**BINDURA UNIVERSITY OF SCIENCE EDUCATION**

**FACULTY OF COMMERCE**

**DEPARTMENT OF ACCOUNTANCY**

****

**PLASTIC MONEY IMPACT ON THE PERFORMANCE OF MICRO SMES IN HARDWARE INDUSTRY: SURVEY OF BINDURA HARDWARE MICRO SMES.**

**B191148B**

**SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE BACHELOR OF ACCCOUNTANCY HONOURS DEGREE OF BINDURA UNIVERSITY OF SCIENCE EDUCATION FACULTY OF COMMERCE.**

**JUNE 2023**

# APPROVAL FORM

The undersigned certify that they have supervised and read the dissertation titled***, “Plastic money impact on the performance of micro SMEs (MSMEs) in hardware industry: Survey of Bindura Hardware micro SMEs.”*** submitted by B191148B in partial fulfilment of the requirements for the Bachelor Accountancy Honors Degree at Bindura University of Science Education

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**Programme for which the**

**project was presented:** Bachelor of Science Honours Degree in Accountancy

**Year granted:** 2023

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# DEDICATION

I dedicate this dissertation to my mother and my two little brothers for their untiring support along the journey. I love you all.

# ABSTRACT

The study investigated the impact of plastic money on the operational performance of small and medium enterprises (SMEs) in the hardware industry in Bindura Town, Zimbabwe. Historically, MSMEs have operated on a cash basis, resulting in limited usage of plastic money. However, plastic money offers numerous advantages, including increased customer satisfaction, trust, and customer retention, which can enhance organizational performance. The research aimed to determine the forms of plastic money used, the effect of plastic money on payment of bills and purchases, and the impact of plastic money on customer service among SMEs in hardware industry in Bindura Town. A target population sample size of 50 respondents (n=50) was used obtained by stratified sampling method. A response rate of 86% was achieved from achieved sample size of 43. Results showed that MSMEs in Bindura Town had adopted plastic money and were aware of its benefits. The study also found a significant relationship between plastic money and profitability. Based on these findings, the study concluded that plastic money has a positive influence on the growth and expansion of MSMEs in Bindura Town. The study recommends that MSME owners and management encourage customers to use plastic money and educate them on its importance.

# 

# ACKNOWLEDGEMENTS

My deepest gratefullness and appreciation to my mother Rwizi Manoko. My brothers Wayne and Morgan your support was amazing. To my supervisor who guided and encouraged me from the beginning and throughout this dissertation, my friends Tonde, Ashley and others, you were all fabulous source of motivation and encouragement, may God bless you.

Finally, I honour the Lord Almighty for providing me with the understanding, spiritual inspiration and strength in everything I do. I am forever indebted and grateful to you for your eternal gift of life, through you I am destined to be a great woman.

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# CHAPTER I

# INTRODUCTION

# 1.0 Introduction

The chapter in question is centered around analyzing the effects of plastic money on the operational performance of Micro, Small, and Medium-Sized Enterprises (SMEs) in the hardware industry located in Bindura. It delves into different facets of the study, such as its context, problem statement, research objectives, questions, significance, presumptions and limitations.

# 

# 1.1 Background to the study

According to Ngek (2014), small and medium-sized enterprises (SMEs) are considered as the main drivers of economic growth, and their role in sustainable development is critical, as highlighted by the World Bank (2016). In Zimbabwe, where there are various socioeconomic challenges, focusing on SMEs can aid in supporting the economy (Ayandibu & Houghton, 2017). To ensure that all relevant businesses are involved in this study, it is important to have a clear definition of SMEs. While there is no widely putative definition for SMEs, they can be categorized using both economic and statistical definitions (Mahembe, 2011; Wiese, 2014). In Zimbabwe, SMEs are officially established businesses with no more than 100 employees and an annual revenue of no more than 830,000 US dollars (Zindiye, Chiliya, & Masocha, 2012).

Ramukumba (2014) highlights that SMEs in developing countries have become powerful tools for development due to their potential to improve income dissemination, generate new jobs, lessen poverty, and promote export growth. In Zimbabwe, SMEs account for about 50% of the country's GDP, making them the main driver of economic growth (Zindiye, Chiliya, & Masocha, 2012). However, despite their potential, SMEs in Zimbabwe encounter several barriers to growth, and many banks are unable to meet their needs (Kwaramba, 2017). Small businesses can address the unmet needs of low-income clients and fill the gaps left by large enterprises (Ngaruiya, Bosire, & Kamau, 2014). Unfortunately, most SME clients in Zimbabwe are unbanked (Ngaruiya, Bosire, & Kamau, 2014).

According to Wambari (2009), the majority of individuals in several evolving nations, nine out of ten, are unbanked. In Zimbabwe, there are 12 million individuals living in rural areas, as per available data. However, Kufandirimbwa et al. (2013) have reported that 70% of Zimbabweans do not have access to banking services. The expansion of SMEs is hindered due to the challenges in carrying out automated transactions such as disbursements and transferals with their customers.

Wafula (2014) suggests that the concept of plastic money originated in the United States during World War II. He notes that the introduction of the voucher payment system during the war was a crucial step towards the creation of many forms of plastic money that we recognize today. Charge cards were also used as a tool by businesses to retain their customers, and they eventually evolved into credit and debit cards. The first credit card, known as the "Diners Club Card," was introduced by Frank McNamara in 1950 after he ran out of cash while out to dinner with friends. Later in 1958, American Express issued its first credit card, which was the first to be accepted globally.

Hanke (2009) reported that Zimbabwe's first bank opened in 1892, providing free banking services to customers. However, until the 1980s, foreign banks such as Barclays and Standard Chartered dominated the finance sector, making it difficult for new local banks to enter. The World Bank, under the IMF's Economic Structural Adjustment Program (ESAP), initiated the process of breaking up the prevailing banks in the 1990s to increase competition and improve services.

Mulomba (2011) stated that the introduction of ATMs and bank-issued cards played a crucial role in the popularization of plastic money in Zimbabwe. According to Dube et al. (2009), Standard Chartered bank and the Central African Banking Society (CABS) reportedly installed the country's first ATMs in the early 1990s. It is essential to understand how changes in consumer behavior and business practices, such as the adoption of new payment methods, can impact demand and merchant behavior.

According to Mlambo and Raftopoulos (2010), the Zimbabwean economy experienced a downturn in 2004-2005, resulting in ten local banks going out of business due to hyperinflation and significant customer losses. This situation led to only a few financial institutions surviving. In 2009, the Reserve Bank of Zimbabwe (RBZ) introduced the use of multiple currencies and discontinued the Zimbabwean dollar, which stabilized the financial industry. However, the banking sector continued to experience ups and downs, leading to reduced liquidity in the financial system due to money hoarding and lack of public confidence in the sector. As stated by Kaseke (2012), the country has shifted to a cash economy due to unfavorable interest rates, high bank charges and traditionally disadvantageous banking institutions during the hyperinflationary period. In 2012, the RBZ placed three banks under curatorship and revoked the license of another bank, despite the public perception that the banking system had stabilized.

Plastic money became a need rather than a desire since the country lacked the requisite cash despite the fact that the economy was being turned back to a cash economy. SME operations have relied on cash up until the present, with a delay embrace of plastic money, prior to the dollarization era.

# 1.2 Statement of the problem

The majority of SMEs in Zimbabwe have historically operated using cash, but the continuous cash crunch and inflation have had a significant impact on their daily operations. To combat the negative consequences of inflation and a lack of cash, it has been pushed to utilize plastic money, especially for point-of-sale transactions and interbank transfers like ZIPIT and Bank transfers. To solve the nation's liquidity issues, the Zimbabwean government stimulated the usage of plastic money in 2016. Due to this circumstance, the researcher decided to conduct a study to determine how plastic money affects the financial health and general performance of SMEs, particularly in the hardware sector.

# 1.3 Objectives of the study

The succeeding goals are what the study aims to accomplish.

1 3.1 To determine the forms of plastic money that SMEs are utilizing in the hardware industry.

1.3.2 To ascertain how plastic money affects payment bills among SMEs in the hardware sector

1.3.3 To ascertain how plastic money affects payments of purchases in SMEs in the hardware sector

1.3.4 To assess the effect of plastic money on customer service among SMEs in hardware industry.

# 

# 1.4 Research questions

1.4.1 What are forms of plastic money used by SMEs?

1.4.2 What is the major role of plastic money on profitability of SMEs?

1.4.3 What are the impacts of using plastic money on sales volume and on ever increasing inflation rates in SMEs?

1.4.4 What are the impacts of plastic money on operations of SMEs’?

# 

# 1.5 Hypothesis

The aim of the research was operationalized in the following hypothesis

H1a: To examine how the adoption of plastic money relates to the SMEs operations.

H1b: To examine the responsiveness of the use plastic money on payment of bills among SMEs.

H1c: To examine the responsiveness of the use of plastic money on payment of purchases among SMEs.

H1d: To examine the responsiveness of the adoption of plastic money on customer service among SMEs.

# 

# 1.6 Significance of the study

**To the Researcher**

The study enabled the scholar to develop interpersonal and social skills necessary for engaging and communicating effectively with business owners to acquire sufficient data for the study. Additionally, the study equipped the scholar with a deeper comprehension of the subject matter.

**To the Policy makers**

The study's findings will aid policymakers in developing effective entrepreneurship strategies that can improve SMEs' performance by utilizing plastic money. Moreover, the research will provide valuable empirical evidence and crucial information to the government and universities.

**Bindura University**

The research findings will aid as a valuable source for scholars and researchers who wish to explore similar topics in the future. It will also assist other academics who undertake research in the same area of study.

**SMEs and other Stakeholders**

The study's findings are anticipated to serve as secondary data for institutions like the Ministry of Small and Medium Enterprises and Cooperative Development and the Small and Medium Enterprises Development Corporation (SMEDCO) in conducting investigations on the usage of plastic money by firms in Bindura. The study can provide insight into how to raise SMEs' awareness of plastic money, how to make point-of-sale (POS) machines accessible to them, and how they can be charged fairly for accessing these machines.

# 

# 1.7 Delimitations of the study

The study was restricted to small and medium-sized enterprises (SMEs) in the Bindura area of Zimbabwe, with a particular emphasis on the impact of plastic money. The study period coverage is 10 years, from 2013 to 2023, during which time the country faced severe cash shortages and promoted the utilization of plastic money. The researcher drew on relevant theoretical literature and previous research. The study was specifically limited to SMEs in the hardware sector located in urban Bindura.

# 1.8 Limitations of the study

The researcher faced limitations in obtaining certain financial information due to confidentiality concerns. To address this issue, the researcher made sure to enlighten the participants that any information collected during the study would only be used for educational purposes and that their opinions would be kept private.

Limited sample size affected the researcher leading to generalization of the study’s findings.

The researcher lacked experience in conducting research, which occasionally led to inaccurate information being collected.

The researcher tackled the limitation by ensuring confidentiality of the participants' information through a non-disclosure clause included in the cover letter**.**

# 1.9 Assumptions

It is assumed that;

* The use of plastic money has an effect on the operational performance of small and medium-sized enterprises in Bindura.
* The sample chosen is intended to accurately reflect the population being studied..
* The high response rate on the questionnaires is expected to provide the researcher with reliable, relevant, and comprehensive data, which will enable her to make valid conclusions.

# 1.10 Definition of Terms

**Organizational performance**- Richard et al. (2009) explains organizational performance as the comparison between an organization's actual output or results and its intended outputs, which include goals and objectives.

**Small and Medium Enterprises***-* (Visagie, 2011) defines an informal enterprise as an unregistered business that does not comply with the regulations set out in the Company Act (Chapter 190) and the Factory and Works Act (Chapter 283) in Zimbabwe.

**Plastic Money**-referring to the durable plastic cards commonly used in place of physical cash, the term "plastic money" encompasses various types for example debit cards, credit cards, pre-paid cash cards, and store cards. This definition is often used in relation to daily transactions in place of paper currency (Visagie, 2011).

**Enterprise** – according to McPherson (2012), the term refers to any organization involved in economic activities, regardless of the legal structure. This comprises of individuals, societies, charities, or any other entity involved in business activities.

**Sales Volume**-according to Dube et al. (2009), sales refer to the amount of goods or services sold by a company during a specific time period.

# 

# 1.11 Chapter summary

This chapter delivered a through grasp of the problem by discussing its background and indicating the areas it impacts in the problem statement. The author then outlined the objectives, research questions, and hypotheses, which will guide the study and ensure its relevance. Additionally, the author discussed the significance, scope, limitations of the research, and the research's organization. The succeeding chapter will emphases on the theoretical and empirical evidence of the research’s subject matter.

# 

# CHAPTER II

# LITERATURE REVIEW

# 2.0 Introduction

According to Mahmood (2021), this chapter focuses on conducting a theoretical literature review, which involves examining and documenting the current research literature related to a specific topic or subject. The chapter will analyze literature from various sources, including journals, books, and surveys conducted by other academics, to identify the literature gaps. The chapter also discusses the information integrated theory and innovation diffusion theory, as well as conducting an empirical evidence of literature on the adoption, benefits, disadvantages, and consumer attentiveness to plastic money. Finally, the chapter provides a summary of all the topics covered in the chapter.

**2.1 Conceptual framework**

Smyth (2004) defines a conceptual framework as a set of fundamental principles and theories that guide researchers in formulating research questions, identifying relevant literature, and defining research problems. The conceptual framework for this research comprises independent variables relevant to organizations, the environment, and technology, as well as the dependent variable of e-procurement adoption.

**Independent variables Dependent variables**

|  |
| --- |
| **Mobile payment**   * **Bill payment** * **Purchase payment** |

|  |
| --- |
| **Organizational performance**   * **Net profits** * **Sales turnover** * **Growth and expansion** |

|  |
| --- |
| **Forms of plastic money**   * **Debit cards** * **Credit cards** * **Eft transfer** |

*Figure 2.1: Conceptual framework*

# 2.2 Theoretical Framework

# This study’s theoretical framework was composed of the Efficiency Theory, Technology Acceptance Model (TAM) Theory, and Diffusion of Innovations (DOI) Theory.

## 2.2.1 The Efficiency Theory

The efficiency hypothesis, put forth by Anthanasoglou et al. (2013), contends that banks' significant returns are the result of their higher efficiency when compared to other industries. The Scale-efficiency and X-efficiency hypothesis are two methods for analyzing efficiency. According to the X-efficiency concept, more profitable industries are those with lower costs (Wafula, 2015). Companies with significant market shares frequently make sizable profits, despite the fact that there is no clear correlation between attentiveness and profitability. The scale method, in contrast, emphasizes economies of scale more so than management or production technology variations. Through economies of scale, large businesses can lower unit costs and boost profitability, resulting in a sizable market share and greater concentration (Anyanzwa, 2013). But the Zurich (2012) study backs up the idea that concentration does not always lead to higher profitability.

**2.2.2 The Theory of Technology Acceptance Model (TAM)**

Viehland and Leong (2017) define plastic money payment procedures as the IT techniques and channels used by operators to make various payment transactions. The acceptance of plastic money payments depends on the context in which the operators use the payment procedure, and it is primarily adopted for utilitarian reasons (Khodawandi, Pousttchi, & Wiedmann, 2010). In this study, the impact of plastic money on the performance of SMEs will be investigated using the Technology Acceptance Model (TAM) theory. TAM is a theoretical model, as defined by Davis (1989), that explains how users accept and use technology.

Bist, Nair, Dubey, and Hajela (2015) conducted a study that identified numerous factors that impact consumers' decision to adopt a new technology. These considerations include perceived usefulness—the degree to which the system would improve job performance—and perceived usability—the effort needed to use the system. According to Lu, Yu, Liu, and Yao (2003), these two characteristics are thought to be the primary determinants of technology adoption and are influenced by other factors such security concerns, cost, convenience, and satisfaction. According to Viehland and Leong (2017), perceived usefulness and perceived ease of use influence each other to decide how users will feel about the system and whether they will really use it.

## According to Ndubisi and Richardson (2002), the Technology Acceptance Model (TAM) is commonly used to envisage consumer acceptance and use of a technology based on perceived usefulness and ease of use. The study by Lu, Yu, Liu, and Yao (2003) found that TAM was thus deemed to be the proper model and was expanded to include additional elements like perceived ease of accessibility, low cost, convenience, security, support from mobile service providers and the government satisfaction, and actual utilization of plastic money payment services. According to (Lu et al., 2003; Ndubisi and Richardson, 2002).

## 2.2.3 The Diffusion of Innovations (DOI) Theory.

According to Katz (2015), the Diffusion of Innovation hypothesis, which Everret Rogers put forth in 1962, functions as a general framework for comprehending the diffusion of new innovations. However, numerous academics began studying this subject in the 1940s and 1950s. The theory offers both quantitative and qualitative techniques to evaluate the anticipated rate of technological spread, according to Bangens and Soderberg (2010). It also points out a number of variables that may help or hinder society's adoption of new technologies.

According to Dapo (2014), the relative advantage, compatibility, complexity, trialability, and observability of innovations are factors that affect how quickly and how they are adopted. Individuals with traits like cosmopolitanism and greater education are more likely to adopt new technology, according to Loewenstein and Hafalir (2012). Beginning with knowledge of the invention, persuasion, decision-making, execution, and confirmation, adoption proceeds via a succession of steps (Kariuki, 2012). The adoption process can be sped up by some people, including change agents and opinion leaders. According to Bangens and Soderberg (2010), the diffusion theory offers both qualitative and quantitative tools to assess the rate of diffusion and pinpoint elements that help or impede the adoption and use of technology.

The process of innovation diffusion, according to Bazmi, Nazir, Raza, and Javed (2015), starts with a small group of innovative people, grows as more adopters join in, and eventually reaches a plateau when there are no more potential adopters remaining. According to Manivannam (2013), innovators are often a small number of creative and visionary individuals that devote a large amount of time and effort to creating new concepts and technologies. According to Mansfield (2012), early adopters are those who are constantly looking for strategic opportunities in their lives or businesses and can easily make the connection between intelligent inventors and their own demands. According to Kaseke (2012), their drive to set trends serves as a catalyst for innovation and transforms them into unbiased test subjects that iron out any kinks and modify the innovation to suit the requirements of a larger audience.

According to Hausman (2016), Rogers identified that early adopters are pragmatic and open to moderately progressive ideas but require solid evidence of benefits before taking action. They prioritize cost-effectiveness and minimal disruption, time, and learning commitment while seeking proven and better ways of doing things. They demand guaranteed performance, cost neutrality, or quick payback periods (Gohel, 2015). On the other hand, the late mainstream are conservative pragmatists who dislike risk and are uncomfortable with novel concepts (Huang, 2014). Their primary motivation is the fear of not fitting in, which results in their adherence to mainstream trends and established standards (Jensen, 2013). Laggards, however, are resistant until the end; they perceive high risks in accepting a new product or behavior.

The adoption resistance theory of technology holds true even in civilizations where the technology originated, claim Judge and Simon (2011). In order to demonstrate adoption resistance, Rogers utilized Captain Lancaster's discovery of lemon juice for scurvy prevention in sailing ships in 1601 as an example. Despite the fact that the discovery was made considerably earlier, it took the British fleet approximately 150 years to finally use the method (Donner and Escobari, 2010). Guagraw (2016) contends that not every invention requires a lengthy adoption process in every society. Depending on how well they mesh with current social norms, how simple they are to adopt, and how beneficial they are, certain innovations spread quickly (Goodhue and Thompson, 2015).

According to Choli (2012), previous technologies including landlines, fax machines, and money orders have been replaced by mobile phones and related technologies like money transfers in poor nations. The adoption of business tools, including e-business and e-technologies, is influenced by organizational characteristics, and the diffusion of innovation theory offers a comprehensive framework for investigating these elements (Minish-Majanja and Kaplang'at, 2005). Various scenarios involving the adoption of innovations, such as the usage of ICTs, have also been addressed by this approach (Harris, 2002). Three of the five requirements listed in the diffusion of innovation theory—relative advantage, compatibility, and complexity—were met by Zimbabwe's quick adoption of plastic money technologies.

According to Blackwell, Hawes and Talarzyk (2015), plastic money technologies such as mobile phone and mobile transfer services, credit cards, and visa card services have delivered more advantages compared to other methods of payments for suppliers, customers, friends, and relatives. In terms of complexity, mobile phone transfer services are more accessible to the masses due to their affordability and don't require higher literacy levels than computers (Hausman, 2012). Cost, societal norms, and the environment were found to be the three main factors influencing technology adoption in Zimbabwe's informal economy by Kuuya (2010). The quick adoption of plastic money in Zimbabwe has also been facilitated by the interoperability of its technology.

# 

# 2.3 Micro, small, medium enterprises (MSMEs)

Manyani and Maseko (2011) note that there is no universally agreed-upon definition of an MSME due to differences across entities operating in different countries or industries with varying levels of development. Definitions of MSMEs typically focus on fundamental criteria such as size, annual revenue, financial standing, or staff turnover (Mahunje and Robert, 2013). To address the lack of a concise definition, Mahunje and Robert (2013) suggest describing MSMEs using a range of variables, such as geographic location, organizational structure, size, number of employees, sales volume, asset value, and innovation ownership.

Maseko and Manyani (2011) define MSMEs as businesses that are not required to submit financial statements to any governing body before issuing financial instruments. These businesses typically hold assets on behalf of their owners, who are often also the managers, instead of relying on external investors such as banks, insurance companies, securities brokers, and funds.

Depending on the source, small and microbusinesses are defined differently. Small firms, according to the OECD (2015), are those with fewer than 50 employees, while microbusinesses employ no more than 10 people. Small businesses, according to the Small-Medium Enterprise Association of Zimbabwe (2012), are those with an annual turnover or assets of less than US$240,000 or US$100,000. The definition of a medium firm, on the other hand, is one that has assets or an annual revenue that is more than the minimums for minor firms but less than US$1 million.

According to the OECD (2015), the MSME sector, which comprises 95% of all firms, is essential to many industrialized nations. Bouri et al. (2011) claim that the industry is more undervalued in low-income nations and is made up of a wide range of enterprises with varying degrees of technical innovation, dynamism, and risk-taking. Ayaggari et al. (2015) claim that while some MSMEs are larger and less technologically stable in terms of size, market, and technology, others are more technologically proficient and cater to specified markets. Some require high-tech start-ups, while others are dynamic and risky. Despite these variations, MSMEs share a variety of characteristics, particularly in developing nations, such as those listed by Cronje et al. (2011).

* MSMEs are labour intensive and have lower technical capacity compared to larger businesses.
* MSMEs provide a means for individuals who are unable to attain success in larger enterprises to utilize their entrepreneurial abilities and talents.
* They create more employment opportunities per unit of invested capital
* MSMEs typically expand and thrive by catering to niche markets that larger businesses may not consider profitable.
* SMEs promote social stability through encouraging individual savings, minimizing environmental harm, and enhancing citizen involvement in a nation.

Kayanula and Quartey (2010) categorized MSMEs into two groups: organized and disorganized businesses. Organized businesses have registered offices and salaried employees, while disorganized businesses are typically composed of craftsmen who hire family members or trainees as salaried workers and have centralized administration with weak departmentalization. Gibson et al. (2018) claims that MSMEs rely on on-the-job training and are gradually adopting technology, but they are adaptable to changing economic conditions despite their limited technological sophistication. Kayanula and Quartey (2010) noted that many MSMEs operate from home or open areas, such as the furniture carpenters in the Glenview area 8 of Harare. Furthermore, Gibson et al. (2018) observed that MSMEs do not get direct assistance from the government or financial industry in terms of tax breaks or other sgovernment benefits.

Kayanula and Quartey (2010) state that the manufacturing, retail, and trading sectors are the most common areas of engagement for MSMEs in developing countries. Similarly, Abor and Quartey (2010) suggest that the retail sector accounts for the majority of MSMEs, with variations in the proportions between rural and urban areas and across countries. The MSME sector is diverse and heterogeneous, with a significant presence in industries such as wood products, transportation, light engineering and food related products (Philip, 2015).

Porter and Turner (2014) conducted a study which revealed that the most successful and thriving MSMEs possess traits such as innovation, focus on quality, excellent service provision, and dedication to meeting customer needs. The study also emphasized the importance of providing exceptional customer service in building a loyal and robust customer base, and how this commitment is crucial for the continued success of small businesses.

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# 2.4 Plastic money

According to Patil (2014), plastic money refers to credit and debit cards that are used for purchasing goods and services. These cards allow banks to expand their services beyond their physical branches and reach a wider customer base. The term "plastic money" is commonly used to describe these cards, which are made of plastic and are used in place of cash. In Zimbabwe, they are often referred to as "ATM cards" due to their predominant use for cash withdrawals at ATMs. Plastic money is essentially an automated module that stores information about the cardholder and their bank, and it can be used for transactions at ATM and point-of-sale terminals (Diza et al., 2017).

Kaseke (2012) states that Zimbabwe has two switching systems, which are Zimswitch and Visa. Zimswitch is responsible for processing local transactions, while Visa handles both domestic and international transactions. The use of these switching systems allows transactions made with one bank's card to be processed on the network of another member bank.

Warutere (2010) notes that metal plates resembling dog tags were issued by department stores in the United States to their preferred customers before the introduction of plastic cards. The first gas credit cards, which could be used at merchants all over the country, were introduced in 1924, representing a significant technological advancement as automobiles and travel became more popular. The Bank of America introduced its third-party credit card program in 1958, which allowed credit to be extended to a wider base of consumers. Under this program, retailers received instantaneous payment from the issuer, with a discount deducted. The cards could only be used at merchants who agreed to the prearrangement. At the end of the month, cardholders received a bill from the issuer for all purchases made, as explained by Rigby (2017).

According to Michelson (2010), credit cards had been introduced in the 1960s, but it was not until significant technological advancements were made that they became widely used. In order for credit cards to be accepted, merchants needed electronic verification systems that could quickly confirm the card's validity and whether there were sufficient funds to cover a transaction. This information was attained from the magnetic strip on the card and monitored by software created by credit card companies to track card activity and prevent fraud. In cases where a customer attempted to make a purchase exceeding the available credit, the system would indicate that the funds were insufficient.

The Reserve Bank of Australia collaborated with the Commonwealth Scientific & Industrial Research Organization and The University of Melbourne to create a counterfeit-resistant paper in the 1960s, the decade that saw the emergence of plastic money, according to Marufa et al. (2013). This development led to the introduction of debit cards, which allowed users to withdraw money from ATMs, and credit cards, which facilitated online purchases (Sarvepalli & Prakash, 2016).

Kaseke (2012) reports that in China and India, plastic card payments were prevalent and utilized for various transactions, including train tickets and antiques. This trend is also observed in many Western countries, where the use of plastic cards has contributed to an increase in financial transactions. Furthermore, the popularity of card-based payments like direct debits, credit transfers, credit cards, and debit cards has grown in Japan and allows account holders to authorize the withdrawal of funds from their bank accounts.

The establishment of automated teller machines (ATMs) by Central African Building Society (CABS) and Standard Chartered Bank Zimbabwe Ltd. in the early 1990s, according to Dube et al. (2019), enhanced the beginning of Zimbabwe's acceptance of plastic money. However, due to the low interest rates, high bank fees, and unattractive banking infrastructures during the hyperinflationary period, the country has moved to a cash-based economy. People and businesses prefer to retain their money outside of the banking system due to a lack of faith in the banking industry, according to the governor of the Reserve Bank in a news statement on May 4, 2016 (Kaseke, 2012).

The statements above illustrate that money serves as a medium of exchange, and plastic money is a technological advancement that improves the basic purpose of money by transforming it into a digital substitute for physical currency.

# 2.5 Adoption of plastic money by MSMEs

Rogers (2010) stated that the implementation of electronic payment systems varied across countries and was adopted by consumers at different rates. Sathye (2018) noted that the acceptance of plastic money was inclined by personal factors, such as financial resources, cognitive abilities, lifestyle, and awareness.

Sathye (2013) argued that the slow or insufficient adoption of plastic money was mainly due to inadequate awareness and knowledge about the technology, as well as the perception that it was not user-friendly. Despite being informed about it, MSMEs remained doubtful about using plastic money. According to Gerrard and Cunningham’s (2003) study, individuals who were more financially sophisticated were inclined to embrace plastic money compared to those who were less financially advanced.

Polatoglu and Ekin (2012) discovered that plastic money users were content with the cost-saving advantages of electronic banking, which is in contradiction to Sathye's (2011) findings. Sathye discovered that the fees associated with electronic banking, for example, had a detrimental effect on the adoption of plastic money.

According to Viehland and Leong (2017), the usage of plastic money for payment transactions involves IT processes and channels, and the acceptance of these payments is influenced by the circumstances in which they are used. Khodawandi, Pousttchi, and Wiedmann (2013) also suggest that the usage of plastic money for payments is a practical step. To assess the impact of plastic money on the performance of MSMEs, this study utilizes the Technology Acceptance Model (TAM) theory, which explains the process of how users adopt and use technology (Davis, 2019).

According to Bist, Nair, Dubey, and Hajela (2015), a number of factors affect how quickly people adopt new technologies. These factors include perceived usefulness, which expresses how much a person believes utilizing a specific system will enrich their work performance, and apparent ease of use, which expresses how much a person believes using a particular system will involve minimal effort. The adoption and usage of new technology may also be motivated by other factors, such as cost, convenience, security concerns, and satisfaction, according to Lu, Yu, Liu, and Yao (2013). The user's attitude toward utilizing the system, their intent to use it, and their exact use of the system are all directly influenced by professed convenience and simplicity of use.

The Technology Acceptance Model (TAM), according to Ndubisi and Richardson (2012), is widely used to predict user acceptance and usage of a system grounded on the perceived ease of use and convenience. The model was expanded to include additional elements such as perceived accessibility, low cost, convenience, security, support from mobile service providers and the government, contentment, and actual usage of plastic money payment services because it was deemed appropriate for the study and was thus deemed appropriate (Lu, Yu, Liu, and Yao, 2013).

The development of telecommunications, according to Handa and Serhrawat (2014), has allowed Indian banks to expand their services by using electronic communication systems as a platform for distributing IT-based online banking products. However, Zimbabwe's economy is still growing, and the nation lacks the telecommunications, point-of-sale (POS), and internet infrastructure necessary to accommodate the changes that come with a cashless society. According to Nyoni and Bonga's (2017) argument, the Zimbabwean government may have to spend more money on the infrastructure required to properly implement a cashless society..

Chikerema (2018) highlighted that inadequate knowledge among consumers and businesses about cashless services and their benefits is a major hurdle to achieving a cashless society. Despite Zimbabwe's high literacy rate, many individuals, particularly those in rural areas, require basic financial literacy to easily grasp the concept of a cashless economy. This explains the deliberate transition and recognition of a cashless society in the country. In this regard, financial institutions have a responsibility to educate the public on these services (Chikerema, 2018).

The lack of resources, according to Nyoni and Bonga (2017), poses a serious obstacle to the successful implementation of a cashless society. This means that the Zimbabwean government need to provide sufficient financing to guarantee the viability of the cashless society, which is a difficult undertaking given the nation's level of development and the continuous currency problem that has left many economic agents stranded and dissatisfied

According to Rajani (2019), SMEs face various difficulties in accepting plastic money, including their lack of understanding about the benefits of such payments and their inability to use POS terminals effectively and answer cardholder queries. Additionally, retailers may lack knowledge about maintaining security standards to protect cardholder data, experience ineffective training, and have difficulties with transaction processing. As a result, many SMEs do not fully benefit from accepting plastic money due to these obstacles.

# 2.6 Forms of plastic money

Nelson et al. (2014) identified two main reasons why accepting card-based payments could increase a supplier's sales. Firstly, customers are more likely to make purchases in stores where credit cards are accepted. Secondly, customers tend to make larger purchases when they can use plastic money, as opposed to cash. The act of a customer making a larger purchase as a result of being able to use plastic money is known as "ticket lift." This is because it results in an upturn in the total amount charged on the customer's receipt ticket. Customers are less limited by the amount of cash they have on them when they use credit or debit cards, and may feel psychologically inclined to make more purchases as a result.

Nelson et al. (2014) found that businesses that accept plastic money can attract customers who only have credit or debit cards, and may not carry cash or have enough money for their desired purchases. Some customers prefer using plastic money because it provides a clear record of transactions. In developing countries, accepting plastic money is seen as a sign of higher quality, leading to increased sales for the business. Additionally, taking card payments can result in larger purchases, as customers are not restricted by the amount of cash they have on hand.

According to Rajani (2019), the decision of the cardholder to elect payment cards over cash and the readiness of businesses to take cards as a disbursement option both have an impact on the rise in the use of plastic money. Rajani also observes that the utilization of plastic money has a favorable effect on cardholders' spending patterns. Rajani (2019) also acknowledges that accepting credit and debit cards can boost sales and provide other advantages for businesses. Additionally, he claims that card-based payments may boost impulsive purchases, which would increase sales volume.

Soman (2011) found a positive correlation between the use of plastic money and sales volume by analyzing the impact of previous payment habits on future spending behavior. He discovered that customers who use plastic money to pay for purchases are more likely to make impulsive purchases of non-essential items, resulting in increased sales. In a subsequent study, Soman (2013) analyzed spending patterns across cash, cheque, and card-based payments at a US supermarket using data from 275 receipts. 46.5% of the receipts were paid using credit cards, and the results indicated that card-based payments were associated with the purchase of more discretionary items. These findings support an earlier study conducted in 2001, which also found a positive correlation between the use of plastic money and sales volume.

Both studies, one by Bounie and Francois (2009) in France and one by Klee (2004) in the US, discovered a connection between sales volume and the use of plastic money in grocery stores. The investigations showed a correlation between the use of plastic money and sales volume, with higher-cost trades being more frequently paid for with checks or plastic money. However, it was discovered that the quantity of cash a person had on hand when making a purchase largely determined their choice of payment method, making the underlying reasons for variations in sales volume speculative.

Das and Agarwal (2010) found that credit cards allow consumers to spend beyond their available cash whereas debit cards allow customers to use more cash than what they have at hand. Consequently, merchants who accept plastic money experience a rise in their average sales. This indicates a positive correlation between the use of plastic money and sales volume, as the use of plastic money encourages impulse buying and ultimately leads to an increase in the merchants' sales volume.

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# 2.7 Influence of plastic money on growth and expansion of SMEs

According to Guagraw (2016), plastic money denotes to credit and debit cards created to increase the effectiveness of financial transactions by using technology to make them quicker, more affordable, and more secure. Users can utilize this technology to manage their accounts, check balances, and send payments. According to Mbiti and Weil (2011), the time-saving and secure methods of processing money transfers have made it simpler for small and medium-sized firms (SMEs) to perform their financial transactions. SMEs can use plastic money technology to contact more customers, communicate information, and make decisions, which can aid in their growth and expansion, according to Giannakoudi (2010). This is further supported by Donner and Escobari (2010), who point out that plastic money technology can improve SMEs' access to financial services and their ability to manage their finances effectively.

According to Jack and Suri (2010), the introduction of Eco-cash by telecoms provider Econet in Zimbabwe has aided in the improvement and expansion of SMEs. This is because the service offers quick and easy ways to pay for and receive products and services, which improves commercial endeavors. According to Chogi (2012), Eco-cash offers consumers the ability to deposit, withdraw, and transfer funds utilizing SMS technology. This type of plastic money used for mobile financial transactions can boost the performance of SME's by lowering operational costs and extending company networks (Dube, Chitura, and Runyowa, 2009).

According to Bangens and Soderberg (2010), mobile financial transactions have a positive impact on SMEs' productivity. They speed up commercial transactions and make them more efficient. Haggins et al. (2012) point out that most SMEs find mobile financial trades simpler than traditional banking methods because they eliminate the need for travel and associated costs. As a result, SMEs can improve their performance and reduce operational costs significantly.

Jensen (2013) suggests that mobile financial transactions can improve SMEs' performance by reducing information asymmetry and market incompetence. According to Chogi (2012), SMEs in Zimbabwe consider mobile financial transactions as a means to achieve their objectives and improve productivity and profitability. Higgins et al. (2012) note that SMEs often engage in frequent financial transactions involving large sums of money and long distances. Thus, using mobile phones for financial transactions provides them with a quicker, more expedient, and cost-effective possibility for conducting financial operations (Mansfield and Pinto, 2014).

**2.7.1 Impact of plastic money on level of sales turnover of SMEs**

According to Robb and Sharpe (2013), plastic money services provide a fast and safe way of transferring money, resulting in increased circulation and local consumption. This has led to economic growth, particularly in rural areas, due to lower costs, improved efficiency, and reliability of the system, which has made it easier for individuals to send money to remote areas. Consequently, economic activity in these areas has increased, and locals are able to purchase goods from local sellers, leading to increased volume of sales for SMEs (Pollet, 2009). As a result, the ease of accessing money through plastic money services has led to increased sales volume for SMEs, improving their financial performance (Ogbuji, 2012).

Sultana (2016) notes that the broad coverage of mobile service providers has not only increased convenience but has also made plastic money services reliable and efficient for making payments, sending, and receiving money. The interaction between agents and customers has been relatively trouble-free, resulting in few customer complaints. As a result, most SMEs have rapidly embraced point-of-sale equipment, which has helped to increase sales volume by fascinating a widespread collection of customers (Wafula, 2015).

Sumi and Safiulla (2014) found that more Zimbabweans, including mobile money services, are using plastic money services. According to Ullah, Din, Anjum, and Latif (2014), this suggests that using plastic money instead of genuine currency can enhance the sales turnover of SMEs. When mobile technologies and plastic money are combined, according to Subhani (2011), they provide a transparent facility that allows senders and recipients to track each transaction, making it easier for SMEs to secure significant contracts that demand formal procedures and increase their sales turnover. This service improves the financial performance of SMEs by increasing sales and stabilizing performance while lowering consumer input errors (Soman and Cheema, 2012). Omwansa (2016) noted that as a result, SMEs can optimize their processes to boost productivity and expand their enterprises.

According to Robb and Sharpe (2013), the use of plastic money amenities by SME operators has reduced the time spent visiting the bank and allowed for a greater concentration on business operations. According to Sumi and Safiulla (2014), the majority of microbusiness owners are accustomed to using plastic money for payment services because they are simple to use and don't require any special training. This enables more time to be spent helping consumers, which boosts revenue and promotes business expansion (Zift, 2015). Plastic money payments are more inexpensive for micro-business owners since their transaction costs are lower than those of conventional banks and money transfer businesses (Omwansa, 2016). Additionally, the price of plastic money payment services is significantly less expensive than bank fees, which has a beneficial effect on the expansion and profitability of small businesses (Rotchanakitumnuai and Speece, 2014; Slocum and Mathews, 2010).

Sultana (2016) asserts that the accessibility and usability of plastic money transfer services have increased their adoption. In a study of small and micro enterprises done in Canada's manufacturing sector, e-business strategies contributed 4% to sales growth and 5% to export performance (Zurich, 2012). No matter whether gains come from cost reductions or increased sales, the analysis by Raymond, Bergeon, and Bill (2015) shows that plastic money transfer services have a substantial impact on SME financial performance.

**2.7.2 Effect of plastic money on profitability of SMEs**

According to Mbiti and Weil (2011), electronic banking innovations like online banking have transformed consumer purchasing practices and made commerce easier for both small and large businesses. According to Ngaruiya, Bosire, and Kamau (2014), the introduction of plastic money in Zimbabwe has given SMEs in that country several benefits over more traditional purchasing options, including a larger customer base, product innovation, cost savings, mass customization, and the distribution of services over a wider area and at any time. Compared to the cash economy that Zimbabwe was running in the wake of the 2008 hyperinflation, this has enhanced revenues for small businesses (Giannakoudi, 2010). Despite the country's current economic difficulties, the usage of plastic money, which allows for quick transactions and easy access and quick responses, has proven essential to the success of small and medium-sized businesses in Zimbabwe. Muchemi (2015)

According to Polatoglu and Ekin (2017), SMEs can profit from electronic banking services and products like credit cards, debit cards, and ATM cards since they can raise their revenue by processing transactions more effectively and efficiently. Plastic money has a favorable impact on SME turnover and profitability, as well as employment to a lesser level, according to Mansfield and Pinto (2014). Plastic money use can improve SME performance by boosting profitability, market share, product variety, and consumer demand responsiveness. According to Ndubisi and Richardson (2002), using plastic money is more practical than using cash, which is vulnerable to theft.

According to Mbiti and Weil (2011), SMEs can increase revenue and profits by accepting plastic money for shopping, purchasing expensive products, and making high-value payments. Ogare (2013) further emphasizes the advantages of plastic money for SMEs, as it allows them to cater for clients who prefer to pay using this technology, reducing the risk of lost sales and increasing profitability. Ogony (2011) added that plastic money acts as a stimulus that encourages customer spending, hence its use can lead to an increase in profitability for SMEs.

According to Patil (2014), a psychological phenomenon where people prefer to spend more with plastic money than with cash is positively correlated with using of plastic money easily. For SMEs, this convenience element increases sales, which boosts their profitability and liquidity position. Customers of SME businesses can shop without fuss thanks to credit and debit cards, which do away with the need to carry cash and submit to additional credit checks. However, Plummer (2011) points out that in addition to a private personalized identifying number (PIN), extra identification criteria are frequently required.

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# 2.8 Empirical Evidence

In the central business area of Nakuru, Ngaruiya, Bosire, and Kamau (2014) conducted a study that found that the use of plastic money significantly impacted the sales income of small- and medium-sized businesses (SMEs). The researchers used a descriptive research method in sixteen separate studies and found that SMEs that adopted plastic money had improved sales revenue, indicating financial success. The study recommends that SMEs should consider accepting plastic money transactions to enhance their performance.

Huang (2014) conducted research on the impact of plastic money on the performance of SMEs in Auckland, New Zealand. According to the study's findings, which were based on a descriptive research design, many SMEs in Auckland were adopting plastic money technology in their business dealings. According to the study, SMEs who adopted plastic money devices saw a rise in annual sales since it gave them more networking opportunities. In a similar vein, Bangens and Soderberg (2010) performed research to determine how plastic money contributes to the delivery of essential financial amenities to a considerable section of the population in Sub-Saharan Africa. Plastic money has simplified financial transactions and money transfers, according to the study, which included data from both primary and secondary sources. The study also came to the conclusion that the adoption of plastic money has enhanced the productivity and competitiveness of SMEs.

The effects of plastic money technology on SMEs in Nairobi were studied by Chogi in 2012. Data was gathered for the study using a self-structured questionnaire. The study revealed that the mainstream of SMEs thought plastic money helped them boost sales and cut down on operating expenses. Similar to this, Donner and Escobari (2010) investigated how SMEs in underdeveloped nations used plastic money. The information was gathered through surveys from 14 research that looked into how frequently SMEs used plastic money. According to their research, the adoption of plastic money has helped SMEs increase sales and productivity, which has improved their financial performance.

Research was conducted in Kenya by Wambari (2013) to determine how plastic money affects developing nations. He surveyed 20 SMEs using a semi-structured questionnaire and found that the use of plastic money had a beneficial effect on SMEs' financial transactions. The survey also showed that 17 SMEs improved their financial performance and increased sales as a result of using plastic money. In a similar vein, Higgins et al. (2012) investigated how Kenyan SMEs used plastic money. They employed a questionnaire to gather information from 865 SME owners and discovered that plastic money was used by 99.5% of the businesses. The study also showed that using plastic money allowed SMEs to recuperate their performance.

Mainga, Rotich, and Ndambiri (2017) conducted a survey in Nairobi County, Kenya, to determine the impact of plastic money transactions on the financial performance of savings and credit cooperative organizations (Sacco). The investigation employed a descriptive cross-sectional survey research approach. The research's findings demonstrated that using plastic money like Visa cards and mobile money improved Sacco's performance. The study found a correlation between mobile money, visa cards, and Sacco's performance that is favorable. According to the report, Sacco management should promote clients to utilize mobile money because it is convenient and always available, which could result in higher sales for the company. Additionally, management have to inform clients of the advantages of utilizing visa cards, which can encourage more people to use them and boost Sacco's performance.

Sultana (2016) conducted a study in Bangladesh to investigate how consumers perceive using a visa card, utilizing confirmatory factor analysis. The study utilized a semi-structured questionnaire to gather information from 202 respondents from various occupations including students, government officials, private company employees, and businesspeople. The findings revealed that most respondents used plastic money for shopping, cross-border transactions, and expensive purchases. Confirmatory factor scrutiny was utilized to ascertain the impact of observed factors on the retrieved factors. The study revealed that consumers were more motivated to use a visa card because it enhances their quality of life and is considered a secure method of transactions.

Chimaobi and Chizoba (2014) conducted a study in Nigeria which revealed that SMEs that utilized mobile platforms for trading were able to significantly reduce their delivery times. The use of mobile money services was found to improve user contact and strengthen relationships between buyers and sellers, as noted by Ngange and Beng (2017) and Chimaobi and Chizoba (2014). Asymmetric information, a situation where one user in a operation has more information than the other, can be reduced through effective communication. Mbongo (2010) suggests that increasing the variety of options available to users through the platform could benefit SMEs by reducing operational costs and indirectly improving their performance and growth. However, despite the opportunities presented by mobile money services, there are still factors that hinder their universal adoption.

According to Amponsah (2018), mobile money services offer various benefits and opportunities to firms, as well as contributing to increased financial inclusion. Among its benefits are low-cost money transfers within branchless banks. Research conducted in Kenya and Ghana shows that the use of plastic money enables SMEs to have smoother cash flows and simpler, safer financial transactions. Amponsah (2018) notes that many central banks in Africa are promoting a cashless economy. Ngaruiya et al. (2014) found that the implementation of mobile money services improved decision-making and information exchange, enhanced networking capabilities, and increased the competitive advantage of SMEs.

A study on the allure of plastic money and visa cards was done by Subhani (2011). Examining how people's preferences for utilizing plastic money were influenced by its allure, practicality, and cost was the aim. According to the survey, there are benefits and drawbacks to utilizing plastic money or a credit card in terms of accessibility and practicality. Consumer behavior research is consistent with the study's findings that people are more likely to expense less when using credit cards than when using cash. The convenience of using credit cards is positively correlated with the preference for plastic money, which is connected to a psychological phenomenon. Furthermore, simplicity of use and convenience are related to consumer self-convenience, which results in higher expenditure.

A study was done by Loewenstein and Hafalir in 2012 to look at how using Visa cards affected spending. The study concentrated on two consumer demographics: debt-carrying revolver users and debt-free convenience users. The study studied the impact of presenting a reward for using a credit card and examined the impact of using a credit card versus cash when insurance company employees were purchasing lunch in a restaurant. According to the study, users switched from using cash to using credit cards as their preferred payment option when a reward was offered for using a credit card. The study did find, however, that using credit cards does not lead to more expenditure. For users of revolvers and convenience stores, the effect of credit card use on spending was different. When forced to use a credit card, revolvers tended to spend less, but convenience users exhibited the opposite pattern.

# 2.9 Research Gap

Numerous studies have looked at how plastic money affects the expansion of SMEs in both industrialized and unindustrialized nations. There is, however, a scarcity of study on this subject in developing nations like Zimbabwe. These research have mostly focused on how plastic money affects SMEs' ability to grow. The few studies that have been piloted in evolving nations have primarily examined how loan credit affects the growth of SMEs. Realizing this gap gave the researcher the idea to conduct a research on the effect of plastic money on the performance of SMEs with a focus on Bindura Urban. (Xitian, 2013; Agwu, 2014; Yunus, 2009; Kirkpatrick and Maibo, 2002; Munyao, 2012; Madole, 2013; Koech, 2011; Kibet et al., 2015; and Buckley, 2007).

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# 2.10 Chapter Summary

This chapter scrutinized the effect of plastic money on the financial performance of SMEs in Bindura Urban through an analysis of pertinent literature, an introduction to the subject, a theoretical framework, and empirical evidence. The research technique and design are covered in detail in the following chapter.

# CHAPTER III

# METHODOLOGY

# 3.0 Introduction

According to Saunders, Lewis, and Thornhill (2009), the terms method and methodology are often used interchangeably without a clear distinction between the two. Methods refer to the specific skills and techniques used for data collection and analyzing it, such as surveys, observations, and interviews. On the other hand, methodology refers to the overall guidelines and assumptions underlying a research study. Kothari (2004) explains that methodology encompasses various aspects, including the research design and methods used to accomplish the study's objectives.

In order to achieve the research objectives and questions, the current chapter offers insights into the procedures and strategies employed for data collecting, analysis, and presentation. A survey of the literature on several earlier research on business intelligence and the financial crisis was done in the past chapter. To meet the goals of the study, the demographic information about the sample and the sampling methods employed are also presented and assessed. This chapter also emphasizes the research's shortcomings.

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# 3.1 Research Philosophy

Positivism and interpretivism are two important research philosophies to take into account while developing a research technique, according to Saunders et al. Positivism relies on generalizations that may be verified by observation of social reality and is thought to be "law-like." Objectivity and a lack of personal values in research is also a key tenet of positivism. Farquhar (2012) notes that positivism emphasizes informal relationships and pattern recognition. In contrast, interpretivism focuses on understanding individuals and their unique differences without making generalizations. The term "social actors" is used to describe individuals in interpretivism. The research in this study was conveyed using a positivist methodology, as quantitative data was composed through structured questionnaires and conclusions were drawn based on facts about the adoption and impact of plastic money in SMEs. Klenke (2008) supports the use of positivism for its objective description and explanation of phenomena using quantitative data, particularly in fields such as marketing and management research.

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# 3.2 Research Design

The planned arrangement of conditions for data assortment and scrutiny that combines relevance to the study aim with economy of method is referred to as research design, according to Selltiz et al. (1981) and Zikmund (2007). Exploratory, descriptive, and experimental are the names given to the three basic types of study designs. Due to the objective data collection and description of the existing situation regarding the effects of plastic money on MSMEs' operations, a descriptive research method was used in the study. According to Sivasubramaniyan (2012), the objective of descriptive research is to describe what already exists without the use of controllable factors. The research design tackles what topics to examine, what pertinent data to acquire, and how to assess outcomes. It transforms research questions into testing questions. This design, enabled the researcher to compile data on the acceptability of plastic money for MSME operations, its impacts on profitability, and overall business impact. Walliman (2011) agrees that there may be confidentiality, objectivity, and error issues with the descriptive research design.

**3.3 Research Population and sampling**

## 3.3.1 Population

Meslin (2012) defines population as a specific group of research subjects from which the academic intends to collect data. Kumar (2003) further explains that a population refers to a collection of all individuals or objects that share a set of characteristics relevant to a particular research issue. In the present study, the population comprises of 100 SMEs managers and owners who are members of the Bindura SMEs Association in Bindura Urban. The target population specifically includes SMEs in the hardware industry, such as furniture manufacturers, welders, and hardware retail stores.

**3.3.2 Sampling**

To conduct the study effectively, the researcher had to select a sample of MSMEs from the target demographic. The sample size was chosen to be manageable so that the results could be generalized to the target community. Factors such as statistical issues, economic constraints, time limitations, and availability of participants influence the sample size. In this study, sampling was a suitable method as it saved time, money, and human capital.

The sample population was determined using the Yamane (1967) formula, which offers a straightforward method for calculating sample sizes. The formula assumes a 90% confidence level and P = 1. This approach was chosen to ensure a representative sample while conserving time, money, and resources.

n = N / [1 + N (e)2]

Yamane Formula K

100/1+100(0.1)2 = 50

The Yamane formula, which simplifies the calculation of sample sizes, was used to obtain a sample of 50 MSMEs. The formula uses variables such as N for population size, n for sample size, and e for degree of precision. Sampling was considered advantageous as it saved resources such as time, money, and human effort

Stratified random sampling approach was utilized by the researcher, which includes breaking the population into smaller subgroups and choosing participants proportionate to the representation of each subgroup in the total population. Each subgroup's selection of participants was made at random.

Remanyi (2002) described the process of stratified random sampling as dividing a population into smaller groups with similar characteristics, and then randomly selecting participants from each group to form a sample. In the case of this study, the diverse market of MSMEs was classified into strata based on their characteristics, such as the manufacturing sectors for furniture, welding, and retail. Respondents were then chosen at random from these groups to participate in the study.

# 

# 3.4 Research instruments

The primary methods used to collect information on the effect of plastic money on SMEs were questionnaires and interviews.

A questionnaire is a systematic set of enquiries that are given to a sample of the population to collect relevant data (Griffin, 2013). According to Kumar (2012), a questionnaire is a list of questions that respondents answer and record their responses. The use of questionnaires was chosen because they were accessible to a wide range of respondents, reasonably inexpensive, and simple to administer. Additionally, surveys gave respondents the autonomy to answer inquiries at their own pace and time. As information was provided without the researcher's presence, bias was eliminated. Additionally, self-completing questionnaires ensured confidentiality. A handful of the questions were handed out physically, but most were administered electronically. Moreover, the categorization of the questions led to the responder providing straightforward and precise answers, which made it simpler for the researcher to tabulate and evaluate the data. Griffin (2013) claims that pre-made questions that were provided in a specific order were utilized in closed-ended questionnaires to get data from respondents. Contrarily, the closed questions were created to keep the questionnaire brief, which promotes response and validity in terms of the responses' representativeness. It reduced the possibility of misunderstanding. Additionally, it made tabulation and interpretation for the researcher simpler. There were three primary portions to the questionnaire. The profile of the SMEs respondents was the first section. The questions pertaining to the topic of the investigation were found in the second and third sections. On the other side, not all of the surveys were fully completed even though the researcher received a sufficient number of responses. In several instances, omissions had a considerable negative impact on the outcomes and the interpretations. Sometimes, respondents filled out their forms with a complete lack of concern for accuracy and correctness, and other times, they knowingly provided false information.

The researcher also conducted interviews with staff members at different businesses to gather information on their awareness, acceptance, and the impact of plastic money on their daily operations. While interviews are faster than questionnaires and many respondents were willing to partake, the accuracy of the data gathered cannot be guaranteed as some business owners may not be willing to disclose accurate information about their company's performance.

# 

# 3.5 Data collection procedures

The researcher attained consent from the owner or management before distributing questionnaires to companies. The questionnaires had to be finished within a 10-minute time frame and were distributed through email or by hand. Respondents were given five days to comprehensive the questionnaires, and the student followed up on the returned questionnaires. The responses were sent to the respondents via email, regardless of how the questionnaires were distributed.

Table 3.5.1: Questionnaire response rate

|  |  |  |  |
| --- | --- | --- | --- |
| Employee level | Target sample | Archived sample | Response rate |
| Owners | 20 | 18 | 90% |
| Managers | 15 | 12 | 80% |
| Employees | 15 | 13 | 87% |
|  |  |  |  |
| Total | **50** | **43** | **86%** |

Interviews with the management of the companies were scheduled over the phone and in person. At most ten minutes were spent on each telephone interview. The researcher would record the managers' comments for further study. Because of the busy schedules of management, interviews were scheduled months in advance. In order to avoid interfering with business, face-to-face interviews were also organized via phone conversations and emails.

Table 3.5.2 Interview response rate

|  |  |  |  |
| --- | --- | --- | --- |
| Employee level | Target sample | Archived sample | Response rate |
|  |  |  |  |
| Owners | 20 | 16 | 80% |
| Managers | 15 | 14 | 93.3% |
| Employees | 15 | 13 | 87% |
|  |  |  |  |
| Total | **50** | **43** | **87%** |

# 3.6 Ethical considerations

The researcher must respect specific ethical principles while working with others, especially during data collecting, as part of the process of conducting a study. Informed permission, privacy, and risk aversion were some of the significant ethical difficulties that were noted in this study.

The researcher in this study adhered to ethical principles, including obtaining informed consent from participants before conducting questionnaires or interviews. Participants were educated that their involvement was intentional, and they could withdraw at any time without penalty. Additionally, the student made it clear that the study was conducted solely for theoretical drives. This approach ensured that participants' privacy was respected and minimized any potential risks associated with participating in the study.

Personal data of study participants was handled with the strictest confidentiality and remained so throughout the investigation. The data was deleted once the study was over. The researcher used pseudonyms (false names) in place of actual identities when personal information was disclosed.

The researcher made sure not to disrupt the normal operations of the organizations or interfere with the work of the respondents while collecting data. Each response was given individual consideration despite the large number of responses. To prevent causing discomfort or anxiety among the respondents, the researcher avoided including any sensitive questions in the instruments.

# 3.7 Data validity and reliability

Polit and Beck (2010) explain that validity is a crucial principle for determining the accuracy of the conclusions drawn from a study based on measurements. Content validity, as defined by Mugenda and Mugenda (1999), pertains to the level to which study questions and objectives are adequately represented in the study. To enhance the validity of the research, several data sources and collection methods were used (triangulation). The researcher sought the input of subject matter experts to evaluate the relevance of the research instruments in collecting the required data. In this research, the validity of the findings was assessed based on how accurately they reflected the factors that influenced the efficacy of plastic money in MSMEs.

According to Mugenda & Mugenda (1999), an instrument's reliability refers to how consistently it will measure the things that are expected of it. According to Patton (2012), reliability is the consistency with which repeated measures yield the same results when used by different observers and at various times. Reliability, according to Khan (2013), is the degree to which independent authors conducting comparable research produce the same conclusions. Validity was ensured by constant comparison, which entails contrasting data from research instruments with earlier data and treating data as a whole rather than disintegrating it.

# 3.8 Data presentation and analysis procedures

The researcher employed SPSS, which is a statistical software tool used in the social sciences, and Microsoft Excel to examine the data. The study utilized statistical methods like calculating cumulative frequencies, executing factor analyses, and assessing reliability using Cronbach's alpha with the help of SPSS. Tables, frequencies, percentages, and values were also implemented to present the data. To examine data from interviews, content analysis was used, which involved identifying recurring themes and patterns in the data.

# 

# 3.9 Chapter summary

The study's methodology was covered in length in the preceding chapter. It included the sampling and sample methodologies, sample population, data gathering instruments, research design, and ethical issues. The notions of validity and reliability were also covered in this chapter. The primary subjects of the following chapter will be the analysis and presentation of the acquired data.

# CHAPTER IV

# 

# RESULTS AND DISCUSSION

# 4.0 Introduction

In order to lay a basis for the current chapter, which presents and examines the findings, the preceding chapter concentrated on the research techniques used in the research. The goal of the study was to determine how the usage of plastic money impacts the productivity of Micro, Small, and Medium Enterprises (SMEs) in Bindura's hardware sector. The statistical program SPSS was made use of to examine, scrutinize, and present the acquired data in order to ascertain the correlations between the variables. To get insights, data must be organized and structured, and tables containing the outcome of the primary data collected are used to convey the data.

# 

# 4.1 Response Rate

The data on the response rate was collected and presented as follows:

Table 4.1: Response rate

|  |  |  |  |
| --- | --- | --- | --- |
|  | Administered | Returned | Unreturned |
| Count | 50 | 43 | 7 |
| Frequency | 100 | 86% | 14% |

**Source:** Primary Data

A total of 50 copies were circulated to the respondents to the management, company owners and general employees. Of 50 questionnaires circulated 43 (86%) were returned and 7(14%) not returned were not fully attended to by the time of collection. Babbie (1990) suggested that a response of 60% is good, 70% is very good.

# 4.2 Respondents’ Personal Details

The demographic data of the sample was computed and then analysed as shown and presented in table 4.2 below,

Table 4.2: Respondents’ Personal Details

|  |  |  |  |
| --- | --- | --- | --- |
| **Variable** |  | **Count** | **Frequency** |
| **Gender** | Male  Female  **Total** | 29  14  43 | 67%  33%  100 |
| **Age** | 22-40 years  41-50 years  51-60years  61 years and above  **Total** | 21  15  6  1  43 | 48.84  34.88  13.95  2.33  100 |
| **Work Experience** | 0-5 years  6-10 years  11-15years  16 years and above  **Total** | 18  13  9  3  43 | 41.86  30.23  20.93  6.98  100 |
| **Level of education** | O’level  A’level  Certificate  Diploma  First degree  Total | 10  8  16  6  3  43 | 23.26  18.60  37.21  13.95  6.98  100 |

Source: Primary Data

Table 4.2 above explains the personal information of respondents that took party in the study who represent SMEs in Hardware Industry in Bindura. The sample was male subjugated as the number of males was above the number of females by 34%. The modal and mean educational qualification was a certificate. The majority had at least attained tertiary education entailing that they could understand the significance of the study, perceptions and enquiries that the study dealt with. The large number had 0-5 years, followed by 6-10 years serving in the industry. In the last 10-12 years was when all forms of plastic money were fully adopted by organisations in all sectors so this mean that they have vast of knowledge on what they had experienced in the industry. The modal and median age of the respondents was 22-40 years. This age is viewed as technologically gifted and more economically active population group.

# 4.3 Forms of Plastic Money

To ascertain the types of plastic money used by SMEs in the hardware business in Bindura, a descriptive statistical analysis was conducted. Five measuring items with PM1 to PM5 codes were used to measure the construct "forms of plastic money," which was one of the main research objectives and questions. Table 4.3 below lists the average score and standard deviation for each of the items used to evaluate the various kinds of plastic money.

Table 4.3 Forms of Plastic Money

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Code** | **Forms of plastic money** | **Mean score** | **Mean response** | **Std deviation** |
| **PM1** | My organization uses EFT bank transfers as form of payments | 3.53 | Agree | 1.141 |
| **PM2** | My organization uses Ecocash as form of payments and receive payments | 3.98 | Agree | 0.801 |
| **PM3** | My organization uses debit cards as form of payments and receive payments | 4.23 | Strongly agree | 0.812 |
| **PM4** | My organization uses Onemoney as form of payments and receive payments | 1.19 | Strongly disagree | 0.394 |
| **PM5** | My organization uses ZIPIT as form of payments and receive payments | 3.63 | Agree | 0.926 |
|  | **Overall** | **3.31** | **Agree** | **0.815** |

Source: Field data (n=43)

The average score and standard deviation for each measurement item are shown in Table 4.3. Onemoney received the lowest score, with a mean of 1.19 and a standard deviation of 0.394, while debit cards received the highest mean score, 4.23 and a standard deviation of 0.812. Strongly disagreeing measurement results imply that this form of plastic money is not preferred. The standard deviation's slight range suggests that the respondents' responses were not randomly distributed. The aggregate mean score of 3.31, or "agree" on the Likert scale, shows that SMEs viewed plastic money in different forms favorably as serving a practical purpose in organizational operations. The survey infers that SMEs have a favorable impression of plastic money and its function in their operations based on the study's overall mean score of "Agree."

## 4.3.1 Oftentimes forms of plastic money are used

The study pursued to scrutinize how often forms of plastic money were used in SMEs in Hardware industry. The variable ‘oftentimes forms of plastic money were used’ was measured on five measurement items coded PM6 to PM10. The concept of ‘how often’ means how regularly forms of plastic money were used. The mean score and standard deviation for each item used to measure the variable of oftentimes forms of plastic money were used in business operations. Table 4.4 below dowries scrutiny results.

Table 4.4: Oftentimes forms of plastic money are used

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Code** | **Statement** | **Mean score** | **Mean response** | **Std deviation** |
| **PM6** | My organization uses EFT bank transfers | 3.53 | Often | 1.099 |
| **PM7** | My organization uses Ecocash | 3.91 | Often | 0.811 |
| **PM8** | My organization uses bank debit cards | 4.09 | Often | 0.718 |
| **PM9** | My organization uses onemoney | 1.30 | Rarely | 0.465 |
| **PM10** | my organization uses ZIPIT | 3.81 | Often | 0.852 |
|  | **Overall** | **3.33** | **Often** | **0.789** |

Source: Field data (n=43)

The mean score and standard deviation for each measurement item were calculated for the study presented in table 4.4. Onemoney received the lowest mean score with a standard deviation of 0.465, and my organization uses bank debit cards received the best mean score with a standard deviation of 0.718, both at 4.09. Onemoney was infrequently used in SMEs' operations, according to the measuring item with a mean score of one (1). The measurement items with higher mean scores indicated that the industry frequently used alternative types of plastic money. The standard deviation's narrow range suggested that the replies provided by the respondents were not arbitrarily distributed. Based on the Likert scaled questionnaire, the overall mean score of 3.33 suggested that certain types of plastic money were frequently utilized in SMEs activities.

# 4.4 Payment of bills

In order to better understand how SMEs in the hardware business pay their bills, a study was conducted. Six (6) measurement items with the codes PB11–PB16 were used to gauge the variable "payment of bills." The standard deviation and mean scores for each item were used to calculate the variable for bill payment in company operations. The analytical outcomes are presented in Table 4.5 below.

Table 4.5: Payment of bills

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Code | Statement | Mean score | Mean response | Std deviation |
| PB11 | My organization uses ZIPIT to pay and receive rentals | 3.98 | agree | 0.672 |
| PB12 | My organization uses Ecocash to pay town council rates | 4 | Strongly agree | 0.690 |
| PB13 | My organization uses bank debit cards to pay for its electricity | 4 | Strongly agree | 0.655 |
| PB14 | My organization uses onemoney to pay and receive its debts | 1.14 | Strongly disagree | 0.351 |
| PB15 | My organization uses EFT bank transfers to payment of wages and salaries | 3.72 | Agree | 0.591 |
| PB16 | My organization uses Telecash to be paid for its services | 1.23 | Strongly disagree | 0.427 |
|  | **Overall** | **3.01** | **Agree** | **0.564** |

Source: Primary data (n=43)

For each measurement item, the mean score and standard deviation are presented in Table 4.5. The highest mean score was acquired for using Ecocash to pay for town council rates, with a mean score of 4 and a standard deviation of 0.690, while the lowest mean score was gained for paying bills, with a mean score of 1 and a standard deviation of 0.351. The average score of 1 for Telecash and Onemoney reveals that SMEs do not use them to pay their bills. On the other hand, the strong agreement in the measurement items' mean scores suggests that SMEs pay their invoices with different types of plastic money. The slight range of standard deviation denotes that the answers provided by respondents were reliable and consistent. According to the total mean score of 3.01, SMEs frequently use plastic money to pay their bills.

## 4.4.1 Oftentimes forms of plastic money are used in payment of bills

The study pursued to scrutinize how often forms of plastic money were used in payments of bills by SMEs. The variable ‘oftentimes forms of plastic money were used in payment of bills’ was measured on six (6) measurement items coded PM17 up to PM22. The concept of ‘how often’ means how regularly forms of plastic money were used in payment of bills. The mean score and standard deviation for each item used to measure the factor of oftentimes forms of plastic money were used in business operations. Table 4.6 below presents analysis outcomes.

Table 4.6: How often forms of plastic money are used in payment of bills

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Code | Statement | Mean score | Mean response | Std deviation |
| PB17 | My organization uses ZIPIT to pay and receive rentals | 3.93 | Often | 0.768 |
| PB18 | My organization uses EFT bank transfers for payment of wages and salaries | 4.07 | Very often | 0.552 |
| PB19 | My organization uses onemoney for payment of debts | 1.16 | Rarely | 0.374 |
| PB20 | My organization uses bank debt cards to pay its electricity | 4.02 | Very often | 0.556 |
| PB21 | My organization uses Ecocash to pay its council rates | 4.05 | Very often | 0.688 |
| PB22 | My organization uses Telecash to be paid its services | 1.09 | Rarely | 0.294 |
|  | **Overall** | **3.05** | **Occasional** | **0.539** |

Source: Primary data

The mean score and standard deviation for each measurement item are shown in Table 4.6. The lowest mean score of 1.0 with a standard deviation of 0.294 was recorded for the frequency of using Onemoney and Telecash for payment of bills, while the highest mean score of 4.07 with a standard deviation of 0.552 was recorded for using EFT bank transfers for payment of wages and salaries. The mean score of one (1) indicates that Onemoney and Telecash are rarely used for payment of bills by SMEs, while the mean scores of four (4) indicate that EFT bank transfers are frequently used for payment of wages and salaries by SMEs. The slight range of the standard deviation suggests that the responses specified by the respondents were consistent. The overall mean score of 3.05 indicates that those forms of plastic money were occasionally used by SMEs for payment of bills in their operations.

# 4.5 Payment of Purchases

A descriptive statistical scrutiny was carried to ascertain the forms of plastic money used by SMEs in Hardware industry when making purchases. Four measurement items with the PP23 to PP26 code were used to measure the variable "payment of purchases," which was one of the main study objectives and a research question. Table 4.7 below shows the average score and standard deviation for each item used to measure the types of plastic money consumers use to make purchases.

Table 4.7: Payment of Purchases

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Code** | **Statement** | **Mean score** | **Mean response** | **Std deviation** |
| **PP23** | My organisation uses EFT bank transfers when purchasing machineries and equipment. | 4.60 | Strongly agree | 0.695 |
| **PP24** | My organisation uses Bank debit cards when purchasing stock for resale | 4.35 | Agree | 0.573 |
| **PP25** | My organisation uses Ecocash when purchasing office stationery | 4.23 | Agree | 0.571 |
| **PP26** | My organisation uses ZIPIT when purchasing protective clothes and materials | 4.40 | Strongly agree | 0.623 |
|  | Overall | 4.40 | Agree | 0.616 |

Source: Primary data

Table 4.7 presents the mean score and standard deviation for each measurement item. The lowest mean score of 4.23 with a standard deviation of 0.571 was obtained for the measurement item 'My company uses ecocash when purchasing office stationery', while the highest mean score of 4.60 with a standard deviation of 0.695 was obtained for the measurement item 'My organisation uses EFT bank transfers when purchasing machinery and equipment'. The mean scores indicate that SMEs use plastic money when making purchases. The small range of standard deviation suggests that the responses given by respondents were consistent. The overall mean score of 4.40 indicates that the respondents agreed on the utilization of plastic money when making purchases, as per the Likert scaled questionnaire.

## 4.5.1 Extent plastic money used on payment of purchases

The table 4.8 overleaf presents the rate forms of plastic money are used when making purchases, respondents were given dichotomous responses which were gathered and analysed, and the outcomes are as shown overleaf. The variable ‘payment of purchases’ is measured in four measurement items coded PP27 up to PP30.

Table 4.8 The extent plastic money used on payment of purchases

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Code** | **Statement** | **Mean score** | **Mean response** | **Std deviation** |
| **PP27** | My organisation uses EFT bank transfers on purchasing machineries and equipment. | 4.26 | Very high | 0.621 |
| **PP28** | My organisation uses Bank debit cards when purchasing stocks for resale | 4.33 | Very high | 0.566 |
| **PP29** | My organisation uses ecocash when purchasing office stationery | 4.21 | High | 0.569 |
| **PP30** | My organisation uses ZIPIT when purchasing protective clothes and materials | 4.26 | Very high | 0.658 |
|  | Overall | 4.27 | Very high | 0.604 |

Source: Primary data

Table 4.8 presents the mean score and standard deviation for each measurement item in the study. The mean score ranges from 4.21 for the item "My company uses ecocash when purchasing office stationery," with a standard deviation of 0.569, which is the lowest, to 4.33 for the item "My organization uses bank debit cards when purchasing stocks for resale," with a standard deviation of 0.566, which is the highest mean score. The mean scores indicate that SMEs extensively use plastic money when making purchases. The slight range of the standard deviation suggests that the responses agreed by the respondents were highly consistent. The overall mean score of 4.27 indicates that the overall response is "very high" on a Likert scaled questionnaire, indicating that plastic money is highly used when making purchases.

# 

# 4.6 Customer Service

The study's aim was to determine whether SMEs in the hardware business provided better customer service after implementing plastic money. Four (4) measurement items with the CS31 through CS34 code were used to measure the variable "customer service." The table below displays the mean score and standard deviation for each item based on calculations and presentation. Table 4.9 following lists the results of the scrutiny.

Table 4.9 Customer service

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **City or Town** | **Statement** | **Mean score** | **Mean response** | **Std deviation** |
| **CS31** | My organisation developed in customer service delivery | 4.35 | Agree | 0.573 |
| **CS32** | My organisation developed secure delivery of customer service | 4.47 | Strongly agree | 0.592 |
| **CS33** | My organisation now enjoys frequent visits by customers | 4.37 | Agree | 0.618 |
| **CS34** | My organisation developed in customers good behaviors | 4.23 | Agree | 0.571 |
|  | Overall | 4.35 | Agree | 0.589 |

Source: Primary data

The mean score and standard deviation for each measurement element in the study are shown in Table 4.9. The mean score ranges from 4.23 for the measurement item 'My organization developed good customer behavior' with a standard deviation of 0.571 being the lowest to 4.47 for 'My organization developed secure delivery of customer service' with a standard deviation of 0.592 being the highest mean score. The mean scores of the measurement items indicate that the adoption of plastic money has improved customer service delivery by SMEs. The narrow range of the standard deviation suggests that the replies specified by the respondents were very consistent. The overall mean score of 4.35 indicates that the overall mean response was 'agree' on a Likert scaled questionnaire that plastic money adoption was good for customer service.

## 4.6.1 Effectiveness of plastic money on customer service

The rate of efficacy of plastic money on customer services is displayed in table 4.10 above. Respondents provided dichotomous responses, which were gathered and examined, and the findings are shown above. Four measurement items with the codes CS35 through CS38 are used to measure the variable "customer service."

Table 4.10 Effectiveness of plastic money on customer service

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Code** | **Statement** | **Mean score** | **Mean response** | **Std deviation** |
| **CS35** | My organisation has developed in customers good attitudes towards the company | 4.53 | Very high | 0.550 |
| **CS36** | My organisation has develop continuous mutually beneficial interaction with customers | 4.33 | High | 0.566 |
| **CS37** | My organisation now enjoys frequent visits by customers | 4.09 | Moderate | 0.750 |
| **CS38** | My organisation has developed in customers good behaviors | 4.14 | Moderate | 0.743 |
|  | Overall | 4.27 | High | 0.652 |

Source: Primary data

Table 4.10 presents the mean scores and standard deviations for each measurement item in the study. The mean score ranges from 4.09 for the measurement item ‘My organization now enjoys frequent visits by customers’, with a standard deviation of 0.750 being the lowest, to 4.53 for ‘My organization has developed good attitudes towards the company’, with a standard deviation of 0.550 being the uppermost mean score. The mean scores of measurement items indicate that plastic money adoption has had an optimistic effect on customer service delivery by SMEs. The slight range of the standard deviation suggests that the responses agreed by respondents were consistent. The overall mean score of 4.27 indicates the overall mean response ‘high’ on a Likert scale questionnaire that the adoption of plastic money has greatly impacted customer service.

# 4.7 Operational Performance

The study's objective was to assess how plastic payment methods affected the efficiency of SME operations. Operational performance was measured using four (4) measurement items with the code range OP39–OP42. The effect of the variable on how well a business performed was calculated using the average score and standard deviation for each item. Results of the analysis are displayed in Table 4.11 below.

Table 4.11 Operational Performance

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Code** | **Statement** | **Mean score** | **Mean response** | **Std deviation** |
| **OP39** | EFT bank transfers improved my organisation’s operation performance | 4.37 | Agree | 0.578 |
| **OP40** | Bank debit cards improved my organisation’s operation performance | 4.26 | Agree | 0.693 |
| **OP41** | Ecocash improved my organisation’s operation performance | 4.07 | Agree | 0.704 |
| **OP42** | Onemoney improved my organization’s operation performance | 1,12 | Strongly disagree | 0.324 |
|  | Overall | 3.46 | Neutral | 0.575 |

Source: Primary Data

Table 4.11 presents the mean score and standard deviation for each measurement item in the research. The lowest mean score (measurement of tendency) of 1.12 was obtained for the statement 'Onemoney improved my organization's operational performance', with a standard deviation of 0.324 indicating a low dispersion of responses. On the other hand, the highest mean score of 4.37 was obtained for the statement 'EFT bank transfers improved my organization's operational performance', with a standard deviation of 0.578 indicating a moderate dispersion of responses. Overall, the mean scores of the measurement items suggest that the adoption of plastic money had a limited impact on SMEs' operational performance. The overall mean score of 3.46 indicates a neutral response on the Likert scale questionnaire, implying that the adoption of plastic money partially influenced business operational performance.

# 4.8 Hypothesis Testing

Spearman's correlation is an effect size used by scholars to evaluate the strength of the correlation between two factors, according to Akoglu (2019) and Masakala, Omol, Wauyo, and Okumu (2017). The strength of the causal variable's influence on the outcome variable is quantified by the correlation coefficient, abbreviated as rs and ranging from -1 to +1. An rs value of -1 denotes a impeccable relationship, a value of 0 implies no relationship, and a value of 1 denotes an inverse relationship between the variables. According to Akoglu's standards, the relationship's strength is divided into five categories: extremely weak (0.00 - 0.19), weak (0.20 - 0.39), moderate (0.40 - 0.59), strong (0.60 - 0.79), and very strong (0.80 - 1.0). These metrics were employed in this research to examine the effect of various plastic payment methods on the operational efficiency of SMEs.

## 4.8.1 The effect of Forms of plastic money on operational performance

The study hypothesized that forms of plastic money had a favorable effect on operational performance of SMEs. A spearman’s correlation test was done and analysis findings are shown on Table 4.12below.

.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Table 4.12**:** Spearman’s correlation test results on the effect of forms of plastic money on operational performance. | | | | |
|  | | | Forms of plastic money | Operational performance |
| Spearman's rho | Forms of plastic money | Correlation Coefficient | 1.000 | .733\*\* |
| Sig. (2-tailed) | . | .000 |
| N | 43 | 43 |
| Operational performance | Correlation Coefficient | .733\*\* | 1.000 |
| Sig. (2-tailed) | .000 | . |
| N | 43 | 43 |
| Source: Field data \*\*. Correlation is significant at the 0.01 level (2-tailed). | | | | |

The results of the spearman's correlation test, which looked at the connection between different types of plastic money and operational success, are shown in Table 4.12. A high impact of plastic money on operational performance is indicated by the Sig. (2-tailed) probability significance of.000, which is smaller than the alpha threshold of 0.05. According to the spearman's correlation coefficient, which is positive at r = 0.733, forms of plastic money have a significant, positive impact on operational performance. Contrary to the null hypothesis (H0: p = 0), which states that there is no relationship, the alternative hypothesis (H1: p 0) says that there is a correlation between the use of plastic money and operational performance. As a result, we agree with the alternative hypothesis (H1) and find that the various forms of plastic money improved operational performance.

## 4.8.2 The responsiveness on the payment of bills using plastic money

The study hypothesised the responsiveness on the payment of bills using plastic money among SMEs. A spearman’s correlation test was implemented and analysis results are presented on Table 4.13 below.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Table 4.13**:** Spearman’s correlation test results on the responsiveness on the payment of bills using plastic money among SMEs. | | | | |
|  | | | Forms of plastic money | Payment of bills |
| Spearman's rho | Forms of plastic money | Correlation Coefficient | 1.000 | .913\*\* |
| Sig. (2-tailed) | . | .000 |
| N | 43 | 43 |
| Payment of bills | Correlation Coefficient | .913\*\* | 1.000 |
| Sig. (2-tailed) | .000 | . |
| N | 43 | 43 |
| Source: Field data \*\*. Correlation is significant at the 0.01 level (2-tailed). | | | | |

The findings of the spearman's correlation test used to denote how different types of plastic money affect bill payment are shown in Table 4.13. The probability value Sig. (2-tailed) is.000, which is less than the alpha value of 0.05 (5%), demonstrating a significant impact of plastic payment methods on bill payment. The two variables appear to be positively correlated, according to the spearman's correlation coefficient (r = 0.913), showing that the use of plastic money had a noteworthy effect on bill payment. While the alternative hypothesis H1: p 0 assumes that there is no association between forms of plastic money and the payment of bills, the null hypothesis H0: p = 0 assumes that there is no association between the two factorss. Since the null hypothesis is disproved, we accept the alternative hypothesis and come to the conclusion that the use of plastic money significantly improved bill payment.

## 4.8.3 The effect of forms of plastic money on payment of purchases among SMEs.

The study hypothesised the responsiveness on the payment of purchases using plastic money among SMEs. A spearman’s correlation test was implemented and analysis results are presented on Table 4.14 below.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Table 4.14**:** Spearman’s correlation test results on the effect of forms of plastic money on purchases among SMEs. | | | | |
|  | | | Forms of plastic money | Payment of purchases |
| Spearman's rho | Forms of plastic money | Correlation Coefficient | 1.000 | .772\*\* |
| Sig. (2-tailed) | . | .000 |
| N | 43 | 43 |
| Payment of purchases | Correlation Coefficient | .772\*\* | 1.000 |
| Sig. (2-tailed) | .000 | . |
| N | 43 | 43 |
| Source: Field data \*\*. Correlation is significant at the 0.01 level (2-tailed). | | | | |

Table 4.14 presents the findings of the spearman's correlation test on the impact of plastic money on the payment of purchases. A high impact of plastic money on the payment of purchases is shown by the Sig. (2-tailed) probability significance of.000, which is below the alpha level of 0.05. The spearman's correlation coefficient (rs) of 0.772 indicates a strong positive correlation between the two factors, suggesting that the use of plastic money significantly influenced how goods were paid for. The alternative hypothesis (H1: p 0) argues that there is an association between the factors, contrary to the null hypothesis (H0: p = 0), which suggests there is none. Based on the results, we reject H0 and accept H1, concluding that plastic money had a noteworthy and strong optimistic effect on payment of purchases.

## 4.8.4 The effect of forms of plastic money on customer service

The study hypothesised that forms of plastic money had a positive effect on customer service. A spearman’s correlation test was implemented and analysis results are presented on Table 4.15 below.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Table 4.15**:** Spearman’s correlation test results on the effect of plastic money on customer services | | | | |
|  | | | Forms of plastic money | Customer Service |
| Spearman's rho | Forms of plastic money | Correlation Coefficient | 1.000 | .834\*\* |
| Sig. (2-tailed) | . | .000 |
| N | 43 | 43 |
| Customer service | Correlation Coefficient | .834\*\* | 1.000 |
| Sig. (2-tailed) | .000 | . |
| N | 43 | 43 |
| Source: Field data \*\*. Correlation is significant at the 0.01 level (2-tailed). | | | | |

Table 4.15 presented the findings of a spearman's correlation test on the impact of plastic money on customer service. The likelihood Sig. (2-tailed) value was .000, which is less than the alpha level of 0.05, indicating a strong effect of plastic money on customer service. The spearman's correlation coefficient r = 0.834 which showed a positive association between the two factors, and plastic money had a strong effect on customer service. The null hypothesis (H0: p = 0) showed no relationship, while the alternative hypothesis (H1: p ≠ 0) showed a relationship between plastic money and customer service. Consequently, the null hypothesis was rejected, showing that the use of plastic money improved customer service. The research established that plastic money had a moderate good impact on customer service.

# 4.9 Discussion of results

The study sought to evaluate forms of plastic money on operational performance of SMEs in Hardware industry in Bindura. Yamin (2017) digital marketing is a wide marketing concept which describes the marketing of services and products by using digital technologies essentially on the internet. Descriptive statistical analysis techniques namely the mean and standard deviation were used to establish to describe forms of plastic money and its effect on operational performance a phenomenon which many companies have to deal with in today’s highly competitive business environment. Descriptive statistical analysis of the variables indicates there were significant positive discernments of SMEs in regards to forms of plastic money see Table 4.3 and 4.4. Basing on the overall mean response ‘Agree’ and ‘Moderate extent’, the analysis reveals that SMEs had a positive opinion of forms of plastic money playing a useful role in the operational performance of organisations. This result supports earlier research by Huang (2014), who discovered that SMEs in Auckland, New Zealand, employed plastic money technology to conduct commercial operations, which improved turnover. Additionally, according to Jensen (2013), financial transactions carried out via mobile phones might aid SMEs in reducing information asymmetries and market inefficiencies, which would improve performance. Chogi (2012) claims that SMEs in Zimbabwe view financial transactions conveyed through mobile phones as a tools to transform objectives into outcomes.

The descriptive statistical analysis shows that SMEs had a positive perception of plastic money and its impact on various aspects of their operational performance, such as payment of bills, purchases, customer service, and profitability. According to Viehland and Leong (2017) and Ngaruiya, Bosire, and Kamau (2014), IT processes and channels are used in plastic money payment procedures to let consumers conduct a variety of financial transactions. Plastic money use in Zimbabwe has given MSMEs several advantages over conventional purchasing methods, including a larger customer base, cost savings, mass customization, and product innovation, which has led to higher profits for small businesses compared to the cash economy Zimbabwe operated in following the 2008 hyperinflation (Giannakoudi, 1999). According to research by Nelson et al. (2010), growing use of plastic money results in both concrete and abstract advantages, such as increased demand for higher-quality goods and services, increased production, sales, and profits, as well as additional job prospects. Accepting plastic money encourages businesses to boost profits through higher sales. Plastic money technology can be utilized to contact more customers, enhance information sharing, and speed up decision-making, allowing MSMEs to develop and flourish (Donner and Escobari, 2010). Furthermore, the research paper "Plastic money a way for cashless payment system" by Manivannan (2013) shows that in Bangladesh, plastic money has replaced cash as a necessity rather than a luxury.

Descriptive statistical results show that SMEs were able to make and receive payments on purchases (see Tables 4.7 and 4.8) first as a critical stage in SMEs operations process in order to satisfy customers and delivery of the products and services in a profitable way. Further, the findings show that small and medium enterprises managed to make and receive payments on purchases and customer service enhancing better performance (See Tables 4.9, 4.10 & 4.11). The process of operational performance is based on building relationships between making and receiving payments. According to Dube, Chitura, and Runyowa (2009), the use of mobile financial transactions as a type of plastic money can help SMEs lower their operating costs and enhance their business networks, leading to increased performance. In Zimbabwe, the introduction of Eco-cash by Econet, as noted by Jack and Suri (2010), has facilitated the growth and expansion of SMEs by providing them with a more efficient and convenient way of making and receiving payments for their products and services.

Results of the spearman’s correlation analysis used to ascertain the degree of association and effect of forms of plastic money on the operational performance; payment of bills; payment of purchases and customer services because of the categorical variables and qualitative nature of data analysed show that forms of plastic money had a significant effect on operational performance. Tables 4.12 indicates that there was a significant positive effect of forms of plastic money on operational performance (rs = 0.733, P-Value <0.05). This implied that forms of plastic money in the operational performance enhanced profitability among SMEs. Existing studies show a knowledge gap on the effect of forms of plastic money on operational performance. Existing studies have not revealed the effect of plastic money on operational performance an important aspect of profitability of SMEs. This study has established that forms of plastic money has an effect on operational performance of SMEs.

Table 4.13 indicates that there was significant positive of forms of plastic money n payment of bills (rs = 0.913, P-Value<0.05). This implied that forms of plastic money in the payment of bills process enhanced quick, secure and convenience way of operating. Further inferential statistical analysis as shown on Table 4.14 indicates that there was significant positive of forms of plastic money on payment of purchases (rs = 0.772, P-Value<0.05). This implied that forms of plastic money in the SMEs operations process influenced payment of purchases. Convenience way of making transactions is an important component of good operational performance of an organisation. Existing studies have not revealed the effect of forms of plastic money on payment of purchases an important aspect of operational performance. This study has established that forms of plastic money has an effect on payment of bills. Findings on the effect of forms of plastic money on customer service (see Table 4.15) revealed that forms of plastic money had a strong positive effect on customer service (rs = 0.834, P-Value<0.05). This implied that forms of plastic money in the operations process enhanced good customer service delivery. Existing studies have not investigated the impact of forms on customer service. This study has established that forms of plastic money has an effect on customer service.

Overall, the operational effectiveness of SMEs has greatly benefited from the adoption of plastic money. Previous studies have also shown how plastic money has a positive impact on a number of business-related factors. According to Guagraw (2016), the goal of plastic money technology is to increase the effectiveness of financial trades by utilizing technology to make transactions cheaper, faster, and more safe. According to Mbiti and Weil (2011), the use of plastic money has streamlined financial transactions for SMEs, allowing them to save time and provide a safer method of money transmission. Ngaruiya, Bosire, and Kamau (2014) discovered that implementing plastic money transactions resulted in a large rise in sales revenue for SMEs in Nakuru's core business district. According to Jensen (2013), mobile phone financial transactions can assist SMEs improve performance by reducing knowledge asymmetries and market inefficiencies. SMEs in Zimbabwe regard mobile phone financial transactions as tools that can aid them to accomplish their goals and increase their profitability and productivity, according to Chogi (2012).

# 4.10 Chapter summary

The study also aimed to assess the effects of plastic payment methods on the operations of SMEs in the Bindura hardware industry. This episode evaluated data using mean and standard deviations, descriptive and inferential statistical methods, and the spearman's test to assess the research's tenacity in attaining its objectives. The study found that there are so many forms of plastic money which were adopted by SMEs in hardware industry in Bindura. It revealed that the various forms of plastic money were being used with the objective of obtaining quality customer service delivery and a boost in ways of operating thereby triggering business growth. Descriptive statistical analysis of forms of plastic money: plastic money on payment of bills; plastic money on payment of purchases; forms of plastic money on operational performance and customer service have shown that these variables were achieved. There was a significant positive effect of forms of plastic money on operational performance of SMEs. The research concludes that forms of plastic money enhanced business. The succeeding chapter compacts with summary of outcomes, conclusions and recommendations of this study.

# CHAPTER V

# 

# CONCLUSIONS AND IMPLICATIONS

# 5.0 Introduction

The previous chapter dealt with the analysis, findings, and discussion of the research findings in light of the objectives and requirements of the study. The conclusions and suggestions for various plastic money forms are covered in this chapter. A synopsis of the findings is provided to hasten conclusions and suggestions.

# 5.1 Summary of findings

The results of this study are deliberated in detail in chapter 4. These outcomes focused on evaluation of forms of plastic money and its adoption. This was proficient by engaging descriptive statistics to describe the concepts under research using the mean replies of the respondents. The research found that forms of plastic money singing a useful role in the operations of small and medium enterprises. SMEs effectively used forms of plastic money to make purchases and sales for products and services and to sustain their operations and customer services delivery. The study also establish that forms of plastic money aided SMEs to understand customers’ needs and wants to assist in customer interaction. The findings show that forms of plastic money increased sales turnover and profitability of SMEs through the process. The study established that there was a substantial optimistic impact of digital marketing on customer needs identification (rs = 0.733, P-Value <0.05). Thus digital marketing enhanced customer needs identification in the customer acquisition process. The study found that there was noteworthy positive of digital marketing on customer needs definition (rs = 0.913, P-Value<0.05). Thus digital marketing in enhanced customer needs definition in the customer acquisition process. This study has established that digital marketing has an effect on customer relationship building. Digital marketing had a strong positive effect on customer conversion (rs = 0.834, P-Value<0.05). Overall, the research recognized that digital marketing had a significant effect on customer acquisition.

# 5.2 Conclusions

Several conclusions can be drawn from the study.

5.2.1 Forms of plastic money enhanced improved customer services.

5.2.2 Forms of plastic money enhanced better organizational performance among SMEs.

5.2.3 Forms of plastic money enhanced a convenience way of paying and receiving bills with among SMEs.

5.2.4 Forms of plastic money enhanced a lucrative way of paying and making purchases with.

5.2.5 Forms of plastic money were effective in the SMEs operational performance process. It can be concluded that adoption of plastic money was an effective strategy in addressing the problem of liquidity crisis.

# 5.3 Recommendations

The study makes recommendations for improving the utilization of plastic money, particularly in addressing the issue of internet connectivity between banks and shops. This problem has caused inconvenience for both buyers and sellers, as they struggle to retrieve their funds due to lengthy procedures. To solve this challenge, MSMEs should invest in establishing a reliable network that facilitates two-way communication with their bank, even if there is an initial cost. Improving network service quality is also recommended to enhance the convenience and efficiency of plastic money transactions.

The government should ensure that all businesses have POS machines and those that add an extra mark-up when purchasing using plastic money should be closed off or sued. Transaction charges should also be reduced as to attract many consumers to use plastic money.

## 5.3.1 Recommendations for forms of plastic money

The study underscores digital marketing management training as a customer acquisition of the company depends on robust digital marketing management. Many similar current research's recommendations show that training staff in digital marketing and strategy implementation is a critical prerequisite for the organization in its imminent efforts in customer management,

# 5.4 Study limitations and areas for research

**5.4.1 Limitations of the research**

The case study and cross-sectional survey research designs were used in this study. Only the hardware industry for SMEs in Bindura town was the subject of the study. Data were gathered once, evaluated, and findings were generated over a specific time period. Because of this, the generalizability of the research's findings over time may be constrained.

## 5.4.2 Further research

The study has limitations due to the small number of respondents, and future research should aim for a larger and more representative sample size. Additionally, further research could explore the reasons for the slow adoption of plastic money by SMEs or expand the study to include multiple towns. The study also suggests the need for further investigation into contextual factors that might affect the adoption of plastic money by SMEs to better understand this phenomenon (Mugabe & Chikandiwa, 2018)

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# 5.5 Summary

This chapter presented an overview of the research's earlier chapters' discussions. The research findings, highlighted conclusion, and recommendations are presented at the chapter's conclusion. The research study comes to a close with this chapter.

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# APPENDICES

**APPENDIX 1: QUESTIONNAIRE**

Dear respondent

My name is Wendy Madzeshe student registration number B191148B. As a student pursuing a Bachelor’s Degree in Accountancy at Bindura University of Science Educatio, with the aim of fulfilling the degree requirements. I am conducting a research project on ***“plastic money impact on performance of SMEs in Hardware industry in Bindura Urban”.*** I kindly request your participation in the study by completing the provided questionnaire. Your responses will be kept confidential and solely used for academic purposes. Your cooperation in this research will be highly appreciated.

**SECTION A: PERSONAL INFORMATION**

i. Kindly indicate your gender.

|  |  |
| --- | --- |
| Male |  |
| Female |  |

ii. Kindly indicate your age.

|  |  |
| --- | --- |
| 25 to 40 years |  |
| 41 to 50 years |  |
| 51 to 60 years |  |
| Above 61 years |  |

iii. For how long have you served the organization?

|  |  |
| --- | --- |
| 0 to 5 years |  |
| 6 to 10 years |  |
| 11 to 15 years |  |
| 16 years and above |  |

iv. May you kindly indicate your highest level of education?

|  |  |
| --- | --- |
| O’ level |  |
| A’ level |  |
| Certificate |  |
| Diploma |  |
| First Degree |  |

v. Indicate your job position

|  |  |
| --- | --- |
| Owner manager |  |
| Hired Manager |  |
| General Employee |  |
| CEO |  |

**SECTION B FORMS OF PLASTIC MONEY (PM)**

i. Kindly indicate the extent to which you agree or disagree with the following statements on the forms of plastic money probably used by your organization

**1 = Strongly Disagree, 2 = Disagree; 3 = Neutral; 4 = Agree; 5 = Strongly Agree**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Code** | **Statement** | **1** | **2** | **3** | **4** | **5** |
| PM1 | My organization uses bank transfers as form of making and receiving payments |  |  |  |  |  |
| PM2 | My organization uses Ecocash as form of payments and receive payments |  |  |  |  |  |
| PM3 | My organization uses debit cards as form of payments and receive payments |  |  |  |  |  |
| PM4 | My organization uses Onemoney as form of payments and receive payments |  |  |  |  |  |
| PM5 | My organization uses ZIPIT as form of payments and receive payments |  |  |  |  |  |

ii. Kindly indicate how often the following forms of plastic money are used in your organization? Tick as appropriate using the following Likert scale of 1-5,

**1 = Rarely; 2 = Sometimes; 3 = Occasionally; 4 =Often; 5 = Very Often.**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Code** | **Statement** | **1** | **2** | **3** | **4** | **5** |
| PM6 | My organization uses RTGS bank transfers |  |  |  |  |  |
| PM7 | My organization uses Ecocash |  |  |  |  |  |
| PM8 | My organization uses bank debit cards |  |  |  |  |  |
| PM9 | My organization uses onemoney |  |  |  |  |  |
| PM10 | My organization uses ZIPIT |  |  |  |  |  |

**SECTION C PAYMENT OF BILLS (PB)**

i. Indicate the extent to which you agree or disagree with the following statements on the payment of bills by your organization

**1 = Strongly Disagree, 2 = Disagree; 3 = Neutral; 4 = Agree; 5 = Strongly Agree.**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Code** | **Statement** | **1** | **2** | **3** | **4** | **5** |
| PB11 | My organization uses ZIPIT to pay and receive rentals |  |  |  |  |  |
| PB12 | My organization uses Ecocash to pay town council rates |  |  |  |  |  |
| PB13 | My organization uses bank debit cards to pay for its electricity |  |  |  |  |  |
| PB14 | My organization uses onemoney to pay and receive its debts |  |  |  |  |  |
| PB15 | My organization uses RTGS bank transfers to payment of wages and salaries |  |  |  |  |  |
| PB16 | My organization uses Telecash to be paid for its services |  |  |  |  |  |

ii. Kindly indicate how often these forms of plastic money are used for payment of bills

**1 – Rarely; 2 – Sometimes; 3 – Occasional; 4 – Often; 5 – Very Often**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Code** | **Statement** | **1** | **2** | **3** | **4** | **5** |
| PB17 | My organization uses ZIPIT to pay and receive rentals |  |  |  |  |  |
| PB18 | My organization uses EFT bank transfers for payment of wages and salaries |  |  |  |  |  |
| PB19 | My organization uses onemoney for payment of debts |  |  |  |  |  |
| PB20 | My organization uses bank debt cards to pay its electricity |  |  |  |  |  |
| PB21 | My organization uses Ecocash to pay its council rates |  |  |  |  |  |
| PB22 | My organization uses telecash to be paid its services |  |  |  |  |  |

**SECTION D PAYMENTS OF PURCHASES**

i. Indicate the extent to which you agree or disagree with the following statements on payment of purchases by the company

**1 = Strongly Disagree; 2 = Disagree; 3 = Neutral; 4 = Agree; 5 = Strongly Agree.**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Code** | **Statement** | **1** | **2** | **3** | **4** | **5** |
| PP23 | My organisation uses EFT bank transfers on purchasing machineries and equipment. |  |  |  |  |  |
| PP24 | My organisation uses Bank debit cards when purchasing stocks for resale |  |  |  |  |  |
| PP25 | My organisation uses ecocash when purchasing office stationery |  |  |  |  |  |
| PP26 | My organisation uses ZIPIT when purchasing protective clothes and materials |  |  |  |  |  |

ii. Kindly rate how often are the following forms of plastic money are used on payment of purchases by your organization.

**1 - Very Low; 2 – Low; 3 – Moderate; 4 - High; 5 – Very high**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Code** | **Statement** | **1** | **2** | **3** | **4** | **5** |
| PP27 | My organisation uses EFT bank transfers on purchasing machineries and equipment. |  |  |  |  |  |
| PP28 | My organisation uses Bank debit cards when purchasing stocks for resale |  |  |  |  |  |
| PP29 | My organisation uses ecocash when purchasing office stationery |  |  |  |  |  |
| PP30 | My organisation uses ZIPIT when purchasing protective clothes and materials |  |  |  |  |  |

**SECTION E CUSTOMER SERVICE**

i. Indicate the extent to which you agree or disagree with the following statements on customer service delivery using plastic money in your organization

**1 = Strongly Disagree; 2 = Disagree; 3 = Neutral; 4 = Agree; 5 = Strongly Agree.**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Code** | **Statement** | **1** | **2** | **3** | **4** | **5** |
| CS31 | My organisation developed in customer service delivery |  |  |  |  |  |
| CS32 | My organisation developed secure delivery of customer service |  |  |  |  |  |
| CS33 | My organisation now enjoys frequent visits by customers |  |  |  |  |  |
| CS34 | My organisation developed in customers good behaviors |  |  |  |  |  |

ii. Kindly rate the effectiveness of plastic money on customer service

**1 – Very Low; 2 – Low; 3 – Moderate; 4 - High; 5 - Very High**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Code** | **Statement** | **1** | **2** | **3** | **4** | **5** |
| CS35 | My organisation has developed in customers good attitudes towards the company |  |  |  |  |  |
| CS36 | My organisation has develop continuous mutually beneficial interaction with customers |  |  |  |  |  |
| CS37 | My organisation now enjoys frequent visits by customers |  |  |  |  |  |
| CS38 | My organisation has developed in customers good behaviors |  |  |  |  |  |

**SECTION F OPERATIONAL PERFOMANCE**

i. Indicate the extent to which you agree or disagree with the following statements on operational performance using forms of plastic money in your organization

**1 = Strongly Disagree; 2 = Disagree; 3 = Neutral; 4 = Agree; 5 = Strongly Agree.**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Code** | **Statement** | **1** | **2** | **3** | **4** | **5** |
| OP39 | EFT bank transfers improved my organisation’s operation performance |  |  |  |  |  |
| OP40 | Bank debit cards improved my organisation’s operation performance |  |  |  |  |  |
| OP41 | Ecocash improved my organisation’s operation performance |  |  |  |  |  |
| OP42 | Onemoney improved my organization’s operation performance |  |  |  |  |  |

ii. Kindly rate the effect of the adoption of plastic money by your organization

**1 = Very poor; 2 = poor; 3 = satisfactory; 4 Very good; 5 = Excellent.**

|  |  |
| --- | --- |
| Very poor |  |
| Poor |  |
| Satisfactory |  |
| Very good |  |
| Excellent |  |

**THANKS FOR YOUR TIME & COOPERATION**