the tax we pay to the government increases whether direct or indirect tax, the business will rise, the sales will increase and so the tax will increase that is how it contributes both to the state government of Ekiti state and that of the Federal government.

(IDI/Male/Supervisor/ Elegance Computer/2017)

Yes, of course, when people are using POS many people feel tired of going to the bank and queue to withdraw money so when you are using POS they will just give it to you and slotting it in and give them and they will go.

(IDI/Female/Manager/Business/2017)

These participants see productivity and contribution to economic improvement of Ekiti by perceiving POS use as a platform that curb robbery. They say:

To me, I will say yes, the reason is that if you have an ATM card, you can go anywhere in Nigeria, you won't be scared of robbery or any other thing compared to when going with cash. So POS is far better when it comes to market exchange.

(IDI/Female/Manager/ Unisex Salon/2017)

Yes, the existence of cashless policy has really contributed to the economy. It saves our lives, robbery is now limited.

Some participants were not sure POS use in the informal sector contributes to the productivity of Ekiti as a State. They have these to say:

> Yea, I won't answer for Ado Ekiti because one man's food is another man's poison; I can always answer for myself the contribution to my own particular business I think is a plus to it thank you.

(IDI/Male/C.E.O./ Peculiar Computer and Accessories/2017)

> I can't say concerning that I can only say for my own company?

(IDI/Male/Manager/Company/2017)

Some of the participants, though few, did not see any reason why POS use should contribute to productivity in the informal sector.

> I don't see any reason why POS will contribute no I don't think so

(IDI/Male/Manager/Company/2017)

This participant, although acknowledges the fact that POS use in the informal sector contributes to productivity and the economy of Ekiti state but from the statement below, he sees POS as a medium through which those in the informal sector pay multiple taxes.

> Yes. there is a tax paid. Every transactions made on POS are charged and in turn we pay tax and the government also collects their tax from the bank.

(IDI/Male/Manager/company/2017)

4.9   The challenges of the use of POS

This section is mainly on the challenges that characterized the application and use of POS in the informal sector. The challenges here are in two ways, Customers and organizational challenges. When it was asked if POS use have challenges.

All the participants (100.0%) agreed that POS adoption and use in the informal sector have challenges. Some of their responses are:

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Sure it has, like if you use POS for a customer and the network is bad, they might deduct money from the customer's account and the money might not get to own account.

(IDI/Male/Manager/Business/2017)

Yea, the challenges are the paper rolling. When the paper rolling started skipping, you know it might cause a lot of damage. The major challenge is the network. When the POS keeps declining, that means there is no strong network for POS then.

(IDI/Male/Manager/Business/2017)

Yea it just has a challenge sometimes base on the network issue of the country as a whole. The network is very bad that is the only challenge we have with it.

(IDI/Male/Supervisor/ Elegance Computer/2017)

Yea it does because sometimes network issue might limit the users of POS. I think I have an encounter last time someone wanted to make transaction but could not complete it because of the inter-switch problem (network failure over there) but it is not a challenge stopping us from using POS.

(IDI/Male/C.E.O./ Peculiar Computer and Accessories/2017)

Yes, concerning their network at times that is the challenge we are facing. At times, the card will be declining all those stuff we have to reset it power it off and on it again.

(IDI/Male/Manager/Company/2017)

The only challenge we have is that some people take it away and delay of network.

(IDI/Female/Manager/Business/2017)

Yea sometimes, network does affect it. People that do it sometime come for routine check for us because network does affect it we tell them and they will come and they will check it and the thing will start to work again.

(IDI/Female/C.E.O./Business/2017)

There was one thing that came up when they said they used to hack the thing that they will transact and it won't go.

(IDI/Male/Director/Company/2017)

Some customers said it makes them to easily spend their money. For instance, if they want to buy something now and they are with their ATM when they see the goods they will be moved to things since they are with their ATM.

(IDI/Male/C.E.O./ Ige Pharmacy Nigeria limited/2017)

Yes, there are challenges at times any organization that uses a single POS may encounter network problem if there is no network, there can't be any transaction but some organizations that have up to two, three like us that have three will make use of other POS when one is out of service.

(IDI/Female/ Manager/Unisex Salon/2017)

Other responses by the participants are: Yes at times they might debit you twice and not reverse it immediately. Yes most time the network is not good and most times it does not print out paper. Yes network problem.

It is worthy of note that virtually all the participants agreed to the fact that the application and use of POS in the informal sector. The challenges encountered by customers and those that works in the informal sector were basically as a result of their interactions or use of the facility. It simply means there is an obvious issue that is peculiar with the facility.

The challenges or problems of POS application and use by customers in the informal sector as identified by the participants are displayed below.

I don't have any challenge with my customers but some people do have challenges with their customers based on the charges they try to make, some customers pay the charges while other customers refuse but I in particular, I don't take charges from my customers

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because before going to collect the POS I know I will be paying charges.

(IDI/Male/Supervisor/ Elegance Computer/2017)

Most cases at times we use it there is reverse cases and the customers are not losing at any end but we are the one that will lose little amount of exchange for cash. For example, if a certain amount is paid into your account with POS with the ATM, the person will not receive that same amount. When the bank wants to debit you, there are some charges the bank deducted so customers are not feeling anything compared to how we feel it. They find it easy; there are no charges for them. They use it directly but it is we the charges fall on; it is very convenient with the customers.

(IDI/Female/ Manager/Unisex Salon/2017)

The challenge we normally face is the network. When the network is not available or the network reverse a payment it really happens whereby a customer purchases with POS and it approved it but later on it reverses. Somehow, it is really a challenge to the customer and the seller. If the customer is not loyal, one can move away with our money and that is a big deal.

(IDI/Male/Manager/company/2017)

Apart from the network challenge, I don't think about any other thing because once the network is good and the bank you collected it from is okay, I think it will hardly fail you.

(IDI/Female/C.E.O./ Peculiar Computer and Accessories/2017)

The only challenge is due to network problem. Sometimes, the network might not be okay.

(IDI/Female/Manager/Business/2017)

The network will be bad and it will not be working and we will have to call the bank.

(IDI/Female/Wife of the C.E.O./Company/2017)

Network problems; it hangs; they will have to take it away and work and also the extra charges.

(IDI/Male/Manager/ Vita foam center/2017)

The challenge that customers will say is don't let them debit me for two times oh.

(IDI/Male/Manager/ Ige Pharmacy Nigeria limited/2017)

It is this network problem also and here in our mall we do charge our customers and some will not want to pay the charges.

(IDI/Female/Sales Girl/Company/2017)

Network failure, inadequate power supply and delay in crediting the account by host bank.

(IDI/Male/ Sales Representative/Company/2017)

The charges involve 100 naira charges on 5000 naira.

(IDI/Female/Sales Girl/Company/2017)

4.10   Discussion of the Findings

Point of Sales has been known to be part of what the Central Bank of Nigeria introduced to restore her economy and it is part of the cash-less policy being one of the electronic pay instruments. From the findings, it is important to note that Point of Sales is not something new in the informal sector even though its usage is low compared to other electronic payments instruments. In the socio-demographic characteristics of the respondents, age of the respondents clearly shows that majority in the informal sector are quite young and most are single in the informal sector which is as a result of the introduction of the entrepreneurship to academic curriculum of education in Nigeria. Education is an institution that any society should not look down on even in the informal sector it is shown from the findings that the participants were educated which in turns enables them to perform very well in the informal sector, religion on its own do not have any hindrance in the informal sector.

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The cash-less policy introduced by the Central Bank of Nigeria was mainly to reduce the volume of cash in circulation. The participants have the knowledge of POS that they all agreed to have heard about it, some see it as financial transaction, banking transaction, stress less transaction and some see it as a means of retaining customers and a new policy from the Central Bank of Nigeria introducing cashless society. It is seen that the number of years of being exposed to the use of POS can determine on the level of knowledge about POS, participants were very pleased with the use of POS despite the fact of the network issue that is paramount to the device. POS is a necessary device for both formal and informal sector of the country.

Looking at the customer's patronage when using POS in the informal sector, it was seen that it is not only the informal sector that sees the benefit but also the customers because they actually patronize any enterprises that uses POS compared to that which do not adopt and use it. Also, the sales differ between when using POS and when not using it, some gave it percentage like 40%, 48%, 60% before and 60-70%, 98%, 80% after its adoption, though some did not see it as enhancing sales in the informal sector. The satisfaction with the use of POS in the informal sector has been rated like 80% 99.9%, 100% while some are not satisfied with it due to network. This implies that satisfaction on the use of POS varies in informal sector. The description of POS use in Ado Ekiti is in two ways while some participants see it as something that is rampant, others sees it as not popular in the informal sector. There have been some hindrances of some enterprises from POS some include network issue which is paramount to POS, location of shops, unavailability of electricity, charges deducted and so on. Some enterprises are still hindered by different forms of factors from the use of POS. Point of Sale as part of the electronic payment instrument introduced by the Central Bank of Nigeria in 2011 is experiencing one major

challenge which is network. It is therefore necessary for the network to be worked on if we really

want to move forward in the economic institution.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

This chapter focused on the summary of all chapters, the conclusion of the project work, and the recommendation from the result of the research. This can serve as a policy for the development of our society especially in the economic sector which is essential among the institutions in the society. This chapter represented the last of all the chapters in a research project and it is divided into three major parts which are the summary, conclusion and recommendation.

5.1 Summary

Chapter one focused on the background to the study, statement of problem, research questions and objectives, significance of the study and operational definition of concepts. As the society experiences technological advancement, the rate at which cash is carried all around needs to be minimized, this brings about a cashless society and some monetary policies were introduced by the Central Bank of Nigeria in order to reduce the rate at which people carry cash around. Part of these polices was the introduction of electronic payment instruments which include Point of Sale (POS), Automated Teller Machine (ATM), internet banking, transfer, web transaction, e- money products such as credit and debit cards and so on. Some of the objectives of the study were in chapter one which included the examining of the rate at which Point of Sale is been use in Ado Ekiti, exploring the level of knowledge on point of sale, assessing the level of customer patronage with POS use, examining the differences between the rates at which sales increases when using POS and when not using it, exploring organizational and customer's satisfaction on the use of POS in Ado Ekiti and so on.

Chapter two was mainly on review of important current and past works that are related to the topic of the project. It focused on the theoretical framework which explained more on the reason why people adopted a particular technology.

In chapter three, the methodology of this study was discussed, that is, the methods used in the collection of data or information related to this study. It had sub-topics like historical background of the study which was Ado Ekiti, sources of data, research design, population of the study, sample size, sampling techniques, research instrument, validity and reliability, methods of data analysis and ethical consideration. It was ensured that the small and medium enterprises using POS were those interviewed.

Chapter four interpreted the findings of the study; questions asked that were related to the objectives and questions of the study. From the findings, 45.0% of the respondents were between 20-30 years while only 25.0% were 41-50 years. This implies that majority of the respondents in the informal sector are relatively young. Among the respondents, male are more than female with the percentage of 65.0% and 35.0% respectively which depicted that male are more than female in the informal sector. The marital status of the respondents explained that most people in the informal sector are single with the percentage of 55.0% who are single and 45.0% who are married. The educational qualifications of the respondents depicted that majority in the informal sector are literate by the percentage of 45.0% with ND/NCE, 40.0% with HND/B.Sc and 15.0% with postgraduate programme. The religious affiliation of the respondents showed that religion is not a barrier in the informal sector with the percentage of 60.0% who are Christians, 30.0% who are Muslims and 10.0% who are traditional religion worshipers or traditionalist.

The result showed that the number of years a participant had been exposed to the use of POS strongly determined the level of knowledge acquired about the device. Both the informal sector and the customers benefit from the use of POS, and the sales differs when the device is not available and when it is available. It has been rated at 40%, 48%, 60% before and 60-70%, 98% 80% after the adoption of POS.

5.2 Conclusion

In conclusion, the use of POS has increase sales and productivity a lot. For the cash-less society we are in now, it encourages safety and reduces the rate at which people carry money from one place to another. This in turn reduces some of the challenges faced by the country like robbery, theft, insecurity and so on.

5.3 Recommendation

From the findings of this study, the following recommendations are pointed out to help the economy policies of the country in relation to cash-less policy introduced by the Central Bank of Nigeria in 2011.

1. There is the need for both the formal and informal sector of the economy of Nigeria to adopt and make use of the device, Point of Sale, in order to increase sales and in turn empower the economy of the country.

2. There is the need for the awareness of Point of Sales for all enterprises either small or big. Its value needs to be known so that there can be proper usage of the device.

3. There is the urgent need for the switching companies that facilitate interconnectivity to work on the network of the country so as not to disrupt the functioning of the device.

4. There should be more teaching on the benefits of the device in all sector of the economy

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APPENDIX

EFFECTS OF POINT OF SALE (POS) ON LEVEL OF PATRONAGE AND PRODUCTIVITY AMONG SMALL AND MEDIUM ENTERPRISES IN ADO-EKITI

IN-DEPTH INTERVIEW GUIDE FOR THOSE WHO USE POS

1. Could you please introduce yourself to me and your position in this company?
2. Have you ever heard of Point of Sale system (POS)?
3. To you as an individual, what does POS means?
4. Where and when was the first time and place you use POS?
5. What was your experience like the first time you use POS?
6. Did you see any need for POS use in your mall?
7. When did you adopt the use of POS in your mall?
8. What really motivate the adoption and use of POS in your mall?
9. Do you think POS use have any effects on sales in your mall? How?
10. How would you describe the use of POS in Ado-Ekiti?
11. What do you think hinder some SMEs from using POS in their shops?
12. What is the contribution of POS to productivity in your mall?
13. Please, tell me your experience on customer's patronage before the use of POS and how you adopt it in shopping mall?
14. Please, compare your sales before and after the adoption of POS
15. Do you think POS contribute to the economy of Ado-Ekiti and Nigeria at large? How?
16. Do you think POS has challenges?
17. What are the challenges you and your customers face using POS?
18. How satisfied are you and your customers using POS?