

**AN EVALUATION OF MOBILE MONEY SERVICES (MMS)
IN UGANDA**

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Abstract

The study evaluated mobile money services to specifically establish why they have remained mere peer to peer money transfer platforms, yet they ought to reduce cash transactions and spur financial inclusion. The research investigated the extent of use, factors motivating and deterring mobile money adoption, as well as synergies it can bring to financial inclusion. The study followed a descriptive cross-sectional survey research design employing self-administered questionnaires, to 209 mobile money users disproportionately selected from Kampala and Buikwe districts. Data is presented in form of tables, charts, measures of central tendency and variability followed by analysis and discussion with recourse to secondary data. The study found that mobile money is universally used but more pronounced among the males, the youth (21-30 years), the elites, and the employed. The service is over 90% utilized for money remittances, about 45% for airtime loading, while less than 20% of users have explored its other functionalities. The service is used more for values below shs.1,000,000. Users point out simplicity, accessibility, safety and then affordability as the service's competitive advantages over bank and cash means, with over 70% subscribing to MTN. Users are skeptical of mobile money regulation and saving on it whilst network outages, withdrawal charges, possibility of sending to a "wrong" user are mentioned as its major bottlenecks. It is concluded that due to its universality across formal and informal sectors, mobile money is a potential, but unexploited tool for financial inclusion. The exclusive management of the service by the profit seeking mobile network operators (MNOs) is a major constraint. The research thus recommends establishment of a regulator, an interoperable platform operated by an independent agency to serve users equally irrespective of their network orientation.